

Singapore Management University

# Institutional Knowledge at Singapore Management University

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Report to Stakeholders

University Heritage

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1-2003

## Singapore Management University Report to Stakeholders 2003 - 2004

Singapore Management University

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# Shaping Tomorrow Today



Report to Stakeholders 2003/2004



SINGAPORE  
MANAGEMENT  
UNIVERSITY

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469 Bukit Timah Road  
Singapore 259756  
[www.smu.edu.sg](http://www.smu.edu.sg)

(Reg. No. 200000267Z)

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From its conception, SMU was designed to provide **a different model of university education** here in Singapore. We wanted to start with a clean slate instead of just adding another public university in the mould of the existing ones. From this starting point emerged a confluence of factors that make SMU special.

*Dr Tony Tan*  
*Deputy Prime Minister and Co-ordinating Minister for*  
*Security and Defence, Republic of Singapore*  
*SMU Commencement 2004*





## Shaping Paving A Way

It's about envisioning, challenging norms, nurturing partnerships and reinventing paradigms



## Chairman's Message

- Mr Ho Kwon Ping

From what started as an idea and then became a blueprint only a few short years ago, SMU has already developed into a university highly regarded for its quality programmes, faculty and students – not only in Singapore, but in the region and beyond.

The so-called 'SMU experiment' in Singapore tertiary education has been looked upon with much curiosity and generated great expectations during this time. And this year the University celebrated one of its most significant and anticipated milestones: the graduation of our first batch of students. More than just graduates, these students – now SMU alumni – are regarded as articulate, assertive, professional, entrepreneurial, and socially responsible leaders who have already found their way into the workplace. What SMU has intended from the beginning to inculcate in our students through our curriculum and pedagogy has been validated.

Over the past five years the University has experienced dramatic growth in size and scope. Under the new leadership of Professor Howard Hunter, that growth will continue, with a dedicated focus on developing the University's research capability and post-graduate programmes.

The Board of Trustees has continued to expand in its international and industry dimension, in keeping with our mission to shape our University with a business outlook that is both global and knowledge-based.

The current student population, now at 3,000 undergraduates, will be growing rapidly and ultimately

double in size, while the number of graduate students will swell as we introduce additional master's and PhD programmes.

And in 2005, the University will uproot from the Bukit Timah campus, a place that has served as a seat of Singapore tertiary education for 75 years and which has provided a vital setting for our seedling institution to grow and mature. SMU will be transplanted to its permanent, urban home right in the heart of Singapore's civic district. The exciting interchange of business and education that awaits us at this new location will provide dynamic opportunities we can only begin to imagine.

These are just some of the many exciting developments to anticipate as SMU moves ahead, shaping tomorrow – today.

A handwritten signature in black ink, appearing to read 'Ho Kwon Ping', written in a cursive style.

Mr Ho Kwon Ping  
Chairman, Board of Trustees  
Singapore Management University

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## President Emeritus' Message

- Professor Ronald E Frank



The three years since I arrived in Singapore, which seems like yesterday, have been both a thoroughly enjoyable learning experience and quite an adventure. The opportunity to participate in the development of a new university, supported by leaders in government and business with the highest aspirations, is unique. I have had one of the best CEO jobs one can imagine.

During this time, the faculty and staff of SMU have individually and collectively succeeded in transforming this University. The scope and quality of every aspect of its operation has been improved. They have demonstrated that not only are SMU students different, but so is SMU.

Our University, once referred to as an experiment, is now recognised as a success in taking advantage of the autonomy that has been granted to it by the government of Singapore. We have become a role model of what can be accomplished by a talented and committed faculty, staff and student body, given the freedom to develop a unique 'house of intellect'. That is exactly what characterises an outstanding university that strives to be world-class, balancing both research and teaching excellence.

As SMU goes on to fulfill its promise, much remains to be done. To achieve our vision, SMU will go through many transformations in the future. Institutions that are truly world-class regard such distinction not as a destination, but rather as a continuous process of change that carries on and on.

I am proud of everyone associated with SMU. This University has accomplished what many would not have expected to be done in such a short time.

A handwritten signature in black ink that reads "Ronald E. Frank". The signature is written in a cursive, slightly slanted style.

Professor Ronald E Frank  
President Emeritus  
Singapore Management University



## President's Message

- Professor Howard O Hunter

Singapore and SMU are at exciting points in place and time. Both stand in the heart of one of the most rapidly and dynamically changing regions on earth. It is a rare opportunity to be a part of a newly established university as vibrant and talented as SMU. The coming years promise to be a rich and fulfilling time as we embark on a memorable new phase in SMU's journey of excellence.

Even as the University moves forward with verve and enthusiasm, it is important to look back and appreciate all that has been done. The sure foundation that has been laid by the inspiring vision of our board of trustees, by the energetic support from the government and community, and by the strong leadership of the first two presidents and a very dedicated team of senior management, deans and faculty has made SMU a university of notable distinction today – and a university of tremendous promise tomorrow.

The challenge before us now lies in how we build on that foundation to develop SMU into a leading research university that is second to none. We are in the spotlight, and we will be judged and admired by how well we manage the details: the world-class faculty and staff we recruit; the first-rate academic programmes we develop; the quality research we

produce; the strategic relationships with industry and community we build; the high-calibre students we attract; and ultimately, and most importantly, the distinctive graduates who walk out of our doors and into the global arena.

In my new role as president, I am in a good position and honoured to take the baton from those who have run before me, leading as I have learnt from others in my own journey in education and academia, and contributing as I gain fresh insights from the University community with whom I run the race – to ensure that the unique SMU experience will continue to deliver the highest quality that marks the SMU difference.

A handwritten signature in black ink that reads "Howard O Hunter". The signature is fluid and cursive, with a large initial 'H'.

Professor Howard O Hunter  
President  
Singapore Management University

## About Professor Howard O Hunter

Professor Howard O Hunter, former Provost & Executive Vice President for Academic Affairs at Emory University in Atlanta, Georgia was appointed as the University's third president, commencing office in September 2004, and succeeding Professor Ronald Frank, who has completed his three-year term at SMU.

A renowned authority on law and a highly experienced academic, Prof Hunter is a 27-year veteran at Emory University, including over two years as chief academic officer and provost, and 12 years as dean of the Emory Law School. As dean, Prof Hunter presided over phenomenal growth in the law school, enlarging the faculty from 30 to 50, adding five new named professorships, greatly increasing the number of scholarships available to law students, and significantly strengthening the school's endowment.

Prof Hunter received his undergraduate and legal education at Yale University. He was admitted to the bar in 1971 and practiced law in Washington, DC and Atlanta, Georgia before joining the Emory faculty in 1976. He was a Visiting Professor of Law at the University of Virginia from 1982-1983, an Honorary Professor of Law at the University of Hong Kong in 1986, a Fulbright Senior Scholar at the University of Sydney Law School in 1988, and Visiting Mills E Godwin Professor of Law at the College of William and Mary in 1989. He was also a Visiting Professor of Law at the Central European University in Budapest, Hungary.

Prof Hunter is the recipient of the *Amicus Curiae* award from the Supreme Court of Georgia for his service to the profession. He is the author of *Modern Law of Contracts*, a well-known treatise now in its third edition, and is the editor or author of several other books and monographs. He is also the author of more than 36 professional articles on contract law, the first amendment, and academic freedom. He has been a member of the Board of Editors of the *Journal of Contract Law* since 1988.

## Degree Programmes

The University's degree programmes not only continue to grow dramatically in number and capacity, but also through their broad-based, integrated curriculum and dynamic development, are creatively innovating their disciplines.



Lee Kong Chian School of Business  
Professor David B Montgomery, Dean

### Bachelor of Business Management

The promise that the University's pioneer intake of students carried with them four years ago, when the School first welcomed them into the Business Management programme, was realised in July 2004 as the University celebrated its first Commencement ceremony and the inaugural degrees were handed out. Out of 300 students in the programme, 21 of them graduated with double degrees in Accounting or Economics. From this original pioneer batch who entered the School in 2000, the students in the Business Management programme have now grown more than six-fold and comprise three out of five undergraduates in the University. Currently offering areas of concentration in Finance, Marketing and Law, the School is planning to add others in Management, Operations Management and Corporate Communications. The programme expanded its number of offerings for the popular Business Study Mission course to as faraway places as Madrid and Silicon Valley. A new scholarship for Business Management students supported by the American Chamber of Commerce was also established to encourage the promotion of entrepreneurship and business.

*The Bachelor of Business Management is a four-year degree programme designed to develop well-rounded individuals, schooled in a variety of subject areas, who will become outstanding business leaders and creative entrepreneurs.*



### Master of Science in Applied Finance

Along with the pioneer undergraduates, the first two batches of master's students in Applied Finance formally graduated at Commencement, with 41 students receiving the University's first set of graduate degrees. The Applied Finance students further distinguished themselves with their surpassing results on the Chartered Financial Analyst (CFA) examinations, the components of which are incorporated into the master's programme. In 2003, they scored pass rates of 90% for the CFA Level 2 examination and 78% for CFA Level 1, significantly better than the average pass rates of 47% and 42%, respectively. Results in 2004 were also strong, with more than half of the Applied Finance students passing CFA Level 2, compared to the average pass rate of 32%. Beginning in 2004, the school has adapted its calendar for a July student intake so that graduates may sit for the newly offered CFA Level 1 examination in December.

*The Master of Science in Applied Finance is an 18-month part-time programme that aims to raise the standard of practitioners' knowledge and skills in applied finance, with a comprehensive and in-depth understanding of the practical issues of financial instruments and markets.*

### Master of Science in Wealth Management

Officially launched in 2003 to meet the growing need for wealth managers in Asia, the Wealth Management programme welcomed its pioneer cohort of 38 students. Out of 126 applicants, 38 students were selected, ushering in this new master's degree course in July 2004. Developed and run in conjunction with the Wealth Management Institute and the Swiss Banking School, the specialised programme comprehensively covers all the processes, services and products related to wealth management. The programme is being facilitated by a faculty of senior academics with industry experience and successful wealth managers with academic exposure. Students are therefore accorded opportunities to learn about recent theoretical and industry advancements in wealth management as a profession and a business. They also receive practical learning, with opportunities to meet their peers and industry captains through seminars, talks, internships and site visits. In April 2005, the programme will feature an organised visit to Switzerland through the Swiss Banking School to compare and contrast the practice of wealth management across the globe.

*The Master of Science in Wealth Management is a 12-month specialised degree programme designed specifically to meet the needs of aspiring and seasoned wealth managers who wish to deepen their skills, knowledge and expertise.*

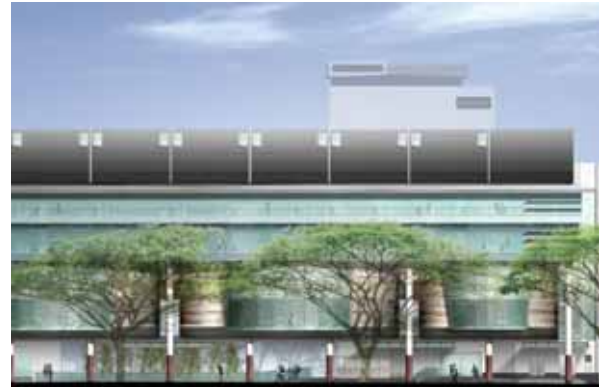


School of Accountancy  
Associate Professor Pang Yang Hoong, Dean

### Bachelor of Accountancy

The growing recognition of the Accountancy degree both locally and internationally is attested to by accrediting institutes approaching the School even before it has produced its first cohort of graduates. This past year, the programme gained professional accreditation with the Accounting and Corporate Regulatory Authority. With this, all Accountancy graduates will be eligible to become members of the Institute of Certified Public Accountants of Singapore, from whom the School received its initial accreditation. In addition, accreditation was accorded by the CPA Australia and the Institute of Chartered Accountants of Australia, whose international recognition will give Accountancy graduates even greater mobility. Another important development by the School was to introduce a Modified Term 2 for third-year Accountancy students to accommodate a new internship period from December to February. This special arrangement gives the students immersion into the accounting industry's peak period and is the optimal way for them to experience the profession first-hand with the Big Four and other accounting firms, whose professionals in turn are bringing their real world perspectives into the classroom as adjunct instructors for the Accountancy programme.

*The Bachelor of Accountancy is a four-year degree programme designed to develop and produce well-rounded professional accountants who possess the attributes and skills that are needed to thrive in a knowledge-based economy.*



School of Information Systems  
Practice Professor Steven Miller, Dean

### Bachelor of Science (Information Systems Management)

In its inaugural year, the School has been actively developing its unique Information Systems Management programme to offer a highly integrated and relevant learning experience with a dual-emphasis in business and IT. From an initial cohort of 92 students, the popularity of the programme was evidenced by a 60% increase in student intake for its second batch of scholars. In building and enhancing the Information Systems Management programme, the School has particularly focused on developing strong links with industry partners, especially to establish internships for the students. A testament to the importance of the programme's emphasis on bridging the practical with the theoretical is that 20% of the pioneer students have already completed their internships in their first year of study. These internships, which allow students to define and lead business improvement projects, span a range of industries, including finance, healthcare, supply chain and e-government. The strong links with industry are also enriching the programme through a host of talks, workshops and seminars with distinguished, visiting business IT professionals.

*The Bachelor of Science (Information Systems Management) is a four-year degree programme designed to prepare distinctive graduates with the ability to identify as well as implement new opportunities for creating business value with information technology.*



School of Economics & Social Sciences  
Professor Roberto S Mariano, Dean

### Bachelor of Science (Economics)

Initiated in 2002, the Economics programme has grown significantly in a short period. From an initial cohort of 50 students, it has increased more than five-fold, with the recent intake nearly doubling the programme's size overnight. With its versatility of application, the degree in Economics is not only serving its own discipline but also providing the University with an important building block for the study of finance, marketing, accounting and business strategy. The double major in Economics and Finance is especially attractive to students who wish to build a career in the financial sector. In addition, Economics can also be paired with Law, Marketing and Information Systems Management, as well as the two new majors of Psychology and Political Science now offered through the Social Science programme. This year, students from the Economics programme formed the Economics Society, the University's first academic club. The programme has also been enriched through the visits of numerous distinguished academic visitors, including two visiting Nobel Laureates in economics who attended a special session organised for the students.

*The Bachelor of Science (Economics) is a four-year degree programme that is broad-based and uniquely designed to equip students with analytical tools and knowledge to meet the challenges of the international workplace.*

### Bachelor of Social Science

Launched in 2003 and welcoming its first cohort in 2004, the Social Science programme became the fifth bachelor's degree course to be offered by the University in as many years. In its initial year, the programme was highly oversubscribed, allowing the School to accommodate 74 students – well above the initial target of 50. With an innovative curriculum developed in conjunction with the School of Arts and Sciences at the University of Pennsylvania, the programme allows students the flexibility to major in one or more areas in Psychology, Political Science and Sociology, and the possibility of selecting courses from, or second majoring outside of, the Social Science group in Economics, Law, East Asian Studies, Accounting, Finance or Marketing. Both Psychology and Political Science are being offered as majors to the first student intake, and Sociology will be added for subsequent cohorts. In order to develop the Social Science resources for research and academic instruction, the School has been collaborating closely with the Library to develop a "Classic Works" collection to support the programme's several disciplines.

*The Bachelor of Social Science Programme is a four-degree programme and the first multi-disciplinary social sciences degree programme available in Singapore with a focus on business and economics applications in the Asian marketplace.*

## Academic Collaboration

The University is partnering with world-class institutions to develop its academic programmes and faculty and to implement bold, new initiatives.



An initial five-year collaboration between SMU and the Wharton School of the University of Pennsylvania has been extended for an additional three-year duration for the furtherance and achievement of the highest international standards in education and research between the institutions. SMU's collaboration with Wharton includes the primary areas of curriculum and course design, faculty development and exchange, and student exchange programmes. Wharton is a world-renowned business school, distinguished for its pioneering and innovative business programmes.

A collaborative partnership between SMU's School of Information Systems and Carnegie Mellon University covers four main areas: faculty recruitment and mentoring, undergraduate programme design, master's and professional programme design and delivery, and design and delivery of a Postgraduate Institute in Singapore for education and research. Carnegie Mellon is an international research university, annually ranked among the very best in the US in the areas of engineering and business, and renowned for its excellence in all aspects of information technology and cybersecurity.

**Carnegie Mellon**

SMU'S Executive Education and Executive Education at the University of Chicago Graduate School of Business have been collaborating on specific conferences and custom programme projects. The projects have allowed both institutions to draw on each other's strengths and resources as well as enhance the quality of teaching and research in executive education. Chicago GSB is one of the most prestigious business schools in the world, recognised for its timeless approach to business education and its unparalleled faculty.



A collaboration between SMU's School of Economics & Social Sciences and the University of Pennsylvania School of Arts and Sciences is designed to establish their strong presence in the arena of social science research and teaching, with specific focus on business and economic applications in Asia. The partnership involves refinement of the SMU social science programme, faculty recruitment, visiting professorship programmes, joint research activities, and student exchange programmes. Penn is an Ivy League institution with a history of innovation in interdisciplinary education and scholarship.



## Advancing the University

The partnership with philanthropic institutions and individuals is profoundly shaping the University's growth and development. It is a relationship whose impact is not only experienced today, but carries forward an investment far into tomorrow.

Support for the University is helping to introduce new centres and initiatives, to develop programmes and curriculum, to attract world-class faculty and foster innovative research, and to provide educational opportunities for students through scholarships and awards. Through their shared responsibility and combined effort with the University, partner donors realise a sense of ownership and experience the satisfaction that they are playing a vital role in leading the way for institutional advancement.

### Landmark gift from the Lee Foundation

Opening a new chapter for institutional advancement and raising partnership to a new level, the Lee Foundation contributed S\$50 million to the University. The landmark gift was presented in August 2004 at an Istana dinner ceremony that included notable dignitaries, among whom was the University's Patron, HE Mr S R Nathan, President of the Republic of Singapore.

The Lee Foundation's gift to the University was made in honour of the late Dr Lee Kong Chian, well-known Southeast Asian businessman, philanthropist and community leader. In response to the Lee Foundation's exceptional contribution, the Singapore Government agreed to provide matching grants on a 3:1 basis, bringing the total sum to S\$200 million (approx US\$120 million). This is the largest ever contribution to a Singapore tertiary institution and one of a handful of over-US\$100million-gifts made to universities worldwide.

In recognition of the Lee Foundation's generosity, the University has named in perpetuity the School of Business, the building and a new University-wide scholars programme after Dr Lee Kong Chian. The School of Business is now called the Lee Kong Chian School of Business, the building is the Lee Kong Chian Building, and the scholars programme is known as the Lee Kong Chian Scholars Programme. In addition, a Fund for Excellence has been started to enhance the University's ability to attract, develop and retain outstanding international faculty.



*When Dr Lee Kong Chian established the Lee Foundation as a philanthropic institution in 1958, he had a strong vision – to support educational and community development causes. Since its establishment, numerous institutions in Asia have benefited from the Lee Foundation's generosity, of which the University is the latest beneficiary.*

## A Culture of Ownership

### *Faculty Giving*

Among the many contributing individuals to the University are faculty whose care and concern for students has led to the establishment of scholarship funds. Through his own generous contribution, Practice Professor Steven Miller, Dean, School of Information Systems initiated the SMU-School of Information Systems Scholarships, to provide funding for needy students so that they would not be denied a place for financial reasons. Similarly, faculty from the School of Accountancy have combined to establish the SMU School of Accountancy Scholarship Fund. Through their contributions, along with additional support from other donors and the Government's 3:1 matching grant, the Fund reached its S\$1million target, and is being used to support needy Accountancy students facing financial difficulties. Various other faculty, and staff as well, have pledged their support to the University by endowing scholarships, sponsoring awards, bursaries and by donating books.



### *Alumni Association*

Recognising the integral role alumni play to ensure the ongoing success of their alma mater, the newly graduated students of the University's pioneer batch have established the SMU Alumni Association. Through their continuing involvement with the University, graduates will be able to dedicate their time, energy and resources as a way of giving something back to the institution from which they have benefited – and to which they hold an attachment that goes beyond their educational years.

<b>Executive Committee Members</b>
Wilson Yew, President Nurhana Bte Md Taip, Vice-President Khartini Binte Junaidi, Secretary Clarence Chai, Treasurer
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Nadir Ali Zafar, Director Geraldine Goh Eng Aik Hong
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up to 31 March 2004

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Lee Foundation  
Dr Li Ka-shing & Hutchison Whampoa Group

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Sennheiser Electronic Asia Pte Ltd  
Shangri-La Hotel Singapore  
Singapore Computer Systems Pte Ltd  
Dr Hikaru Suzuki

# Tomorrow This Way Beyond

The horizon beckons, the potential springs forth from those with foresight and the ambition to succeed



## Commencement 2004

### MISSION

*to groom outstanding business leaders and creative entrepreneurs capable of excelling in a rapidly changing and dynamic world*



Marking one of its most significant milestones to date, the University celebrated the graduation of its first students. For the pioneer cohort, Commencement marked the end of an academic journey and signalled the start of a new course in life.

A total of 309 graduating students participated in the University's first Commencement ceremony, nearly all from the inaugural Business Management degree programme, along with a handful of Accountancy students. 21 of the Business Management students were recognised and awarded a double degree in combination with either Accountancy or Economics. In addition to the undergraduates, 41 students from the first two cohorts of graduates in the Master of Science in Applied Finance programme were recognised for the occasion. The milestone ceremony was attended by key persons instrumental in the formation and early development of the University, including Professor Janice Bellace, first president of SMU, and the event's guest-of-honour Dr Tony Tan, Deputy Prime Minister and Co-ordinating Minister for Security & Defence, who first championed the establishment of SMU as a government-funded institution with its own autonomy.

### Articulate, confident and dynamic

The distinctiveness of SMU students has already been recognised by employers. The SMU Difference is marked by the students' leadership qualities, their confidence and ability to express ideas, their commitment and drive as well as their ability to work with others. Armed with a good grounding in business and entrepreneurship, SMU students have been sought after by employers for internships and employment. Prior to Commencement, the majority of graduating students had already secured employment. Half of them are now working in the banking and finance sectors, and the remaining graduates have secured employment with GLCs and companies in various other sectors, such as consultancy and services.

### Making the difference

The SMU experience, culminating in graduation, is a journey that entails more than an academic course. Throughout their University years, students are carefully groomed and prepared to enter the professional world. Central to that preparation is the 10-week internship component, which provides students with professional experience while building strong alliances between the University and organisations. Relating to this, a variety of networking events, career talks and company visits are organised for prospective employers to meet up with SMU students. A Career Gallery has been established and is available for students to learn more about companies, while for employers an annual yearbook of SMU student CVs is published and issued. The SMU OnTrac system is a comprehensive online recruitment management platform that facilitates expeditious matching for internships and job placements between companies and students. And skills training on interviewing techniques, resume writing, business-related etiquette and professional and personal grooming adds the 'finishing touch' to what makes SMU students different.

*Do not follow where the path may lead.  
Go, instead, where there is no path and leave a trail.*

- Ralph Waldo Emerson



## Beyond Classroom Learning

Learning that takes place beyond the classroom is an integral part of the University's broad-based educational experience.

### Developing student leadership

The newly launched ExPLOR programme is creating opportunities for peer leadership through experiential education. Using outdoor skill-building platforms, the programme allows students to develop personal leadership and communication, and to engage in problem-solving opportunities in a 'real world' setting. The programme also provides a platform to address broader regional issues in areas of social, cultural and political understanding. This year, a group of SMU students teamed with athletes and coaches from the Special Olympics Singapore for an expedition to Sabah to scale Mount Kinabalu, Southeast Asia's highest mountain, in a student-led outdoor adventure called Dare to Dream 2004. Also initiated was the dynamic programme Student Active Involvement Leadership, or SAIL, which uses sailing to emphasise hallmarks of the University's pedagogy, such as leadership, teambuilding and motivation. And in December 2004, a team of students will be embarking on an international service-learning trip to Yunnan, China to raise awareness about energy and conservation issues through the building of biogas tanks.





### Broadening cultural horizons

In its effort to prepare students to enter and engage a global arena, the University is committed to the goal of offering every student the opportunity of an overseas experience. From its very first collaborative signing, concurrent with SMU's opening day in 2000, the University has been actively establishing exchange agreements, which now number over 80 overseas partners in countries as distant and varied as Turkey and Mexico, Ireland and Japan, New Zealand and Poland. These exchanges are providing opportunities for SMU students to have a memorable foreign learning experience during the academic year, with additional overseas study offerings available during the "summer" months. At the same time, the international exchange programme is continually welcoming a host of overseas students to SMU, who bring a broader international understanding and enrich the student body. Combining this with a rapidly growing body of fully matriculated international students and a cadre of world-class foreign faculty, the University is actively fostering a culturally rich and internationally diverse experience for the whole community.

### Understanding global business

A programme that has grown in popularity as well as in geographical scope, the Business Study Mission has been uniquely designed for undergraduate students, to increase their awareness and understanding of the business opportunities, environments and practices in other countries. The elective course combines instruction and study with classroom visits by local and overseas corporate representatives who do business in and with a particular country or region. It culminates in an intensive overseas study trip, with numerous company site visits and networking events, which are even used as an opportunity to create future internship opportunities for students. Springing from the success of the first two study trips to China conducted during academic year 2002-2003, a Business Study Mission was introduced this year to China's Yangtze River Delta. And going even further afield were two study trips to some of India's major metropolises, one to Madrid and its environs in Spain, and another to Silicon Valley in the United States. The programme in the future will continue to include a focus on Asian countries, while ever exploring other far-reaching business environments in an increasingly shrinking and interconnected global landscape.

### Cultivating social responsibility

One of the tenets of the University's pedagogy is that of social responsibility and the importance of giving back to the communities in which we live and work. To help cultivate that in students and translate their learning into practice, the University has in place a two-week Community Service component that is a requirement for graduation. This involves projects and attachments with organisations in a variety of sectors, such as arts and culture, health, education, social services and youth programmes. Among the major student-initiated service projects this year was the Friends of Very Special Arts, where SMU students developed a business plan to produce crafts from recycled denim jeans, while at the same time raising funds. Another set of outreach projects involved a group of students working with two social organisations to come up with business plans – initiatives that helped one to reverse losses and reach profitability, and the other to secure a significant government grant. These projects were submitted in a winning presentation, Forgotten Small Man in Singapore, whose student team members were honoured to represent Singapore at the SIFE World Cup in Barcelona, Spain.



## Faculty Research

### MISSION

*to generate leading edge research with global impact*



Through the outstanding research by the University's distinguished faculty, tomorrow's ideas are being worked out today.

In its vision to be a premier university, SMU's commitment to world class research remains uncompromising. In line with the University's mission statement, disseminating knowledge through distinguished teaching is the corollary for a faculty who are actively creating knowledge. The high quality of research at the University is being propelled through an office of research as well as research centres, short-term research visitors, research fellowships, endowment funds, study groups and collaboration programmes, working and research paper series, research seminars, conferences, and other events that help to generate new ideas and foster new understanding.

### Streamlining research systems

To simplify and automate the University's research administration process, SMU has implemented two web-based systems to benefit both faculty and staff. Departing from the traditional, manual way of processing research grants, a computerised Research Grant System has been put in place to streamline and guide the whole application and approval procedure. The system allows the University to respond to demands for the application and administration of grants smoothly and easily and with a consistent, high-level of service. Also implemented is a Research Publication System, a central database that captures research publication records of SMU faculty to manage their research publications. The system is designed for one-stop, easy-to-use, self-serve updating anytime and anywhere.

### Wharton-SMU Research Center

Committed at the onset to having research at its core, the University established the Wharton-SMU Research Center as a center for research collaboration between SMU and the Wharton School of the University of Pennsylvania. Aimed at establishing a strong Wharton-SMU presence in the international research arena, with specific focus on issues relevant to Singapore and Asia, the Center has already produced numerous projects and joint activity between Wharton and SMU, helping to inculcate a strong research culture at the University and providing a platform to attract high-quality academic faculty. 47 projects have been undertaken by Wharton faculty associated with the Centre, of which 39 have been in collaboration with SMU academics. These projects cover a wide range of topics in Marketing, Economics, Finance, Legal Studies, and Management – all with diverse areas of application.

### The Lee Foundation Fellowship for Research Excellence at SMU

To ensure the University's vision of leadership in business education and to foster quality academic research, the Lee Foundation Fellowship for Research Excellence at SMU was established from the University's very beginning through a generous donation by the Lee Foundation. The Fellowship provides three of the very best new faculty appointees each year the opportunity to participate in an international research development programme to kick-start their careers as world-class researchers. The Lee Foundation Fellows have the opportunity to undertake two fully funded overseas conference trips and receive a research allowance for each of the three years of their Fellowship.

### The Lee Kuan Yew Research Endowment Fund

Through a generous donation by Mr Lee Kuan Yew, the Lee Kuan Yew Research Endowment Fund was established to encourage high quality research among the University's faculty. The focus of research must be on business, economics or law topics, and the research generated is to be publishable in top tier journals or as books published by reputable academic publishers. Every year, two of the best research proposals submitted by SMU faculty are then chosen by the SMU Research Committee to receive funding from the Fund. Criteria for research projects included originality, likely importance of research findings, ability to attract interest of faculty in collaboration, the multi-disciplinary nature of proposals, the potential for publication in top-tier journals or books, and the research track record of the researchers.

### SMU Knowledge Hub

Launched in March 2004, the SMU Knowledge Hub is a new publication that serves as a news update on the University's research activity. The newsletter presents articles by SMU faculty in an edited and more readable form, to make their academic research more accessible to, and consequently more appreciated by, the general public. The SMU Knowledge Hub also serves as a platform for highlighting research seminars and events and research projects. Published in hardcopy and electronic version, it is issued three times per year in conjunction with the SMU Hub, the University's corporate newsletter.

*What we work on today, others will first think of tomorrow*  
- Dr Alan Perlis

# Faculty Publications

## JOURNALS

### Accounting

- Accounting and Business Research
- Accounting Education
- American Business Review
- Benchmarking: An International Journal, Special Issue on Information Technology
- Journal of Applied Management Accounting Research
- Journal of Intellectual Capital
- Journal of International Accounting Research
- Journal of International Accounting, Auditing, and Taxation
- The International Journal of Accounting

### Corporate Communication

- Written Communication
- Journal of Modern Languages

### Economics

- Journal of Banking and Finance
- Journal of Business & Economic Statistics
- Journal of Development Economics
- Journal of Applied Econometrics
- Journal of Housing Economics
- Journal of Time Series Analysis
- Journal of Financial Studies
- Review of Financial Studies
- Social Choice and Welfare
- Transportation Research Part A: Policy and Practice

### Finance

- Annals of Economics and Finance
- Asia-Pacific Financial Market
- International Journal of Theoretical and Applied Finance
- Journal of Banking and Finance
- Journal of Empirical Finance
- Journal of Financial Economics
- Journal of Risk
- Journal of the Institute of Physics
- Journal of the Korean Securities Association
- Managerial Finance
- Physical Review E
- PULSES

### Information Systems

- ACM Transactions on Internet Technology
- Computer Networks Journal
- IEEE Transactions on Consumer Electronics
- IEEE Transactions on Information Technology in Biomedicine

### Law

- Asia Pacific Law Review
- Australian Journal of Asian Law
- Cahiers de Droit Fiscal
- Cambridge Law Journal

- Common Law World Review
- Journal of Business Law
- Journal of Contract Law
- Lloyd's Maritime & Commercial Law Quarterly
- Modern Law Review
- Restitution Law Review
- Singapore Academy of Law Annual Review of Singapore Cases
- Singapore Academy of Law Journal
- Singapore Journal of Legal Studies
- The China Quarterly

### Management

- 10th World Conference on Transport Research Conference Abstract
- Asian Business & Management
- Chartered Secretary
- European Management Journal
- Human Resource Management Review
- International Journal of Technology Management
- J Transnational Management Development
- Journal of Asia-Pacific Business
- Journal of Management
- Management Science
- Omega (The International Journal of Management Science)
- Quarterly Review – Zeitschrift für Klein – und Mittelunternehmen
- Strategic Management Journal

### Marketing

- Handbook of Research in International Marketing
- Journal of Retailing
- Global Issues of Business
- Review of Industrial Organization

### Operations Management

- Artificial Intelligence Review
- Computers and Operations Research
- Decision Sciences
- European Journal of Operational Research
- Journal of Business Logistics
- Management Science
- Naval Research Logistics

### Organizational Behavior

- Academy of Management Best Papers Proceedings
- Human Systems Management
- International Quarterly for Asian Studies
- Journal of Applied Psychology
- Journal of Human Resource Costing and Accounting

### Social Sciences

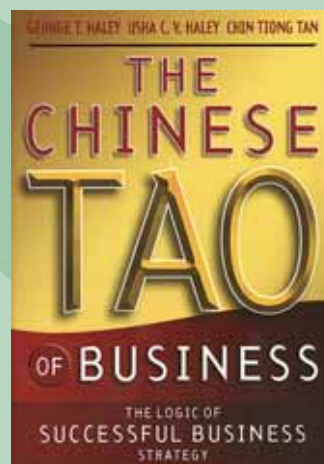
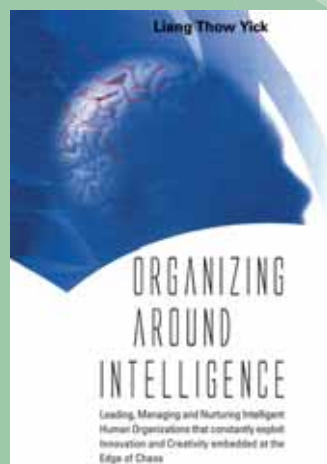
- Social Sciences: Analysis

### Statistics

- Journal of the American Statistical Association

## BOOKS

- F Bao, Robert Huijie Deng and J Zhou (eds), *Public Key Cryptography, Lecture Notes in Computer Science 2947*, Springer, 2004.
- John Malcolm Dowling and Ma Rebecca Valenzuela, *Economic Development in ASIA*, Thomson Learning, Singapore, 2004.
- Faculty of the Department of Law, *Basic Principles of Singapore Business Law*, Thomson Learning, Singapore, 2004.
- Benedict Koh, *Managing Your Money*, Chinese edition, McGraw-Hill, 2003.
- Benedict Koh, *Managing your Money: Everything You Need to Know About Personal Finance*, 2nd Edition McGraw-Hill, 2004.
- Benedict Koh, *Personal Financial Planning*, 3rd Edition, Prentice-Hall, 2003.
- Liang Thow Yick, *Organizing Around Intelligence*, World Scientific, 2004
- Low Kee Yang, *The Law of Guarantees in Singapore & Malaysia*, 2nd Edition, LexisNexis Butterworths, 2003.
- Thomas Menkhoff, *Chinese Entrepreneurship and Asian Business Networks*, Thomas Menkhoff and Solvay Gerke (eds), London and New York: RoutledgeCurzon, 2004.
- Michael Netzley and M Munter, *Guide to Meeting* (Chinese Translation), Prentice Hall: Upper Saddle River, 2004.
- Michael Netzley and Craig Snow, *Guide to Report Writing* (Chinese Translation). Prentice Hall: Upper Saddle River, 2004.
- Kirpal Singh, *Thinking Hats and Coloured Turbans*, Pearson-Prentice Hall, Singapore, 2004.
- Themin Suwardy, *Financial Reporting in Singapore: Cases and Readings*, Pearson Education, 2003.
- Hellmut Schutte, Swee Hoon Ang, Siew Meng Leong, Chin Tiong Tan, *Marketing Management: An Asian Casebook*, Prentice Hall, Pearson Education South Asia, 2004.
- George T Haley, Usha C V Haley, Chin Tiong Tan, *The Chinese Tao of Business: The Logic of Successful Business Strategy*, John Wiley & Sons (Asia), 2004.
- Tan Wee Liang (ed), *Entrepreneurship and Innovation in the Knowledge-based Economy: Challenges and Strategies*, Asian Productivity Organization: Tokyo, 2003.
- Mitchell Williams , G Tower, J Neilson, *Intellectual Capital and the Efficiency of Value Added: Trends in the Singapore Capital Market 2000 – 2002*, Poseidon Books, Zeus Publications, Brisbane, Australia, 2004.



# Areas of Research

## Accounting

Accounting Education  
Accounting Issues in China  
Corporate Governance  
Equity Valuation  
Financial Analysts' Forecasts  
Financial Reporting and Disclosure  
Intellectual Capital  
International Accounting  
International Capital Markets  
Return of Capital

## Corporate Communication

Corporate Communication Strategy  
Cross-cultural Communication  
Technology Communication

## Economics

Econometrics  
Game Theory and Industrial Organization  
International Finance and Trade  
Macroeconomic Stabilization and Policy Analysis  
Urban & Transportation Economics

## Finance

Banking and Financial Markets  
Behavioral/International/Corporate/Empirical Finance  
Derivatives  
Financial Econometrics  
Investment Strategy  
Mathematical & Computational Finance  
Risk Management

## Information Systems

e-Business Technology & Applications  
Information Security and Trust  
Information Systems Management  
Software Engineering and Architecture

## Law

Arbitration and Negotiation  
Business Law  
Contract Law  
Information Technology Law  
Intellectual Property Law

## Literature

Modern Fiction  
Poetry  
Shakespeare

## Management

Business Strategy  
Entrepreneurship

International Business  
Technology Management

## Marketing

Branding  
Consumer Behaviour  
Marketing Science  
Marketing Strategy  
Quantitative Marketing

## Operations Management

Logistics  
Operations Research  
Service Operations  
Supply Chain Management  
Workshop & Production Scheduling

## Organizational Behaviour

Human Resource Management  
Interpersonal Trust and Social Network Theory  
Leadership

## Philosophy

Epistemology  
Ethics  
History of Philosophy  
Metaphysics  
Philosophical Logic

## Political Science

Electoral Behavior  
Party System Change  
Spatial Models of Electoral Competition

## Psychology

Cognition and Decision Making  
Industrial & Organizational Psychology  
Social Psychology

## Sociology/Anthropology

Business Organizations and Business Networks  
e-Politics  
Global Transformation of Capitalism  
Internet and Information Society  
Media and Cultural Standardization  
Production and Cultural Consumption

## Statistics

Missing Data and Surrogate Endpoint Analysis  
Sequential Designs  
Spatial and Panel Regression

## Campus of Tomorrow



From its initial public announcement and ensuing discussions, through the architectural design competition and selection process, to the massive ground works and structural development, the City Campus project has attracted tremendous interest and created excitement both locally and internationally.

When the SMU campus in Bras Basah is opened in 2005, it will dramatically redefine the civic district, injecting vibrancy to an area that historically has been a centre for Singapore education. At the same time, through the University's extensive 'green efforts' to preserve the landscape and existing trees, the modern campus will provide a green, park-like setting. With its tree-sheltered courts, porous buildings criss-crossed by breezeways, overhanging facades and enhanced shading, the City Campus will be a unique, inviting space that interconnects the University community and the public.

### IT-enabled environment

The use of cutting-edge information technology in teaching, research and administration is integral to the University. And with the spectacular pace of global change and heightened market competition, the City Campus infrastructure will be flexible, adaptable and relevant to meet new challenges.

The City Campus will boast state-of-the-art learning and research facilities such as IT-enabled seminar-style classrooms and break-out rooms, simulated trading rooms, research centres and various learning laboratories, including computer, business communication, and language laboratories. The campus will be completely IT-enabled, providing wireless connectivity in line with today's technologically driven age.

Comprising six buildings, with over 100,000 square metres of built up area over 7.76 hectares, the City Campus will represent substantial growth in facility size and usage. With the diverse needs by numerous parties for building space, a new computer-aided facility management system, or e-FM, is being put in place for effective space planning. It will also provide other facility and resource related information in an integrated and easy-to-use interface for staff and students. Alongside this will be a highly developed security system that will provide the necessary accessibility for the University community and its visitors, while also safely securing the buildings and their assets in the new urban setting.

The University's fast expanding student and staff population will double in the coming years, and a proposal is in place for a campus-wide Electronic Document Management System to reduce the proliferation of paper documents and manage the growth of both paper-based and electronic documents efficiently and effectively. With physical space in the civic district being expensive and very limited, the System will improve the efficiency and reduce operational costs of document management. As well, a proposed Integrated Student Information System will support and streamline the business processes of the various schools and offices in the University, providing both student academic and administrative services, starting from the point of student recruitment all the way through alumni relations.



## 21<sup>st</sup> century learning

Integrating cutting-edge technology with its pedagogy, the University has introduced 'Virtual Canvas', a project that incorporates Tablet PCs to offer enhanced learning and teaching experiences for both students and faculty members. Spearheaded by two Accountancy faculty and launched as a pilot scheme to senior Accountancy students, 'Virtual Canvas' exploits the features of Tablet PC and Microsoft Office 2003's 'pen computing' functionality to emulate the function of writing on canvas instead of the traditional whiteboard. The system will be assessed for a year, with hopes for a campus-wide implementation at the City Campus. One of the first institutes of higher learning to use the Microsoft Office System and Tablet PCs on a broad scale, the University was awarded excellence in strategic enterprise IT deployment and was listed as CIO 100 Honouree 2004 of CIO Asia's annual index of Asia's top performing enterprise users of IT. It was also a winner of the 2004 Hewlett Packard Mobile Technology for Teaching Grant.



*Learning is like rowing up stream:  
not to advance is to drop back.*

- Chinese proverb





## Today Our Time

Charting a course for ongoing excellence means  
focusing passionately on the business at hand

## Attracting Staff



In its ongoing ‘war for talents’, the University has championed global best practices to attract and retain the highest quality staff, while making SMU a best place to work and an employer of choice.

Staying ahead of the curve, SMU became the first university in Singapore to implement a flexible benefits programme, a staff benefits feature usually associated with only the top multi-national corporations, providing employees with choices on how to use a considerable portion of their benefits. The University has also put in place a number of effective programmes to encourage staff and their families to adopt a healthy lifestyle and achieve quality family life, including time-off for participation in physical exercise, flexible work arrangements and holiday reimbursement. Such benefits help to give SMU a competitive edge in attracting talent and to build a conducive working environment in which staff can excel.

### Excellence in Human Resources

This year, SMU became the first Singapore university to receive The People Developer Standard, Singapore’s quality standard on human resource development. The three-year certification scheme gives recognition to organisations that bring out the best in people for better business results and offers a systematic process to review their people practices, develop staff and improve training effectiveness. The University won the HEALTH Award (Gold) 2004, ahead of many multi-national companies well known in the market for their best practices. Presented by the Health Promotion Board, the award gives national recognition to organisations with commendable Workplace Health Promotion programmes. SMU was also given the 2004 Singapore Employer of Choice / Family Friendly Employer Award. Issued by the Tripartite Committee on Work-Life Strategy, the award confers recognition upon companies that promote pro-family efforts and encourage the introduction of innovative pro-family practices and policies for their employees – the ultimate accolade in the University’s aim to help staff with the challenge of balancing work with a healthy family life and to create a happy and healthy workplace for all.

# Heads of Departments

## Campus Development

FOO Yit San  
Director

## Career Services

CHIANG Fong Leng, Ruth  
Director

## Center for Academic Computing

TANG Ai Chee  
Associate Director

## Communications & IT

FOO Yin Kee  
Director

## Corporate Communications

TAN Kheng Huay, Sharon  
Director

## Facilities Management

HO Thim Seng  
Director

## Faculty Administration

CLARKE Judith  
Assistant Director

## Finance

SIM Teow Hong  
Director

## Human Resources

ONG Tiong Eng  
Director

## Institutional Advancement

SCHLESINGER Robert Andrew  
Director

## Internal Audit

TAN Lee Li, Jasmine  
Assistant Director

## International Relations

MALIQUE Isabelle  
Assistant Director

## Legal & General Affairs

CHIN Soon Fong, Edmund  
Director

## Library and Information Services

KOH Bee Chin  
Chief Librarian

## Registrar

TAN Lee Chuan  
Director

## Strategic Planning & QAFU

YEO Hioh Khoon  
Associate Director

## Student Life

LEE Tse Chen, Stanley  
Director

## Undergraduate Admissions

GOH See Bin, Alan  
Director

## Attracting Students

A holistic approach in the University's admissions process means that each student candidate is viewed as a 'total individual'.



The University is focused on developing students to be entrepreneurial, innovative and grounded in the core business areas. From its beginnings, SMU has adopted a broad set of admissions criteria, comprising good academic grades, SAT scores, a personal interview and essay writing exercise, as well as co-curricular activities. This rounded approach enables the University to assess the students' academic capability, talents and skills, leadership potential and their aptitude towards contributing to society.

The University received an overwhelming response to its latest undergraduate admissions exercise, with available openings nine times oversubscribed and showing a year-on-year increase in applications of 33% over the previous year. For the new Social Science programme, over 1,000 students vied for an initial 50 places – later expanded in number to accommodate the high quality and number of student candidates. Especially impressive about this year's applicants was the marked improvement of academic calibre, especially among those achieving results of ABBs, AAAs and higher and scoring above 1300 for SAT I.

Importantly, many more international students are discovering SMU and making it their university of choice. Following the largest intake to date, SMU's foreign students already account for 15% of the student body and come from 26 countries in Asia, Oceania, Europe and North America. With the rapidly growing interest shown in the University's degree courses by some of the brightest and best students in Singapore and beyond, a new generation of entrepreneurial students are recognising the valuable 'edge' SMU's educational experience brings.



### Excellence beyond academics

In its total-approach to attracting and admitting students, the University takes into account all aspects that make each SMU student uniquely different. Student life goes well beyond academics. With over 60 co-curricular activities already established, and new ones continually being added, SMU students are fostering their passion while developing important life skills in their areas of interests.

Sports clubs account for a wide array of student activities and include individual and competitive team sports as diverse as cricket and karate, wakeboarding and netball. Sports events are conducted at club level, and students can also participate in the Institute-Varsity-Polytechnic Games and National Championships. At the highest level of international competition, even, students are excelling in the sports arena. This last year, several SMU athletes competed and won medals in the SEA Games in Vietnam, and one SMU student represented Singapore in track & field at the Olympic games in Athens. Alongside the club sports, the University offers sports activities throughout the year for students to showcase their skill, while through the Learn to Play programme students are able to pick up recreational skills in areas such as golf, sailing, rock climbing and yoga.

Besides sports, a host of other student groups are actively engaging in the arts & culture, community-based service and enterprise, communications platforms, international and political affairs, educational and entrepreneurial interests, and others. In addition to their campus programmes, the clubs are forming partnerships with external organisations and institutions, and bringing to the campus visiting performers or speakers to promote greater awareness of their enterprises. The range of student activities are as varied as The Samba Masala, a drumming group performing Brazilian music on drums coming from different ethnic communities; the Malay Language and Cultural Club, which have put together a book of scholarly research on the life of the Malay people, and with the support of the Malay Heritage Board held a seminar series entitled “Who are the Malays”; and the SMU Lion Dance Club, which in addition to performing for a number of University functions welcomed to campus the four champion lion dance troupes of the Singapore National Wushu Federation

Individually and collectively, the efforts and expressions of SMU students through their co-curricular activities have attracted the attention of community leaders and underscored many hallmarks of the University’s curriculum – helping to cultivate creativity and innovation and to foster a multicultural, global outlook.

## Providing scholarship opportunity

### *Lee Kong Chian Scholars Programme*

As part of the Lee Foundation's landmark gift to the University, this prestigious university-wide programme aims to produce not only excellent, well-rounded, multi-disciplinary graduates with global mindsets, but also individuals whose accomplishments will extend beyond the business arena to benefit the wider community. A unique feature of this fully-funded, four-year programme is a core component specifically designed for the scholars. The programme will also provide scholars with extensive opportunities to interact with industry leaders, fellow students and leading corporations from the region and beyond through overseas study missions, international community service initiatives and student exchanges with SMU's partner universities.

### *Li Ka-shing Endowed Scholarship*

Generously sponsored by Dr Li Ka-shing, a global entrepreneur and philanthropist, and the Hutchison Whampoa Group, this scholarship has been established to provide outstanding undergraduates from mainland China and Hong Kong the opportunity to study at SMU. Two scholarships are awarded annually, each tenable for the duration of the scholars' studies for up to four years, subject to good academic performance.

### *Foreign Students Endowed Scholarship*

Funded from the proceeds of an endowed gift by a generous anonymous donor to help deserving students from the region pursue their goals regardless of financial need, the scholarship is available to outstanding undergraduates from Asia studying full-time at the University. Three scholarships are awarded annually, each tenable for the duration of the scholars' studies for up to four years, subject to good academic performance and the scholars' financial situation.

### *AmCham Scholarship*

Established by the American Chamber of Commerce in Singapore, this scholarship aims to help shape the next generation of business leaders by encouraging academic excellence amongst exceptional SMU talents. Awarded to a first year Bachelor of Business Management undergraduate, the scholarship supports AmCham's mission to contribute to business in Singapore and improve the US-Singapore business cooperation. One scholarship is awarded annually, tenable for the duration of the scholar's studies for up to four years, subject to good academic performance.

### *SMU Scholarship*

To promote student excellence and diversity, the prestigious SMU Scholarship has been established to attract outstanding local and foreign undergraduates studying full-time at the University. Up to 40 scholarships are awarded annually, each tenable for the duration of the scholar's studies for up to four years, subject to outstanding academic performance.

## Attracting Faculty

### VISION

*to be a premier university, internationally recognised for its world class research and distinguished teaching*

In its endeavour to attract the finest academics to a growing cadre of experienced, committed and talented faculty, the University recruits selectively from around the world.

SMU is committed to be recognised not only in Asia but globally as a centre of educational distinction. Central to that is the faculty the University attracts and retains – academics who bring a wealth of research, teaching and professional experience and the desire to shape a new kind of university. SMU is presently home to over 150 faculty, with the great majority holding doctorates from top universities such as Harvard, Stanford, Oxford, the University of Pennsylvania and other renowned academic institutions.

#### Fund For Excellence

Through the landmark contribution by the Lee Foundation, a Fund For Excellence has been established to enhance SMU's ability to compete with premier universities in the world – especially in the United States – to attract, develop and retain outstanding international faculty. With the Fund, the University also intends to increase joint research initiatives with faculty from leading universities, organise and participate in leading edge professional forums and activities, as well as collaborate with faculty from other leading institutions in curriculum development.



# Faculty Highlights

## University Appointments

Professor **Tan Chin Tiong** has extended his appointment as Provost to June 2007.

Associate Professor **Pang Yang Hoong** has taken up the role of Vice-Provost (Undergraduate) and has also extended her appointment as Dean of the School of Accountancy to June 2008.

Professor **Roberto S Mariano** has agreed to a six-year extension to his initial two-year contract as Dean of the School of Economics & Social Sciences until June 2010.

## Faculty Accolades

Professor **Andrew Phang**, Chair, Department of Law, Lee Kong Chian School of Business, was one of two academics appointed as Senior Counsel in January 2004. This is the first time academics have received the distinction of becoming Senior Counsel since the scheme was started in 1997.

Practice Professor **Pang Eng Fong** was appointed by the Ministry of Foreign Affairs to replace Ambassador-at-Large Professor Tommy Koh on the Asia-Europe Meeting (ASEM) Task Force for Closer Economic Partnership. The Task Force is charged by ASEM leaders to recommend ways to foster closer economic ties between Asia and Europe.

Associate Professor **Winston Koh** was welcomed to the Editorial Advisory Board of the journal *Technological Forecasting and Social Change*.

Associate Professor **Kirpal Singh** has been made a director of International Programme Development of the American Creativity Association. He is the first Asian and non-American to hold a director's position with the board.

Assistant Professor **Steven Orpurt**, School of Accountancy, was awarded the American Accounting Association International Accounting Section 2004 Outstanding Dissertation of the Year Award at the annual meetings in Orlando, Florida. His dissertation was entitled "Local Analyst Earning Forecast Advantages in Europe".

Assistant Professor **Huang Fali**, School of Economics & Social Sciences; Assistant Professor **Wu Zhengping**, Lee Kong Chian School of Business; and Assistant Professor **Zheng Bai Hua**, School of Information Systems were chosen as this year's Lee Foundation Fellows under the Lee Foundation Fellowship for Excellence at SMU.

Assistant Professor **André Bonfrer**, Lee Kong Chian School of Business, and Associate Professor **Winston Koh**, School of Economics & Social Sciences, were chosen by the SMU Research Committee as Lee Kuan Yew Fellows for Research Excellence based on their completed research projects funded by the University in the calendar year.



# Faculty

## Provost

**Professor Tan Chin Tiong**, Provost

## Executive Education

**Associate Professor Annie Koh**, Dean  
Associate Dean for Curriculum & School  
Development, Lee Kong Chian School  
of Business

## Dean of Students

**Associate Professor Low Aik Meng**, Dean

## School of Accountancy

**Associate Professor Pang Yang Hoong**, Dean  
Vice Provost, Undergraduate

**Associate Professor Khoo Teng Ann**  
Chair, SMU Library Committee

**Practice Assistant Professor Themis Suwardy**, Associate Dean

**Associate Professor Leong Kwong Sin**  
Chair, SMU IT Faculty Advisory Board

CHEONG Foong Soon, Lecturer • GAN Tin Hua, Michael, Emeritus Associate Professor • GOH Beng Wee, Lecturer • HWANG Soo Chiat, Associate Professor • KANG Tony, Assistant Professor • LEE Kiat Bee, Jimmy, Lecturer • LEE Lian Fen, Lecturer • LEE Tong Kin, Andrew, Practice Associate Professor • NG Tee Yong, Jeffrey, Lecturer • ORPURT Steven, Assistant Professor • OW Yong Keng, Kevin, Lecturer • TAN Min Yen, Lecturer • TAN Teck Meng, Professor • TAY Siok Wan, Joanne, Practice Associate Professor • WANG Jiwei, Assistant Professor • WILLIAMS Mitchell, Associate Professor • YOO Yong Keun, Assistant Professor • ZANG Yoonseok, Assistant Professor

• AHARONY Joseph, Visiting Professor • CAVANAGH Walter, Visiting Professor • KWON Young Koan, Visiting Professor

## School of Information Systems

**Practice Professor Steven Miller**, Dean

DENG Robert Huijie, Professor • DING Xuhua, Assistant Professor • HU Nan, Lecturer C • LEE Lye Hock, Jacob, Teaching Associate Professor • LEONG Thin Yin, Practice Associate Professor • LI Yingjiu, Assistant Professor • NARASIMHALU Arcot Desai, Practice Associate Professor • ONG Kee Seng, Practice Associate Professor • SHUM Kam Hong, Practice Associate Professor • WONG Yue Kee, Practice Associate Professor • ZHENG Baihua, Assistant Professor

**Professor David B Montgomery, Dean**

**Professor Lim Kian Guan, Associate Dean**

**Practice Associate Professor Francis Koh, Associate Dean**  
Director, Master of Science in Wealth Management Programme

**Professor Phang Boon Leong, Andrew**  
Chair of Law

**Practice Professor Pang Eng Fong**

Director, Wee Kim Wee Center and  
Lee Kong Chian Scholars Programmes

**Practice Associate Professor Benedict Koh**  
Director, Master of Science in Applied Finance Programme

**Practice Assistant Professor Michael Netzley**  
Director, Center for Communication and Teaching Excellence

BONFRER André, Assistant Professor • CHAN Kok Yew, Gary, Assistant Professor • CHAN Sai Pang, Justin, Assistant Professor • CHAY Yue Wah, Associate Professor • CHEN Yi, Cathy, Assistant Professor • CHOI Young Rok, Assistant Professor • CHUA Choong Tze, Assistant Professor • CHUNG Seh-Woong, Assistant Professor • DE MAEYER, Peter, Assistant Professor • DING Qing, Assistant Professor • FAN Ping Ching, Terence, Assistant Professor • FERRIN Donald, Associate Professor • GOH Choo Yong, Jeremy, Associate Professor • GREGURAS Gary John, Associate Professor • HAN Jin Kyung, Associate Professor • HONG Dong, Assistant Professor • HUA Wei, Lecturer C • JANAKIRAMANAN Sundaram, Associate Professor • JONES Neil, Assistant Professor • KOH Pearlie, Associate Professor • KOH Seng Kee, Benedict, Practice Associate Professor • KOMARAN Rajah Vellan, Practice Associate Professor • LAI Shu-Ching, Sandy, Assistant Professor • LEE Pey Woan, Assistant Professor • LEE Pui Yee, Michelle, Assistant Professor • LEE Teck Huat, Marcus, Assistant Professor • LI Rong, Assistant Professor • LIANG Thow Yick, Associate Professor • LINGBLAD Mats, Lecturer C • LOH Kiat, Roger, Lecturer • LOO Wee Ling, Practice Assistant Professor • LOW Kee Yang, Associate Professor • LU Wenzhen, Jane, Assistant Professor • MACRAE Cecil Duncan, Practice Associate Professor • MACRAE Elizabeth, Practice Associate Professor • MENKHOFF Thomas, Practice Associate Professor • ONG Siow Heng, Practice Associate Professor • PARK Byung Joon, Assistant Professor • PERLUSZ Stefano, Assistant Professor • PULLÉ Austin Ignatius, Associate Professor • RAMASWAMI Seshan, Associate Professor • RODRIGUES Brian, Practice Associate Professor • SAW Cheng Lim, Assistant Professor • SCHRAGE Burkhard, Assistant Professor • TAN Eng Joo, Lecturer • TAN Tsu Wee, Thomas, Practice Associate Professor • TAN Wee Liang, Associate Professor • TAN Yip Wei, Gilbert, Practice Associate Professor • TAN Kheng Boon, Eugene, Lecturer • TEO Song Wee, Melvyn, Assistant Professor • TEOH Boon Seong, Practice Associate Professor • THAM Chee Ho, Assistant Professor • TING Hian Ann, Christopher, Assistant Professor • TSCHANG Feichin, Ted, Assistant Professor • TSUI Kai Chong, Associate Professor • TU Jun, Assistant Professor • VARGHESE Susheela Abraham, Practice Associate Professor • WANG Siqun, Sonia, Assistant Professor • WANG Wei-Mun, Lecturer C • WANG Yusong, Assistant Professor • WANG Leping, Assistant Professor • WARACHKA Mitchell Craig, Assistant Professor • WEE Kwan Eng, Assistant Professor • WHARTON Glenn, Practice Associate Professor • WONG Wai San, Mary, Associate Professor • WU Zhengping, Assistant Professor • YANG Kum Khiong, Professor • YEOH Mun See, Caroline, Practice Associate Professor • YOO Shijin, Assistant Professor • YOO Weon Sang, Assistant Professor • YOSHIKAWA Toru, Associate Professor • ZHANG Zhe, Joe, Assistant Professor • ZHU Wanshan, Lecturer C

• ARGENTI Paul, Visiting Professor • CHANG Dae Ryun, Visiting Professor • EVERS Hans-Dieter, Visiting Professor • HAUPTMAN Oscar, Visiting Professor • HO Teck Hua, Visiting Professor • KAHLE Lynn, Visiting Professor • KUMARASWAMY Arun, Visiting Associate Professor • MAHESWARAN Durairaj (Mahesh), Visiting Professor • MEYER Marshall, Visiting Professor • PALIA Aspy, Visiting Professor • PHAN Phillip, Visiting Associate Professor • SESHADRI Sudhi, Visiting Professor • SILK, Alvin J, Visiting Professor • SUBRAHMANYAM Marti Gurunath, Visiting Professor • WU Yangru, Visiting Professor

School of  
**Economics &  
 Social Sciences**

**Professor Roberto S Mariano**, Dean  
 Vice Provost, Research  
 Deputy Director, Wharton-SMU Research Center

**Associate Professor Phang-Lim Sock Yong**, Associate Dean for Programmes

**Professor Tse Yiu Kuen**, Associate Dean for Academic Personnel

CHANG Pao Li, Assistant Professor • CHOW-TAN Hwee Kwan, Practice Associate Professor • CHUA Vincent, Assistant Professor • CHUNG Wai Keung, Assistant Professor • DEKLE Dawn, Practice Associate Professor • GHOSH Aurobindo, Assistant Professor • HOON Hian Teck, Associate Professor • HUANG Fali, Assistant Professor • KOH Winston, Associate Professor • KRIZ Peter, Assistant Professor • LANDI Massimiliano, Assistant Professor • LEE Gea Myoung, Assistant Professor • LEE Myoung-Jae, Associate Professor • LEUNG Heng Yan, Denis, Associate Professor • LEUNG Hing-Man, Associate Professor • NOWACKI Mark, Assistant Professor • PELIZZO Riccardo, Assistant Professor • SINGH Kirpal, Associate Professor • SUZUKI Hikaru, Assistant Professor • TAN Hui Heng, Augustine, Emeritus Associate Professor • TAN Kim Song, Practice Associate Professor • TAN Swee Liang, Practice Assistant Professor • TAN Yoo Guan, Practice Associate Professor • TAY Swee Ann, Anthony, Assistant Professor • TONG Yuk Yue, Jennifer, Assistant Professor • VERWEIJ Marco, Associate Professor • WILLIAMS John, Assistant Professor • YANG Zhenlin, Assistant Professor • YIP Chun Seng, Assistant Professor • YU Jun, Associate Professor

• ABAD Gemino Henson, Visiting Professor • DOWLING John Malcolm, Visiting Professor • GANGNES Byron, Visiting Associate Professor • HARALAMBIDES Hercules, Visiting Professor • MCKINNON Ronald, Visiting Professor • ROSE Andrew, Visiting Professor • VILLANUEVA Delano, Visiting Professor • WACHTER Susan, Visiting Professor



## Distinguished Visitors

### **Professor David W Brady**

Bowen H and Janice Arthur McCoy Professor of Political Science and Leadership Values at the Stanford Graduate School of Business, and Professor of Political Science in the School of Humanities and Sciences at Stanford University. Senior Fellow and Deputy Director of the Hoover Institution. An expert on US Congress, congressional decision making, US Election results and history of political parties in the US.

*Lecture: "The US 2004 Election: Some Answers, Maybe" | 13 August 2004 | Executive Education, Lee Kong Chian School of Business and School of Economics & Social Sciences*

### **Professor Ronald S Burt**

Hobart W Williams Professor of Sociology and Strategy at the University of Chicago. A well-known sociologist and expert in network methodology and studies.

*Research Seminar: "Structural Holes and Good Ideas" | 24 February 2004 | Lee Kong Chian School of Business and School of Economics & Social Sciences*

### **Professor Peter Cappelli** The Shaw Foundation Distinguished Faculty Lecture Series

George W Taylor Professor of Management and Director of Center for Human Resources at the Wharton School of the University of Pennsylvania, and a Research Associate of the National Bureau of Economic Research in Cambridge, Massachusetts. The Shaw Foundation Distinguished Faculty Lecture Series has been established through a generous contribution from The Shaw Foundation Ltd.

*Lecture: "Talent Management & Succession Planning" | 20 July 2004 | Executive Education and the Lee Kong Chian School of Business*

### **Professor Ronald Findlay** School of Economics & Social Sciences Distinguished Lecture Series

Ragnar Nurkse Professor of Economics at Columbia University. Well-known internationally as a lucid thinker, combining the skills of an economic theorist and economic historian. Has made many fundamental contributions to the theory of international trade especially as it relates to economic growth and development.

*Distinguished Lecture: "Southeast Asia and the World Economy: Retrospect and Prospect" | 16 March 2004 | School of Economics & Social Sciences*

### **Mr Stanley Fischer**

Vice-Chairman of Citigroup and President of Citigroup International. First deputy managing director of the International Money Fund during the Asian financial crisis of 1997-1998.

*Public Lecture: "Global Economic Outlook" | 23 March 2004 | Lee Kong Chian School of Business, School of Economics & Social Sciences and the Citigroup*

### **Dr Ivar Jacobson**

A seminar contributor to world-wide practices of software engineering. He is the creator of use case analysis and co-creator of the Unified Modeling Language and Rational Unified Process.

*Public Seminar: "Software Development and Management Trends" | 3 June 2004 | School of Information Systems*

**Professor Young K Kwon** The Cheng Tsang Man Visiting Professor

A C Littleton Professor of Accountancy at the University of Illinois at Urbana-Champaign. Distinguished researcher in the area of analytical modeling. The Cheng Tsang Man Visiting Professorship in Accountancy has been established through a generous contribution from Prima Limited.

*Lectures: "Theoretical Accounting Research" | June - July 2004 | School of Accountancy*

**Professor Ronald I McKinnon** OUB Visiting Professor

William D Eberle Professor of Economics at Stanford University. One of the most prominent economists today. The OUB Visiting Professorial Chair has been established through a generous contribution from the Overseas Union Bank Limited (OUB), which merged into United Overseas Bank in 2002.

*Distinguished Lecture: "China: A Stabilizing or Deflationary Influence on East Asia?" | 4 September 2003 | School of Economics & Social Sciences*

**Professor William F Miller** Lee Kong Chian School of Business Distinguished Lecture Series

Herbert Hoover Professor of Public and Private Management Emeritus at the Stanford Graduate School of Business. Provost Emeritus and Professor of Computer Science Emeritus at Stanford University. President & CEO Emeritus of SRI International. Played a unique role in the development of Silicon Valley.

*Distinguished Lecture: "New Regions of Talent & Innovation, Their Development Strategies and Impacts" | 27 November 2003 | Lee Kong Chian School of Business and Executive Education*

**Professor Andrew Rose** OUB Visiting Professor

B T Rocca Professor of Economic Analysis and Policy at Haas School of Business of the University of California, Berkeley. Renowned for his teaching and research in international economics and macroeconomics. The OUB Visiting Professorial Chair has been established through a generous contribution from the Overseas Union Bank Limited (OUB), which merged into United Overseas Bank in 2002.

*Distinguished Lecture: "Effects of the WTO on Trade" | 4 August 2004 | School of Economics & Social Sciences*

**Mr Joel Stern**

Adjunct Professor of Chicago Graduate School of Business and Managing Partner of Stern Stewart & Co. The world's thought leader in finance and leading advocate of Economic Value Added, or EVA.

*Chicago GSB – SMU Conference: "Fostering a Culture of Ownership" | 17 February 2004 | Executive Education*

*Lecture: "Corporate Governance Crisis" | 25 June 2004 | Executive Education*

**Professor Susan M Wachter** The Celia Moh Professor

The Richard B Worley Professor of Financial Management, and professor of real estate, finance and city and regional planning at the Wharton School of the University of Pennsylvania. The Celia Moh Professorial Chair has been established through a generous contribution from Mr Laurence Moh.

*Lecture: "Opportunities and Challenges for Real Estate Investments & Finance in Asia: Connecting Fundamentals to Returns" | 15 July 2004 | Executive Education, School of Economics & Social Sciences and Lee Kong Chian School of Business*

## Industry Link

Forging strong ties with industry is a hallmark of the University's commitment to 'today-relevant' training and learning.

### Executive Education

Through the University's executive education, thousands of professionals and academics from more than 25 countries have received training in academic and industry partner programmes, customised corporate programmes, as well as distinguished lectures, breakfast talks and a host of global modules for other academic institutions' MBA & EMBA programmes.

To enhance the quality of teaching and research in executive education, SMU has over the years forged a number of academic collaborations with prestigious institutions such as the Wharton School of the University of Pennsylvania, ESSEC Business School and the European Business School. A strategic collaboration was begun this year with the University of Chicago Graduate School of Business for conferences and custom programmes, including a keynote lecture given by Mr Joel Stern and projects with Microsoft, IBM and Synovate. Also involving academic collaboration will be the upcoming Group Leadership Development Programme, organised with the Roberto C Goizueta Business School of Emory University and the London Business School, to provide a truly 'world class' leadership development initiative for the Intercontinental Hotels Group.

Maintaining its vital link to industry, the University is providing numerous custom programmes for clients in wide-ranging industries and for government bodies. For the second consecutive year, SMU co-organised and hosted the Johnson & Johnson Hospital Management Program. The five-day programme is designed to introduce senior hospital administrators to the latest principles of management applicable to the administration of hospitals in an Asian environment. Next year's programme is already expected to attract some 60 participants from 15 countries. SMU has also partnered with several business organisations, such as the Singapore Business Federation, Mercer Human Resource Consulting and the Singapore Investment Banking Association, to offer training programmes for their members and the public.

The public enrolment programmes and the highly popular custom programmes have attracted a great deal of interest around the region, as companies and participants are recognising the importance of continuing education and training. And with the impending move of SMU to the city campus in 2005, the University will be in an even greater position to promote lifelong learning among executives in a wide array of fields.

### Microsoft - SMU Business Challenge

Providing a unique avenue for SMU students to share their thoughts and ideas with industry, Mr John Connors of Microsoft Corp was invited by the School of Accountancy to talk about Microsoft's challenges and goals. He then issued a challenge to all SMU students: identify the most important challenges facing business and industry in Singapore today, how they should be addressed and how they present opportunities for growth or progress. Submissions for the competition, which was open to all SMU undergraduate students, were judged on the originality of ideas presented and on the quality of the writing. Response was enthusiastic, drawing entries from all four Schools, and judges described the essays as thought provoking, exciting and even radical. The competition's two student winners received a hosted, expense-paid trip to the Microsoft headquarters in Redmond, Washington.

### MOE - MOF Economics Programmes

Working with two Singapore government ministries, the School of Economics & Social Sciences facilitated economics programmes catering to two different sets of participants. The Ministry of Education programme on "Recent Economic Trends and Developments in Singapore Economy" was conducted for about 180 junior college teachers who attended three half-day sessions conducted in August and September 2004. The objectives of the programme were to update teachers on recent economic trends and developments in the Singapore economy and to guide teachers in the use of appropriate tools of economic reasoning. The Ministry of Finance: Public Sector Economics Course was held for 23 senior officers who attended the four-day course in November 2003 at SMU. The programme was an advanced course in the field of public sector economics that focused on the analysis of public policy in selected areas.

### IBM Business Consulting Services Solution Center

Newly established at SMU, IBM's first regional solution center is part of a strategic partnership between the University and IBM Singapore and is designed to enhance substantially the education and research capabilities of the School of Information Systems. The Center presents students with access to real-world industry scenarios that they can incorporate into their courses, projects and internships. It is also a place where IBM Business Consulting Services' business solution concepts can be refined and demonstrated, and where business thought leaders and IT teams can exchange ideas with SMU faculty. With both organisations integrating their global best practices and cutting-edge new knowledge, the Center brings a fusion of business insight and technology and provides a launchpad for innovative ideas and solutions.



## University Events

### Wee Kim Wee Seminar on Cross Cultural Understanding

The theme of this inaugural seminar, which brought together junior college and university students to share their experiences of living in multicultural societies, was “Accommodating Differences: Building a Culture of Understanding and Peace”. Begun with a keynote address by Dr Yaacob Ibrahim, then Minister for Community Development (Youth) and Sports, the seminar featured eight student-presented papers, with topics ranging from war and peace, race and religion, environment, and social and economic issues.

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2 August 2003 | Wee Kim Wee Centre and SMU United Nations Students' Association



*The Wee Kim Wee Centre is tasked to promote deeper understanding of the impact of cultural diversity on the business environment. Through established links and collaborative exchanges with other regional and international institutions, the Centre engages SMU students, faculty and the community in wide-ranging dialogues on cross-cultural issues through research, publications, seminars, conferences and a distinguished lecture series. The highly popular lunch-time talks have been a hotbed of intellectual activity, featuring prominent guest speakers – among them ambassadors, writers and academics who have engaged the audience in dialogue on stimulating, and often controversial, topics concerning politics, economics, trade and industry and social-cultural issues.*



## The Lee Kuan Yew Global Business Plan Competition 2003/2004

First launched in 2001, this is the first international business plan competition to be organised at the undergraduate level, targeting students from universities, colleges and polytechnics globally. Through this platform, SMU is contributing in the area of entrepreneur education and helping to advance and encourage the spirit of entrepreneurship. Into its second competition, a remarkable result of attracting 547 submissions from 117 universities spanning 30 countries was achieved. Cerebos Pacific was the presenting sponsor and HSBC the supporting sponsor.

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October 2003 - July 2004 | Singapore Management University

## AACSB/efmd Conference

Entitled “World-Class Practices in Management Education”, the conference presented the latest thinking about world class practices, innovative strategies and international alliances. AACSB International's new accreditation standards and EQUIS were also a featured portion of the meeting. Asian, European, and North American management education leaders comprised the conference participants for this premier event.

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19 - 21 October 2003 | Singapore Management University

## Lee Kong Chian School of Business Forum

Attended by some 160 staff and students from local universities, junior colleges and polytechnics, the forum entitled “Social Entrepreneurship: Harnessing Enterprise and Entrepreneurship for Social Good” examined the ways in which enterprises and entrepreneurship can be harnessed for social good. The forum featured two internationally recognised social entrepreneurs, Dr Mechai Viravaidya, chairman and founder of Thailand's Population and Community Development Association, and Dr Rick Aubry, executive director of Rubicon Programs, Inc.

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27 October 2003 | Lee Kong Chian School of Business and Ministry of Community Development (Youth) and Sports

## METiA 2003 Conference

This topical, theme-focused conference called “Managing Emerging Technologies in Asia” was attended by 57 local and overseas participants with a total of 18 thematic papers presented. The conference also featured two plenary sessions by Professor Arnoud De Meyer of INSEAD and Dr Gurinder S Shahi of BioEnterprise Asia. A special issue of the journal Technological Forecasting and Social Change will be devoted to the theme of the conference and will feature selected papers.

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2 - 3 November 2003 | Lee Kong Chian School of Business

## Lien Fung's Colloquium

Also known as 廉凤讲座 (“Lien Fung Jiang Zuo”), the Colloquium was established by Mrs Ho Lien Fung to enhance awareness and appreciation of cultural and societal issues, with a particular focus on everyday life. For the inaugural event, Mr Peter Wee, First Vice President of The Peranakan Association, delivered a thought-provoking address entitled “The Peranakan Experience: A Singapore Story”. The second event featured Professor Xu Ping Fang, an eminent archaeologist from Beijing University, who delivered lectures on Chinese history and drama, backed by archaeological findings from his various expeditions.

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28 November 2003 | 20 & 23 March 2004 | Singapore Management University

## Econometrics Programme on Forecasting and High-Frequency Data Analysis

Covering two major current research topics in econometrics – forecasting and high frequency data analysis – the main activities of this programme consisted of seminars presented by conference participants, special tutorial lectures by invited experts and a two-day symposium. The programme was attended by participants from Asia, North America, Europe and Australia, and included prominent econometricians such as Nobel Laureate Professors Lawrence Klein and Robert Engle and Professors Kenneth Wallis and Christian Gourieroux.

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5 April - 22 May 2004 | School of Economics & Social Sciences and the Institute of Mathematical Sciences of National University of Singapore

## A University Homecoming

Hundreds of alumni, students and staff, representing the eight historical institutions that have called Bukit Timah campus home, revisited the campus for a gala event and week-long open house to celebrate its 75th anniversary. The nostalgic occasion was highlighted by a gathering of alumni from as early as the 1930s and spanning eight decades, and it featured a commemorative video, memorabilia displays, oral and written testimonials, a tree planting ceremony and a 75-lap torch run around campus by representatives from Singapore's three universities.



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24 April - 2 May 2004 | Singapore Management University

## 4th Triennial Asia Pacific Interdisciplinary Research in Accounting (APIRA) Conference

Owing to its strong reputation for academic rigor and active industry participation, APIRA2004 attracted some of the most prolific researchers globally to discuss, debate and exchange ideas in an informal atmosphere. Attended by some 250 delegates from 27 countries, the interdisciplinary conference programme featured research papers and forums addressing the relationships among accounting, auditing and accountability and their social, institutional, economic and political environments.

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4 - 6 July 2004 | School of Accountancy and the *Accounting, Auditing & Accountability Journal*



Singapore  
Management  
University  
(Incorporated in Singapore)

Financial Statements  
For the financial year ended  
31 March 2004

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Singapore Management University  
(Incorporated in Singapore)

## Report of the Trustees

For the financial year ended 31 March 2004

The Board of Trustees present their report to the members together with the audited financial statements of Singapore Management University ("University Company") for the financial year ended 31 March 2004.

### Trustees

The Trustees of the University Company in office at the date of this report are :

Mr Ho Kwon Ping - Chairman	Ms Chan Lai Fung	(appointed on 12 January 2004)
Prof Janice Bellace	Mr Chia Chee Ming Timothy	(appointed on 12 January 2004)
Mrs Fang Ai Lian	Mr Michael Edward Dee	(appointed on 12 January 2004)
Dr Victor K. Fung	Mr Sanjiv Misra	(appointed on 12 January 2004)
Dr Gan See Khem	Mr Narayana Murthy	(appointed on 12 January 2004)
Mr Latiff Ibrahim	Mr Chartsiri Sophonpanich	(appointed on 12 January 2004)
Mr Kuok Khoon Ean	Mr Tan Kee Yong	(appointed on 12 January 2004)
Dr Loo Choon Yong	Ms Chang Hwee Nee	(appointed on 1 April 2004)
Prof John Rodney Niland		

### Arrangements to enable Trustees to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the University Company a party to any arrangement whose object was to enable the Trustees of the University Company to acquire benefits by means of the acquisition of shares in, or debentures of, the University Company or any other body corporate.

### Trustees' interests in shares or debentures

The University Company is a company limited by guarantee and has no share capital. None of the Trustees of the University Company at the end of the financial year had any interest in the shares or debentures of the University Company.

### Trustees' contractual benefits

Since the end of the previous financial year, no Trustees has received or become entitled to receive a benefit by reason of a contract made by the University Company or a related corporation with the Trustee or with a firm of which he is a member or with a company in which he has a substantial financial interest, except as disclosed in note 26 of the financial statements.

### Share options

The University Company is a company limited by guarantee. There were no options granted during the financial year to subscribe for unissued shares of the University Company.

No shares have been issued during the financial year by virtue of the exercise at options to take up unissued shares of the University Company.

There were no unissued shares of the University Company under option at the end of the financial year.

### Auditors

The auditors, PricewaterhouseCoopers, have expressed their willingness to accept re-appointment.

On behalf of the Trustees



MR HO KWON PING  
Trustee



MRS FANG AI LIAN  
Trustee

13 August 2004

Singapore Management University  
(Incorporated in Singapore)

## Statement By Trustees

For the financial year ended 31 March 2004

In the opinion of the Trustees,

- (a) the financial statements of the University Company as set out on pages 56 to 72 are drawn up so as to give a true and fair view of the state of affairs of the University Company at 31 March 2004 and of the results of the business, changes in funds and reserves and cash flows of the University Company for the financial year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the University Company will be able to pay its debts as and when they fall due.

On behalf of the Trustees



MR HO KWON PING  
Trustee

13 August 2004



MRS FANG AI LIAN  
Trustee

Singapore Management University  
(Incorporated in Singapore)

## Auditors' Report to the Members of Singapore Management University

We have audited the financial statements of Singapore Management University for the financial year ended 31 March 2004 set out on pages 56 to 72. These financial statements are the responsibility of the University Company's Trustees. 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 plan and perform our audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Trustees, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion,

- (a) the financial statements of the University Company are properly drawn up in accordance with the provisions of the Companies Act, Cap 50 ("the Act") and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the University Company at 31 March 2004 and the results, changes in funds and reserves and cash flows of the University Company for the financial year ended on that date, and
- (b) the accounting and other records required by the Act to be kept by the University Company have been properly kept in accordance with the provisions of the Act.

The financial statements for the previous financial year were reported on by auditors other than PricewaterhouseCoopers. The audit report dated 15 July 2003 issued by the predecessor auditors on the financial statements for the financial year ended 31 March 2003 was unqualified.



PricewaterhouseCoopers  
Certified Public Accountants

Singapore, 13 August 2004

Singapore Management University  
(Incorporated in Singapore)

## Statement of Income and Expenditure

For the financial year ended 31 March 2004

	Notes	General fund		Other funds		Total	
		2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Operating income	3	13,022	7,257	1,767	1,467	14,789	8,724
Staff and manpower costs	4	(42,078)	(31,359)	(386)	(255)	(42,464)	(31,614)
Depreciation		(15,067)	(14,929)	-	-	(15,067)	(14,929)
Other operating expenditure	5	(17,970)	(16,283)	(1,087)	(1,137)	(19,057)	(17,420)
<b>Operating (deficit)/surplus</b>		<b>(62,093)</b>	<b>(55,314)</b>	<b>294</b>	<b>75</b>	<b>(61,799)</b>	<b>(55,239)</b>
Non-operating income	6	1,786	534	4	113	1,790	647
<b>(Deficit)/surplus before government grants</b>		<b>(60,307)</b>	<b>(54,780)</b>	<b>298</b>	<b>188</b>	<b>(60,009)</b>	<b>(54,592)</b>
Government grants	7	111,443	95,819	-	-	111,443	95,819
<b>Net surplus</b>		<b>51,136</b>	<b>41,039</b>	<b>298</b>	<b>188</b>	<b>51,434</b>	<b>41,227</b>

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



Singapore Management University  
(Incorporated in Singapore)

## Balance Sheet

As at 31 March 2004

	Notes	2004 \$'000	2003 \$'000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	9	287,741	153,948
Other receivables	10	2,510	2,795
Students tuition fee loans	11	67	7
Investments	12	127,895	121,510
		<b>418,213</b>	<b>278,260</b>
<b>Non-current assets</b>			
Students tuition fee loans	11	6,263	2,534
Fixed assets	13	199,199	156,538
		<b>205,462</b>	<b>159,072</b>
<b>Total assets</b>		<b>623,675</b>	<b>437,332</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Development grants received in advance	14	45,446	51,140
Research grants received in advance	15	4,208	1,975
Other payables	16	23,693	16,152
		<b>73,347</b>	<b>69,267</b>
<b>Non-current liabilities</b>			
Deferred capital grants	17	199,199	156,628
<b>Total liabilities</b>		<b>272,546</b>	<b>225,895</b>
<b>Net assets</b>		<b>351,129</b>	<b>211,437</b>
<b>FUNDS AND RESERVES</b>			
Endowment fund	18	204,662	128,221
Tuition fee loan fund	19	4,952	3,389
Term funds	20	12,748	2,494
Accumulated surplus		128,767	77,333
<b>Total funds and reserves</b>		<b>351,129</b>	<b>211,437</b>

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

## Statement of Changes in Funds and Reserves

For the financial year ended 31 March 2004

	Endowment fund \$'000	Tuition fee loan fund \$'000	Term funds \$'000	Accumulated surplus/(deficit)		Total \$'000
				General fund \$'000	Other funds \$'000	
<b>Balance at 1 April 2003</b>	<b>128,221</b>	<b>3,389</b>	<b>2,494</b>	<b>77,517</b>	<b>(184)</b>	<b>211,437</b>
Donations received	-	-	10,941	-	-	10,941
Investment income	14,788	2	-	-	-	14,790
Expenditure	(1,735)	-	(45)	-	-	(1,780)
Net gains not recognised in income statement	13,053	2	10,896	-	-	23,951
Net surplus for the year	-	-	-	51,136	298	51,434
<b>Total recognised gains for the financial year</b>	<b>13,053</b>	<b>2</b>	<b>10,896</b>	<b>51,136</b>	<b>298</b>	<b>75,385</b>
Grants received	53,285	1,561	-	-	-	54,846
Donations received	10,103	-	-	-	-	10,103
Transfer to deferred capital grants	-	-	(5)	-	-	(5)
Transfer to Statement of Income and Expenditure	-	-	(637)	-	-	(637)
<b>Balance at 31 March 2004</b>	<b>204,662</b>	<b>4,952</b>	<b>12,748</b>	<b>128,653</b>	<b>114</b>	<b>351,129</b>
<b>Balance at 1 April 2002</b>	<b>100,124</b>	<b>1,453</b>	<b>1,776</b>	<b>36,478</b>	<b>(372)</b>	<b>139,459</b>
Donations received	-	-	1,162	-	-	1,162
Investment income	3,926	-	-	-	-	3,926
Expenditure	(1,584)	-	(144)	-	-	(1,728)
Net gains not recognised in income statement	2,342	-	1,018	-	-	3,360
Net surplus for the year	-	-	-	41,039	188	41,227
<b>Total recognised gains for the financial year</b>	<b>2,342</b>	<b>-</b>	<b>1,018</b>	<b>41,039</b>	<b>188</b>	<b>44,587</b>
Grants received	20,708	1,936	-	-	-	22,644
Donations received	5,047	-	-	-	-	5,047
Transfer to deferred capital grants	-	-	(3)	-	-	(3)
Transfer to Statement of Income and Expenditure	-	-	(297)	-	-	(297)
<b>Balance at 31 March 2003</b>	<b>128,221</b>	<b>3,389</b>	<b>2,494</b>	<b>77,517</b>	<b>(184)</b>	<b>211,437</b>

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

## Cash Flow Statement

For the financial year ended 31 March 2004

	2004 \$'000	2003 \$'000
<b>Cash flows from operating activities</b>		
Operating deficits before government grants	(60,009)	(54,592)
Adjustments for:		
Depreciation	15,067	14,929
Fixed assets written off	144	256
Gain on disposal of fixed assets	(1)	-
Net investment (income)/expense	(756)	29
Operating cash flow before working capital change	(45,555)	(39,378)
Change in operating assets and liabilities:		
Other payables	5,218	2,252
Other receivables	4	(402)
Student tuition fee loans	(3,790)	(1,071)
Cash used in operations	(44,123)	(38,599)
Interest paid	(234)	(60)
<b>Net cash outflow from operating activities</b>	(44,357)	(38,659)
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	(57,782)	(29,974)
Proceeds from sale of fixed assets	3	-
Purchase of investments – net	(6,385)	(38,640)
Interest and dividend received	15,828	3,925
<b>Net cash outflow from investing activities</b>	(48,336)	(64,689)
<b>Cash flows from financing activities</b>		
Donations received for term funds	10,941	1,162
Grants received for tuition fee loan fund	1,561	1,936
Grants and donations received for endowment fund	63,388	25,755
Research grant received	1,960	1,823
Operating grant received – net	94,501	76,288
Development grants received	54,135	68,487
<b>Net cash inflow from financing activities</b>	226,486	175,451
<b>Net increase in cash and cash equivalents held</b>	133,793	72,103
Cash and cash equivalents at the beginning of the year	9 153,948	81,845
<b>Cash and cash equivalent at the end of the year</b>	9 287,741	153,948

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

# Notes to the Financial Statements

For the financial year ended 31 March 2004

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

## 1. General

The University Company is incorporated and domiciled in Singapore as a company limited by guarantee under the provisions of the Companies Act, Cap 50. The address of its registered office is as follows : 469 Bukit Timah Road, Singapore 259756.

The principal activities of the University Company are the advancement and dissemination of knowledge, the promotion of research and scholarships and the conferring and awarding of degrees, diplomas and certificates.

## 2. Significant accounting policies

### (a) Effect of changes in Singapore Companies Legislation

Pursuant to the Singapore Companies (Amendment) Act 2002, with effect from financial year commencing on or after 1 January 2003, Singapore-incorporated companies are required to prepare and present their statutory accounts in accordance with the Singapore Financial Reporting Standards ("FRS"). Hence, these financial statements, including the comparative figures, have been prepared in accordance with FRS.

Previously, the University Company prepared their statutory accounts in accordance with Singapore Statements of Accounting Standard. The adoption of FRS does not have material impact on the accounting policies and figures presented in the statutory accounts for financial year ended 31 March 2003.

### (b) Basis of preparation

These financial statements have been prepared under the historical cost convention. The preparation of financial statements in conformity with Singapore Financial Reporting Standards requires the use of 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 financial year. Although these estimates are based on management's best knowledge of current event and actions, actual results may ultimately differ from those estimates.

### (c) General fund and Other funds

Income and expenditure are generally accounted for under the General fund in the Statement of Income and Expenditure. The income and expenditure relating to funds that are set up for specific purposes are accounted for under Other funds in the Statement of Income and Expenditure.

Other funds are set up to account for funds maintained separately for self-financing activities carried out by the University Company and funds received from grants and donations for such specific activities.

The income and expenditure of the General fund and Other funds are included in the Statement of Income and Expenditure of the University Company.

### (d) Endowment fund

Donations and government grants, which are kept intact as capital, are directly taken to the fund in the year in which such donations and government grants are received.

Income and expenditure arising from the management of the Endowment fund are taken directly to the Endowment fund account. Income designated to fund specific activities or programmes will be transferred from the Endowment fund to the Statement of Income and Expenditure to match the designated expenditure.

(e) **Term funds**

Donations received which can be put to immediate use as specified by donors for specific programmes, capital projects or other purposes, which are for the advancement of education are taken directly to these funds.

Direct disbursements such as awards and allowances for scholarship are directly taken to the term funds account.

(f) **Tuition fee loan fund**

Government grants received for the purpose of providing loans to students are directly taken to the fund in the year in which such government grants are received.

(g) **Revenue recognition**

Tuition and other fees are recognised on an academic year basis. The academic year of the University Company covers the period from 1 August to 31 July. For accounting purposes, the University Company recognises the tuition and other fees for the full academic year to coincide with the financial year and accordingly, no prepaid tuition and other fees are recognised at the end of the each financial year.

Donations are recognised in the financial year they are received.

Dividends are recognised when the right to receive payment is established.

All other income are recognised on the accrual basis.

(h) **Grants**

Government grants and contributions from other organisations for the purchase of depreciable assets or to finance capital projects are taken to the development grants received in advance account in the first instance. They are taken to the deferred capital grants account upon the utilisation of the grants for the purchase of assets which are capitalised, or to the Statement of Income and Expenditure for purchase of assets which are written off.

Deferred capital grants are recognised in the Statement of Income and Expenditure over the periods necessary to match the depreciation for the assets purchased with the related grants. Upon the disposal of the fixed assets, the balance of the related deferred capital grants is recognised in the Statement of Income and Expenditure to match the net book value of the fixed assets written off.

Government grants to meet the current year's operating expenses are recognised as income in the same year.

(i) **Investments**

Investments (within current assets) are stated at the lower of cost and market value, determined on an aggregate portfolio basis by category of investment. Market value is calculated by reference to the Stock Exchange last transacted prices at the close of business on the balance sheet date. Increases/decreases in the carrying amount of marketable securities are taken to the Statement of Income and Expenditure.

On disposal of an investment, the difference between net disposal proceeds and its carrying amount is taken to the Statement of Income and Expenditure.

## 2. Significant accounting policies (continued)

### (j) Fixed assets

All fixed assets are stated at historical cost less accumulated depreciation and impairment losses.

Construction-in-progress consists of land cost, related acquisition expenses and construction costs incurred during the period of construction.

Depreciation is calculated on a straight line basis to write off the cost over their expected useful lives. The estimated useful lives are as follows :

Leasehold land	-	30 years
Leasehold improvement	-	over period of lease
Renovations	-	5 years
Computer equipment and software	-	3 years
Furniture and office equipment	-	5 years
Motor vehicles	-	10 years
Others	-	5 years

No depreciation is provided on construction-in-progress. Fixed assets costing less than \$1,000 each and library books are charged to the Statement of Income and Expenditure in the year of purchase.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in the Statement of Income and Expenditure.

### (k) Impairment of long lived assets

Fixed assets and other non-current assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows.

### (l) Provisions

Provisions are recognised when the University Company has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the University Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

### (m) Operating leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to the income statement on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

(n) **Employee benefits**

*Employee leave entitlement*

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. An accrual is made for the estimated liability for annual leave and long-service leave as a result of services rendered by employees up to the balance sheet date.

(o) **Foreign currency translation**

(1) *Measurement currency*

Items included in the financial statements of the University Company are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the University Company ("the measurement currency"). The financial statements of the University Company are presented in Singapore Dollars, which is the measurement currency of the University Company.

(2) *Transactions and balances*

Foreign currency transactions are translated into the measurement currency using the exchange rates prevailing at the date of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognised in the Statement of Income and Expenditure.

Foreign currency monetary assets and liabilities are translated into Singapore dollars at the rates of exchange prevailing at the balance sheet date. Exchange differences arising are taken to the Statement of Income and Expenditure.

**3. Operating income**

	General fund		Other funds		Total	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Tuition and other fees	12,971	7,257	276	452	13,247	7,709
Sundry revenue	51	-	1,491	1,015	1,542	1,015
	<b>13,022</b>	<b>7,257</b>	<b>1,767</b>	<b>1,467</b>	<b>14,789</b>	<b>8,724</b>

**4. Staff and manpower costs**

	General fund		Other funds		Total	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Wages and salaries	37,639	28,319	325	208	37,964	28,527
Employer's contribution to Central Provident Fund	2,753	1,969	51	33	2,804	2,002
Other staff benefits	1,686	1,071	10	14	1,696	1,085
	<b>42,078</b>	<b>31,539</b>	<b>386</b>	<b>255</b>	<b>42,464</b>	<b>31,614</b>

Number of persons employed at the end of the financial year:

	2004	2003
Full time	<b>344</b>	<b>255</b>

## 5. Other operating expenditure

	General fund		Other funds		Total	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Administrative expenses	12,670	10,417	1,075	1,113	13,745	11,530
Communication and computing	2,912	2,800	6	19	2,918	2,819
Library books and periodicals	1,033	1,481	5	4	1,038	1,485
Repairs and maintenance	1,355	1,585	1	1	1,356	1,586
	<b>17,970</b>	<b>16,283</b>	<b>1,087</b>	<b>1,137</b>	<b>19,057</b>	<b>17,420</b>

The following items are included in administrative expenses:

	2004 \$'000	2003 \$'000
<i>Charging:</i>		
Rental expense - operating lease	1,540	390
<i>And crediting:</i>		
Net exchange gain	12	19

## 6. Non-operating income

	General fund		Other funds		Total	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Interest from fixed deposits and current accounts	756	134	-	-	756	134
Refund of income to government body	-	(163)	-	-	-	(163)
Donations	270	17	4	105	274	122
Rental income	517	404	-	-	517	404
Others	243	142	-	8	243	150
	<b>1,786</b>	<b>534</b>	<b>4</b>	<b>113</b>	<b>1,790</b>	<b>647</b>



## 7. Government grants

	2004 \$'000	2003 \$'000
Operating grant received	95,454	76,934
Transfer to research grants received in advance (Note 15)	(2,415)	(537)
Transfer to deferred capital grants (Note 17)	(679)	(638)
Goods and services tax payable for tuition grant	(953)	(646)
Operating grants - net	<u>91,407</u>	<u>75,113</u>
Development grants utilised (Note 14)	2,509	4,077
Research grants utilised (Note 15)	2,130	1,363
Deferred capital grants amortised (Note 17)	15,211	15,184
Others	186	82
Government grants	<u>111,443</u>	<u>95,819</u>

As at the end of the financial year, total operating grants received from the Government since the establishment of the University Company amounted to \$264,476,000 (2003: \$169,022,000).

## 8. Income tax

Under Section 13M(2)(b) of the Income Tax Act, Cap 134, the University Company is exempted from income tax in the financial year if it applies at least eighty per cent of the tax-adjusted income of that financial year towards the objectives of the University Company by the end of the following financial year.

## 9. Cash and cash equivalents

	2004 \$'000	2003 \$'000
Cash at bank and on hand	10,506	3,407
Fixed deposits with financial institutions	277,235	150,541
	<u>287,741</u>	<u>153,948</u>

The fixed deposits with financial institutions mature on varying dates within 6 months (2003: 1 month) from the financial year end. The weighted average effective interest rate of these deposits at the balance sheet date is 0.62% (2003: 0.59%) per annum.

## 10. Other receivables

	2004 \$'000	2003 \$'000
Goods and services tax receivable	30	60
Interest receivable	1,003	1,284
Grant and fee receivable	1,190	1,169
Deposits	190	140
Staff loans	-	2
Prepayments	97	140
	<u>2,510</u>	<u>2,795</u>

## 11. Student tuition fee loans

Student tuition fee loans are repayable by monthly instalments over periods of up to 20 years after the borrowers' graduation and bears interest at 4.75% (2003: nil) per annum. The loans are interest free during the course of study.

Student tuition fee loans are disbursed from advances from the Government and accordingly, the carrying amount of student tuition fee loans approximates its fair value.

## 12. Investments

	2004		2003	
	At cost \$'000	At market value \$'000	At cost \$'000	At market value \$'000
<i>Quoted investments</i>				
Government bonds	5,870	6,088	8,675	9,264
Bonds in corporations	74,090	74,797	82,076	84,385
Equity shares in corporations	24,553	25,828	10,706	9,566
Unit trust funds	13,999	14,044	1,775	1,470
	<u>118,512</u>	<u>120,757</u>	<u>103,232</u>	<u>104,685</u>
	At cost \$'000	At fair value \$'000	At cost \$'000	At fair value \$'000
<i>Unquoted investments</i>				
Government bonds	3,953	4,029	12,162	12,400
Bonds in corporations	5,430	5,538	6,116	6,299
	<u>9,383</u>	<u>9,567</u>	<u>18,278</u>	<u>18,699</u>
Total investments	<u>127,895</u>	<u>130,324</u>	<u>121,510</u>	<u>123,384</u>

The weighted average effective interest rate of government bonds and bonds in corporations at the balance sheet date was 2.54% (2003: 2.46%).

Market value of quoted investments is determined by reference to the Stock Exchange last transacted prices at the close of business on the balance sheet date. The fair value of unquoted investments is estimated by current market value of the investments.

**13. Fixed assets**

	Leasehold land \$'000	Leasehold improvement \$'000	Renovations \$'000	Computer equipment and software \$'000	Furniture and office equipment \$'000	Motor vehicles \$'000	Others \$'000	Construction in-progress \$'000	Total \$'000
<b>Cost</b>									
At 1 April 2003	92,926	41,141	70	7,162	2,523	21	2,305	33,239	179,387
Additions	-	-	169	2,748	422	-	130	54,313	57,782
Disposals	-	-	(16)	(84)	(45)	-	-	-	(145)
At 31 March 2004	92,926	41,141	223	9,826	2,900	21	2,435	87,552	237,024
<b>Accumulated depreciation</b>									
At 1 April 2003	3,097	14,519	21	3,742	797	3	670	-	22,849
Depreciation charge	3,097	8,362	38	2,532	543	3	492	-	15,067
Disposals	-	-	(10)	(74)	(7)	-	-	-	(91)
At 31 March 2004	6,194	22,881	49	6,200	1,333	6	1,162	-	37,825
<b>Net book value</b>									
<b>At 31 March 2004</b>	<b>86,732</b>	<b>18,260</b>	<b>174</b>	<b>3,626</b>	<b>1,567</b>	<b>15</b>	<b>1,273</b>	<b>87,552</b>	<b>199,199</b>
At 31 March 2003	89,829	26,622	49	3,420	1,726	18	1,635	33,239	156,538

**14. Development grants received in advance**

	2004 \$'000	2003 \$'000
<b>Government</b>		
At 1 April	51,140	22,131
Grants received	50,135	68,487
Interest income	97	533
Refund of interest income	(332)	-
Transfer to deferred capital grants (Note 17)	(57,086)	(35,934)
Transfer to Statement of income and expenditure (Note 7)	(2,509)	(4,077)
At 31 March	41,445	51,140
<b>Government agency</b>		
Grants received	4,000	-
Interest income	1	-
At 31 March	4,001	-
<b>Total</b>	<b>45,446</b>	<b>51,140</b>

These are grants received from the Government and a Government agency for financing development projects. The balance in this account represents grants received but not utilised at the end of the financial year.

As at the end of the financial year, total development grants received from the Government and a Government agency since the establishment of the University Company amounted to \$282,657,000 (2003: \$232,522,000) and \$4,000,000 (2003: nil) respectively.

#### 15. Research grants received in advance

	2004 \$'000	2003 \$'000
At 1 April	1,975	991
Grants received	1,960	1,823
Transfer from operating grants (Note 7)	2,415	537
Transfer to deferred capital grants (Note 17)	(12)	(13)
Transfer to Statement of income and expenditure (Note 7)	(2,130)	(1,363)
At 31 March	<u>4,208</u>	<u>1,975</u>

These are grants from the Government, Government agencies and other private organisations for research activities. The balance in this account represents grants received but not utilised at the end of the financial year.

#### 16. Other payables

	2004 \$'000	2003 \$'000
Accruals for fixed assets	6,650	7,896
Accrued expenses	9,581	7,409
Retention payable	4,773	320
Refundable deposits	2,689	527
	<u>23,693</u>	<u>16,152</u>

#### 17. Deferred capital grants

	2004 \$'000	2003 \$'000
At 1 April	156,628	135,224
Transfer from development grants received in advance (Note 14)	57,086	35,934
Transfer from research grants received in advance (Note 15)	12	13
Transfer from operating grants (Note 7)	679	638
Transfer from term funds	5	3
Transfer to Statement of income and expenditure (Note 7)	(15,211)	(15,184)
At 31 March	<u>199,199</u>	<u>156,628</u>

## 18. Endowment fund

	2004 \$'000	2003 \$'000
Endowment fund	204,662	128,221
Represented by:		
Cash and cash equivalents	79,985	6,283
Other receivables	1,851	1,253
Investments	127,895	121,510
Other payables	(5,069)	(825)
	<u>204,662</u>	<u>128,221</u>

Endowment fund comprises donations, grants, gifts, testamentary disposition and proceeds from gifts of movable or immovable property. The objectives of these funds include the provision of facilities for teaching, training and research, the advancement and dissemination of knowledge and the promotion of research.

As at the end of the financial year, total grants received from the Government and taken to Endowment fund since the establishment of the University Company amounted to \$160,620,000 (2003: \$107,335,000).

## 19. Tuition fee loan fund

	2004 \$'000	2003 \$'000
Tuition fee loan fund	4,952	3,389
Represented by:		
Cash and cash equivalents	-	848
Students tuition fee loans	6,293	2,541
Due to General fund	(1,341)	-
	<u>4,952</u>	<u>3,389</u>

Tuition fee loan fund is funded by advance from Government for the purpose of providing loans to students to assist them in paying their tuition fees.

## 20. Term funds

	2004 \$'000	2003 \$'000
Term funds	12,748	2,494
Represented by:		
Cash and cash equivalents	12,706	2,491
Students tuition fee loans	37	-
Fixed assets	5	3
	<u>12,748</u>	<u>2,494</u>

Term funds comprise donations for the purpose of awarding scholarships, academic awards for students, research and other programmes for the advancement of education.

## 21. Contingent liabilities

Details and estimates of maximum amounts of contingent liabilities are as follows:

### (a) Guarantees

	2004 \$'000	2003 \$'000
Corporate guarantee to a financial institution for loans granted to students	2,000	-

- (b) In 2002, the University Company has received claims from a contractor amounting to \$1.14 million for works carried out on one of its buildings.

Based on legal advice received and information presently available, the University Company is of the view that the claim is without merit and the University Company has reasonable grounds to resist this claim successfully. Accordingly, no provisions was made in the University Company's financial statements in respect of this claim.

## 22. Capital expenditure commitments

	2004 \$'000	2003 \$'000
Commitments by the University Company in respect of equipment and expansion of the facilities, not provided for in the financial statements are as follows:		
Authorised and contracted for	211,245	58,711
Authorised but not contracted for	159,234	377,460

## 23. Operating lease commitments

	2004 \$'000	2003 \$'000
The future minimum lease payments under non- cancellable operating leases contracted for at the reporting date but not recognised as liabilities, are as follows:		
Not later than 1 year	967	412

## 24. Financial risk management

The University Company manages its exposure to financial risks using a variety of techniques and instruments. The University Company's policy prohibits it to enter into speculative transactions.

### (i) Interest rate risk

Interest bearing financial assets are mainly bank balances, fixed deposits and student tuition fee loans. Bank balances and fixed deposits are short term in nature, therefore, any future variations interest rates will not have a material impact on the results of the University Company. Interest based on average prevailing prime rates of three local banks is levied on the student tuition fee loans after the borrower's graduation. The University Company does not have any interest bearing financial liabilities.

### (ii) Credit risk

The University Company places its cash and deposits with creditworthy institutions. Investment portfolios are managed by reputable asset management companies.

The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations as at the end of the financial year in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the balance sheet.

Concentration of credit risk exist when changes in economic, industry or geographical factors similarly affect group of counterparties whose aggregate credit exposure is significant in relation to the University Company's total credit exposure.

The University Company does not have any significant concentration of credit risk.

### (iii) Foreign currency risk

The University Company's operation is not exposed to foreign currency risk as most of its transactions are in the Singapore dollar, which is also its reporting currency. Fund managers currently manage the University Company's Endowment fund, and may invest in instruments denominated in foreign currency. Foreign currency exposure arising from such investments are managed by fund managers.

### (iv) Liquidity risk

The Trustees are of the view that there is no liquidity risk as the University Company maintains an adequate level of highly liquid assets in the form of cash and short term fixed deposits.

### (v) Fair values of financial assets and liabilities

The carrying amounts of the following financial assets and financial liabilities approximate their fair values: cash, other receivables and payables, student tuition fee loans and grants received in advance. Information on the fair values of investments is included in note 12.

## 25. Financial instruments

### Forward foreign exchange contracts

Forward foreign exchange contracts are entered into to manage exposure to fluctuations in the foreign currency exchange rates relating to trading of investments.

At 31 March 2004, the settlement date of an open forward contract is within 3 months from the financial year end. The local currency amount to be received/(paid) with respect to the University Company's outstanding contract is:

	2004 \$'000	2003 \$'000
Buy Australia dollars	-	885
Sell United States dollars	-	(883)
Sell Australia dollars	(697)	-
	<hr/>	<hr/>

### Net fair value of forward foreign exchange contracts

At 31 March 2004, the net fair value of the outstanding foreign exchange contract is as follows:

	2004 \$'000	2003 \$'000
Favourable forward foreign exchange contract	-	10
Unfavourable forward foreign exchange contract	(15)	-
	<hr/>	<hr/>
	(15)	10

The fair value of forward foreign exchange contract has been calculated using rates quoted by the University Company to terminate the contract at the balance sheet date.

## 26. Related party transactions

The following transactions took place between the University Company and related parties during the financial year:

	2004 \$'000	2003 \$'000
Remuneration paid to Trustees of the University Company	179	79
Professional fees paid to a firm in which a trustee has interest	29	55
	<hr/>	<hr/>

Remuneration paid to Trustees included fees, salary, bonus, commission and other emoluments (including benefits-in-kind) computed based on the cost incurred by the University Company.

## 27. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Trustees on 13 August 2004.





# Shaping Tomorrow Today

\* The photos of students, faculty and staff in this Report to Stakeholders were vibrantly shot by SMU Accountancy student Jeremy Nguée