



# CITIPORT CREDIT CO-OPERATIVE LIMITED

83A

## 93<sup>RD</sup> ANNUAL GENERAL MEETING

Friday, 11th May 2018

PSA Club, 10am

Annual Report  
& Statement of Account

# C ONTENTS

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## **BOARD OF DIRECTORS**

### CO-OPERATIVE DATA

#### Board of Directors

Chairman	- K Rajaram
Vice Chairman	- Tan Eng Chai
Hon Secretary	- C Subramaniam
Hon Treasurer	- Mohamed Hanifah s/o Mohd Jamal
Hon Asst Secretary	- Lee Choy Ling
Hon Asst Treasurer	- Azman Bin Mahmud
Directors	- Jangarodin Bin Osman

S T Robert

Pasupathy M Suppiah

Doreen Pang

General Manager	- Abdullah Saleh Talib
Admin/Accounts Executive	- Liza Ng
Senior Clerk	- Zulzilawati Bte Ibrahim
Accounts Assistant	- Jesmin Fung
External Auditor	- Loke Lum PAC
Internal Auditors	- R Pannirselvam

Kng Kim Swee

R P Raman

Legal Advisor	- Gurdaib, Cheong & Partners
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Bankers	- UCO Bank
	- DBS Bank

Registered Office	- 83A Kg Bahru Road Singapore 169379
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Website	- <a href="http://www.citiport.org.sg">www.citiport.org.sg</a>
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# *Board of Directors, Internal Auditors & Staff*



**K. Rajaram**  
Chairman



**Tan Eng Chai**  
Vice Chairman



**C. Subramaniam**  
Hon Secretary



**Mohamed Hanifah**  
Hon Treasurer



**Lee Choy Ling**  
Hon Asst. Secretary



**Azman Mahmud**  
Hon Asst. Treasurer



**Jangarodin Osman**  
Director



**S T Robert**  
Director



**Pasupathy M Suppiah**  
Director



**Doreen Pang**  
Director



**Abdullah Saleh Talib**  
General Manager



**Liza Ng**  
Admin/Accounts Executive



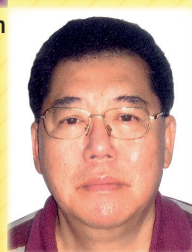
**Zulzilawati Ibrahim**  
Senior Clerk



**Jesmin Fung**  
Accounts Assistant



**R Pannirselvam**  
Internal Auditor



**Kng Kim Swee**  
Internal Auditor



**R P Raman**  
Internal Auditor

# *General Meeting Standing Order*

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1. Resolutions or amendments of which three day's notice in writing has been given, if found to be in order, shall be placed on the Agenda, following the business of the Society.
2. The mover of a Resolution or Amendments shall be allowed five minutes in which to state his case, but only the mover of the resolution shall have the right to reply at the end of the discussion, five minutes being allowed, and shall confine himself to answer previous speakers, and shall not introduce any new matter into the debate after the question shall be put.
3. No other speaker shall be allowed more than 5 minutes (except with the approval of the Chairman)
4. Every member who speaks shall address the Chairman and confine his speech to the subject under discussion.
5. Whenever the Chairman rises during a debate, any member speaking or attempting to speak must resume his seat, failing which, the member shall be suspended from taking any further part in the business of the meeting.
6. No member shall address the meeting more than once on the same subject matter, except as provided in No. 2.
7. The ruling of the Chairman upon all questions or order and matters in the debate shall be final, and shall not be open for discussion.
8. The Chairman may call on continued irrelevance, repetition, unbecoming language, or any breach of order on the part of a member, and may direct such member to discontinue his speech.
9. With the permission of the Chairman, a member whether he has spoken or not, may rise to a point of order or in explanation of some material point in his speech if he thinks it has been misunderstood.
10. A motion of adjournment shall take precedence of any motion or amendment, and may be discussed, but the discussion upon it must solely be confined to the reasons for or against adjournment.



# *Notice of 93<sup>rd</sup> Annual General Meeting*

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19 April 2018

## **TO ALL MEMBERS OF THE CITIPORT CREDIT CO-OPERATIVE LIMITED**

NOTICE IS HEREBY GIVEN that the 93rd Annual General Meeting of the CITIPORT CREDIT CO-OPERATIVE LIMITED will be held on:

Date : 11 May 2018  
Time : 10.00am  
Venue : PSA Club  
3 Bukit Chermin Road  
Singapore 109918


### **AGENDA**

1. Chairman's Address.
2. To adopt the General Meeting Standing Orders.  
(Appendix "A") *Page 1*
3. To confirm the minutes of the 92nd Annual General Meeting held on 16 May 2017.  
(Appendix B) *Page 11*
4. To receive and adopt the Report of the Board of Directors and the Audited Accounts for the period ended 31 December 2017. *Page 4*
5. To approve the recommended Appropriation of Profit 2017.  
(Appendix C) *Page 21*
6. To approve Expenditure Estimate for 2019.  
(Appendix D) *Page 22*
7. To approve the utilization of not more than \$30,000 from the Anniversary Celebration Fund for the 2018 Anniversary Celebration Tour.  
(Appendix E) *Page 24*
8. To approve a total of \$14,400 as allowances for Hon Secretary/ Hon Treasurer / Hon Asst Secretary and Hon Asst Treasurer.

9. To approve a total of \$4,320 as allowances for Internal Auditors.
10. To approve the utilization of \$57,532.67 from the Loan Default Fund to write off the bad debts of Deceased and Defaulted Members.  
(Appendix F) *Page 29*
11. To consider any other business of which at least three (3) working days notice in writing has been given prior to the date of the AGM.\*
12. To elect a roster of three (3) Internal Auditors for 2018/19.
13. To elect three (3) members to the Board of Directors in accordance with By-Law 14.12.1\*\* and 14.12.2\*\*\*.

Registration of attendance will commence at 9.15am. Members must produce their **Identity Card** during registration otherwise they **WILL NOT** be permitted to attend the AGM.

By Order of the  
Board of Directors

  
**C Subramaniam**  
Hon Secretary

\* 6pm on 7 May 2018

\*\* By-Law 14.12.1 states: The control of the affairs of the Co-operative shall be entrusted to a Board of Directors consisting of not less than five and not more than ten members.

\*\*\* By-Law 14.12.2 states: All members of the Board of Directors shall be elected at the Annual General Meeting. One-third of the existing Board shall retire annually and the said members shall be eligible for re-election. The Board shall be representative as far as possible of all departments of PSA Corporation and its subsidiaries..

# *Report of the Board of Directors*

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The Board of Directors has pleasure in submitting the Annual Report and the Audited Statement of Accounts for the year ended 31st December 2017.

## **BOARD OF DIRECTORS**

The 92nd Annual General Meeting was held on 16 May 2017 at the PSA Club.

Mr. K Rajaran (3yr), Mr. Jangarodin Osman (3yr) and Ms Doreen pang (3yr) were elected to serve with the remaining Directors in the Board in accordance with By-Law 14.12.2.

## **RETIREMENT OF DIRECTORS**

Mr. Mohamed Hanifah s/o Mohd Jamal, Mr. Tan Eng Chai, Mr. S T Robert and Mr. Pasupathy s/o M Suppiah shall retire and will be eligible to offer themselves for re-election to the Board of Directors.

## **MEETINGS**

1 Annual General Meeting, 2 Special Board Meetings and 12 monthly meeting of the Board of Directors were held during the year.

## **MEMBERSHIP**

Total membership as at 31 December 2017 is 2,599 , a decrease of 152 members.

## **SUBSCRIPTION**

Members subscription as at 31 December 2017 is \$24,487,213, a decrease of \$222,703.

## **SPECIFIC DEPOSIT**

Specific Deposit is \$2,753,263 as at 31 December 2017, an increase of \$185,667.

## **FIXED DEPOSIT**

Fixed Deposits invested by members amounted to \$ 63,222 as at 31 December 2017.



## **LOANS**

Loans to members as at 31 December 2017 totaled \$2,134,428, a decrease of \$389,170 when compared to \$2,523,598 in 2016. The rate of interest on loans is 6% per annum.

## **NET SURPLUS**

The net surplus for the year 2017 is \$458,497, a decrease of \$75,170 from the \$533,667 in 2016.

## **RESERVE FUND**

The Fund as at 31 December 2017 is \$4,305,841.

## **COMMON GOOD FUND**

The Fund has a balance of \$3,394 as at 31 December 2017.

## **FUNERAL GRANT**

A sum of \$9,200 was paid from the Common Good Fund to 46 members (\$200 each) who have made funeral grant claims upon their dependant's death.

## **ORBITUARY**

The Board records with deep regret the death of members:

<b><u>Regn</u></b>	<b><u>Name</u></b>
8340	Chng Chin Siong
8349	Ng Kim Huat
10720	Toh Pin
13125	Muhammad Zamir Bin Samsudin

Deceased spouse/dependant were paid \$2,000 each as Funeral Grants.

## **PROLONGED ILLNESS CLAIM**

<b><u>Regn</u></b>	<b><u>Name</u></b>	<b><u>\$</u></b>
7318	K P Luthesamy	450.00

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### **SOUVENIR AWARDS**

Souvenir Awards totaling \$28,450 were paid to members who had been a member for at least 15 years upon retirement from membership.

<b><u>Regn</u></b>	<b><u>Name</u></b>	<b><u>Date Joined</u></b>	<b><u>Amount</u></b> <b>(\$)</b>
<u>At least 30 years of membership:</u>			
5083	Rajendiran	02 - 09 - 70	300.00
5086	Mohd Yusoff	02 - 09 - 70	300.00
5267	Ahmad Bin Abdul Majid	02 - 02 - 72	300.00
5588	Aliman Bin Ramli	02 - 03 - 73	300.00
5656	Ameer Hamzah s/o Abul Nasir	02 - 03 - 73	300.00
5718	Tan Guan Eng	02 - 04 - 74	300.00
5744	Abdul Wahid Bin Hassan	02 - 04 - 74	300.00
5765	Chan Choon Kit	02 - 04 - 74	300.00
5792	Mahat Bin Osman	02 - 04 - 74	300.00
5851	Mohamed Ali Bin Ahmad	02 - 09 - 74	300.00
5899	Hawah Binte Ali	30 - 09 - 74	300.00
5960	Ishak bin Ahmad	10 - 02 - 74	300.00
6031	Quek Sze Boon	26 - 02 - 75	300.00
6049	Christopher s/o Gopal	01 - 04 - 75	300.00
6056	Arumugam Jeyapal	01 - 04 - 75	300.00
6061	Tan Chin Hung	01 - 04 - 75	300.00
6218	Abdol Hamid Bin Mustapha	03 - 12 - 75	300.00
6262	Neo Hock Chuan	04 - 02 - 76	300.00
6273	Arunasalam Jeyaram	03 - 03 - 76	300.00
6339	Swa Yeok Khai	04 - 05 - 76	300.00
6653	Lim Soon Hua	02 - 03 - 77	300.00
6662	Mohd Jamil Bin Ibrahim	02 - 05 - 77	300.00
6683	Ooi Robert	04 - 04 - 77	300.00
6734	Abdul Rashid Bin Osman	03 - 06 - 77	300.00
6793	Palaniveloo s/o Samaiappan	08 - 09 - 77	300.00
6816	Mohd Salleh Bin Mohamed	04 - 10 - 77	300.00
6840	S Sivalingam	01 - 11 - 77	300.00
6864	Chen Yen Khee	03 - 01 - 78	300.00
6877	Toh Lim Wah	30 - 01 - 78	300.00
6981	Krishnasamy Rajendran	05 - 06 - 78	300.00
7050	Goh Hiang Choh	02 - 08 - 78	300.00
7184	Ho Choy Chuen	12 - 01 - 78	300.00
7299	Buang Bin Hj Abdul Rahman	04 - 06 - 79	300.00
7464	Ponnusamy s/o Karuppiiah	02 - 01 - 80	300.00
7516	Norliah Binte Abdullah	29 - 02 - 80	300.00
7672	Mohamed Bin Mohd Noor	25 - 11 - 80	300.00
7738	Lim Kim Choo	02 - 03 - 81	300.00

*Report of the Board of Directors*

7803	Lam Shan Kong	29 - 04 - 81	300.00
7983	Wong Chin Seng	29 - 11 - 81	300.00
7996	Ahmad Bin Hj Dollah	28 - 12 - 81	300.00
8025	Kwan Weng Soi	29 - 01 - 82	300.00
8106	Pereira Edmund Martin	02 - 04 - 82	300.00
8160	Mohd Ishak Bin Abdullah	03 - 05 - 82	300.00
8265	Lim Yew Soon	01 - 09 - 82	300.00
8288	Koh Yew Hock	02 - 11 - 82	300.00
8318	Ho See Kok	30 - 12 - 82	300.00
8447	Kassim Bin Maksom	30 - 05 - 83	300.00
8523	Abdul Rahman bin Osman	31 - 10 - 83	300.00
8801	Pareetha Begam d/o Abdul Azeez	30 - 11 - 84	300.00
8802	Wong Tuan Liew	30 - 11 - 84	300.00
8814	Ismail bin Dumahad	31 - 12 - 84	300.00
8911	Yong Nam Choong	25 - 05 - 85	300.00
8946	Asman Bin Hassan	25 - 05 - 85	300.00
8960	Tay Keng Hian	27 - 05 - 85	300.00
9047	Ang Keong Chiao	25 - 09 - 85	300.00
9095	Sandran s/o Ponnusamy	27 - 01 - 86	300.00
9171	Lee Ah Chwee	27 - 01 - 86	300.00
9239	Hia Swee Siang	15 - 01 - 87	300.00
9257	Lim Chai Teck	27 - 02 - 87	300.00
9305	Wong Khee Siew	15 - 04 - 87	300.00
9339	Loh Yeok Hoon	14 - 05 - 87	300.00
9400	Hone Swee Sang	14 - 08 - 87	300.00
			<b><u>18,600.00</u></b>

<b><u>Regn</u></b>	<b><u>Name</u></b>	<b><u>Date Joined</u></b>	<b><u>Amount</u></b> <b><u>(\$)</u></b>
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At least 25 years of membership:

9359	Soh Thiam Teng	15 - 06 - 87	250.00
9391	Lee Yen Thim	14 - 08 - 87	250.00
9407	Lim Soon Lee	14 - 09 - 87	250.00
9498	Abdul Rahman Bin Ahmad	01 - 05 - 88	250.00
9509	Ong Hock Seng	01 - 05 - 88	250.00
9559	Ang Kim Hee	14 - 06 - 88	250.00
9627	Omar Bin Mohd Shariff	16 - 02 - 89	250.00
9669	Thng Koon Huat	15 - 04 - 89	250.00
9673	Goh Beng Hua	15 - 05 - 89	250.00
9728	Wong Ming Choo	15 - 06 - 89	250.00
9811	Poh Ling Choo	15 - 12 - 89	250.00
9876	Goh Kim Thye	16 - 04 - 90	250.00
9888	Purushotorman s/o V Vasavan	16 - 08 - 90	250.00
9890	Nizam Bin Ibrahim	16 - 04 - 90	250.00
9923	Ponnusamy Kalieperumal	14 - 06 - 90	250.00

*Report of the Board of Directors*

10037	Ramle Bin Din	16 - 11 - 90	250.00
10062	Ahmad Bin Rasikin	15 - 01 - 91	250.00
10080	Pritam Singh	08 - 03 - 91	250.00
10092	Ranjit Singh	12 - 04 - 91	250.00
10135	Tan Beng Teck	15 - 05 - 91	250.00
10159	Lee Chan Wah	15 - 05 - 91	250.00
10175	Ng Lee Siang	13 - 06 - 91	250.00
10254	Alias Bin Karim	13 - 12 - 91	250.00
10362	Mohd Lani Bin Kader	13 - 05 - 92	250.00
			<u>6,000.00</u>

<u>Regn</u>	<u>Name</u>	<u>Date Joined</u>	<u>Amount</u> (\$)
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At least 20 years of membership:

10642	Goh Chock Juat	15 - 03 - 93	200.00
10643	Ho Eng Chuan	15 - 03 - 93	200.00
10725	Leong Yit Yin	15 - 05 - 93	200.00
10794	Sim Kim Chua	18 - 08 - 93	200.00
10887	Zaini Bin Ab Samad	18 - 02 - 94	200.00
10959	Goh Siew Ngoh Jenny	18 - 04 - 94	200.00
10989	Elias bin Ibrahim	13 - 05 - 94	200.00
11005	Tan Khar Noi	13 - 05 - 94	200.00
11020	Anuar Bin Ahmad	15 - 06 - 94	200.00
11110	Teo Teow Hong	16 - 10 - 94	200.00
11179	Ng Kang Wah	15 - 02 - 95	200.00
11219	Mohd Yoosoff s/o Kader Maideen	20 - 05 - 95	200.00
11253	Andy Chye Hong Leen	25 - 04 - 95	200.00
11564	Ahmad Sheridan Bin Hassan Basri	11 - 04 - 96	200.00
			<u>2,800.00</u>

<u>Regn</u>	<u>Name</u>	<u>Date Joined</u>	<u>Amount</u> (\$)
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At least 15 years of membership:

11840	Foong Heng Fatt	19 - 02 - 98	150.00
11866	Chan Jiann Hwa	13 - 05 - 98	150.00
11896	Yong Choon Man	03 - 06 - 98	150.00
12144	Abdul Wahid Bin Abdul Rahman	15 - 05 - 00	150.00
12201	Wang Ying Choy	01 - 10 - 00	150.00
12206	Lee Ming Zheng	01 - 10 - 00	150.00
12290	Foo Hoe Peow	04 - 01 - 01	150.00
			<u>1,050.00</u>



### **SCHOLARSHIP AWARDS**

A sum of \$30,950 was awarded to 114 children of members in 2017.

<b><u>Level</u></b>	<b><u>No. Awarded</u></b>	<b><u>Amount (\$)</u></b>	<b><u>Total (\$)</u></b>
PSLE	32	100.00 each	3,200.00
JC	13	250.00 each	3,250.00
Polytechnic	40	250.00 each	10,000.00
University	29	500.00 each	14,500.00

### **UNCLAIMED BALANCES**

There is a sum of \$44,538 in the account as at 31 December 2017 compared to \$41,192 in 2016.

### **OPERATING COST**

The 2017 operating cost of the Co-operative is \$337,745, an increase of \$11,106 from the cost in 2016. With a membership of 2,599 the cost per member is \$130.

### **ELECTION/ VOTING**

There are three (3) vacancies in the Board of Directors.

The roster of 3 Internal Auditors for 2018 will be chosen by ballot.

Voting for the Board of Directors and Internal Auditors will commence simultaneously immediately after Agenda 11 and will stop at 8.30pm sharp.

### **REGISTRATION OF MEMBER'S DEPENDANT**

We wish to remind members who have yet to register their **dependant/s** to do so on the prescribed forms attached in this Annual Report and forward to the co-operative office for registration.

### **REGISTRATION OF NOMINEE/S**

Members who have not nominated or wish to change their **nominee/s** are requested to do so, on the attached Nominee form.

### **NOTICE TO MEMBERS**

Members who wish to seek detailed clarification/s on the Annual Report and Statement of Account are requested to forward their written queries to the **Co-operative Office by 6pm on 7 May 2018.**

For and on behalf of  
Board of Directors



**C Subramaniam**

Hon Secretary

### **APPRECIATION**

The Co-operative would like to place on record its' appreciation to -

- 1) PSA Corporation;
- 2) Registrar of Co-operative Societies;
- 3) PSA Club, MPA, PSA Marine (Pte) Ltd, Singapore Cleanseas Pte Ltd, S & P Cold Storage Ltd, Sentosa Development Corporation ; Mapletree Investments Pte Ltd, Singapore Cruise Centre and Aetos Security Management.
- 4) All members for their support and co-operation.

# *Minutes of the 92<sup>nd</sup> Annual General Meeting*

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Date : Tuesday, 16 May 2017

Time : 10.11am

Venue : PSA Club Hall  
3 Bukit Chermin Road

Present : Mr. K Rajaram  
Mr. Jow Tao Meng  
Mr. C Subramaniam  
Mr. Mohamed Hanifah s/o Mohd Jamal  
Mr. Tan Eng Chai  
Mr. Jangarodin Bin Osman  
Ms Lee Choy Ling  
Mr. Pasupathy s/o M Suppiah  
Mr. Azman Mahmud  
Mr. S T Robert

Mr. Abdullah Saleh Talib (General Manager)  
Ms Liza Ng (Admin/Accounts Executive)

and 807 members.

After ascertaining that there was a quorum (39 members), Chairman Rajaram called the meeting to order.

## **AGENDA 1 – CHAIRMAN’S ADDRESS**

Dear Honorable members of Citiport Credit Co-operative Ltd, good morning and welcome to our 92nd Annual General Meeting.

Again we have done reasonably well compared to 2015.

Our Subscription Capital as at 31 Dec 2016 is \$24,709,916, an increase of \$441,425 from 2015.

As for Specific Deposit we have \$2,567,596 as at 31 Dec 2016, an increase of \$172,078 when compared to 2015.

However our loans to members continue to decline. Last year total loans amounted to \$2,523,598, a decrease of \$564,572 from 2015. Interest rates remains the same at 6% per annum.

Our net surplus for the year 2016 is \$533,666 as compared to \$513,214 in 2015.

We have in our Reserve Fund \$4,305,842 as at 31 December 2016

In 2016 we made the following payment from the Common Good Fund:

- 1) a sum of \$19,650 was paid to 77 members upon their retirement from membership;
- 2) a sum of \$9,000 was paid to 45 members as funeral grant claims upon the death of their dependants;
- 3) and \$1,800 was paid to 2 members on prolonged medical leave

A sum of \$34,750 was paid from the Scholarship Fund to 122 members children.

We have placed \$21,425,106 in Fixed Deposits at UCO Bank; CIMB and Maybank.

This year the ACF sub-committee is proposing a tour to Yangon, Myanmar from late September to October 2017. I am pleased that the balloting for the tour was successfully concluded this morning before the AGM.

I wish to inform members that our long time Director Mr. Jow Tao Meng will be stepping down from the Board after serving for 36 years. I wish to put on record the Co-operative's gratitude for his invaluable service over the years.

Finally, the Board is proposing a dividend 1.95% on the members subscription of \$24,709,916.

Thank you.

## **AGENDA 2 – TO ADOPT THE GENERAL MEETING STANDING ORDERS**

On the proposal of Mr. R Pannirselvam (Reg. 10389) and seconded by Mr. Nazri Bin Nasir (Reg. 12914), the General Meeting Standing Orders having been circulated earlier and taken as read was unanimously adopted.

## **AGENDA 3 – TO CONFIRM THE MINUTES OF THE 91st ANNUAL GENERAL MEETING HELD ON 27 APRIL 2016**

On the proposal of Mr. Johari Bin Mokti (Reg. 8527) and seconded by Mr. Ivan Peter Gomez (Reg. 9147) the minutes of the 91st AGM having been circulated earlier and taken as read was unanimously confirmed.



**AGENDA 4 – TO RECEIVE AND IF APPROVED, TO ADOPT THE REPORT OF THE BOARD OF DIRECTORS AND THE AUDITED ACCOUNTS FOR THE PERIOD ENDED 31 DECEMBER 2016**

On the proposal of Ms Doreen Pang (Reg 7963) and seconded by Mr. Raghavan Asokan (Reg. 12722), the Board of Directors' Report and Statement of Accounts for the year ending 31 December 2016, having been circulated earlier and taken as read was unanimously adopted.

**AGENDA 5 – TO APPROVE THE RECOMMENDED APPROPRIATION OF PROFIT 2016**

On the proposal of Mr. Johari Bin Mokti (Reg. 8527) and seconded by Mr. Raghavan Asokan (Reg. 12722), the recommended Appropriation of Profit for 2016 was unanimously adopted:

Nett Profit for 2016	<b>\$533,666</b>
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less	
(a) Contribution to Central Co-operative Fund (5 %)*	23,353**
(b) Transfer to Anniversary Celebration Fund	10,000
(c) Transfer to Reserve Fund	2,630
(d) Honorarium	15,840
(e) 1.95% Dividend on subscription of \$24,709,916	481,843
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	<b>\$533,666</b>

\* In compliance with Section 71(2) of the Co-operative Societies Act, Cap 62, the Co-operative contributed 5% of the first \$500,000 of its surplus to the Central Co-operative Fund and 20% of the surplus in excess of \$500,000 to the Central Co-operative Fund (CCF).

\*\* 5% of \$467,066. The surplus of \$533,666 includes the \$66,600 gain in the disposal of shares, which is considered as capital gain and is not subjected to CCF contributions.

**AGENDA 6 – TO APPROVE THE ESTIMATED EXPENDITURE FOR 2018**

On the proposal of Mr. Ivan Peter Gomez (Reg. 9147) and seconded by Mr. Nazri Bin Nasir (Reg. 12914) the motion was unanimously adopted.

**AGENDA 7 – TO APPROVE THE TRANSFER OF \$244.08 FROM THE SUNDRY CREDITOR ACCOUNT THAT HAS BEEN UNCLAIMED FOR MORE THAN SEVEN (7) YEARS TO THE COMMON GOOD FUND**

On the proposal of Ms Doreen Pang (Reg. 7963) and seconded by Mr. Raghavan Asokan (Reg. 12722) the motion was unanimously adopted.

**AGENDA 8 – TO APPROVE THE UTILISATION OF NOT MORE THAN \$30,000 FROM THE ANNIVERSARY CELEBRATION FUND FOR THE 2017 ANNIVERSARY CELEBRATION TOUR**

On the proposal of Mr. R Pannirselvam (Reg. 10389) and seconded by Ms Doreen Pang (Reg. 9763) the motion was unanimously adopted.

**AGENDA 9 – TO APPROVE A TOTAL OF \$14,400 AS ALLOWANCES FOR HON SECRETARY/ HON TREASURER / HON ASST. SECRETARY AND HON ASST. TREASURER**

On the proposal of Mr. Ivan Peter Gomez (Reg. 9147) and seconded by Mr. R Pannirselvam (Reg. 10389) the motion was unanimously adopted.

**AGENDA 10 – TO APPROVE A TOTAL OF \$4,320 AS ALLOWANCES FOR INTERNAL AUDITORS**

On the proposal of Mr. R Asokan (Reg. 12722) and seconded by Mr. Ivan Peter Gomez (Reg. 9147) the motion was unanimously adopted.

**AGENDA 11 – TO UTILIZE \$47,594.72 FROM THE LOAN DEFAULT FUND TO WRITE OFF THE DEBTS OF DECEASED AND DEFAULTED MEMBERS**

Chairman explained that there is a sum of \$54,954.52 in the Loan Default Fund as at 31 December 2016. This sum is an accumulation from the Administrative Fee charged to members taking loans since 2001. The Board is proposing to use \$47,594.72 from this Fund to write-off the bad debt of bankrupts and defaulted members.

Nevertheless, the Board would like to stress that writing-off the debts does not mean that we stop our ongoing effort to collect them. We assure members that we will spare no effort to collect it.

On the proposal of Mr. Ivan Peter Gomez (Reg. 9147)) and seconded by Mr. Chee Eng Wah (Reg. 5969), the motion was unanimously adopted.

**AGENDA 12 – TO CONSIDER AND APPROVE THE AMENDMENT TO BY-LAWS PROPOSED BY THE BOARD**

On the proposal of Mr. Johari Mokti (Reg. 8527) and seconded by Mr. Raghavan Asokan (Reg.12272), the resolution to amend the By-laws was unanimously adopted.

**AGENDA 13 – TO TRANSACT ANY OTHER BUSINESS OF WHICH THREE (3) WORKING DAYS NOTICE IN WRITING HAD BEEN GIVEN i.e. 6pm 9 May 2017**

Chairman tabled 2 letters received from members:

The first letter is from Mr. S Sangaran (Reg. 10268):

1) Would like to know the breakdown of expenditure for all the seminar the Board of Directors attended last year.

**Chairman: Mr. Sangaran, the breakdown:**

**SNCF Credit Sector Retreat, Zhuhai, China ( attended by Directors tan Eng Chai & Pasupathy) - \$3,149**

**SNCF Annual Co-operative Leaders Conference, Kochi, India. (attended by Chairman K Rajaram) - \$1,800.50**

**World Council of Credit Unions 2016, Belfast, Northern Ireland (attended by Hon Secretary C Subramaniam) - \$8,970.38 but a reimbursement of \$1,000 was received from SNCF. Thus the actual cost is \$7,970.38.**

**The total cost is \$12,919.88**

2) What is the committee going to do about the declining dividends for the past years and what action are you taking?

**Chairman: I have stated every year that our core business i.e. loans to members have declined considerably. Consequentially there is loss of income from loans interest. And this has affected our dividends.**

3) Why is the Co-operatives per-diem based on NTUC guideline? What link has NTUC to do with the Co-operatives?

**Chairman: Mr. Sangaran this is a recycled question. We have repeatedly explained that as an affiliate of SNCF we follow the NTUC issued guideline. The NTUC co-operatives, like Fairprice and Income are also affiliated to SNCF.**

4) What are the cost cutting measures the Co-ops have taken?

**Chairman: Over the years we have operated with a very lean workforce and has always endeavored to keep costs to the minimum.**

5) What are the roles of the Asst Secretary & Asst Treasurer when the secretary's and treasurer's function are mostly done by the staff? As such, do we need the assistant?

**Chairman: Mr. Sangaran your question is very presumptive. A simple look at our By-laws will show that the posts are provided for.**

6) The interest rate for loan is very high. So how are the co-ops going to attract members to take loan whereby banks are giving at lower rate?

**Chairman: The interest rates are very competitive if you compare it to other co-operatives. We are a co-operative not a bank.**

7) Chairman, last year I raised few questions but was not read because I was not present. My question was not answered to me by mail after the AGM. However, have noticed that the answers are printed in the AGM book but I do not understand your answers. Please elaborate or explain.

**Chairman: Mr. Sangaran, as you have stated, we have printed your email and answered accordingly. Please don't expect us to explain again.**

**Thank you for your letter.**

The second letter is from Mr. R P Raman (Reg. 9732):

#### QUERIES FOR AGM

1) May I know what benefits do our co-operatives or the members get from the Belfast conference and why there was a high allowance paid to the Secretary who attended the conference?



Chairman: The co-operative certainly benefit from sending a delegate to Belfast. Firstly, he is able to network with the other 16 delegates from Singapore who attended. Secondly, he was exposed to the latest trends in the management and workings of credit co-operatives from the world. As for the per-diem, he was paid 50% of the standard per diem rate applicable to that country.

2) Chairman can you explain why the staff who went for the ACF in 2016 was paid allowance? Could that seat be given to senior members instead?

Chairman: Mr. Rama by sending the staff for ACF tour did not deprive the senior members from attending. You can see from the ACF report on page 27 that 68 senior members were contacted to attend, but only 14 accepted.

3) Please refer to the annual report in page 16 question 2. Why the chairman did not answer 2nd part of the question? What is your answer to that question?

Chairman: I did not reply because the event happened in 2011. Last year AGM was to discuss and decide on 2015 matters.

Thank you for your email.

#### **AGENDA 14.1 – TO ELECT A ROSTER OF THREE INTERNAL AUDITORS FOR THE YEAR 2017**

Chairman announced that there were five nominations received on the closing date i.e. 6pm, 28 April 2017:

<b><u>Regn</u></b>	<b><u>Candidate</u></b>	<b><u>Proposer</u></b>	<b><u>Seconded</u></b>
A) 10389	R Pannirselvam	P Veeramani	C Subramaniam
B) 9915	Kng Kim Swee	Lim Seng Chai	R Chandrasegaran
C) 9732	R P Raman	S T Robert	Kng Kim Swee
D) 11599	Chong Chee Meng	R P Raman	R Chandrasegaran
E) 8527	Johari Bin Mokti	Azman Bin Mahmud	K Rajaram
F) 12914	Nazri Bin Nasir	Norhendra B Mohd	Nur Muhd Firdaus

Voting commenced at 11.25am and stop at 8.30pm sharp. Counting of votes by 3 volunteer scrutinizers commenced at 6.30 pm, supervised by the Chief Scrutinizer Mr. Palanisamy Perumal (8433).

**AGENDA 14.2 – TO ELECT THREE (3) MEMBERS TO THE BOARD OF DIRECTORS IN ACCORDANCE TO BY-LAW 14.12.1 AND 14.12.2**

Chairman announced that there were seven nominations received by the closing date for nominations i.e. 6pm, 28 April 2017.

<u>Regn</u>	<u>Candidate</u>	<u>Proposer</u>	<u>Seconded</u>
1) 7358	K Rajaram	Mohamed Hanifah	C Subramaniam
2) 7963	Doreen Pang	Jow Tao Meng	Lee Choy Ling
3) 8998	Jangarodin B Osman	K Rajaram	Jow Tao Meng
4) 6589	R Chandrasegaran	Kng Kim Swee	Lim Seng Chai
5) 7676	Lim Seng Chai	Kng Kim Swee	R Chandrasegaran
7) 9633	Zulkifli A Rahman	R Chandrasegaran	R P Raman

Voting commenced at 11.25am and stop at 8.30pm sharp. Counting of votes by 3 volunteer scrutinizers commenced at 6.30 pm, supervised by Chief Scrutinizer Mr. Vijaya Kumar (reg. 4433)

**AGENDA 15.1 – RESULT OF ELECTION (INTERNAL AUDITORS)**

At about 9.35pm the Chief Scrutinizer, Mr. Palanisamy Perumal announced the result of the Internal Auditor election.

Attendance:	818
Total Votes Cast:	801
Valid Votes:	767
Spoilt Votes:	34

<u>Candidate</u>	<u>Votes</u>	<u>Remarks</u>
R Pannirselvam	431	Elected
Kng Kim Swee	393	Elected
R P Raman	364	Elected
Johari Bin Mokti	359	Not Elected
Chong Chee Meng	346	Not Elected
Nazri Bin Nasir	235	Not Elected

**AGENDA 15.2 - RESULT OF ELECTION (BOARD OF DIRECTORS)**

At about 9.35pm, the Chief Scrutinizer, Mr. Vijaya Kumar (Reg. 4433) announced the result of the Board of Directors election.

Attendance:	818
Total Votes Cast:	805
Valid Votes:	779
Spoilt Votes:	26

<b><u>Candidate</u></b>	<b><u>Votes</u></b>	<b><u>Term</u></b>
K Rajaram	446	3 years
Jangarodin B Osman	427	3 years
Doreen Pang	391	3 years
R Chandrasegaran	358	Not Elected
Lim Seng Chai	331	Not Elected
Zulkifli Abd Rahman	302	Not Elected

**CONCLUSION**

At about 9.55pm, Chairman Rajaram thanked Chief Scrutinizers Mr. Palanisamy Perumal and Mr. Vijaya Kumar, the volunteer scrutinizers and all members who helped to make the 92nd AGM a success.



**K Rajaram**  
Chairman



**C Subramaniam**  
Hon Secretary

# Corporate Governance

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## BOARD OF DIRECTORS MEETINGS/ SPECIAL MEETINGS 2017

<u>Name</u>	<u>Designation</u>	<u>Meetings Held</u>	<u>Attended</u>
K Rajaram	Chairman	14	13
Tan Eng Chai	Vice Chairman	14	11
C Subramaniam	Hon Secretary	14	13
Mohamed Hanifah	Hon Treasurer	14	13
Lee Choy Ling	Hon Asst Secretary	14	13
Azman Bin Mahmud	Hon Asst Treasurer	14	13
Jangarodin Osman	Director	14	10
Pasupathy M Suppiah	Director	14	10
S T Robert	Director	14	12
Doreen Pang	Director	14	13

## RISK SUB-COMMITTEE

<u>Name</u>	<u>Designation</u>	<u>Meetings Held</u>	<u>Attended</u>
Mohamed Hanifah	Chairman	11	10
C Subramaniam	Member	11	9
Azman Bin Mahmud	Member	11	9
Lee Choy Ling	Member	11	9
K Rajaram	Ex-officio	11	9
Tan Eng Chai	Ex-officio	11	8



# *Appropriation of Profit 2017*

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Dear members,

The Board of Directors recommends that the profit of 2017 be appropriated as:

	(S\$)
Nett Profit for 2017	<b>458,496</b>
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less	
(a) Contribution to Central Co-operative Fund *	18,234**
(b) Transfer to Anniversary Celebration Fund	7,000
(c) Transfer to Reserve Fund	1,049
(d) Honorarium	15,840
(e) 1.7 % dividend on Subscription of \$24,487,213	416,283
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	<b>458,496</b>

**\* In compliance with Section 71(2) of the Co-operative Societies Act, Cap 62, the Co-operative contributed 5% of the first S\$500,000 of its surplus to the Central Co-operative Fund and 20% of the surplus in excess of \$500,000 to the Central Co-operative Fund.**

**\*\* 5% of \$366,483. The surplus of \$458,496 includes the \$92,013 gain in disposal of shares, which is considered as capital gain and is not subjected to CCF contribution.**

If the above recommendation is accepted and approved by members attending the 93rd AGM, dividend will be credited to members' bank account on 12 May 2018.

Members who are not on GIRO deductions may collect their cheque from the Co-operative office from 14 May 2018 onwards.

Members, who are in default in payments to the Co-operative, will not be allowed to collect their dividend cheque.

## *Expenditure Estimate for 2019*

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	Estimated Expenditure <b>2018</b>	Estimated Expenditure <b>2019</b>
1. Salary and Allowance	220,000	220,000
2. Printing and stationery	20,000	20,000
3. Audit Fees	8,500	8,500
4. General, Extraordinary & Board Meetings	35,000	35,000
5. Delegate & Conference Expenses	50,000	50,000
6. Transport, Postage & Bank Charges	20,000	20,000
7. Purchase/Maintenance of Office Equipment and Furniture	30,000	30,000
8. Staff Medical Expenses	5,000	5,000
9. Affiliation Fees	4,000	4,000
10. Premises & Telephone Expenses	40,000	40,000
11. Central Provident Fund	40,000	40,000
12. Co-operative Activities	40,000	40,000
13. Contingencies	20,000	20,000
<b>TOTAL \$</b>	<b>532,500</b>	<b>532,500</b>

## *List of Sundry Creditors*

Reg No.	Name	Amount (\$\$)	Reg No.	Name	Amount (\$\$)
4884	Ramamuthi s/o S Vengadaslam	48.35	11502	Mohd Aminuddin Khalid	40.00
5054	Mohd Fauzi Bin H Othman	881.93	11659	Goh Wei Hong	220.00
8275	Zainuddin Mohamed Salim	22.30	11863	See Se Kek	107.19
9390	Tan Ah Soon	4,692.10	12022	Chew Teck Kian	14.13
9455	Mohd Razali Duriat	647.31	12100	Ng Poh Seong	47.45
9578	Hares bin Kata	3.76	12187	Lee Eng Wah	110.00
10035	Yap Seow Hong	19.10	12601	Abd Hamid Bin Abd Karim	80.50
10035	Yap Seow Hong	40.90	12604	Subramaian s/o Muthayan	45.00
10067	Alladin Bin Ismail	34.40	12804	Ariffin bin Amran	14.09
10140	Shariff B Abdullah	1,000.00	12807	Ishak bin Ismail	10.23
10321	K Davarajan	582.02	12851	Shaik Mohamed b Shaik Jaffar	60.73
10465	Wong Yee Meng	456.00	12862	Masdarsono bin Mohd Amin	176.62
10471	Mohd Lockman Bin Musa	220.00	12892	Sellam Kannan	11.72
10555	Abdul Rahman bin Eusope	607.00	12906	Arivaanantharaj A/L Durairaj	1,687.71
10567	Goh Chai Koon	100.00	12910	Mark Yeah Weiqiang	94.70
10700	Adam Bin Johari (deceased)	30.79	12959	Tan Chwee Lay	10.04
10734	Lee Poh Poh	243.00	12960	Musani Bin Mustafa	194.28
10900	Goh Chor Yau	17.30	12994	Vimal Arhasen s/o Kanawathi	36.16
11035	Ng Kin Huat	73.80	13003	Ramzi Bin Samion	422.92
11036	Nah Kim Lin	71.15	13052	Toh Wee Lee	297.55
11107	Rudy Martin Junior	210.00	13137	Danny Dan	2,626.64
11153	Chow Chin Chang	44.21	13151	Mohamed Nadir Bin Mohamed Iqbal	400.88
11155	Loo Han Lin	34.44	13259	Mohamed Eusreen Bin Mohamed Eunus	38.00
11166	Lim Wei Kiong paybill jan	9.00	13360	Muhammad Khairudin Bin Mahmud	27.72
11283	Nor Azli Mohd paybill	308.36	13384	Ong Kwang Yong	54.60
11293	Ravindran a/l Perumal	401.00	13391	Dewadas Dinesh Kumar	66.45
11377	Tai Wei Chieh	200.00	13438	Mohamad Fauzan Bin Mohamad Tahir	24.63
11380	Chan Siew Meng	321.00	13505	Razmy Bin Mohamed Talib	36.00
11381	Sivakumar A/L Subramaniam	361.00	13511	Teo Oenry	11.82
11405	Low Eng Keat	256.00	13549	Izuan Afendi Bin Mohd	105.00
11411	Lim Kheng Howe	1.00	13610	Tang Jia Ruay	47.00
11425	Sawal Bin Manis	30.03			
11450	Lee Seng Chong	10.45			
					<b>Total: 19,097.46</b>

# *Anniversary Celebration Fund Lucky Draw 2018*

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The Board of Directors is seeking members mandate to spend a sum of not more than \$30,000 from the Anniversary Celebration Fund to send forty (40) lucky members on a tour.

The rules for the draw are:

1. A member must have at least 1 year membership as at 1 January 2018 to qualify for the 2018 Lucky Draw.
2. The draw, by membership registration no. will be conducted in the following categories:
 

a) More than 30 years membership: Regn. 4528 to 9091 (341 members)	10 winners
b) 21 to 30 years membership: Regn. 9094 to 11474 (580 members)	12 winners
c) 11 to 20 years membership: Regn. 11483 to 12772 (462 members)	10 winners
d) 1 to 10 years membership: Regn. 12774 to 13707 (487 members)	8 winners
3. A list of members name and date joined will be made available for verification.
4. All winners will be notified by post. A list of all winners will be faxed to all available fax nos. and will be displayed at the Co-operative Notice Board.
5. Winners must confirm to the Co-operative of his/her participation by the stipulated date in the letter. If no confirmation is received, the member is deemed to have rejected the prize. This prize will then be offered to the most senior member in the Co-operative membership register.
6. Winners must submit their passports (at least 6 month validity from date of Tour) and the stated non-refundable deposit.
7. Winners and senior members, who have participated in past tours, will not qualify for future draws.
8. The Co-operative reserves the right to choose any replacement for a rejected prize in any way it deems fit

9. The Co-operative will not be held responsible in any way for any mishap, injury or loss suffered during the tour.
10. The decision of the Co-operative on all matters of the draw shall be final.



**Abdullah Saleh Talib**  
General Manager

# *Anniversary Celebration Lucky Draw 2017*

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The Annual Celebration Fund Tour 2017 (ACF2017) sub-committee comprised of C subramaniam (Chairman), Jangarodin Osman (Secretary) and members Mohd Hanifah and Pasupathy.

Quotations were sought from Farmosa Travels, Experience Tours and Muhibbah Travel for Bangkok, Jakarta and Myanmar tour packages. After much deliberations for over a few months, the sub-committee found Experience Myanmar tour package suitable and within budget. The tour was conducted from 28 September to 2 October 2017, so that it will not affect the incentive component of participants' salary.

The tour was participated by 67 participants comprising of winners, senior members, paying members, spouses and Citiport directors.

*C. S. Maniam*

**C Subramaniam**

ACF Tour 2017

Sub-Committee Chairman



## *List of Winners (2017)*

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The draw was held on Wednesday, 16 May 2017 from 9.30 am at the PSA Club, witnessed by 21 members.

<u>Regn</u>	<u>Name</u>	<u>NRIC No</u>
<b><u>a) More than 30 year membership: 10 winners</u></b>		
5743	Yusof Bin Musa	SXXXX354D*
5771	Yeo Beng Khim	SXXXX558E*
6819	Chan Seok Yang	SXXXX986J*
7005	Tan Ah Hock	SXXXX605H
7072	Kok Kah Poh	SXXXX318H
7265	Lee Eng Chai	SXXXX107D*
8274	Abdul Azeez Bin Abdul Hamed	SXXXX305I*
8283	Mekrat Bin Supamat	SXXXX521H*
8431	Ong Kian Boon	SXXXX542F
8520	Teng Tai Khin	SXXXX286F

### **b) 21 to 30 year membership: 12 winners**

10046	K Manirasan	SXXXX105D
10119	Abidin Bin Mohd	SXXXX076G*
10229	Jasvinder Singh	SXXXX816G
10259	Wee Kee Neng	SXXXX724C*
10264	Yasin Bin Othman	SXXXX740A
10492	See Chin Chye	SXXXX347F
10637	Tan Choo Beng	SXXXX175I
10874	Periyasamy s/o Muthukannan	SXXXX675Z
11189	Liew Kuan Chang Paul	SXXXX624H*
11300	Teo Hay Lam	SXXXX220I*
11367	Chia Eng Seng	SXXXX563C
11473	Noor Azahar Bin Aris	SXXXX742B*

### **c) 11 to 20 year membership: 10 winners**

11604	Claire Neo Fah Bee	SXXXX432E
11631	Goh Chee Keong	SXXXX595E
11762	Chew Chuen Yong	SXXXX270G*
11878	Ng Hiang Leng	SXXXX644E
12138	Sheah Choo Kiat	SXXXX872A
12150	Ang Wee Lien	SXXXX688F
12346	Chen Kheng Seah	SXXXX973H*
12506	Norazlan Sujak	SXXXX091Z
12619	Azahar Bin Ansani	SXXXX713C*
12651	Ho Geok Neo	SXXXX941J

\*Declined

**d) 1 to 10 year membership: 8 winners**

12770	Tan Poh Heng	SXXXXX782Z*
12798	Deng Qing Hua	SXXXXX649A*
12897	Mohd Amin Bin Sawpi	SXXXXX295A*
13013	Tan Ger Hwee	SXXXXX707G
13312	Muhd Azman Bin Suratman	SXXXXX930F*
13403	Too Teck Huat	SXXXXX129A*
13632	Khairul Ridhwan Bin Kamsani	SXXXXX695C*
13643	Phang Jeinn Yug	SXXXXX601H*

**e) Most senior members**

5764	Lee Yew Teck	SXXXXX223A
6854	Lee Soon Hong	SXXXXX026B
6991	Tan Seng Kim	SXXXXX654B
7033	Thangasami Segaran	SXXXXX898F
7070	Tan Kok Yong	SXXXXX773F
7073	Kok Keng Guan	SXXXXX219F
7079	Kum Fook Heng	SXXXXX494F
7098	Heng Yong Keng	SXXXXX179I
7103	Woo Tuck Wah	SXXXXX695E
7118	Lim Swee Lan	SXXXXX378B
7137	Yang Yian Keong	SXXXXX903H
7153	Ng Tee Khian	SXXXXX520G
7193	Lim Kian Hoe	SXXXXX185H
7213	Ho Chin June	SXXXXX080H

\*Declined

A total of 75 most senior members were contacted but only the above 14 members accepted the offer.



**C Subramaniam**

Chairman

Anniversary Celebration Fund Lucky Draw 2017

## *List of Bad Debts of Deceased & Defaulted Members as at 31 December 2017*

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There is a sum of \$58,060.21 in the Loan Default Fund as at 31 December 2017. This sum is an accumulation from the Administrative Fee charged to members taking loans since 2001. The Board is proposing to use \$57,532.67 from this Fund to write-off the bad debts of deceased and defaulted members.

### **DECEASED**

<b><u>Regn</u></b>	<b><u>Name</u></b>	<b><u>(S\$)</u></b>
10820	Suhaimi Bin Suari	769.24

### **DEFAULTED**

<b><u>Regn</u></b>	<b><u>Name</u></b>	<b><u>(S\$)</u></b>
10294	Lim Kwee Hwa	19,577.40
10666	R Parthiban	29,742.00
11708	Abdul Hadi Bin Adam Nahar	4,455.07
13148	Muhammad Hafidz Bin Mohd Sarrif	2,988.96

	<b>Total:</b>	<b>57,532.67</b>
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## *Report On Investments 2017*

Quoted Equities	Qty	Cost (S\$)	Unit Cost per share (S\$)	Yield (%)	Market Price 31/12/2018 (S\$)	Paper Gains / (Lost) (S\$)
AUSNETSERVICES	40,000	63,200.00	1.58	6.200	1.890	12,400.00
AUSNETSERVICES	10,000	8,600.00	0.86	6.200	1.890	10,300.00
CAPITALAND	5,000	14,700.00	2.94	2.860	3.530	2,950.00
CAPITALAND	5,000	29,900.00	5.98	2.860	3.530	(-12,250.00)
CAPITALAND	40,000	130,400.00	3.26	2.860	3.530	10,800.00
CHUAN HUP	50,000	15,000.00	0.30	3.330	0.295	(-250.00)
DBS	10,000	199,200.00	19.92	3.010	24.850	49,300.00
F & N	5,000	20,400.00	4.08	1.100	2.580	(-7,500.00)
FRASERS CPT	10,000	0.00	0.00	8.600	2.080	20,800.00
GL	100,000	70,000.00	0.70	3.140	0.840	14,000.00
HONG LEONG FIN	20,000	20,506.41	1.03	6.000	2.730	34,093.59
KEP INFRA TR	160,600	55,500.00	0.35	3.600	0.575	36,845.00
KEP INFRA TR	50,000	57,000.00	1.14	3.600	0.575	(-28,250.00)
KEPPEL CORP	40,000	383,300.00	9.58	3.140	7.350	(-89,300.00)
KEPPEL CORP	10,000	94,600.00	9.46	3.140	7.350	(-21,100.00)
MAPLETREE LOG TR	40,000	36,040.00	0.90	8.210	1.320	16,760.00
MYP (f.k.a Cougar)	25,000	7,750.00	0.31	0.000	0.140	(-4,250.00)
MYP (f.k.a Cougar)	25,000	5,985.00	0.24	0.000	0.140	(-2,485.00)
OCBC BANK	20,000	198,800.00	9.94	3.730	12.390	49,000.00
OCBC BANK	10,000	98,300.00	9.83	3.730	12.390	25,600.00
OCBC BANK	4,000	30,600.00	7.65	3.730	12.390	18,960.00
SEMBCORP	10,000	14,300.00	1.43	2.730	3.030	16,000.00
SEMBCORP	20,000	95,600.00	4.78	2.730	3.030	(-35,000.00)
SGX	5,000	33,800.00	6.76	4.140	7.440	3,400.00
SIA	6,600	53,100.60	8.05	4.770	10.670	17,321.40
SIA	1,000	14,720.00	14.72	4.770	10.670	(-4,050.00)
SIA	400	5,907.33	14.77	4.770	10.670	(-1,639.33)
SINGHOLDINGS	30,000	5,000.00	0.17	1.375	0.445	8,350.00
SINGHOLDINGS	50,000	27,600.00	0.55	1.375	0.445	(-5,350.00)
SINGREINSURANCE	100,000	26,000.00	0.26	3.260	0.315	5,500.00
SINGREINSURANCE	14,000	2,940.00	0.21	3.260	0.315	1,470.00
SINGREINSURANCE	30,500	8,692.50	0.29	3.260	0.315	915.00
SINGREINSURANCE	14,100	4,018.50	0.29	3.260	0.315	423.00
SINGREINSURANCE (BONUS)	11,400	0.00	0.00	3.260	0.315	3,591.00
SINGTEL	10,000	34,800.00	3.48	6.000	3.570	900.00
SINGTEL	8,000	13,600.00	1.70	6.000	3.570	14,960.00
SINGTEL	7,000	25,480.00	3.64	6.000	3.570	(-490.00)
SPH	10,000	39,000.00	3.90	6.000	2.650	(-12,500.00)
ST ENGINEERING	40,000	119,200.00	2.98	5.000	3.260	11,200.00
ST ENGINEERING	20,000	76,000.00	3.80	5.000	3.260	(-10,800.00)
STAMFORD LAND	50,000	33,250.00	0.67	1.000	0.495	(-8,500.00)
STAMFORD LAND	50,000	34,750.00	0.70	1.000	0.495	(-10,000.00)
STARHILLGBL REIT	20,000	21,800.00	1.09	1.380	0.775	(-6,300.00)
STARHILLGBL REIT	22,000	10,500.00	0.48	1.380	0.775	6,550.00
STARHUB	9,170	17,331.30	1.89	4.000	2.850	8,803.20
TECHCOMP	150,000	42,500.00	0.28	3.000	0.280	(-500.00)
TECHCOMP (BONUS)	75,000	0.00	0.00	3.000	0.280	21,000.00
WING TAI	11,300	17,165.00	1.52	4.000	2.280	8,599.00
<b>Total: S\$</b>		<b>2,316,836.64</b>				<b>170,276.86</b>

Quoted Bonds	Qty	Cost (S\$)
STELGTREN200408	501,500	501,500.00
G EASTLIFE260119	250,000	250,000.00
Total: S\$		751,500.00

Unquoted Equity	Qty	Cost (S\$)
Premier Security	50,000	50,000.00
NTUC Fairprice	55,236	10,000.00
NTUC Income	31,200	441,200.00
Total: S\$		501,200.00

#### DISPOSAL OF QUOTED EQUITY

Quoted Equity	Qty	Date	Cost (S\$)	Sale Proceeds (S\$)	Gain (S\$)
Venture	10,000	3-May-17	73,700	119,313	45,613
Venture	10,000	11-May-17	84,900	131,300	46,400
Total: S\$			158,600	250,613	92,013

## CITIPOINT CREDIT CO-OPERATIVE LIMITED

### REGISTRATION OF MEMBER'S DEPENDANTS

I, \_\_\_\_\_ Identity Card No. \_\_\_\_\_ a member of the Citiport Credit Co-operative Limited wish to register my dependants (dependants include own parents, spouse and children), as follows :-

Serial No.	Name of Dependant	Relationship	Date of Birth	Identity Card or Birth Certificate No.	REMARKS
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
11.					
12.					
13.					
14.					
15.					

### DECLARATION

I, \_\_\_\_\_ hereby declare that the above information is true and correct.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature



# CITIPOINT CREDIT CO-OPERATIVE LIMITED

## NOMINEE FORM

MEMBER'S/MEMBERSHIP NO. \_\_\_\_\_

To The Hon. Secretary,

Sir,

Date Recd	
Date Posted	
Secretary's Signature	

Under the provisions of the Co-operative Societies Ordinance,  
I, \_\_\_\_\_ NRIC / BC No. \_\_\_\_\_  
(full name in Block Letters as in NRIC)  
a member of the Citiport Credit Co-operative Limited nominate and desire that the said shares be divided  
amongst the persons nominated below :-

	SHARE
(a) Mr/Mrs/Miss/Mdm _____	%
Nominee's Address _____	
“ Occupation _____	
“ Relationship to member (if any) _____	
“ Age _____ NRIC / BC No. _____	
(b) Mr/Mrs/Miss/Mdm _____	%
Nominee's Address _____	
“ Occupation _____	
“ Relationship to member (if any) _____	
“ Age _____ NRIC / BC No. _____	
	100 %

As the person / persons to whom my share or interest or the value of such share or interest and all other monies referred to in section 25 of the Ordinance that may be due to me may on my death be paid or transferred under the provisions of the said section.

( ) My nominee being a minor.

Mr/Mrs/Miss/Mdm. \_\_\_\_\_

Address \_\_\_\_\_ NRIC / BC No. \_\_\_\_\_

will act as guardian for the minor.

Signed by me \_\_\_\_\_ (Signature) \_\_\_\_\_

In the presence of :-

(i) Signature \_\_\_\_\_ (ii) Signature \_\_\_\_\_

Name \_\_\_\_\_ Name \_\_\_\_\_

Address \_\_\_\_\_ Address \_\_\_\_\_

this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_

**UEN No.  
S25CS0003C**

**CITIPORT CREDIT CO-OPERATIVE LTD**

**(Registered in the Republic of Singapore)**

**AUDITED FINANCIAL STATEMENTS**

**FOR THE REPORTING PERIOD FROM 1 JANUARY 2017 TO 31 DECEMBER 2017**

**Audited Financial Statements  
And Other Financial Information**

**CITIPOINT CREDIT CO-OPERATIVE LTD**

**31 DECEMBER 2017**

**C O N T E N T S**

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**CITIPOINT CREDIT CO-OPERATIVE LTD**

**DIRECTORS' STATEMENT**

**FOR THE REPORTING PERIOD FROM 1 JANUARY 2017 TO 31 DECEMBER 2017**

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The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Co-operative Societies Act, Chapter 62 and Singapore Financial Reporting Standards. This responsibility includes devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition; and transactions are properly authorized and that they are recorded as necessary to permit the preparation of true and fair statements of profit or loss and other comprehensive income and financial position and to maintain accountability of assets.

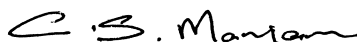
In the opinion of the Board of Directors,

- (a) the accompanying financial statements of Citiport Credit Co-operative Ltd ("the Co-operative") are properly drawn up in accordance with the provisions of the Singapore Co-operative Societies Act, Chapter 62 and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Co-operative as at 31 December 2017 and the financial performance, changes in equity and cash flows of the Co-operative for the reporting period from 1 January 2017 to 31 December 2017;
- (b) at the date of this statement, there are reasonable grounds to believe that the Co-operative will be able to pay its debts as and when they fall due; and
- (c) the accounting records and other records required by the Singapore Co-operative Societies Act, Cap. 62 (the "Act") to be kept have been properly kept in accordance with the provisions of the Act.

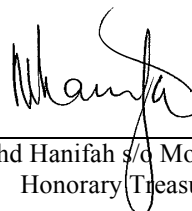
On behalf of the board of directors,



K. Rajaram  
Chairman



C. Subramaniam  
Honorary Secretary



Mohd Hanifah s/o Mohd Jamal  
Honorary Treasurer

Singapore,

**CITIPOINT CREDIT CO-OPERATIVE LTD**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CITIPOINT**  
**CREDIT CO-OPERATIVE LTD**  
**FOR THE REPORTING PERIOD FROM 1 JANUARY 2017 TO 31 DECEMBER 2017**

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***Report on the Audit of the Financial Statements***

***Opinion***

We have audited the financial statements of Citiport Credit Co-operative Ltd ("the Co-operative"), which comprise the statement of financial position of the Co-operative as at 31 December 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the reporting period from 1 January 2017 to 31 December 2017, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Singapore Co-operative Societies Act, Chapter 62 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Co-operative as at 31 December 2017 and of the financial performance, changes in equity and cash flows of the Co-operative for the reporting period from 1 January 2017 to 31 December 2017.

***Basis for Opinion***

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Co-operative in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

***Information Other than the Financial Statements and Auditor's Report Thereon***

Management is responsible for the other information. The other information comprises the Directors' Statement included in page 1 but does not include the financial statements and our auditor's report thereon.

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

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

**CITIPOINT CREDIT CO-OPERATIVE LTD**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CITIPOINT**  
**CREDIT CO-OPERATIVE LTD**  
**FOR THE REPORTING PERIOD FROM 1 JANUARY 2017 TO 31 DECEMBER 2017**  
*(Continued)*

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***Responsibilities of Management and Directors for the Financial Statements***

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

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

The directors' responsibilities include overseeing the Co-operative's financial reporting process.

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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



**CITIPOINT CREDIT CO-OPERATIVE LTD**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CITIPOINT**  
**CREDIT CO-OPERATIVE LTD**  
**FOR THE REPORTING PERIOD FROM 1 JANUARY 2017 TO 31 DECEMBER 2017**  
*(Continued)*

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Co-operative's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Co-operative to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

***Report On Other Legal and Regulatory Requirements***

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

**LOKE LUM PAC**  
Public Accountants and  
Chartered Accountants  
Singapore

**CITIPOINT CREDIT CO-OPERATIVE LTD**  
**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017**

	<u>NOTE</u>	<u>2017</u>	<u>2016</u>
		\$	\$
<b>Non-current assets</b>			
Property, plant and equipment	4	2,403,053	2,441,767
Loans to members	5	1,886,073	2,229,481
Investments	6	3,767,339	3,624,776
		<u>8,056,465</u>	<u>8,296,024</u>
<b>Current assets</b>			
Other receivables	7	651,859	501,782
Loans to members	5	248,355	294,117
Prepayments	8	8,574	-
Cash and cash equivalents	9	23,845,370	23,595,502
		<u>24,754,158</u>	<u>24,391,401</u>
Less:			
<b>Current liabilities</b>			
Other payables	10	27,391	25,824
Unclaimed balances	11	44,538	41,192
Central co-operative fund	12	18,324	23,353
Honorarium to committee	13	15,840	15,840
Dividends payable	14	-	481,843
		<u>106,093</u>	<u>588,052</u>
<b>Net current assets</b>		<u>24,648,065</u>	<u>23,803,349</u>
		<u>32,704,530</u>	<u>32,099,373</u>
<b>Capital and reserves</b>			
Members' subscription capital	15	24,487,212	24,709,916
Members' specific deposits	16	2,753,263	2,567,596
Members' fixed deposits	17	63,224	77,267
Fair value reserve	18	197,802	(103,361)
		<u>27,501,501</u>	<u>27,251,418</u>
<b>Funds</b>			
Reserve fund	19	4,723,174	4,305,842
Scholarship fund	20	298,801	329,751
Anniversary celebration fund	21	119,600	138,712
Common good fund	22	3,394	18,695
Loan default fund	23	58,060	54,955
		<u>5,203,029</u>	<u>4,847,955</u>
<b>Total equity</b>		<u>32,704,530</u>	<u>32,099,373</u>

*The accompanying notes form an integral part of the financial statements*

**CITIPOINT CREDIT CO-OPERATIVE LTD**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE REPORTING PERIOD FROM 1 DECEMBER 2017 TO 31 DECEMBER 2017**

	<u>NOTE</u>	<u>2017</u> \$	<u>2016</u> \$
Revenue	24	760,790	807,458
Other income	25	<u>160,401</u>	<u>138,316</u>
		921,191	945,774
Employee expenses	26	(208,532)	(189,422)
Depreciation of property, plant and equipment	4	(39,649)	(39,520)
Other operating expenses	27	(193,386)	(156,953)
Finance costs	28	(21,128)	(26,213)
Surplus before income tax		<u>458,496</u>	<u>533,666</u>
Income tax expense		-	-
Surplus after income tax		<u>458,496</u>	<u>533,666</u>
Other comprehensive income:			
Items that may be classified subsequently to profit or loss		301,163	(72,337)
Items that will not be reclassified subsequently to profit or loss		-	-
Other comprehensive income, net of tax		<u>301,163</u>	<u>(72,337)</u>
Total comprehensive income for the reporting period		<u>759,659</u>	<u>461,329</u>

*The accompanying notes form an integral part of the financial statements*

**CITIPOINT CREDIT CO-OPERATIVE LTD**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE REPORTING PERIOD FROM 1 DECEMBER 2017 TO 31 DECEMBER 2017**

	Members' subscription capital	Members' specific deposits	Members' fixed deposits	Fair value reserve	Reserve fund	Scholarship fund	Anniversary celebration fund	Common good fund	Loan default fund	Total equity
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance as at 1 January 2016	24,268,492	2,395,518	76,502	(23,674)	4,303,212	364,501	153,741	18,671	61,330	31,618,293
Net movement	441,424	172,078	765	(7,350)	-	(34,750)	(25,029)	24	(6,375)	540,787
Total comprehensive income for the year	-	-	-	(72,337)	533,666	-	-	-	-	461,329
Transfer to central co-operative funds	-	-	-	-	(23,353)	-	-	-	-	(23,353)
Transfer to honorarium	-	-	-	-	(15,840)	-	-	-	-	(15,840)
Dividends	-	-	-	-	(481,843)	-	-	-	-	(481,843)
Transferred to anniversary celebration fund	-	-	-	-	(10,000)	-	10,000	-	-	-
Balance as at 31 December 2016	24,709,916	2,567,596	77,267	(103,361)	4,305,842	329,751	138,712	18,695	54,955	32,099,373
Net movement	(222,704)	185,667	(14,043)	-	-	(30,950)	(26,112)	(15,301)	3,105	(120,338)
Total comprehensive income for the year	-	-	-	301,163	458,496	-	-	-	-	759,659
Transfer to central co-operative funds	-	-	-	-	(18,324)	-	-	-	-	(18,324)
Transfer to honorarium	-	-	-	-	(15,840)	-	-	-	-	(15,840)
Transfer to anniversary celebration fund	-	-	-	-	(7,000)	-	7,000	-	-	-
Balance as at 31 December 2017	24,487,212	2,753,263	63,224	197,802	4,723,174	298,801	119,600	3,394	58,060	32,704,530

*The accompanying notes form an integral part of the financial statements*

**CITIPOINT CREDIT CO-OPERATIVE LTD**  
**STATEMENT OF CASH FLOWS**  
**FOR THE REPORTING PERIOD FROM 1 JANUARY 2017 TO 31 DECEMBER 2017**

	<u>NOTE</u>	<u>2017</u> \$	<u>2016</u> \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Surplus before income tax		458,496	533,666
Adjustments for :			
Depreciation of property, plant and equipment	4	39,649	39,520
Allowance for impairment of doubtful loans	5	53,449	-
Dividend income	24	(151,627)	(175,663)
Fixed deposits interest income	24	(396,942)	(395,868)
Gain on disposal of investments	25	(92,013)	(66,600)
Members' specific deposit interest	28	20,496	25,440
Members' fixed deposit interest	28	632	773
Operating cash flows before changes in working capital		(67,860)	(38,732)
Changes in assets and liabilities			
Other receivables		(150,077)	31,772
Prepayments		(8,574)	-
Other payables		1,567	(8,533)
Unclaimed balances		3,346	-
Cash used in operations		(221,598)	(15,493)
Central co-operative fund		(23,353)	(22,306)
Honorarium		(15,840)	(15,840)
Dividends paid		(481,843)	(473,236)
Scholarship fund	19	(30,950)	(34,750)
Anniversary celebration		(26,112)	(25,029)
Common good fund		(15,301)	24
Net cash used in operating activities		(814,997)	(586,630)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment	4	(935)	(45,162)
Purchase of investments		-	(176,500)
Proceeds from disposal of investments	6	250,613	311,000
Divided income received		151,627	175,663
Fixed deposits interest received		396,942	137,673
Net cash generated from investing activities		798,247	402,674
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Members' subscriptions capital		(222,704)	441,424
Members' specific deposit		165,171	146,638
Members' fixed deposit		(14,675)	-
Loans to members		335,721	505,781
Loan default fund		3,105	52,416
Net cash generated from investing activities		266,618	1,146,259
Net change in cash and cash equivalents		249,868	962,303
Cash and cash equivalents at beginning of reporting period		23,595,502	22,633,199
Cash and cash equivalents at end of reporting period	9	23,845,370	23,595,502

*The accompanying notes form an integral part of the financial statements*

## CITIPOINT CREDIT CO-OPERATIVE LTD

### NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2017

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

#### 1 GENERAL INFORMATION

CITIPOINT CREDIT CO-OPERATIVE LTD (“the Co-operative”) is registered under the Singapore Co-operative Societies Act, Chapter 62 on 9 October 1925 in the Republic of Singapore.

The registered address and principal place of business is at:

83A Kampung Bahru Road  
Singapore 169379

The principal activities of the Co-operative are to promote co-operation and self-help, encourage thrift and improving economic interest among its members who are employees of the PSA Corporation, its subsidiaries and marine related companies.

There have been no significant changes in the nature of these activities during the reporting period.

#### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### 2.1 *Basis of Preparation*

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (“FRS”). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The accounting policies have been consistently applied by the Co-operative during the current reporting period and are consistent with those in the previous reporting period except for the adoption of new / revised FRS discussed in Note 2.2 below.

The financial statements are presented in Singapore dollars (\$ or SGD), the functional currency of the Co-operative.

The preparation of financial statements in conformity with FRS requires management to exercise its judgment in the process of applying the Co-operative’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.1.

## 2.2 *Changes In Accounting Policies*

On 1 January 2017, the Co-operative adopted all the new and revised FRSs and Interpretations of FRS (INT FRS”) that are effective from that date and are relevant to its operations. The adoptions of these new/revised FRSs and INT FRSs does not result in changes to the Co-operative’s accounting policies and has no material effect on the amounts reported for the current or prior years.

The following FRS and INT FRS are effective from 1 January 2017:

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
Amendments to FRS 7: <i>Disclosure Initiatives</i>	1 January 2017
Amendments to FRS 12: <i>Recognition of Deferred Tax Assets for Unrealised Losses</i>	1 January 2017
Amendments to FRS 112 <i>Disclosure of Interests in Other Entities</i>	1 January 2017

## 2.3 *Functional And Foreign Currency*

### **Functional currency**

Management has determined the currency of the primary economic environment in which the Co-operative operates i.e. the functional currency, to be SGD.

### **Foreign currency transactions**

Transactions in foreign currencies are measured in the functional currency of the Co-operative and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the closing rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in the profit or loss.

## 2.4 *Property, Plant And Equipment*

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. All items of property, plant and equipment are initially recorded at cost.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use, any trade discounts and rebates are deducted in arriving at the purchase price. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance and overhaul costs, is normally charged to the profit or loss in the period in which the costs are incurred.

In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment beyond its originally assessed standard of performance, the expenditure is capitalised as an additional cost of property, plant and equipment.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.



Depreciation is computed on the straight line basis to write off the cost of the property, plant and equipment over their estimated useful lives as follows:

Building on freehold property	99 years
Office equipment, furniture and fitting	10 years
Renovation	10 years
Computers	10 years
Software	10 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at end of each reporting period to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the period the asset is derecognised.

## 2.5 ***Impairment Of Property, Plant And Equipment***

Property, plant and equipment are reviewed for impairment whenever there is any indication that these assets may be impaired. If any such indication exists, the recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) of the asset is estimated to determine the amount of impairment loss.

For the purpose of impairment testing of the assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The impairment loss is recognised in statement of profit or loss and other comprehensive income.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased only to the extent that this amount does not exceed the carrying amount that would have been determined (net of accumulated depreciation) had no impairment loss been recognised for the asset in prior periods. A reversal of impairment loss for an asset is recognised in statement of profit or loss and other comprehensive income.

## 2.6 ***Financial Assets***

### **Initial recognition and measurement**

Financial assets are recognised on the statement of financial position when, and only when, the Co-operative becomes a party to the contractual provisions of the financial instrument. The Co-operative determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value plus, in the case of financial assets not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets.

### **Subsequent measurement**

The subsequent measurement of financial assets depends on their classification.

### **Loans and receivables**

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

### **Available-for-sale financial assets**

Available-for-sale financial assets include equity and debt securities. Equity investments classified as available-for-sale are those, which are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial recognition, available-for-sale financial assets are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial asset are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit and loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

### **Held-to-maturity investments**

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Co-operative has the positive intention and ability to hold the investment to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the held-to-maturity investments are derecognised or impaired, and through the amortization process.

### **Derecognition**

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

## 2.7 ***Impairment of Financial Assets***

The Co-operative assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

### **Financial assets carried at amortised cost**

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

### **Available-For-Sale Financial Assets**

If an available-for-sale financial asset is impaired, an amount comprising the difference between its acquisition cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from other comprehensive income and recognised in profit or loss. Reversals of impairment losses in respect of equity instruments are not recognised in profit or loss; increase in their fair value after impairment are recognised directly in other comprehensive income.

### **Financial Assets carried at cost**

If there is objective evidence that an impairment loss on financial assets carried at cost had been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

## 2.8 ***Financial Liabilities***

### **Initial recognition and measurement**

Financial liabilities are recognised on the statement of financial position when, and only when, the Co-operative becomes a party to the contractual provisions of the financial instrument. The Co-operative determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus and in the case of other financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

### **Subsequent measurement**

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortization process.

## **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modifications is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

### **2.9 Operating leases**

#### **As lessor**

Leases where the Co-operative retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income.

### **2.10 Employee Benefits**

#### **Defined contribution plan**

As required by law, the Co-operative makes contribution to the state pension scheme, the Central Provident Fund ("CPF"). CPF contributions are recognised as staff and related costs in the same period as the employment that gives rise to the contribution.

### **2.11 Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Co-operative and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

#### **Interest income**

Interest income is recognised on a time proportion basis using the effective rate method.

#### **Dividend income**

Dividend income is recognised when the right to receive payment is established.

#### **Rental income**

Rental income is recognised on the straight-line basis over the lease term.

#### **Sale of investments**

Revenue from sale of investments is recognised upon transfer of ownership rights, net of brokerage, clearing and trading fees incurred.

## 2.12 ***Taxes***

The Co-operative is a registered co-operative society under the Singapore Co-operative Societies Act, Chapter 62 and its income is exempted from income tax under Section 13 (1)(f)(ii) of the Income Tax Act, Chapter 134.

## 3 **SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS**

Estimates, assumptions concerning the future and judgments are made in the preparation of the financial statements. They affect the application of the Co-operative's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an ongoing basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

### 3.1 ***Judgements made in applying accounting policies***

The Management is of the opinion that there are no significant judgements made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### 3.2 ***Key sources of estimation uncertainty***

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are discussed below.

#### **Depreciation of property, plant and equipment**

The cost of plant and equipment is depreciated on a straight-line basis over the assets' useful lives. Management estimates the useful lives of these property, plant and equipment to be around 10 to 99 years. These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

#### **Allowance for impairment of receivables**

Allowance for impairment of receivables are based on an assessment of the recoverability of receivables from members and other current assets. Allowances are applied to receivables from members and other current assets where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful receivables requires the use of judgement and estimates. Where the expected outcomes is different from the original estimate, such difference will impact carrying value of receivables from members and other current assets and doubtful receivables expenses in the period in which such estimate has been changed.

#### 4 PROPERTY, PLANT AND EQUIPMENT

	Freehold land and property	Office equipment, furniture and fittings	Renovation	Computer	Software	Total
	\$	\$	\$	\$	\$	\$
Cost:						
At 01.01.2016	2,562,292	52,672	62,885	4,605	-	2,682,454
Addition	-	46	-	-	43,500	43,546
Reclassification	-	1,616	-	-	-	1,616
At 31.12.2016	2,562,292	54,334	62,885	4,605	43,500	2,727,616
Additions	-	935	-	-	-	935
At 31.12.2017	<u>2,562,292</u>	<u>55,269</u>	<u>62,885</u>	<u>4,605</u>	<u>43,500</u>	<u>2,728,551</u>
Accumulated depreciation:						
At 01.01.2016	155,033	39,606	50,307	1,383	-	246,329
Depreciation	25,880	2,541	6,290	459	4,350	39,520
At 31.12.2016	180,913	42,147	56,597	1,842	4,350	285,849
Depreciation	25,882	2,668	6,288	461	4,350	39,649
At 31.12.2017	<u>206,795</u>	<u>44,815</u>	<u>62,885</u>	<u>2,303</u>	<u>8,700</u>	<u>325,498</u>
Net carrying amount:						
At 31.12.2017	<u>2,355,497</u>	<u>10,454</u>	<u>-</u>	<u>2,302</u>	<u>34,800</u>	<u>2,403,053</u>
At 31.12.2016	<u>2,381,379</u>	<u>12,187</u>	<u>6,288</u>	<u>2,763</u>	<u>39,150</u>	<u>2,441,767</u>

Valuation of freehold property was performed on 10 March 2017. The freehold property was valued by Dickson Property Consultants Pte. Ltd., an independent valuer, based on comparable market transactions that consider the sales of similar properties that have been transacted in the open market. The freehold property is estimated to have an open market value of \$4.5million.

#### 5 LOANS TO MEMBERS

	NOTE	2017 \$	2016 \$
Balance at beginning of reporting period		2,523,599	3,080,809
Add : Loans granted to members		<u>1,546,416</u>	<u>1,461,424</u>
		4,070,015	4,542,233
Less :			
Loans repayments during the reporting period		<u>1,755,518</u>	<u>1,646,551</u>
Set-off against subscriptions capital	15	79,025	307,901
Written off against loan default fund	23	47,595	58,791
Over-deduction		-	1,692
Staff loans		-	3,700
Allowance for impairment of doubtful loans	27	<u>53,449</u>	<u>-</u>
		1,935,587	2,018,635
Balance at end of reporting period		<u>2,134,428</u>	<u>2,523,598</u>

## 5 LOANS TO MEMBERS (Continued)

	<u>NOTE</u>	<u>2017</u>	<u>2016</u>
		\$	\$
<u>Classified as:</u>			
Non-current assets			
- Receivable after 1 year and within 5 years		1,886,073	2,229,481
Current assets			
- Receivable within 1 year		248,355	294,117
		<u>2,134,428</u>	<u>2,523,598</u>

### Movement in allowance for doubtful loans are analysed as follows:

At beginning of the reporting period		-	-
Allowance made for the reporting period	27	53,449	-
At end of the reporting period		<u>53,449</u>	<u>-</u>

### **Loans to members**

Loans to members bear an interest rate of 6% (2016: 6%) per annum. Loans to members are receivable within 5 years.

All the loans are secured on the member's subscription balance. The net amounts of the outstanding loans due from deceased members are written off as bad debts.

### **Staff loans**

Staff loans are repayable in equal monthly instalments over a period of up to 5 years. Interest is charge at rate of 6% (2016: 6%) per annum.

### **Loans written off**

Loans of \$47,595 (2016: \$58,791) were written off directly to loan default fund subsequent to a debt recovery assessment performed on loans to members at the end of reporting period.

### **Allowance for impairment of doubtful loans**

An impairment allowance of \$53,449 (2016: \$NIL) for doubtful loans was made subsequent to a recovery assessment performed on loans to members.

## 6 INVESTMENTS

	<u>NOTE</u>	<u>2017</u> \$	<u>2016</u> \$
<u>Available-for-sales investments</u>			
- Quoted equity securities, at fair value		2,487,114	2,271,040
- Unquoted equity securities, at cost		501,200	602,236
		<u>2,988,314</u>	<u>2,873,276</u>
<u>Held-to-maturity investments</u>			
- Quoted bonds, at fair value		779,025	751,500
		<u>3,767,339</u>	<u>3,624,776</u>
<u>Financial assets at fair value through profit and loss</u>			
At beginning of reporting period		3,624,776	3,772,363
Additions		-	-
Disposals		(158,600)	(67,900)
Fair value gains / (losses) recognised in statement of comprehensive income	18	301,163	(79,687)
At end of reporting period		<u>3,767,339</u>	<u>3,624,776</u>

Quoted equity securities and quoted bonds are initially recognised at cost and subsequently measured at fair value. The fair value is determined using the current bid price. Unrealised gain/(loss) arising for the changes in the fair value of investments are recognised in the statement of profit or loss and other comprehensive income.

Due to the lack of quoted market prices for the unquoted investment, it is not practicable to estimate the fair value of the unquoted investment without incurring excessive cost. However, the management believes that the carrying amount recorded at the end of the reporting period reflects the corresponding fair value.

### Disposal of quoted equity securities

The Co-operative has sold off some quoted equity securities with proceeds of \$250,613, resulting in gain on disposal of \$92,013 (2016: \$66,600) (Note 25).

## 7 OTHER RECEIVABLES

	<u>2017</u> \$	<u>2016</u> \$
Deposits	2,390	11,440
Interest receivable on fixed deposits	641,579	460,828
Rental receivable	6,917	-
Others	973	29,514
	<u>651,859</u>	<u>501,782</u>

## 8 PREPAYMENTS

There are prepaid expenses that will be recognised as expenses in the statement of profit and loss and other comprehensive income in the next reporting period.



## 9 CASH AND CASH EQUIVALENTS

	<u>2017</u>	<u>2016</u>
	\$	\$
Fixed deposits	22,441,297	21,425,106
Cash and bank balances	<u>1,404,073</u>	<u>2,170,396</u>
	<u>23,845,370</u>	<u>23,595,502</u>

Fixed deposits are placed with banks and mature on varying dates from 3 months to 3 years (2016: 3 months to 2 years). Since management's intention is to take advantage of the available funds to earn additional interest income, fixed deposits placements may be uplifted sooner than the placement period.

The weighted average interest rate for fixed deposits was 1.8% (2016: 1.3%) per annum.

Cash and cash equivalents comprise cash at bank and on hand and unpledged fixed deposits. These form an integral part of the Co-operative's cash management. The accounting policy for this category of financial assets is stated in Note 2.6 under loans and receivables.

## 10 OTHER PAYABLES

	<u>2017</u>	<u>2016</u>
	\$	\$
Accrued operating expenses	15,759	13,419
Deposits received	11,000	11,500
Interest payable on members' fixed deposits	632	773
Advance payment of subscriptions	-	132
Total	<u>27,391</u>	<u>25,824</u>

Accrued operating expenses are normally due between 30 to 90 days.

Deposits received are non-interest bearing and will be refundable upon the termination of services.

## 11 UNCLAIMED BALANCES

	<u>NOTE</u>	<u>2017</u>	<u>2016</u>
		\$	\$
Balance at beginning of the reporting period		41,192	50,322
Addition during the reporting period		<u>4,923</u>	<u>-</u>
		46,115	50,322
Less:			
Written off to common good fund	22	244	4,365
Pay-outs during the reporting period		1,333	4,851
Reclassification		-	(86)
		<u>1,577</u>	<u>9,130</u>
Balance at end of the reporting period		<u>44,538</u>	<u>41,192</u>

## 12 CENTRAL CO-OPERATIVE FUND

	<u>NOTE</u>	<u>2017</u> \$	<u>2016</u> \$
Appropriation from surplus for the reporting period	19	<u>18,324</u>	<u>23,353</u>

In accordance with Section 71(2) of the Co-operative Societies Act, Chapter 62, the Co-operative contributes 5% of the first SGD500,000 of its surplus resulting from the operation of the Co-operative during the preceding financial year; and 20% of any surplus in excess of SGD500,000 to the Central Co-operative Fund.

## 13 PROVISION FOR HONORARIUM

	<u>NOTE</u>	<u>2017</u> \$	<u>2016</u> \$
Provision for honorarium	19	<u>15,840</u>	<u>15,840</u>

## 14 DIVIDENDS

	<u>NOTE</u>	<u>2017</u> \$	<u>2016</u> \$
Dividends payable	19	<u>-</u>	<u>481,843</u>

Proposed but not recognised as a liability

The Co-operative's Board of Directors has proposed a final dividend of 1.70% on the members' subscription as at 31 December 2017.

## 15 MEMBERS' SUBSCRIPTION CAPITAL

	<u>NOTE</u>	<u>2017</u> \$	<u>2016</u> \$
Balance at beginning of reporting period		24,709,916	24,268,492
Subscriptions received for the reporting period		<u>2,831,413</u>	<u>3,601,231</u>
		27,541,329	27,869,723
Less :			
Withdrawals		2,247,713	2,185,394
Offset against loans to members	5	79,025	307,897
Refund		727,379	666,516
		<u>3,054,117</u>	<u>3,159,807</u>
Balance at end of reporting period		<u>24,487,212</u>	<u>24,709,916</u>

**16 MEMBERS' SPECIFIC DEPOSITS**

	<u>NOTE</u>	<u>2017</u> \$	<u>2016</u> \$
Balance at beginning of reporting period		2,567,596	2,395,518
Deposits received for the reporting period		1,235,539	1,219,494
Interest credited for the reporting period	28	<u>20,496</u>	<u>25,440</u>
		3,823,631	3,640,452
Less: Withdrawals of deposits		1,070,368	1,072,856
Balance at end of reporting period		<u>2,753,263</u>	<u>2,567,596</u>

Interest at 0.8% (2016: 1.0%) per annum has been credited to members' accounts for credit balances above \$50 (2016: \$50).

**17 MEMBERS' FIXED DEPOSITS**

	<u>2017</u> \$	<u>2016</u> \$
Fixed deposits received from members	<u>63,224</u>	<u>77,267</u>

The Co-operative is authorised to accept fixed deposits from its members with effect from 1 April 1991 following the introduction of new By-Law 10.7. The fixed deposit limit was increased from \$1,000,000 in 1992 with the approval of the Registrar of Co-operative Societies.

Members' fixed deposits placed with Co-operative bear an interest rate of 1.0% (2016: 1.0%) per annum and are repayable on demand within the next 12 (2016: 12) months from the end of the reporting period.

**18 FAIR VALUE ADJUSTMENT RESERVES**

	<u>NOTE</u>	<u>2017</u> \$	<u>2016</u> \$
Balance at beginning of reporting period		(103,361)	(23,674)
Disposal		-	(7,350)
Net fair value changes on available-for-sale-financial assets	6	<u>301,163</u>	<u>(72,337)</u>
Balance at end of reporting period		<u>197,802</u>	<u>(103,361)</u>

**19 RESERVE FUND**

	<u>NOTE</u>	<u>2017</u> \$	<u>2016</u> \$
Balance at beginning of reporting period		4,305,842	4,303,212
Total comprehensive income for the reporting period		458,496	533,666
Less :			
Transfer to central co-operative funds	12	18,324	23,353
Transfer to honorarium	13	15,840	15,840
Dividends	14	-	481,843
Transfer to anniversary celebration fund	21	7,000	10,000
		41,164	531,036
Balance at end of reporting period		<u>4,723,174</u>	<u>4,305,842</u>

**20 SCHOLARSHIP FUND**

	<u>2017</u> \$	<u>2016</u> \$
Balance at beginning of reporting period	329,751	364,501
Less: Scholarship awards	30,950	34,750
Balance at end of reporting period	<u>298,801</u>	<u>329,751</u>

**21 ANNIVERSARY CELEBRATION FUND**

	<u>NOTE</u>	<u>2017</u> \$	<u>2016</u> \$
Balance at beginning of reporting period		138,712	153,741
Transfer from reserve fund	19	7,000	10,000
Collections from tour participants		28,475	21,105
		174,187	184,846
Less :			
Utilisation for trips		54,587	46,134
Balance at end of reporting period		<u>119,600</u>	<u>138,712</u>

## 22 COMMON GOOD FUND

	<u>NOTE</u>	<u>2017</u> \$	<u>2016</u> \$
Balance at beginning of reporting period		18,695	18,671
Contributions from members		30,555	42,144
Transfer from unclaimed balances	11	244	4,365
		<u>49,494</u>	<u>65,180</u>
Less :			
Death benefits		8,000	25,000
Prolong illness		450	1,800
Claim from sundry creditor after write off		28,450	35
Souvenirs and awards		9,200	19,650
		<u>46,100</u>	<u>46,485</u>
Balance at end of reporting period		<u><u>3,394</u></u>	<u><u>18,695</u></u>

## 23 LOAN DEFAULT FUND

	<u>NOTE</u>	<u>2017</u> \$	<u>2016</u> \$
Balance at beginning of reporting period		54,955	61,330
Bad debts recovered		9,328	8,565
Processing and administrative fees collected		41,372	43,851
		<u>105,655</u>	<u>113,746</u>
Less :			
Bad debts write off	5	47,595	58,791
Balance at end of reporting period		<u><u>58,060</u></u>	<u><u>54,955</u></u>

This fund was set up to defray cost incurred in the recovery of bad loan and to write off any irrecoverable bad loans in excess of the amounts first written off against allowance for doubtful debts.

## 24 REVENUE

	<u>2017</u> \$	<u>2016</u> \$
Interest income:		
On loans	212,221	235,927
On fixed deposits	396,942	395,868
Dividend income from investments	151,627	175,663
	<u><u>760,790</u></u>	<u><u>807,458</u></u>

**25 OTHER INCOME**

	<u>NOTE</u>	<u>2017</u> \$	<u>2016</u> \$
Rental income	30	66,000	61,500
Sundry income		2	429
Government grants		2,386	9,787
Gain on disposal of investments	6	92,013	66,600
		<u>160,401</u>	<u>138,316</u>

**26 EMPLOYEE EXPENSES**

	<u>2017</u> \$	<u>2016</u> \$
Salaries and bonuses	182,103	165,620
CPF contributions	25,857	23,512
Medical expenses	572	290
	<u>208,532</u>	<u>189,422</u>

**27 OTHER OPERATING EXPENSES**

	<u>NOTE</u>	<u>2017</u> \$	<u>2016</u> \$
Allowance for impairment of doubtful loans	5	53,449	-
Co-operative activities		8,254	16,338
Committee members allowance		14,400	14,400
Printing and stationery		20,946	22,550
Premises expenses and telephone charges		8,874	24,313
Refreshments and meeting expenses		21,279	20,498
Others		66,184	58,854
		<u>193,386</u>	<u>156,953</u>

**28 FINANCE COSTS**

	<u>NOTE</u>	<u>2017</u> \$	<u>2016</u> \$
Interest on specific deposits	16	20,496	25,440
Interest on fixed deposits from members		632	773
		<u>21,128</u>	<u>26,213</u>

## 29 SIGNIFICANT RELATED PARTY TRANSACTIONS

### Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Co-operative, directly or indirectly, including any Members of the Committee of the Co-operative.

	<u>2017</u> \$	<u>2016</u> \$
<u>Short-term employee benefits:</u>		
Salaries and wages	63,039	64,002
Employer's contribution to CPF	4,720	4,720
Total	<u>67,759</u>	<u>68,722</u>
<u>Honorarium and allowance:</u>		
Board of directors	15,840	15,840
Internal auditors	3,480	3,840
Total	<u>87,079</u>	<u>88,402</u>
Comprise amounts paid to:		
Key management personnel	67,759	68,722
Board of directors	15,840	15,840
Internal auditors	3,480	3,840
Total	<u>87,079</u>	<u>88,402</u>

## 30 FUTURE LEASE COMMITMENT (OPERATING LEASE RECEIVABLE)

As at the end of the reporting period, the Co-operative had non-cancellable future lease commitment for operating lease receivable for premise to a third party is summarised as below:-

	<u>NOTE</u>	<u>2017</u> \$	<u>2016</u> \$
Less than 1 year		49,500	66,000
More than 1 year but less than 5 years		-	49,500
Total		<u>49,500</u>	<u>115,500</u>
Operating lease income recognised in current year	25	<u>66,000</u>	<u>61,500</u>

Upon expiry of the lease, there is an option to renew the lease for another 3 years (2016: 3 years), at the prevailing market rental rate.

### 31 CATEGORIES OF FINANCIAL INSTRUMENTS

The following table sets out the financial instruments as at the end of the reporting period:

	<u>2017</u>	<u>2016</u>
	\$	\$
<u>Financial assets</u>		
Available-for-sales investments	2,988,314	2,873,276
Held-to-maturity investments	<u>779,025</u>	<u>751,500</u>
<u>Loans and receivables</u>		
Loans to members	2,134,428	2,523,598
Other receivables	651,859	501,782
Cash and cash equivalents	<u>23,845,370</u>	<u>23,595,502</u>
<u>Financial liabilities</u>		
Other payables	27,391	25,824
Unclaimed balances	44,538	41,192
Central co-operative fund	18,324	23,353
Honorarium to committee	15,840	15,840
Dividends payable	<u>-</u>	<u>481,843</u>

### 32 FINANCIAL RISK MANAGEMENT

#### Financial risk management objectives and policies

Risk management is integral to the whole business of the Co-operative. The Co-operative has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Co-operative's risk management process to ensure that an appropriate balance between risk and control is achieved.

#### Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The Co-operative has no significant concentration of credit risk.

The Co-operative places its cash, fixed deposits and investments with creditworthy financial institutions and corporations.

The carrying amount of financial assets recorded in the financial statements represents the Co-operative's maximum exposure to credit risk.



## Credit Concentration Profile

The Co-operative determines concentration of credit risk by monitoring the loans to members on an on-going basis. There is no credit risk concentration profile of the Co-operative's loans to members at the end of the reporting period.

### Loans to members that are past due but not impaired

The Co-operative has net loans to members amounting to \$187,432 (2016: \$NIL) that are past due at the end of the reporting period but not impaired. These receivables are unsecured and the analysis at end of the reporting period is as follows:

<b>31 December 2017</b>	Gross	Allowance for impairment	Net
	\$	\$	\$
Loans to members :			
Past due (0 to 6 months)	240,881	(53,449)	187,432
Past due (6 to 12 months)	-	-	-
Past due (more than 12 months)	-	-	-
Past due	240,881	(53,449)	187,432
Add : Not due	1,946,996	-	1,946,996
Total loans to members	2,187,877	(53,449)	2,134,428

### Financial assets that are neither past due nor impaired

Loans to members and other receivables that are neither past due nor impaired are creditworthy counter parties with good payment record with the Co-operative. Cash and cash equivalents that are neither past due nor impaired are placed with or entered into with reputable financial institutions and corporations with high credit ratings and no history of default.

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Co-operative's financial instruments will fluctuate because of changes in market interest rates.

The following table sets out the carrying amount, by maturity, of the Co-operative's financial instruments that are exposed to interest rate risk.

	Fixed rates			
	Less than 1 year	Between 2 to 5 years	More than 5 years	Total
	\$	\$	\$	\$
<b>31 December 2017</b>				
Assets				
Fixed deposits	22,441,297	-	-	22,441,297
Held-to-maturity investments	-	-	779,025	779,025
	22,441,297	-	779,025	23,220,322
<b>31 December 2016</b>				
Assets				
Fixed deposits	21,425,106	-	-	21,425,106
Held-to-maturity investments	-	-	751,500	751,500
	21,425,106	-	751,500	22,176,606

Interest of financial instruments classified as fixed rate is repriced at maturity date. The other financial instruments of the Co-operative that are not included in the above tables are non-interest bearing and are therefore not subject to interest rate risk.

The Co-operative is in net income positions for the reporting periods ended 31 December 2017 and 2016.

#### **Liquidity risk**

Liquidity risk arises from the possibility that the Co-operative may not be able to settle its obligations within the normal trade terms of trade. The Board of Directors believes that liquidity risk is minimal as the Co-operative is able to fund its operations from its accumulated surplus.

#### **Foreign exchange risk**

The Co-operative is not exposed to foreign exchange risk as substantially all its receipts and payments are denominated in Singapore Dollars, which is also the Co-operative's reporting currency.

### **33 FAIR VALUE OF FINANCIAL INSTRUMENTS**

The following methods and assumptions are used to estimate the fair value of each class of financial instrument for which it is practicable to estimate fair value:

#### **Long term financial assets**

The carrying amount of the long term financial assets comprise loans to members and investments approximate their fair values as these bear floating interest rates which approximate the prevailing market rates.

#### **Short term financial assets and liabilities**

Short term financial assets comprise other receivables, loans to members, cash and bank balances and fixed deposits and financial liabilities comprise other payables, unclaimed balances, central co-operative fund and honorarium to committee, which have relatively short term maturities. The carrying values of these assets and liabilities approximate their fair values due to their short term nature.

#### **Fair value hierarchy**

Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced or liquidation sale. Fair values are obtained from quoted market prices, discounted cash flow models and option pricing models as appropriate.

The following table shows an analysis of financial instruments carried at fair value by level of fair value hierarchy for the Co-operative :

	Note	Quoted prices in active markets for identical instruments (Level 1) \$	Significant other observable inputs (Level 2) \$	Significant unobservable inputs (Level 3) \$	Total \$
<b>31 December 2017</b>					
<u>Financial Assets</u>					
Financial assets available for sale					
- Quoted equity securities		2,487,114	-	-	2,487,114
- Unquoted equity securities		-	501,200	-	501,200
Held-to-maturity - Quoted bonds		779,025	-	-	779,025
	6	<u>3,266,139</u>	<u>501,200</u>	<u>-</u>	<u>3,767,339</u>
<b>31 December 2016</b>					
<u>Financial Assets</u>					
Financial assets available for sale					
- Quoted equity securities		2,271,040	-	-	2,271,040
- Unquoted equity securities		-	602,236	-	602,236
Held-to-maturity - Quoted bonds		751,500	-	-	751,500
	6	<u>3,022,540</u>	<u>602,236</u>	<u>-</u>	<u>3,624,776</u>

The Co-operative classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in marking the measurements. The fair value hierarchy has the following levels :

- (a) Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- (b) Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- (c) Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## 34 FUTURE CHANGES IN ACCOUNTING POLICIES

The Co-operative has not adopted the following standards and interpretations that have been issued but not yet effective.

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
Amendments to FRS102 <i>Classification and Measurement of Share-based Payment Transactions</i>	1 January 2018
Amendments to FRS 40 <i>Transfers of Investment Property</i>	1 January 2018
FRS 109 <i>Financial Instruments</i>	1 January 2018
FRS 115 <i>Revenue from Contracts with Customers</i>	1 January 2018
FRS 116 <i>Leases</i>	1 January 2019
Improvements to FRSs (December 2016)	
- Amendments to FRS 101 <i>First-Time Adoption of Financial Reporting Standards</i>	1 January 2018
- Amendments to FRS 112 <i>Disclosure of Interests in Other Entities</i>	1 January 2018
- Amendments to FRS 28 <i>Investments in Associates and Joint Venture</i>	1 January 2018
INT FRS122 <i>Foreign Currency Transactions and Advance Consideration</i>	1 January 2018
Amendments to FRS 28: Long-term Interests in Associates and Joint Ventures	1 January 2018
Amendments to FRS 110 and FRS 28: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Pending
INT FRS 123 <i>Uncertainty over Income Tax Treatments</i>	1 January 2019
Amendments to FRS 109: Prepayment Features with Negative Compensation	1 January 2019
Improvements to FRSs (March 2018)	
- Amendments to FRS 103 <i>Business Combinations</i>	1 January 2019
- Amendments to FRS 111 <i>Joint Arrangements</i>	1 January 2019
- Amendments to FRS 12 <i>Income Taxes</i>	1 January 2019
- Amendments to FRS 23 <i>Borrowing Costs</i>	1 January 2019

Except for FRS 109, FRS 115 and FRS 116, the directors expect that the adoption of the standards above will have no material impact on the financial statements of the Co-operative in the period of initial application.

### FRS 109 *Financial Instruments*

FRS 109 introduces new requirements for classification and measurement of financial assets, impairment of financial assets and hedge accounting, and is effective for annual periods beginning on or after 1 January 2018. Financial assets are classified according to their contractual cash flow characteristics and the business model under which they are held. The impairment requirements in FRS 109 are based on an expected credit loss model and replace the FRS 39 incurred loss model.

### FRS 115 *Revenue from Contracts with Customers*

FRS 115 establishes a five-step model that will apply to revenue arising from contracts with customers and introduces new contract cost guidance. Under FRS 115, revenue is recognised at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in FRS 115 provide a more structured approach to measuring and recognising revenue when the promised goods and services are transferred to the customer i.e. when performance obligations are satisfied.

Key issues for the Co-operative include identifying performance obligations, accounting for contract modifications, applying the constraint to variable consideration, evaluating significant financing components, measuring progress toward satisfaction of a performance obligation, recognising contract cost assets and addressing disclosure requirements.

### FRS 116 Leases

FRS 116 requires lessees to recognise most leases on balance sheets to reflect the rights to use the leased assets and the associated obligations for lease payments as well as the corresponding interest expense and depreciation charges. The standard includes two recognition exemptions for lessees – leases of ‘low value’ assets and short-term leases. The new leases standard is effective for annual periods beginning on or after 1 January 2019.

Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2018 for FRS 109 and FRS 115 and 1 January 2019 for FRS 116 with early adoption permitted. The Co-operative is currently assessing the impact of FRS 109, FRS 115 and FRS 116 and plans to adopt the new standard on the required effective date.

## **35 AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE**

The financial statements for the reporting period were authorised for issue by the Co-operative’s Board of Directors on

***THE FOLLOWING SCHEDULES DO NOT FORM  
PART OF THE STATUTORY FINANCIAL STATEMENTS***

**CITIPORT CREDIT CO-OPERATIVE LTD**  
**PROFIT AND LOSS ACCOUNTS**  
**FOR THE REPORTING PERIOD FROM 1 JANUARY 2017 TO 31 DECEMBER 2017**

	\$	\$
REVENUE		
Interest income:		
On loans	212,221	
On fixed deposits	396,942	
Dividend income from investments	151,627	760,790
	<hr/>	
OTHER INCOME		
Rental income	66,000	
Sundry income	2,388	
Gain on disposal of investments	92,013	160,401
	<hr/>	
Total income		<hr/> 921,191
EMPLOYEE EXPENSES		
Salaries and bonuses	182,103	
CPF contribution	25,857	
Medical expenses	572	(208,532)
	<hr/>	
DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT		(39,649)
OTHER OPERATING EXPENSES		
Affiliations fees	1,805	
Accounting software maintenance	3,150	
Allowance for impairment of doubtful loans	53,449	
Auditors' remuneration	7,800	
Bank charges and commission	7,855	
Co-operative activities	8,254	
Committee members allowance	14,400	
Delegate and conference	2,058	
Equipment lease rental	1,772	
Internal auditors' allowance	3,480	
Insurance premium	4,757	
Miscellaneous	4,503	
Office cleaning	6,000	
Postage	1,561	
Printing and stationery	20,946	
Premises expense and telephone charges	8,874	
Property tax	12,445	
Refreshments and meeting expenses	21,279	
Service charge	86	
Transport charges	1,546	
Upkeep of office equipment	7,366	(193,386)
	<hr/>	

**CITIPOINT CREDIT CO-OPERATIVE LTD**  
**PROFIT AND LOSS ACCOUNTS**  
**FOR THE REPORTING PERIOD FROM 1 JANUARY 2017 TO 31 DECEMBER 2017**  
*(Continued)*

	\$	\$
FINANCE COSTS		
Interest on specific deposits	20,496	
Interest on fixed deposits from members	<u>632</u>	(21,128)
 SURPLUS BEFORE INCOME TAX		<u>458,496</u>
 INCOME TAX		<u>-</u>
 SURPLUS AFTER INCOME TAX		<u>458,496</u>
 OTHER COMPREHENSIVE INCOME :		
Items that may be classified subsequently to profit or loss		301,163
 Items that will not be reclassified subsequently to profit or loss		<u>-</u>
Other comprehensive income, net of tax		<u>301,163</u>
 TOTAL COMPREHENSIVE INCOME FOR THE REPORTING PERIOD		<u><u>759,659</u></u>



