



CITIPOINT CREDIT CO-OPERATIVE LIMITED

ANNUAL REPORT & STATEMENT OF ACCOUNTS 2021

CITIPOINT 97TH e-AGM **VIA ONLINE (ZOOM)**
SATURDAY | 20TH AUG 2022 | 2.00PM

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BOARD OF DIRECTORS

Chairman	- K Rajaram
Vice Chairman	- C Subramaniam
Hon Secretary	- Pasupathy M Suppiah
Hon Treasurer	- Lee Choy Ling
Hon Asst Secretary	- Jangarodin Bin Osman
Hon Asst Treasurer	- Mohamed Hanifah s/o Mohd Jamal
Directors	- Doreen Pang
	- S Sangaran
	- Vijaya Kumar s/o Jayakodee
General Manager	- Abdullah Saleh Talib
Admin/Accounts Executive	- Liza Ng
Senior Clerk	- Zulzilawati Bte Ibrahim
Accounts Assistant	- Jesmin Fung
External Auditor	- HM Accountants
Audit Committee	- C Subramaniam
	Johari Mokti
	R Asokan
	Viseikumaran Thanpunaidu
Internal Auditors	- R Pannirselvam
	R Chandrasegaran
	Low Voon Syn
Legal Advisor	- Selvaraju Law Chambers
Bankers	- UCO Bank
	- DBS Bank
Registered Office	- 218 Pasir Panjang Road #02-03 ICON@Pasir Panjang Singapore 118579
Website	- www.citiport.org.sg

BOARD OF DIRECTORS, AUDIT COMMITTEE, INTERNAL AUDITORS & STAFF



K. Rajaram PBM
Chairman



C. Subramaniam
Vice Chairman



Pasupathy M Suppiah
Hon Secretary



Lee Choy Ling
Hon Treasurer



Jangarodin Osman
Hon Asst. Secretary



Mohamed Hanifah
Hon Asst. Treasurer



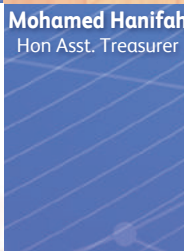
Doreen Pang
Director



S Sangaran
Director



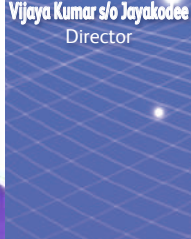
Vijaya Kumar s/o Jayakodee
Director



Abdullah Saleh Talib
General Manager



Liza Ng
Admin/Accounts Executive



Zulzilawati Ibrahim
Senior Clerk



Jesmin Fung
Accounts Assistant



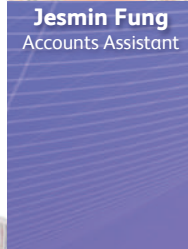
C. Subramaniam
Audit Committee
Chairman



Johari Mokti
Audit Committee
Member



R Asokan
Audit Committee
Member



Low Voon Syn
Internal Auditor



R Pannirselvam
Internal Auditor



R Chandrasegaran
Internal Auditor

e-General Meeting Standing Order

In Accordance to the COVID-19 (Temporary Measures) Act 2020 Alternative Arrangements for Meetings of Co-operative Societies

1. A general meeting of members of a co-operative society, may be convened, held or conducted whether wholly or partly, by electronic means.
2. A co-operative society may provide that a member may only attend a meeting by observing and listening to the proceedings of the meeting by electronic means, if access to both an audio broadcast and audio-visual broadcast is provided to the member or delegate.
3. A co-operative society may require a member, before the meeting, to send to the chairman of the meeting, by post or electronic mail, the matters which the member wishes to raise at the meeting, and each such matter, if substantial and relevant and sent within a reasonable before the meeting, is to be responded to at or before the meeting by electronic responses.
4. A member is deemed to be present at a meeting if the member has appointed the chairman of the meeting as the member's proxy to attend, speak and vote at the meeting, and the relevant quorum requirements are to be determined by the voting instructions and proxies submitted by the members prior to the commencement of the meeting.
5. A co-operative society may require a member to appoint the chairman of the meeting as the member's proxy to vote at the meeting by depositing with the co-operative society an instrument of appointment by post, or by electronic mail to an electronic mail address stated in the notice of the meeting. A member may not vote at the meeting otherwise than by way of appointing the chairman of the meeting as the member's proxy.
6. A document required to be laid or produced before a meeting may be so laid or produced by being:
 - (a) **Sent with the notice of the meeting; or**
 - (b) **Published at an online location, the address of which is provided with the notice of the meeting, or on the website of the co-operative society.**

Notice of 97th Annual General Meeting & Agenda

4 August 2022

TO ALL MEMBERS OF THE CITIPORT CREDIT CO-OPERATIVE LIMITED

NOTICE IS HEREBY GIVEN on 4 August 2022 that the 97th Annual General Meeting of the CITIPORT CREDIT CO-OPERATIVE LIMITED will be held by way of electronic means, which is by virtual AGM on Saturday 20 August 2022 at 2pm online via ZOOM to transact the following business:

AGENDA

1. Chairman's Address.
2. To confirm the minutes of the 96th Annual General Meeting held on 15 May 2021.
(Appendix B) *Page 11*
3. To receive and adopt the Report of the Board of Directors 2021. *Page 4*
4. To receive and adopt the Auditor's Report and Statement Accounts for the period ended 31 December 2021.
5. To approve the recommended Appropriation of Profit 2021.
(Appendix C) *Page 22*
6. To approve the utilization of not more than \$30,000 from the Anniversary Celebration Fund for the 2023 Anniversary Celebration Tour.
7. To approve Estimates of Expenditure for the year 2023.
(Appendix D) *Page 24*
8. To approve a total of \$14,400 as allowances for Hon Secretary / Hon Treasurer / Hon Asst Secretary and Hon Asst Treasurer for 2022.
9. To appoint A2 Practice or any other External Auditors approved by the Registry of Co-operative Societies to be Citiport Credit Co-operative Ltd External Auditors for the year 2022.

10. To approve the amendment to By-laws. (Appendix E) *Page 26*
11. To authorize the Board to appoint an Audit Firm, where necessary, to be Internal Auditors of the Society for Financial Year 2023 and to fix its remuneration.
12. To authorize the Board to seek the Registrar's approval to extend the Restricted Investment ratio of 30% for another 3 years. (Appendix G) *Page 28*
13. To elect 3 members to serve on the Board of Directors.
14. To consider any other business pertaining to the **97th Annual Report and Statement of Accounts**, of which at least four days' notice is given in writing to the Hon Secretary **i.e. by 6pm on 15 August 2022.**

Members who wish to participate in the AGM are required to pre-register at: <https://forms.gle/5kKfCTSdQa1goRuy5> Registration to attend virtual AGM will commence online from **5 August 2022 from 9am** and will close on **18 August 2022 @ 6pm**. Members must provide their email address so that we can email our confirmation of their registration

**By Order of the
Board of Directors**



Pasupathy M Suppiah
Hon Secretary
4 August 2022

*R*eport of the Board of Directors

The Board of Directors has pleasure in presenting the Annual Report and the Audited Statement of Accounts for the year ended 31st December 2021.

BOARD OF DIRECTORS

The 96th e-Annual General Meeting was held on 15 May 2021 via ZOOM

Mr. Mohamed Hanifah S/O Mohd Jamal (3yr), Mr. S Sangaran (3yr) and Mr. Vijaya Kumar S/O Jayakodee (3yr) were elected to serve with the remaining Directors in the Board in accordance with By-Law 14.12.2.

RETIREMENT OF DIRECTORS

Mr. Subramaniam S/O Chinnayya; Ms. Lee Choy Ling 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, 1 Special Board Meeting and 12 monthly meetings of the Board of Directors were held during the year.

MEMBERSHIP

Membership as at 31 December 2021 was 1925, a decrease of 105 members.

SUBSCRIPTION

Members subscription as at 31 December 2021 is \$20,488,636, a decrease of \$555,591.

SPECIFIC DEPOSIT

Specific Deposit is \$2,996,352. as at 31 December 2021, an increase of \$107,273.

FIXED DEPOSIT

Fixed Deposits invested by members amounted to \$ 65,789 as at 31 December 2021.

LOANS

Loans to members as at 31 December 2021 totaled \$789,213 a decrease of \$190,016 when compared to \$979,229 in 2020. The rate of interest on loans is 6% per annum.

NET SURPLUS

The net surplus for the year 2021 is \$203,599, a decrease of \$132,520 when compared to \$336,119 in 2020.

RESERVE FUND

The Fund as at 31 December 2021 is \$4,507,006.

COMMON GOOD FUND

FUNERAL GRANT

A sum of \$5,400 was paid from the Common Good Fund to 27 members (\$200 each), who made funeral grant claims upon their dependant's death.

ORBITUARY

The Board records with deep regret the death of members:

<u>Regn</u>	<u>Name</u>
6826	Chua Siow Khiang
9021	Thilagavathi D/O Gopal
13714	Mohamad Sahar Bin Markom
12723	Chew Hong Hoo

Deceased spouse/dependents were paid \$2,000 each as Funeral Grants, totaling \$8,000.

PROLONGED ILLNESS CLAIM

<u>Regn</u>	<u>Name</u>	<u>Amount (\$)</u>
12418	Chan Yick Chong	630.00*

* 3 days from 2020, claimed in 2021

SOUVENIR AWARDS

Souvenir Awards totaling \$28,150 were paid to members who had been a member for at least 15 years upon retirement from membership.

<u>Regn</u>	<u>Name</u>	<u>Amount</u> <u>(\$)</u>
<u>Membership more than 30 years:</u>		
4074	Toh Kian Nam	300.00
5096	Lee Koon Leng	300.00
5244	Jeya Kumar S/o Ramakrishnan	300.00
5331	Panirsilvam S/o Murugaiyah Appavoo	300.00
5423	AB Hamid Bin Mobin	300.00
5937	Subramaniam Thanabal	300.00
6092	Ramasamy Selvi	300.00
6356	Sani Bin Mohamed Shariff	300.00
6514	Shaik Hussain S/o Gulam Sahib	300.00
6618	Lim Chew Boon	300.00
6638	Ng Kin Yuen	300.00
7067	Foo Jong Teck	300.00
7141	Mohamad Nain Bin Abdullah	300.00
7399	Teo Seet Kiat	300.00
7468	Lor Cheong York	300.00
7488	Teo Yew Seng	300.00
7491	Leong Kam Hoong	300.00
7492	Goh Nai Foon	300.00
7556	Arsad Bin Jos	300.00
7623	Tan Eng Hoo	300.00
7780	Yeo Kee Eng	300.00
7806	Lim Jit Thong	300.00
7872	Han Li Kwang	300.00
7920	Teo Tay Kok	300.00
7922	Tay Cheng Huat	300.00
7946	Abiden Bin Kadir	300.00
8202	Cheang Chee Sai, Rodger	300.00
8220	Mohamed Yusoff Bin Mustafa	300.00
8230	Maninder Singh	300.00
8320	Chua Kheng Kuang	300.00
8322	Goy Meng Hak	300.00
8330	Kwan Sin Ten	300.00
8477	Chiang Huat Wee	300.00
8518	Chang Peng Khuen	300.00
8664	Zainol Abidin Bin Osman	300.00
8670	Leo Ah Kwee	300.00
8673	Ng Poh Nyuk	300.00

<u>Regn</u>	<u>Name</u>	<u>Amount</u> (<u>\$</u>)
8778	Jagindar Singh S/o Banta Singh	300.00
8826	Chua Guan Tit	300.00
8976	Jeffery Bin Abdul Rahman Bamadhaj	300.00
9094	Rajendran S/o Sivaperumal	300.00
9120	Ong Kuan Pheng	300.00
9253	Maszaim Bin Saim	300.00
9277	Tan Hung Seng	300.00
9298	Chua Han Hing	300.00
9398	Wong Te Lock	300.00
9415	Quek Peow Huay	300.00
9431	Lee Chun Fook	300.00
9434	Ong Ka Siong	300.00
9487	Sim Meng How	300.00
9556	Lee Sam Leng	300.00
9574	Andrew Colin Thomson	300.00
9611	Sithanantha Jothi S/o Sitharam	300.00
9637	See Peng Kean	300.00
9639	Chua Choon Meng	300.00
9700	Thangarajoo Sathan	300.00
9744	Zailan Bin Mohd Said	300.00
9768	Ang Nam Siang	300.00
9850	Dhanaraj Johnson Dorairaj	300.00
10059	Goh Chee Keong	300.00
10061	Christopher Wang Fut Keng	300.00
10147	Tay Lim Kiang	300.00
10148	Lee Siew Kim	300.00
Total		18,900.00

<u>Regn</u>	<u>Name</u>	<u>Amount</u> (<u>\$</u>)
<u>Membership 25 years and more:</u>		
10185	Koh Guan Soon	250.00
10194	Daud Bin Awang	250.00
10205	Goh Chung Whatt	250.00
10208	Lim Leok Choo	250.00
10216	Sim Kwang Hooi	250.00
10276	Mohamed Zamil Nair	250.00
10297	Abdullah Bin Ismail	250.00
10449	Khairani Bin Haji Pauzan	250.00
10527	Tan Thiam Chye	250.00
10559	Mohamed Ishak Bin Khamis	250.00

Report of the Board of Directors

<u>Regn</u>	<u>Name</u>	<u>Amount</u> (\$)
10610	Jasbir Kaur	250.00
10727	Quek Bek Thiam	250.00
10746	Loke Wai Sing	250.00
10827	Tan Swee Huat	250.00
10858	Cheong Seng Huat	250.00
10950	Liaw Fui Sin	250.00
11017	Neo Wee Teck	250.00
11116	Koo Joo Kwang	250.00
11125	Quek Cheng Khoon	250.00
11278	Tay Kok Pin	250.00
11297	Lim Phui Huang	250.00
11313	Wong Kian Seng	250.00
11316	Kwah Hwee Bong	250.00
11324	Tan Mui Kin	250.00
11386	Tang See Hong	250.00
11416	Chee Syn Choon	250.00
11424	Sia Kian Lee	250.00
11546	Ng Ah Ghee	250.00
Total		7,000.00

<u>Regn</u>	<u>Name</u>	<u>Amount</u> (\$)
<u>Membership 20 years and more:</u>		
11937	Eileen Heng Meow Luang	200.00
11941	Ong Siew Seng	200.00
11985	See Kiah Huat	200.00
Total		600.00

<u>Regn</u>	<u>Name</u>	<u>Amount</u> (\$)
<u>Membership 15 years and more:</u>		
12272	Ng Cheng Hau	150.00
12365	Linda Alvina D/o Kalimuthu	150.00
12391	Hong Sheen Chong	150.00
12409	Kamil Bin Mohd Yatim	150.00
12418	Chan Yick Chong	150.00
12494	Wan Choong Kwong	150.00
12497	Kwek Seng Chai	150.00
12594	Adnan Bin Hassim	150.00

<u>Regn</u>	<u>Name</u>	<u>Amount</u> <u>(\$)</u>
12609	Tan Mui Kiow	150.00
12617	Dahlan Bin Jamail	150.00
12711	Pang Lien Soon	150.00
	Total	1,650.00
		<u>28,150.00</u>

STUDY AWARDS

A sum of \$15,150 was awarded to 46 children of members in 2021.

<u>Level</u>	<u>No Awarded</u>	<u>Amount (\$)</u>	<u>Total (\$)</u>
PSLE	9	100.00	900.00
JC	3	250.00	750.00
Polytechnic	14	250.00	3,500.00
University	20	500.00	10,000.00
			<u>15,150.00</u>

INVESTMENT

A sum of \$2,509,882 was invested in quoted and unquoted shares and bonds in 2021.

UNCLAIMED BALANCES

There is a sum of \$45,087 in the account as at 31 December 2021 compared to \$53,337 in 2020.

OPERATING COST

The 2021 operating cost of the Co-operative is \$317,888, an increase of \$6,039 from the \$311,849 in 2020.

ELECTION/ VOTING

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

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.

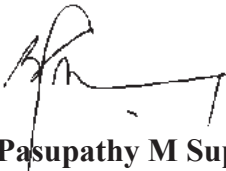
REGISTRATION OF NOMINEE/S

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 detail clarification/s on the Annual Report and Statement of Account 2021 are requested to forward their written queries vide email or post to reach the **Co-operative Office by 6pm on 15 August 2022.**

For and on behalf of
Board of Directors



Pasupathy M Suppiah
Hon Secretary

Minutes of the 96th Annual General Meeting

CITIPOINT CREDIT CO-OPERATIVE LIMITED

MINUTES OF THE 96TH ANNUAL GENERAL MEETING OF CITIPOINT CREDIT CO-OPERATIVE LTD, HELD ON SATURDAY, 15 MAY 2021 FROM 10.30 AM VIA ZOOM.

10 members attended the meeting live.

CHAIRMAN SPEECH

Dear Honourable members of Citiport Credit Co-operative Ltd, good morning and welcome to our 96th Annual General Meeting. In compliance with the Covid-19 (Temporary Measures) Act 2020 and the guidelines and advisories issued by the Registry of Co-operative Societies; the Board of Directors unanimously decided to conduct our AGM through electronic means online via ZOOM.

Let me now brief you on our Citiport Credit Co-operative Ltd 2020 performance.

Member subscription as at 31 December 2020 is \$21,044,227/- and members Specific Deposits \$2,889,079 /-.

Fixed Deposit invested by members amounted \$65,138/- as at 31 December 2020. A sum of \$2,509,892/- was invested in quoted and unquoted shares and bonds in 2020.

These investments had yielded a return of about 4%.

The 2020 operating cost was \$311,849/- a decrease of \$24,711 from 2019. The cost per member is \$166/-.

Our core business, the loans to members again decreased. A total of \$979,229/- in loans were granted in 2020. The rate of interest on loan is 6% per annum.

Despite the serious challenges and restrictions faced by the Co-operative in 2020, we had a net surplus of \$336,119/-. The Board has recommended a dividend of 1.4% on members subscription.

The Co-operative Reserve Fund stands at \$4,285,752/- in 2020.

Wish to highlight the followings benefits the Co-operative have given to members:

- 1) A total of \$5,200/- was paid to 26 members who made funeral grant claims upon their dependent's death. Claimants were given \$200/- each from the Common Good Fund.
- 2) The Board records with deep regret the death of 5 members. The Co-operative paid a total of \$10,000/- to the dependents. Each dependent received \$2,000/- as Funeral grants.
- 3) Three claims of prolonged illness were received- two for \$600/- each and the other for \$570/- a total of \$1,770. This claim is for members who were on no pay medical leave, capped at 60 days per annum.
- 4) The Co-operative awarded \$7,350/- to 22 members children as study awards in 2020.
- 5) A sum of \$31,950/- was given to 116 members as Souvenir Award when they resigned from membership, with a minimum of 15years membership.

Many senior members resigned from membership upon their retirement from PSA, Mapletree Investments and Aetos Auxiliary Police. This led to our membership decreasing to 2030 members at the end of 2020. The Board hopes to hold a membership recruitment campaign once the pandemic is over.

In conclusion, I would like to thank all members for their continued support during this difficult period. Stay safe and healthy.

I shall now announce the result of the voting by Proxy Forms.

Counting of the Proxy Forms returned to the Co-operative office by 6pm on 10 May 2021, began at 9am on 11 May 2021. It was supervised by Chief Scrutinizers Palanisamy Perumal (Reg. 8433) and A Panirselveam (Reg. 8032) and assisted by 3 scrutinizers. Internal Auditor R Chadrasegaran witnessed the counting.

A total of 152 proxy forms were received. 143 proxy forms were valid and 9 were invalid or spoilt.

RESOLUTIONS

- 1. To confirm the minutes of the 95th Annual General Meeting held on 4 September 2020.**

<u>For</u>	<u>Against</u>	<u>Abstain</u>
112	31	0

The resolution was adopted by a majority of 81 votes (i.e.112 minus 31. Abstain votes are not counted.)

- 2. To receive and adopt the Report of the Board of Directors 2020.**

<u>For</u>	<u>Against</u>	<u>Abstain</u>
109	28	6

The resolution was adopted by a majority of 81 votes.

- 3. To receive and adopt the Auditor's Report and Statement Accounts for the period ended 31 December 2020.**

<u>For</u>	<u>Against</u>	<u>Abstain</u>
110	25	8

The resolution was adopted by a majority of 85 votes.

- 4. To approve the recommended Appropriation of Profit 2020.**

<u>For</u>	<u>Against</u>	<u>Abstain</u>
112	25	6

The resolution was adopted by a majority of 87 votes.

- 5. To approve the transfer of \$1085.07 of Unclaimed Balances for more than 7 years to the Common Good Fund.**

<u>For</u>	<u>Against</u>	<u>Abstain</u>
104	31	8

The resolution was adopted by a majority of 73 votes.

- 6. To approve Estimates of Expenditure for the year 2022.**

<u>For</u>	<u>Against</u>	<u>Abstain</u>
100	35	8

The resolution was adopted by a majority of 65 votes.

- 7. To approve a total of \$14,400 as allowances for Hon Secretary / Hon Treasurer / Hon Asst Secretary and Hon Asst Treasurer for year 2022.**

<u>For</u>	<u>Against</u>	<u>Abstain</u>
99	35	9

The resolution was adopted by a majority of 64 votes.

- 8. To approve a total of \$4,320 as allowances for Internal Auditors for year 2022.**

<u>For</u>	<u>Against</u>	<u>Abstain</u>
107	30	8

The resolution was adopted by a majority of 67 votes.

- 9. To appoint HM Accountants or other External Auditors approved by the Registry of Co-operative Societies to be Citiport Credit Co-operative Ltd External Auditors for the year ended 31 December 2021.**

<u>For</u>	<u>Against</u>	<u>Abstain</u>
112	27	4

The resolution was adopted by a majority of 85 votes.

- 10. To authorize the Board to appoint an Audit Firm, where necessary, to be Internal auditors of the Society from Financial Year 2022 and to fix its remuneration.**

<u>For</u>	<u>Against</u>	<u>Abstain</u>
114	27	2

The resolution was adopted by a majority of 87 votes.

- 11. To transact any other business pertaining to the 96th Annual Report and Statement of Accounts, of which at least four days' notice is given in writing to the Hon Secretary i.e.by 6pm on 10 May 2021.**

8 emailed queries were received from member K Vijay (Reg. 8229). The Society have replied to him via email on 14 May 2021.

The following 2 Agenda did not appear in the Proxy Forms for reasons stated.

- 12. To elect 3 members to serve on the Board of Directors.**

At the close of nominations on 15 April 2021 at 6pm, 5 nominations were received:

Candidates

1. S Sangaran
2. Mohamed Hanifah s/o Mohd Jamal
3. Lim Seng Chai
4. S T Robert
5. Vijaya Kumar s/o Jayakodee

However, on 20 April 2021 candidates Lim Seng Chai and S T Robert withdrew their candidacy in writing.

Candidates S Sangaran, Mohamed Hanifah s/o Mohd Jamal and Vijaya Kumar s/o Jayakodee were thus elected unopposed to the Board of Directors.

13. To elect 3 members to serve as Internal Auditors

At the close of nominations on 15 April 2021 at 6pm, 3 nominations were received:

Candidates

- A. A Pannirselvam
- B. R Chandrasegaran
- C. Low Voon Syn

Candidates A Pannirselvam; R Chandrasegaran and Low Voon Syn were elected as Internal Auditors unopposed.

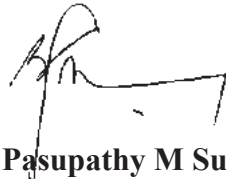
The Zoom meeting ended at 10.50 am.

Recorded by: GM Abdullah

Confirmed by:



K Rajaram
Chairman



Pasupathy M Suppiah
Hon Secretary

Email queries from Mr. K Vijay (Reg No. 8229):

HONORARIUM \$15,840

Dear Chairman,

I K Vijay Reg No.8229 Based on your 96 annual report,I would like to more about your honorarium. How did you get your golden figure of \$15,840 for honorarium. I would like to inform you that our profit has been dropping for the last five years and our dividend has hit the rock bottom of 1.4% in the history of our society.

As the chairman of our society are you aware the situation ?? Are you aware what is going on ??? Since our profit and our dividend are at the lowest level how come your honorarium stand still at the sane figure at \$ 15,840 .What is your secret formula behind it ?? and from where did you collected this golden figure \$15,840 from ??I would like to know

Please kindly explain where did you get this figure and what formula you used to calculate this out when our profit and dividend are at the lowest level for the last five years. Kindly explain how did you get this figure and from where ? .Thank you

With Regards

K Vijay 8229

8/05/2021

Citiport reply: Mr Vijay, the figure of \$15,840 is historical. The Board is within the rules as long the as the honorarium amount is not more than 10% of the surplus in 2020.

K Rajaram, PBM
Chairman

Email queries from Mr. K Vijay (Reg No. 8229):

96 AGM Questions

Dear Chairman,

I, K Vijay 8229 has the following questions for the AGM 96

1 Since our profit are bad, Does the Committee and the Chairman are aware of the situation? What steps are you going take to improve the situation or any cost cutting measures to improve our profit???

Citiport reply: Mr. Vijay you are entitled to your opinion but the Board wish to state that considering the difficult situation due the Covid-19 pandemic in 2020 and to date the Co-operative has done better than the previous year.

2 The paper loss of the quoted equities is \$282,469.55. Do you have a provision for the lost?

Citiport reply: As you have stated it is a “paper loss”: And I am happy to advise that as of early May 2021 the “paper loss” has narrowed to less than \$93,112. With the Singapore making slow but sure recovery, we are confident the “paper loss” will narrow further.

3 The salary of the 4 staff total to \$ 222,572.00. It has exceeded the budget we think it is high time for us reduced staff in order to save cost

Citiport reply: Mr Vijay, the 4 staff salaries have not exceeded budget. Please be careful with your statements.

4 As a GM, he should plan and improve the overall running of the cooperative for a better improvement and advancement but in our case it is a total flop.

Citiport reply: Mr Vijay we will not engage you on your opinion.

Email queries from Mr. K Vijay (Reg No. 8229):

5 Can we know what is the turn over made by the GM for the cooperative over the last three years to justify his pay of about \$67,000 X 3=\$201,000.00? Can the chairman explain?

Citiport reply: Mr Vijay, the Co-operative is run by the Board and the GM takes direction from the Board. His remuneration is the prerogative of the Board and we are satisfied with his performance.

6 Under the miscellaneous account you have chalked up \$2,819 in 2018, \$11,060 in 2019 and \$9,533 in 2020. You have spent a total amount of \$ 23,412. Can we have the itemised breakdown for the three years???

Citiport reply: Yes, we will provide you with the 2020 breakdown. However, we are busy with the AGM 2021 preparations. The figures will be emailed to you by 21 May 2021.

7 Under the Operating cost you have a new item called “Others “In 2018 you have spent \$80,814, in 2019 \$ 88,131 and in 2020 \$ 65,164. Over the three years you have already spent a total amount of \$ 234,109.00. Can we have the full itemised breakdown for the three years for your “others ”

Citiport reply: Yes, we will provide with the 2020 breakdown. However, we are busy with the AGM 2021 preparations. The figures will be emailed to you by 21 May 2021.

8 Can we know who is the key management personnel who is drawing a huge salary for a short term period. A total amount of \$67,771.00. Is this amount has been paid to whom? Whether this amount has been recorded and acknowledge when the amount is being paid.

Citiport reply: Please refer to our reply to your Question 5.

9 Then who is the person who is receiving such a huge amount. We would like to know. Don't tell us that as a chairman you are not aware of the payment????

Citiport reply: You have identified the person as the GM. The Chairman and the Board is fully aware of the payments.

Email queries from Mr. K Vijay (Reg No. 8229):

10 Can the chairman enlighten us where the \$67,771.00 amount charged under which expenditure account?

Citiport reply: Mr Vijay, the amount it is charged under Salaries and CPF.

11 We were taken aback why key management personnel engaged to control the activities of the cooperative by paying a year salary and CPF of \$ 67,771.00 We wonder having a GM and Admin/Account Exe. cannot be running the cooperation. We should reduce our staff. What about all your key officials who are been elected during the AGM, what are their role in the society. Are they there shaking their legs and receiving salaries and allowances?

Citiport reply: The Board does not agree with you.

12 Your 96 AGM book why the question and answer session part has been printed so small compare to the other pages. What is the motive behind it by doing so, are you trying to avoid the members from reading the Q & A.

Citiport reply: Mr Vijay, we will not indulge in silly remarks.

13 Under Anniversary Fund (Note 21 page F22}
We would like to know, when the world is crying due to covid 19 How the hell did your cooperative managed to organised a D&D and Trip. Please give us the breakdown for \$79,011.00.

Citiport reply: Mr Vijay, please refer to pg. 33 of the Annual Report. No annual tour was conducted in 2020.

This is our observation from your annual report from 2018/2019/2020 We seek clarification for the above questions.

Citiport reply: Thank you, Mr. Vijay. Kindly note that as your other 6 emails are a repeat of your above questions, we will not reply to them.

K Rajaram, PBM
Chairman

Corporate Governance

BOARD OF DIRECTORS MEETINGS / SPECIAL MEETINGS 2021

<u>Name</u>	<u>Designation</u>	<u>Meetings Held</u>	<u>Attended</u>
K Rajaram	Chairman	14	13
Pasupathy M Suppiah	Hon Secretary	14	14
Lee Choy Ling	Hon Treasurer	14	13
Jangarodin Osman	Hon Asst Secretary	14	11
Mohamed Hanifah	Hon Asst Treasurer	14	10
Doreen Pang	Director	14	12
Vijaya Kumar Jayakodee	Director	9 *	9*
S Sangaran	Director	9 *	7

* Elected to Board in May 2021

RISK SUB-COMMITTEE MEETINGS

<u>Name</u>	<u>Designation</u>	<u>Meetings Held</u>	<u>Attended</u>
Lee Choy Ling	Chairman	9	8
Mohamed Hanifah	Member	9	5
Jangarodin Osman	Member	9	7
C Subramaniam	Member	9	6
Pasupathy M Suppiah	Member	9	8
K Rajaram	Ex-officio	9	7

AUDIT COMMITTEE MEETING

<u>Name</u>	<u>Designation</u>	<u>Meetings Held</u>	<u>Attended</u>
C Subramaniam	Chairman	1	1
Johari Bin Mokti	Member	1	1
Raghavan Asokan	Member	1	1

Appropriation of Profit 2021

Dear members,

The Board of Directors recommends that the profit of 2020 be appropriated as:

	(S\$)
Nett Profit for 2021	203,599.00

less	
(a) Contribution to Central Co-operative Fund (5%)*	2,365.00**
(b) Transfer to Common Good Fund	1,356.00
(c) Honorarium	15,840.00
(d) Dividend - 0.9% on Subscription of \$20,448,686	184,038.00
	<hr/> 203,599.00

* 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).

** As stated by External Auditor

If the above recommendations are accepted and approved by members attending the 97th e-AGM, dividend will be credited to members' bank account on Monday, 22 August 2022.

Distribution of Honorarium and Payment of Allowances 2021

<u>Honorarium</u>	<u>Amount (S\$)</u>
Chairman	5,640.00
Vice Chairman	4,800.00
Director	<u>5,400.00</u> (\$1,800.00 each x 3)
	<u>15,840.00</u>

<u>Allowances</u>	<u>Amount (S\$)</u>
Hon Secretary	4,500.00
Hon Treasurer	4,500.00
Hon Asst Secretary	2,700.00
Hon Asst Treasurer	<u>2,700.00</u>
	<u>14,400.00</u>

<u>Allowances</u>	<u>Amount (S\$)</u>
Internal Auditors	4,320.00 (\$1,440.00 each x 3)

Expenditure Estimate for 2023

	2021 Expenditure (Approved)	2021 Expenditure (Actual)	2023 Expenditure (Estimated)
1. Salary and Allowance	220,000	200,769	220,000
2. Printing and stationery	20,000	2,332	20,000
3. Audit Fees	8,500	9,000	9,500
4. General, Extraordinary & Board Meetings	35,000	-	35,000
5. Delegate & Conference Expenses	50,000	50	50,000
6. Transport, Postage & Bank Charges	20,000	6,525	20,000
7. Purchase/Maintenance of Office Equipment and Furniture	30,000	14,074	30,000
8. Staff Medical Expenses	5,000	-	5,000
9. Affiliation Fees	4,000	508	4,000
10. Premises & Telephone Expenses	40,000	4,262	40,000
11. Central Provident Fund	40,000	25,693	40,000
12. Co-operative Activities	40,000	428	40,000
13. Contingencies	20,000	-	20,000
TOTAL \$	532,500	263,641	532,500

List of Sundry Creditors below 7 years

Reg No.	Name	Amount (\$S)	Reg No.	Name	Amount (\$S)
5054	Mohd Fauzi Bin H Othman	881.93	11405	Low Eng Keat	256.00
5398	Abu Bakar Bin Aman	8.51	11411	Lim Kheng Howe	1.00
5445	Vengadesan s/o Linggam	15,577.53	11425	Sawal Bin Manis	30.03
7326	Jailani Bin Kamsani	1.40	11502	Mohd Aminuddin Khalid	40.00
8275	Zainuddin Mohamed Salim	22.30	11659	Goh Wei Hong	220.00
8339	Razali Bin Ali	6,116.21	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	12187	Lee Eng Wah	110.00
9578	Hares bin Kata	3.76	12341	Ng See Choon Philip	353.60
10035	Yap Seow Hong	19.10	12419	Abdul Wahid Bin Mokhtar	18.74
10035	Yap Seow Hong	40.90	12514	Salim Bin Din	3,230.02
10067	Alladin Bin Ismail	34.40	12601	Abd Hamid Bin Abd Karim	80.50
10140	Shariff B Abdullah	1,000.00	12833	Muhammad Noorman Bin Sarip	32.20
10465	Wong Yee Meng	456.00	12959	Tan Chwee Lay	10.04
10471	Mohd Lockman Bin Musa	220.00	13151	Mohamed Nadir Bin Mohamed Iqbal	400.88
10555	Abdul Rahman bin Eusope	607.00	13174	Cheang Kwai Sim	8.50
10567	Goh Chai Koon	100.00	13360	Muhammad Khairudin Bin Mahmud	27.72
10734	Lee Poh Poh	243.00	13384	Ong Kwang Yong	54.60
10881	Tiang Koor Huat	2,139.32	13391	Dewadas Dinesh Kumar	66.45
11036	Nah Kim Lin	71.15	13423	Neo Jinliang	3,185.99
11107	Rudy Martin Junior	210.00	13428	Mohammad Iskandar Bin Zulkarmain	5.38
11153	Chow Chin Chang	44.21	13438	Mohamad Fauzan Bin Mohamad Tahir	24.63
11155	Loo Han Lin	34.44	13505	Razmy Bin Mohamed Talib	36.00
11166	Lim Wei Kiong	9.00	13511	Teo Oenry	11.82
11283	Nor Azli Mohd	308.36	13560	Muhammad Shafree Bin Ismail	140.11
11293	Ravindran a/l Perumal	401.00	13561	Norazlee Bin Abdul Gahni	887.29
11377	Tai Wei Chieh	200.00	13610	Tang Jia Ruay	47.00
11380	Chan Siew Meng	321.00	13698	Muhammad Hairudin Bin Hassan	7.77
11381	Sivakumar A/L Subramaniam	361.00			<u>44,178.52</u> *
					908.45

* Do note that the Unclaimed Balance of \$45,087 that appears in the audited Financial Statements includes the balance of \$908.45 that was approved by members to transfer to the Common Good Fund in 2021 AGM.

Amendment to By-laws

By-law No	Existing	By-law No	Proposed Amendment	Reason For The Amendment
1.2	The registered address of the Co-operative shall be at 83A Kampong Bahru Road, Singapore 169379. Any change of address shall be notified to the Registrar and to any non-members who may be creditors of the Co-operative.	1.2	The registered address of the Co-operative shall be at <u>218 Pasir Panjang Road #02-03 ICON@Pasir Panjang, Singapore 118579</u> . Any change of address shall be notified to the Registrar and to any non-members who may be creditors of the Co-operative.	Office relocation

*A*nniversary *C*elebration *F*und Lucky Draw 2022

The Board of Directors has decided that with the ongoing Covid-19 pandemic, the 2022 Anniversary Celebration Fund Tour will not be conducted.

ACF Tour 2022
Sub-Committee

Report on Restricted Investments (RI)

Why we seek approval to extend the Restricted Investment Ratio for another three years.

Due to the very low interest rate in the financial market, the co-operative suffered a drop in interest income when we place our excess funds in fixed deposits in Singapore banks. The higher returns from RI had helped to mitigate the drop in interest income. To enable the co-operative to pay reasonable dividends on members' subscription, we need to maintain the RI ratio at 30%.

1. What are Restricted Investment (RI)

Restricted Investment or RI refers to any form or type of investment other than the following:

- (a) Bonds issued by statutory board in Singapore;
- (b) Singapore dollar deposits in financial institutions by the Monetary Board of Singapore (MAS);
- (c) Singapore Government Securities;
- (d) Capital guaranteed investment funds or products managed by financial institutions licensed or regulated by MAS, where the issuer(s) guarantee the return of 100% of the capital invested at a predetermined date in the future and
- (e) Special Investment based on 10% of the total assets of the co-operative.

2. Limits on RI

The Co-operative was granted permission to invest 30% of its total assets in RI by the Registrar of Co-operative Society for a period of 3 years from 17 June 2021 to 17 June 2022.

INVESTMENT PLAN

As at Financial Year ending (FYE) 31 December 2021, Citiport Restricted Investments (RI) amounted to \$2,121,928 or about 7.5% of our total assets of \$28,421,687. They comprise of :

	Restricted Investments	As at 31.12.2021	Dividend FYE 31.12.2021
(a)	Shares listed on SGX	\$1,703,203	\$86,398
(b)	Shares in NTUC Income - 15,685	\$141,200	\$9,535
(c)	Corporate Bonds	\$277,525	\$5,797
	Total	\$2,121,928	\$101,730

Return on Restricted Investment is 4.8%

Citiport also holds the following Exempt Shares i.e. shares that are not considered RI as they were purchased before 30.06.2010. They are:

	Unquoted Shares	Cost	Dividend FYE 31.12.2021
(a)	NTUC Fairprice - 55,236	\$10,000	\$3,038
(b)	NTUC Income - 35,580	\$300,000	\$21,224
(c)	Premier Security Co-op - 50,000	\$50,000	\$5,000
	Total	\$360,000	\$29,262

Return on Investment is 8.1%

Citiport's total assets FYE 31.12.2021 is \$28,421,687. If the members approve the Board's request to invest up to 30% i.e. \$8,526,506, we plan to place the investible funds broadly based on the following asset allocation:

	Restricted Investments	%
(a)	Investment Property	20
(b)	Shares listed on SGX	35
(c)	Corporate bonds issued in S'pore and managed funds with capital protection mandate	15

With this Investment Plan, the Board is targeting returns of at least 4% per annum. This is a realistic target, considering that we have been averaging about 4.3% for the past years.

Report On Investments 2021

S/No.	Name Of Shares	Qty	Cost Price (\$S)	Unit Cost per share (\$S)	Yield (%)	Market Price 31/12/21	Paper Gains / (loss) (\$S)	Market Value (\$S)
1	CAPITALAND	5,000	14,700.00	2.94	4.190%	3.410	650.00	17,050.00
2	CAPITALAND	5,000	29,900.00	5.98	4.190%	3.410	650.00	17,050.00
3	CAPITALAND	40,000	130,400.00	3.26	4.190%	3.410	5,200.00	136,400.00
4	CAPLANDINTCOM T	7,733				2.040		15,775.32
5	CHUAN HUP	50,000	15,000.00	0.30	5.120%	0.230	1,250.00	11,500.00
6	F & N	5,000	20,400.00	4.08	4.500%	1.410	(300.00)	7,050.00
7	FRASERS PROPERTY	10,000	0.00	0.00	0.000%	1.140	(1,000.00)	11,400.00
8	HONG LEONG FIN	20,000	20,506.41	1.03	5.790%	2.390		47,800.00
9	KEP INFRA TR	160,600	55,500.00	0.35	6.760%	0.545		87,527.00
10	KEP INFRA TR	50,000	57,000.00	1.14	6.760%	0.545		27,250.00
11	KEPPEL CORP	40,000	383,300.00	9.58	3.050%	5.120	(10,400.00)	204,800.00
12	KEPPEL CORP	10,000	94,600.00	9.46	3.050%	5.120	(2,600.00)	51,200.00
13	MAPLETREE LOG TR	40,000	36,040.00	0.90	3.940%	1.900	(4,400.00)	76,000.00
14	MYP (f.k.a Cougar)	25,000	7,750.00	0.31	0.000%	0.082		2,050.00
15	MYP (f.k.a Cougar)	25,000	5,985.00	0.24	0.000%	0.082		2,050.00
16	OCBC	20,000	234,600.00	11.73	4.570%	11.400	26,800.00	228,000.00
17	SEBFCORP IND	10,000	14,300.00	1.43	1.760%	2.000	2,900.00	20,000.00
18	SEBFCORP IND	20,000	95,600.00	4.78	1.760%	2.000	5,800.00	40,000.00
19	SEBFCORP MARINE	147,330	0.00	0.00	1.760%	0.082		12,081.06
20	SGX	5,000	33,800.00	6.76	3.400%	9.300	100.00	46,500.00
21	SIA	6,600	53,100.60	8.05	1.430%	4.990	4,686.00	32,934.00
22	SIA	1,000	14,720.00	14.72	1.430%	4.990	710.00	4,990.00
23	SIA	400	5,907.33	14.77	1.430%	4.990	284.00	1,996.00
24	SIA	12,000	36,000.00	3.00	1.430%	4.990	(27,480.00)	59,880.00
25	SIA MCB RIGHTS	23,600	23,600.00	1.00	4.000%	0.974	(23,552.80)	22,986.40
26	SINGHOLDINGS	30,000	5,000.00	0.17	5.000%	0.380	450.00	11,400.00
27	SINGHOLDINGS	50,000	27,600.00	0.55	5.000%	0.380	750.00	19,000.00
28	SINGTEL	10,000	34,800.00	3.48	5.500%	2.320	100.00	23,200.00
29	SINGTEL	8,000	13,600.00	1.70	5.500%	2.320	80.00	18,560.00
30	SINGTEL	7,000	25,480.00	3.64	5.500%	2.320	70.00	16,240.00
31	SINGTEL	20,000	43,800.00	2.19	5.500%	2.320	(43,600.00)	46,400.00
32	SPH	10,000	39,000.00	3.90	2.450%	2.330	12,000.00	23,300.00
33	ST ENGINEERING	40,000	119,200.00	2.98	4.000%	3.760	(2,400.00)	150,400.00
34	ST ENGINEERING	20,000	76,000.00	3.80	4.000%	3.760	(1,200.00)	75,200.00
35	STAMFORD LAND	50,000	33,250.00	0.67	1.690%	0.370	2,000.00	18,500.00
36	STAMFORD LAND	50,000	34,750.00	0.70	1.690%	0.370	2,000.00	18,500.00
37	STARHILLGBL REIT	20,000	21,800.00	1.09	5.570%	0.655	3,000.00	13,100.00
38	STARHILLGBL REIT	22,000	10,500.00	0.48	5.570%	0.655	3,300.00	14,410.00
39	STARHUB	9,170	17,331.30	1.89	5.600%	1.360	458.50	12,471.20
40	WING TAI	11,300	17,165.00	1.52	1.670%	1.790	(1,808.00)	20,227.00
41	YUNNAN (split shares ex TECHCOMP)	225,000	0.00	0.00	Nil	0.169	9,000.00	38,025.00
Total			\$1,901,985.64				(\$36,502.30)	\$1,703,202.98

Report On Investments 2020

Quoted Equities	Qty	Cost (S\$)	Unit Cost per share (S\$)	Yield (%)	Market Price 31/12/2020 (S\$)	Paper Gains / (Loss) (S\$)
CAPITALAND	5,000	14,700.00	2.94	4.190	3.280	1,700.00
CAPITALAND	5,000	29,900.00	5.98	4.190	3.280	(13,500.00)
CAPITALAND	40,000	130,400.00	3.26	4.190	3.280	800.00
CHUAN HUP	50,000	15,000.00	0.30	5.120	0.205	(4,750.00)
F & N	5,000	20,400.00	4.08	4.500	1.470	(13,050.00)
FRASERS CPT	10,000	0.00	0.00	0.000	1.240	12,400.00
GL	100,000	70,000.00	0.70	0.000	0.515	(18,500.00)
HONG LEONG FIN	20,000	20,506.41	1.03	5.790	2.390	27,293.59
KEP INFRA TR	160,600	55,500.00	0.35	6.760	0.545	32,027.00
KEP INFRA TR	50,000	57,000.00	1.14	6.760	0.545	(29,750.00)
KEP INFRA TR-NRO	24,850	0.00	0.00	N.A	N.A	0.00
KEPPEL CORP	40,000	383,300.00	9.58	3.050	5.380	(168,100.00)
KEPPEL CORP	10,000	94,600.00	9.46	3.050	5.380	(40,800.00)
MAPLETREE LOG TR	40,000	36,040.00	0.90	3.940	2.010	44,360.00
MYP (f.k.a Cougar)	25,000	7,750.00	0.31	0.000	0.082	(5,700.00)
MYP (f.k.a Cougar)	25,000	5,985.00	0.24	0.000	0.082	(3,935.00)
OCBC	20,000	234,600.00	11.73	4.570	10.060	(33,400.00)
SEBFCORP IND	10,000	14,300.00	1.43	1.760	1.710	2,800.00
SEBFCORP IND	20,000	95,600.00	4.78	1.760	1.710	(61,400.00)
SEBFCORP MARINE	147,330	0.00	0.00	1.760	0.143	21,068.19
SGX	5,000	33,800.00	6.76	3.400	9.280	12,600.00
SIA	6,600	53,100.60	8.05	1.430	4.280	(24,852.60)
SIA	1,000	14,720.00	14.72	1.430	4.280	(10,440.00)
SIA	400	5,907.33	14.77	1.430	4.280	(4,195.33)
SIA	12,000	36,000.00	3.00	1.430	4.280	15,360.00
SIA MCB RIGHTS	23,600	23,600.00	1.00	4.000	0.972	(660.80)
SINGHOLDINGS	30,000	5,000.00	0.17	5.000	0.365	5,950.00
SINGHOLDINGS	50,000	27,600.00	0.55	5.000	0.365	(9,350.00)
SINGREINSURANCE	100,000	26,000.00	0.26	4.000	0.295	3,500.00
SINGREINSURANCE	14,000	2,940.00	0.21	4.000	0.295	1,190.00
SINGREINSURANCE	30,500	8,692.50	0.29	4.000	0.295	305.00
SINGREINSURANCE	14,100	4,018.50	0.29	4.000	0.295	141.00
SINGREINSURANCE (BONUS)	11,400	0.00	0.00	4.000	0.295	3,363.00
SINGTEL	10,000	34,800.00	3.48	5.500	2.310	(11,700.00)
SINGTEL	8,000	13,600.00	1.70	5.500	2.310	4,880.00
SINGTEL	7,000	25,480.00	3.64	5.500	2.310	(9,310.00)
SINGTEL	20,000	43,800.00	2.19	5.500	2.310	2,400.00
SPH	10,000	39,000.00	3.90	2.450	1.130	(27,700.00)
ST ENGINEERING	40,000	119,200.00	2.98	4.000	3.820	33,600.00
ST ENGINEERING	20,000	76,000.00	3.80	4.000	3.820	400.00
STAMFORD LAND	50,000	33,250.00	0.67	1.690	0.330	(16,750.00)
STAMFORD LAND	50,000	34,750.00	0.70	1.690	0.330	(18,250.00)
STARHILLGBL REIT	20,000	21,800.00	1.09	5.570	0.505	(11,700.00)
STARHILLGBL REIT	22,000	10,500.00	0.48	5.570	0.505	610.00
STARHUB	9,170	17,331.30	1.89	5.600	1.310	(5,318.60)
WING TAI	11,300	17,165.00	1.52	1.670	1.950	4,870.00
YUNNAN (split shares ex TECHCOMP)	225,000	0.00	0.00	Nil	0.129	29,025.00
Total: S\$		2,013,636.64				(\$282,469.55)

Quoted Bonds	Qty	Cost (S\$)
TELGTREN200408	500,000	\$500,000.00
G EASTLIFE260119	250,000	\$250,000.00
Total: S\$		750,000.00

Unquoted Equity	Qty	Cost (S\$)
Premier Security	50,000	\$50,000.00
NTUC Fairprice	10,000	\$10,000.00
NTUC Fairprice	45,236	\$45,236.00
NTUC Income	30,000	\$300,000.00
NTUC Income	15,685	\$141,200.00
NTUC Income	5,580	\$55,800.00
Total: S\$		602,236.00

Report On Investments 2019

Quoted Equities	Qty	Cost (S\$)	Unit Cost per share (S\$)	Yield (%)	Market Price 31/12/2019 (S\$)	Paper Gains / (Loss) (S\$)
CAPITALAND	5,000	14,700.00	2.94	3.430	3.750	4,050.00
CAPITALAND	5,000	29,900.00	5.98	3.430	3.750	(11,150.00)
CAPITALAND	40,000	130,400.00	3.26	3.430	3.750	19,600.00
CHUAN HUP	50,000	15,000.00	0.30	38.460	0.230	(3,500.00)
F & N	5,000	20,400.00	4.08	2.660	1.720	(11,800.00)
FRASERS CPT	10,000	0.00	0.00	4.970	1.690	16,900.00
GL	100,000	70,000.00	0.70	2.820	0.805	10,500.00
HONG LEONG FIN	20,000	20,506.41	1.03	5.750	2.670	32,893.59
KEP INFRA TR	160,600	55,500.00	0.35	6.890	0.540	31,224.00
KEP INFRA TR	50,000	57,000.00	1.14	6.890	0.540	(30,000.00)
KEP INFRA TR-NRO	24,850	0.00	0.00	N.A	N.A	0.00
KEPPEL CORP	40,000	383,300.00	9.58	3.140	6.770	(112,500.00)
KEPPEL CORP	10,000	94,600.00	9.46	3.140	6.770	(26,900.00)
MAPLETREE LOG TR	40,000	36,040.00	0.90	3.730	1.740	33,560.00
MYP (f.k.a Cougar)	25,000	7,750.00	0.31	0.000	0.102	(5,200.00)
MYP (f.k.a Cougar)	25,000	5,985.00	0.24	0.000	0.102	(3,435.00)
OCBC	20,000	234,600.00	11.73	4.520	10.980	(15,000.00)
SEBFCORP	10,000	14,300.00	1.43	1.900	2.290	8,600.00
SEBFCORP	20,000	95,600.00	4.78	1.900	2.290	(49,800.00)
SGX	5,000	33,800.00	6.76	2.690	8.860	10,500.00
SIA	6,600	53,100.60	8.05	3.330	9.040	6,563.40
SIA	1,000	14,720.00	14.72	3.330	9.040	(5,680.00)
SIA	400	5,907.33	14.77	3.330	9.040	(2,291.33)
SINGHOLDINGS	30,000	5,000.00	0.17	3.120	0.395	6,850.00
SINGHOLDINGS	50,000	27,600.00	0.55	3.120	0.395	(7,850.00)
SINGREINSURANCE	100,000	26,000.00	0.26	4.640	0.295	3,500.00
SINGREINSURANCE	14,000	2,940.00	0.21	4.640	0.295	1,190.00
SINGREINSURANCE	30,500	8,692.50	0.29	4.640	0.295	305.00
SINGREINSURANCE	14,100	4,018.50	0.29	4.640	0.295	141.00
SINGREINSURANCE (BONUS)	11,400	0.00	0.00	4.640	0.295	3,363.00
SINGTEL	10,000	34,800.00	3.48	5.570	3.370	(1,100.00)
SINGTEL	8,000	13,600.00	1.70	5.570	3.370	13,360.00
SINGTEL	7,000	25,480.00	3.64	5.570	3.370	(1,890.00)
SPH	10,000	39,000.00	3.90	5.870	2.180	(17,200.00)
ST ENGINEERING	40,000	119,200.00	2.98	3.780	3.940	38,400.00
ST ENGINEERING	20,000	76,000.00	3.80	3.780	3.940	2,800.00
STAMFORD LAND	50,000	33,250.00	0.67	2.020	0.500	(8,250.00)
STAMFORD LAND	50,000	34,750.00	0.70	2.020	0.500	(9,750.00)
STARHILLGBL REIT	20,000	21,800.00	1.09	6.050	0.725	(7,300.00)
STARHILLGBL REIT	22,000	10,500.00	0.48	6.050	0.725	5,450.00
STARHUB	9,170	17,331.30	1.89	9.540	1.420	(4,309.90)
WING TAI	11,300	17,165.00	1.52	0.000	2.020	5,661.00
YUNNAN (split shares ex TECHCOMP)	225,000	0.00	0.00	Nil	0.159	35,775.00
Total: S\$		1,910,236.64				(\$43,720.24)

Quoted Bonds	Qty	Cost (S\$)
STELGTREN200408	500,000	\$501,500.00
G EASTLIFE260119	250,000	\$250,000.00
Total: S\$		750,000.00

Unquoted Equity	Qty	Cost (S\$)
Premier Security	50,000	50,000.00
NTUC Fairprice	55,235	10,000.00
NTUC Income	30,000	300,000.00
NTUC Income	15,685	141,200.00
Total: S\$		501,200.00

Dividend Received 2019	Amount (S\$)
Quoted Equities and Bonds	87,894
Unquoted Equities	43,673
Total Dividend Received:	S\$ 131,567

The Return on Investments is 4.18%

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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

CITIPORT CREDIT CO-OPERATIVE LIMITED

NOMINEE FORM

MEMBER'S/MEMBERSHIP NO. _____

To The Hon. Secretary,

Sir,

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 _____

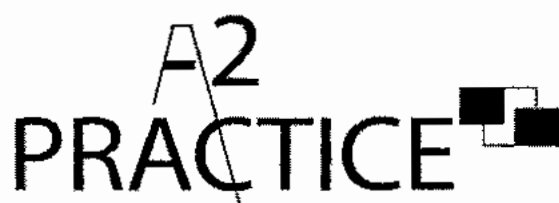
this _____ day of _____ 20 _____

CITIPOINT CREDIT CO-OPERATIVE LIMITED

(Registered under the Co-operative Societies Act 1979, Singapore)

(Unique Entity Number: S25CS0003C)

**Directors' Statement and Audited Financial Statements
For the Financial Year Ended 31 December 2021**



PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS OF SINGAPORE

3 SHENTON WAY #07-04, SHENTON HOUSE
SINGAPORE 068805

CITIPORT CREDIT CO-OPERATIVE LIMITED
(Registered under the Co-operative Societies Act 1979, Singapore)
(Unique Entity Number: S25CS0003C)

Board of directors

K Rajaram (PBM)	Chairman
C Subramaniam	Vice Chairman
Pasupathy s/o Muthu Suppiah	Honorary Secretary
Jangarodin Bin Osman	Honorary Asst secretary
Lee Choy Ling	Honorary Treasurer
Mohd Hanifah s/o Mohd Jamal	Honorary Assistant Treasurer
Doreen Pang	Director
S Sangaran	Director
Vijay Kumar S/O Jayakode	Director
Registered Office	Icon @Pasir Panjang #02-03, 218 Pasir Panjang Road, Singapore 118579.
Auditors	A2 Practice Chartered Accountants of Singapore
Bankers	DBS Bank UCO Bank MayBank

CITIPORT CREDIT CO-OPERATIVE LIMITED
(Registered under the Co-operative Societies Act 1979, Singapore)
(Unique Entity Number: S25CS0003C)

Audited Financial Statements
For the financial year ended 31 December 2021

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Statement of Profit or Loss and Other Comprehensive Income	F7
Statement of Changes in Members' Interests	F8
Statement of Cash Flows	F9
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CITIPOINT CREDIT CO-OPERATIVE LIMITED
(Registered under the Co-operative Societies Act 1979, Singapore)
(Unique Entity Number: S25CS0003C)

STATEMENT BY BOARD OF DIRECTORS

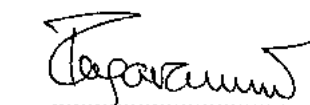
The Board of Directors are pleased to present their statement to the members together with the audited financial statements of Citiport Credit Co-Operative Limited. (the "Co-operative") for the financial year ended 31 December 2021.

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 1979 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 unauthorised use or disposition; and transactions are properly authorised 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 together with the notes thereon are properly drawn up in accordance with the provisions of the Co-operative Societies Act 1979, Co-operative Societies Rules and the Singapore Financial Reporting Standards so as to give true and fair view of the financial position of the Co-operative as at 31 December 2021 and the financial performance, changes in members' interests and cash flows of the Co-operative for the year ended on that date; and
- b) at the date of this statement, there are reasonable grounds to believe Co-operative will be able to pay its debt as and when fall due; and
- c) the receipt, expenditure, investment of moneys and the acquisition and disposal of assets by the Co-operative during the year have been made in accordance with the By-laws of the Co-operative, the provisions of the Act and the Rules (made under Section 95 of the Act); and
- d) proper accounting and other records have been kept by the Co-operative.

On behalf of the Board of Directors



K. RAJARAM (PBM)
CHAIRMAN



PASUPATHY S/O MUTHU SUPPIAH
HONORARY SECRETARY



LEE CHOY LING
HONORARY TREASURER

Singapore,
03 AUG 2022

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF**

CITIPORT CREDIT CO-OPERATIVE LIMITED

(Registered under the Co-operative Societies Act 1979, Singapore)
(Unique Entity Number: S25CS0003C)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the **CITIPORT CREDIT CO-OPERATIVE LIMITED** (the Co-operative), which comprise the statement of financial position as at 31 December 2021 and the statement of profit or loss and other comprehensive income, statement of appropriation, statement of changes in members' interests and statement of cash flows for the financial year ended on that date, 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 Co-operative Societies Act 1979, Singapore (the Act) and the Co-operative Societies Rules (the Rules) 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 2021 and of the financial performance, changes in members' interests and cash flows of the Co-operative for the financial year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards of 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.

Other Matters

The financial statements of the Co-operative for the year ended 31 December 2020 were audited by another auditor whose opinion dated 6 April 2021 was an unmodified opinion on those financial statements.



INDEPENDENT AUDITOR'S REPORT (Continued)
TO THE MEMBERS OF

CITIPOINT CREDIT CO-OPERATIVE LIMITED

(Registered under the Co-operative Societies Act 1979, Singapore)
(Unique Entity Number: S25CS0003C)

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

Management is responsible for the other information. The other information (obtained prior to the date of our auditor's report) comprises the Statement by Board of Directors included in the Annual report 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 express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information 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, 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.

Responsibilities of Management and Those Charged with Governance 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, Rules and FRSSs, 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 Group 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 Responsibility 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 misstatements, 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.



INDEPENDENT AUDITOR'S REPORT (Continued)
TO THE MEMBERS OF

CITIPOINT CREDIT CO-OPERATIVE LIMITED

(Registered under the Co-operative Societies Act 1979, Singapore)
(Unique Entity Number: S25CS0003C)

Auditor's Responsibility for the Audit of the Financial Statements - continued

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.
- 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 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

Opinion

In our opinion:

- (a) the receipt, expenditure, investment of monies and the acquisition and disposal of assets by the Co-operative during the year are, in all material respects, in accordance with the By-laws of the Co-operative and the provisions of the Act and Rules (made under section 95 of the Act); and
- (b) proper accounting and other records have been kept by the Co-operative.

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**INDEPENDENT AUDITOR'S REPORT (Continued)
TO THE MEMBERS OF**

CITIPOINT CREDIT CO-OPERATIVE LIMITED

(Registered under the Co-operative Societies Act 1979, Singapore)
(Unique Entity Number: S25CS0003C)

Report on Other Legal and Regulatory Requirements - continued

Basis for opinion

We conduct our Audit in accordance with SSAs. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the compliance audit" section of our report. We are independent of the Co-operative in accordance with the ACRA Code together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our 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 on Management's compliance.

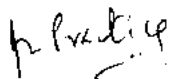
Management's responsibility for compliance with legal and regulatory requirements

Management is responsible for ensuring that the receipt, expenditure, investment of monies and the acquisition and disposal of assets, are in accordance with the By-laws of the Co-operative and the provisions of the Act and Rules (made under section 95 of the Act). This responsibility includes monitoring related compliance requirements relevant to the Co-operative, and implementing internal controls as management determines are necessary to enable compliance with the By-laws of the Co-operative and the provisions of the Act and the Rules (made under section 95 of the Act).

Auditor's responsibility for compliance audit

Our responsibility is to express an opinion on management's compliance based on our audit of the financial statements. We planned and performed the compliance audit to obtain reasonable assurance about whether the receipt, expenditure, investment of monies and the acquisition and disposal of assets, are in accordance with the By-laws of the Co-operative and the provisions of the Act and the Rules (made under section 95 of the Act).

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



**A2 PRACTICE
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS**



Singapore,
3 August 2022

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A2 PRACTICE, CHARTERED ACCOUNTANTS OF SINGAPORE

3 Shenton Way #07-04, Shenton House, Singapore 068805

Tel: 6225 2412 Fax: 6225 2502 Email: admin@a2practice-ca.com Website: www.a2practice-ca.com

CITIPORT CREDIT CO-OPERATIVE LIMITED
(Registered under the Co-operative Societies Act 1979, Singapore)
(Unique Entity Number: S25CS0003C)

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	<u>NOTE</u>	<u>31.12.2021</u>	<u>31.12.2020</u>	<u>01.01.2020</u>
		S\$	S\$	S\$
			(Note 29)	
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment	(4)	3,250,066	1,409,929	1,424,026
Investment property	(4)	917,200	917,632	938,063
Investment at FVOCI	(5)	2,204,403	2,509,892	3,146,741
Loans to members	(6)	299,170	286,589	605,064
Total non-current assets		6,670,839	5,124,042	6,113,894
CURRENT ASSETS				
Loans to members	(6)	490,043	692,640	837,863
Other receivables, deposits and prepayments	(7)	413,804	302,237	336,291
Cash and cash equivalents	(8)	20,847,001	22,759,682	22,104,895
Total current assets		21,750,848	23,754,559	23,279,049
TOTAL ASSETS		28,421,687	28,878,601	29,392,943
EQUITY FUNDS AND LIABILITIES				
FUNDS				
Members' subscription capital	(9)	20,488,636	21,044,227	21,522,651
Reserve fund		4,479,541	4,580,371	4,608,208
Scholarship fund	(11)	198,795	213,945	221,295
Anniversary celebration fund	(12)	51,224	51,224	48,804
Common good fund	(13)	3	8,854	2,842
Fair value reserve		70,296	(89,385)	149,364
Total Members' interest		25,288,495	25,809,236	26,553,164
Less: Members' Subscription Capital		(20,488,636)	(21,044,227)	(21,522,651)
Total equity		4,799,859	4,765,009	5,030,513
CURRENT LIABILITIES				
Members' subscription capital	(9)	20,488,636	21,044,227	21,522,651
Members' specific deposits	(10)	2,996,352	2,889,079	2,687,612
Members' fixed deposits	(14)	65,789	65,138	64,493
Central co-operative Fund	(15)	2,365	16,806	-
Sundry creditors and accruals	(16)	23,599	29,165	38,859
Unclaimed balances		45,087	53,337	32,975
Honorarium to directors		-	15,840	15,840
Total current liabilities		23,621,828	24,113,592	24,362,430
Total liabilities		23,621,828	24,113,592	24,362,430
TOTAL EQUITY AND LIABILITIES		28,421,687	28,878,601	29,392,943

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

CITIPORT CREDIT CO-OPERATIVE LIMITED
(Registered under the Co-operative Societies Act 1979, Singapore)
(Unique Entity Number: S25CS0003C)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	<u>NOTE</u>	<u>2021</u> S\$	<u>2020</u> S\$
Revenue	(17)	507,596	595,539
Other income	(18)	81,403	158,292
		<u>588,999</u>	<u>753,831</u>
Employee benefit expenses	(19)	(226,462)	(222,572)
Depreciation	(20)	(35,213)	(34,751)
Other operating expenses	(21)	(122,601)	(145,364)
Finance costs	(22)	(15,565)	(15,025)
Surplus from the operations		<u>189,158</u>	<u>336,119</u>
CCF contribution credit/(charge)	(15)	14,441	(16,806)
Surplus from the operations after CCF contribution		<u>203,599</u>	<u>319,313</u>
Other comprehensive income			
<i>Items that will not be classified separately to profit and loss account</i>			
Fair value adjustments – investments at FVOCI		132,156	(238,749)
Total comprehensive income		<u><u>335,755</u></u>	<u><u>319,313</u></u>

The accompanying notes form an integral part of these financial statements

CITIPOINT CREDIT CO-OPERATIVE LIMITED
(Registered under the Co-operative Societies Act 1979, Singapore)
(Unique Entity Number: S25CS0003C)

**STATEMENT OF CHANGES IN MEMBERS' INTERESTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

	RESERVE FUND	SCHOLARSHIP FUND	ANNIVERSARY CELEBRATION FUND	COMMON GOOD FUND	FAIR VALUE RESERVE	TOTAL
	S\$	S\$	S\$	S\$	S\$	S\$
2021						
As at 1 January 2021	4,580,371	213,945	51,224	8,854	(89,385)	4,765,009
Total comprehensive income for the year						
Surplus from the operations	203,599	-	-	-	-	203,599
Other comprehensive income						
Net Change in fair value for-						
-Investments at FVOCI	-	-	-	-	132,156	132,156
-Debt investment at FVOCI reclassified to profit or loss					27,525	27,525
Total comprehensive income for the year	203,599	-	-	-	159,681	363,280
Transactions directly recorded in funds						
Net movement	-	(15,150)	-	(18,661)	-	(33,811)
Dividends paid	(294,619)	-	-	-	-	(294,619)
Common good fund	(9,810)	-	-	9,810	-	-
Total of transactions directly in funds	(304,429)	(15,150)	-	(8,851)	-	(328,430)
As at 31 December 2021	4,479,541	198,795	51,224	3	70,296	4,799,859

	RESERVE FUND	SCHOLARSHIP FUND	ANNIVERSARY CELEBRATION FUND	COMMON GOOD FUND	FAIR VALUE RESERVE	TOTAL
	S\$	S\$	S\$	S\$	S\$	S\$
2020-Restated						
As at 1 January 2020	4,608,208	221,295	48,804	2,842	149,364	5,030,513
Total comprehensive income for the year						
Surplus from the operation	319,313	-	-	-	-	319,313
Fair value adjustment	-	-	-	-	(238,749)	(238,749)
Total comprehensive income	319,313	-	-	-	(238,749)	80,564
Transactions directly recorded in funds						
Net movement	(21,139)	(7,350)	2,420	(2,842)	-	(28,911)
Dividends paid	(301,317)	-	-	-	-	(301,317)
Honorarium	(15,840)	-	-	-	-	(15,840)
Unclaimed balances	(8,854)	-	-	8,854	-	-
Total of transactions directly in funds	(347,150)	(7,350)	2,420	6,012	-	(346,068)
As at 31 December 2020	4,580,371	213,945	51,224	8,854	(89,385)	4,765,009

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

CITIPORT CREDIT CO-OPERATIVE LIMITED
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**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

	<u>NOTE</u>	<u>2021</u>	<u>2020</u>
		S\$	S\$
Cash flows from operating activities			
Net profit for the financial year		189,158	336,119
Adjustments for:			
Depreciation		35,213	34,751
Expected credit loss / Allowance for impairment of doubtful debts		12,367	39,688
Dividend income		(125,195)	(106,932)
Fixed deposits interest income		(294,423)	(370,063)
Members' specific deposit interest		14,907	14,373
Members' fixed deposit interest		658	651
Operating cash flow before working capital changes		(167,315)	(51,413)
<u>Changes in working capital:</u>			
Loans to members		204,848	424,010
Deposits and prepayments		2,112	34,054
Other payables and unclaimed balances		(13,816)	10,668
Cash generated from operations		25,829	417,319
			-
Honorarium		(15,840)	(15,840)
Scholarship fund		(15,150)	(7,350)
Anniversary celebration		-	2,420
Common good fund		(18,661)	(23,981)
Net cash (used in) /generated from operating activities		(23,822)	372,568
Cash flows from investing activities			
Purchase of property, plant and equipment		(1,874,918)	(223)
Purchase of investments		-	(103,400)
Proceeds from redemption of bond		250,000	-
Proceeds from disposal of investments		187,645	501,500
Dividend income received		125,195	106,932
Fixed deposits interest received		180,744	370,063
Withdrawal / (placement) of fixed deposits		2,066,870	(690,862)
Net cash generated from investing activities		935,536	184,010
Cash flows from financing activities			
Members' subscriptions capital		(555,591)	(478,424)
Members' specific deposit		92,684	187,094
Members' fixed deposit		-	(6)
Dividend paid		(294,619)	(301,317)
Net cash used in financing activities		(757,526)	(592,653)
Net increase / decrease in cash and cash equivalents		154,188	(36,075)
Cash and cash equivalents at beginning of financial year		653,129	689,204
Cash and cash equivalents at end of financial year	(8)	807,317	653,129

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

CITIPOINT CREDIT CO-OPERATIVE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2021

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

The financial statements of the CITIPOINT CREDIT CO-OPERATIVE LIMITED ("the Co-operative") for the financial year ended 31 December 2021 were authorised for issue by the Board of Directors on the date of the Statement by Board of Directors.

1. CO-OPERATIVE INFORMATION

CITIPOINT CREDIT CO-OPERATIVE LIMITED is a co-operative society, which is registered under the Co-operatives Societies Act 1979. The address of its registered office and principal place of business is:

#02-03 Icon @Pasir Panjang
218 Pasir Panjang Road,
Singapore 118579.

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 financial year.

2. BASIS OF PREPARATION

a) Statement of compliance

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (SFRS) and with the provisions of Co-operative Societies Act 1979.

b) Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the accounting policy notes that follow.

c) Functional and presentation currency

These financial statements are presented in Singapore Dollars (S\$) which is the Co-operative's functional and presentation currency.

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NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

2. BASIS OF PREPARATION - continued

d) Use of estimates and judgment

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

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

Judgement made in applying accounting policies

The Management Committee have not made any judgement in the process of applying the Co-operative's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

Key estimates

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

Expected credit loss (ECL) allowance for loans to members, other receivables and deposits

The carrying values of loans to members, other receivables and deposits are disclosed in Note 6 and 7. The Co-operative classify the loans to members into three categories based on their credit risk to determine expected credit loss. The summary of the assumptions underpinning the Co-operative's expected credit loss model for loan to members is as follows:

Category	Co-operative's definition of category	Basis for recognition of expected credit loss provision
Performing	Members have a low risk of default and a strong capacity to meet contractual cash flows	12 month expected losses.
Credit risk significantly increased	Loans for which there is a significant increase in credit risk; as significant is presumed if interest and/or principal repayments are 90-360 days past due.	Lifetime expected losses.
Credit impaired	A significant portion of the interest and/or principal repayments are more than 12 months past due	Lifetime expected losses.

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NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

2. BASIS OF PREPARATION - continued

d) Use of estimates and judgment - continued

Key estimates – continued

Expected credit loss (ECL) allowance for loans to members, other receivables and deposits – continued

In respect of non-credit impaired exposures, significant judgment and assumptions are required in areas including:

- Development of ECL model parameters, including the probability of default(PD), loss given default (LGD) and exposure at default (EAD) for each portfolio.
- Selection of criteria to determine whether a credit exposure has exhibited “significant increase in credit risk” thus requiring lifetime ECL allowance.
- Determination of relevant macroeconomic factors to incorporate into the models.

In respect of credit-impaired exposures management judgement and estimation are applied in (i) identifying impaired exposures; (ii) estimating the related recoverable amounts; and (iii) where applicable, determining collateral values and timing of expected cash flows. The details of the expected credit loss allowances are disclosed in Note 6.

e) Adoption of new and revised standards

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Co-operative has adopted all the new and amended standards which are relevant to the Co-operative and are effective for annual financial periods beginning on or after 1 January 2021. The adoption of these standards did not have any material effect on the financial performance or position of the Co-operative.

The following standards and interpretations are effective for the annual period beginning on or after 1 January 2021:

- Amendment to FRS 116 Leases: Covid-19-Related Rent Concessions
- Amendments to FRS 109 *Financial Instruments*, FRS 39 *Financial Instruments: Recognition and Measurement*, FRS 107 *Financial Instruments: Disclosures*, FRS 104 *Insurance Contracts*, FRS 116 Leases: Interest Rate Benchmark Reform – Phase 2

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NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES

a) Property, Plant and Equipment

Plant and equipment are stated at cost / valuation less accumulated depreciation and accumulated impairment loss.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

Depreciation is provided on a straight line basis to write off the cost of the assets over their estimated useful lives as follows: -

Building - freehold property	99 years
Office equipment, furniture and fittings	10 years
Renovation	10 years
Computers	10 years
Software	10 years

The residual values and useful lives of property, plant and equipment are reviewed and adjusted as appropriate at each reporting date.

On disposal of an item of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to the profit or loss. Any amount in revaluation reserve relating to that asset is transferred to retained earnings.

Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use.

b) Investment property

Investment properties are properties held either to earn rental income or for capital appreciation or both. The investment property is accounted for using cost model. The depreciation is provided for 99 years. The carrying amount includes the cost of placing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the profit or loss in the year of retirement or disposal.

c) Financial assets and financial liabilities

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Receivables and debt investments issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Co-operative becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at Fair Value Through Profit or Loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES - continued

c) Financial assets and financial liabilities - continued

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; Fair Value Through Other Comprehensive Income (FVOCI) – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Co-operative changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Co-operative's financial assets at amortised cost are loan to members and other receivables and cash at banks.

Debt investments at FVOCI

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Co-operative has no debt investments at FVOCI as at the financial year end.

Equity investments at FVOCI

On initial recognition of an equity investment that is not held-for-trading, the Co-operative may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

The Co-operative's investment in another co-operative societies and unquoted investments are classified as equity investment at FVOCI.

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES - continued

c) Financial assets and financial liabilities - continued

(ii) Classification and subsequent measurement - continued

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Co-operative may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The Co-operative has no financial assets at FVTPL.

Financial assets: Business model assessment

The Co-operative makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Co-operative's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Co-operative's continuing recognition of the assets.

Financial assets that are held-for-trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES - continued

c) Financial assets and financial liabilities - continued

(iii) *Classification and subsequent measurement - continued*

Financial assets: Business model assessment - continued

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Co-operative considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Co-operative considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Co-operative's claim to cash flows from specified assets (e.g. non-recourse features)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

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NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

c) Financial assets and financial liabilities - continued

Non-derivative financial assets: Subsequent measurement and gains and losses

(ii) *Classification and subsequent measurement - continued*

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Non-derivative financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVTPL, directly attributable transaction costs.

Subsequent measurement

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

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NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES – continued

c) Financial assets and financial liabilities - continued

(iii) *Derecognition of financial assets and financial liabilities*

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharge or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid recognised in profit or loss.

d) Impairment

i) *Non-financial assets*

The carrying amounts of non-financial assets, are reviewed at each reporting date to determine whether there is any indication that these assets may be impaired. If any such indication exists, the recoverable amount of the asset is estimated to determine the amount of impairment loss. For the purpose of impairment testing of these assets, the recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of the cash-generating-unit to which the asset belongs.

If the recoverable amount of an asset (or cash-generating-unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating-unit) is reduced to its recoverable amount. The impairment loss is recognised in profit or loss unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease in equity.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating-unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of impairment loss for an asset is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase in equity.

ii) *Non-derivative Financial Assets*

The Co-operative has the following financial assets subject to the Expected Credit Losses (ECLs) impairment model under FRS 109:

- Cash and bank deposits;
- Other receivables and deposit
- Loan to members

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NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

d) Impairment – continued

ii) Non-derivative financial assets – continued

Loss allowances of the Co-operative are measured on the following basis:

General approach

The Co-operative applies the general approach to provide for ECLs on loan to members. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Co-operative assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Co-operative considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Co-operative's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Co-operative considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Co-operative in full, without recourse by the Co-operative to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Co-operative is exposed to credit risk.

While cash and cash equivalents are also subject to impairment requirements of FRS 109, the identified impairment loss was immaterial.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Co-operative expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

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NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

d) Impairment - continued

ii) *Non-derivative financial assets – continued*

**Loss allowances of the Co-operative are measured on the following basis:
continued**

General approach - continued

The Co-operative considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Co-operative in full, without recourse by the Co-operative to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Co-operative is exposed to credit risk.

While cash and cash equivalents are also subject to impairment requirements of FRS 109, the identified impairment loss was immaterial.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Co-operative expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets -

At each reporting date, the Co-operative assesses whether financial assets carried at amortised cost and debt investments at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 12 months past due;
- the restructuring of a loan or advance by the Co-operative on terms that the Co-operative would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

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NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

d) Impairment - continued

ii) Non-derivative financial assets - continued

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

For debt investments at FVOCI, loss allowances are charged to profit or loss and recognised in OCI.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Co-operative determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Co-operative's procedures for recovery of amounts due.

e) Revenue

Revenue is measured based on the consideration specified in a contract with members. Revenue is recognized when the Co-operative satisfies its performance obligations under contract with members. A performance obligation may be satisfied at a point in time or over time. The following specific recognition criteria must also be met before revenue is recognised.

Interest on Loans Granted

Interest on loans granted to members of the Co-operative is measured using the basis specified on the contracts.

Interest on Fixed Deposits

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

Dividends

Dividends from investments are recognised on due and receivable basis.

Administrative and Loan Processing Income

This is recognised when the services have been performed and rendered.

Rental income

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

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NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES – continued

f) Grants

Cash grants received from the government are recognised as income upon receipt.

Grant relating to an asset presented in the balance sheet by deducting the grant at the carrying amount of the assets. The net amount of the asset is depreciated over the useful life of the asset.

g) Employee benefits

Defined contribution plan

As required by law, the Co-operative makes contribution to the state pension scheme, central provident fund ("CPF"). CPF contributions are recognised as compensation expense in the same period as the employment that gives rise to the contribution.

Short-term employee benefits

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

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made when the estimated liability for annual leave is incurred as a result of services rendered by employees up to the reporting date.

h) Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, losses on disposal of available-for-sale financial assets, dividends on preference shares classified as liabilities, fair value losses on financial assets at fair value through profit or loss, impairment losses recognised on financial assets (other than trade receivables), and losses on hedging instruments that are recognised in profit or loss.

i) Dividends to Co-operative's members

Dividends to the Co-operative's members are recognised when the dividends are approved for payment.

j) Provisions

Provisions are recognised when the Co-operative has a present obligation as a result of a past event where it is probable that it will result in an outflow of economic benefits that can be reasonably estimated. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

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NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES – continued

k) Related parties

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Co-operative if that person:
 - i) Has control or joint control over the Co-operative;
 - ii) Has significant influence over the Co-operative; or
 - iii) Is a member of the key management personnel of the Co-operative or of a parent of the Co-operative.
- iv)
- (b) An entity is related to the Co-operative if any of the following conditions applies:
 - i) The entity and the Co-operative are members of the same group (which means that each parent, subsidiary is related to others).
 - ii) One entity is an associate or joint venture of the other entity (or and associate or joint venture of a member of a group of which the other entity is a member).
 - iii) Both entities are joint ventures of the same third party.
 - iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - v) The entity is a post-employment benefit for the benefit of employees of either the Co-operative or an entity related to the Co-operative. If the Co-operative is itself such a plan, the sponsoring employers are also related to the Co-operative.
 - vi) The entity is controlled or jointly is controlled by a person identified in (a);
 - vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personal of the entity (or of parent of the entity).

l) Leases

The Co-operative recognises lease payments received from investment property under operating leases as income on a straight- line basis over the lease term as part of 'other income'. Rental income from sub-leased property is recognised as 'other income'.

As lessor

The Society determines at lease inception whether each lease is a finance lease or operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all the risks and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Society recognises income from property leases as rental income.

As lessee

The Society has no significant lease contracts as lessee as at the financial year end.

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NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES – continued

m) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are issued but effective for annual periods beginning after 31 December 2021, and have not been applied in preparing these financial statements. The Company does not plan to early adopt these standards.

The following standards that have been issued but not yet effective are as follows:

Description	Effective for annual period Beginning on or after
Amendments to FRS 16 <i>Property, Plant and Equipment</i> : Proceeds before Intended Use	1 January 2022
Amendments to FRS 37 <i>Provisions, Contingent Liabilities and Contingent Assets</i> : Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to FRSs 2018-2021	1 January 2022
Amendments to FRS 1 <i>Presentation of Financial Statements</i> : Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to FRS 110 <i>Consolidated Financial Statements</i> and FRS 28 <i>Investments in Associates and Joint Ventures</i> : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

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NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

4. PROPERTY, PLANT AND EQUIPMENT

<u>2021</u>	Freehold property	Office equipment, furniture and fittings	Renovation	Computers	Software	Total
	\$	\$	\$	\$	\$	\$
Cost						
At 01.01.2021	2,562,292	30,987	85,835	4,605	43,500	2,727,219
Additions	1,870,525	4,393	-	-	-	1,874,918
At 31.12.2021	4,432,817	35,380	85,835	4,605	43,500	4,602,137
Accumulated depreciation						
At 01.01.2021	283,664	22,511	68,049	3,684	21,750	399,658
Charge for the financial year	25,623	2,484	2,295	461	4,350	35,213
At 31.12.2021	309,287	24,995	70,344	4,145	26,100	434,871
	4,123,530	10,385	15,491	460	17,400	4,167,266
Classified as investment property	(917,200)	-	-	-	-	(917,200)
Net carrying amount At 31.12.2021	3,206,330	10,385	15,491	460	17,400	3,250,066

<u>2020</u>	Freehold property	Office equipment, furniture and fittings	Renovation	Computers	Software	Total
	\$	\$	\$	\$	\$	\$
Cost						
At 01.01.2020	2,562,292	30,764	85,835	4,605	43,500	2,726,996
Additions	-	223	-	-	-	223
At 31.12.2020	2,562,292	30,987	85,835	4,605	43,500	2,727,219
Accumulated depreciation						
At 01.01.2020	258,041	20,488	65,754	3,224	17,400	364,907
Charge for the financial year	25,623	2,023	2,295	460	4,350	34,751
At 31.12.2020	283,664	22,511	68,049	3,684	21,750	399,658
	2,278,628	8,476	17,786	921	21,750	2,327,561
Classified as investment property	(917,632)	-	-	-	-	(917,632)
Net carrying amount At 31.12.2020	1,360,996	8,476	17,786	921	21,750	1,409,929

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NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

4. PROPERTY, PLANT AND EQUIPMENT – continued

The independent valuation of freehold property located at 83/83A Kampong Bahru Road Singapore 169379 was performed on 04 May 2022. The freehold property was valued by the 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 \$6 million.

During the financial year 2021, the Co-operative purchased a freehold property located at Icon @Pasir Panjang #02-03, 218 Pasir Panjang Road, Singapore 11857 with its own funds for property cost and the transaction related costs totalling of S\$ 1,870,525.

5. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<u>2021</u>	<u>2020</u>
	S\$	S\$
Quoted equity securities, at fair value	1,703,203	1,731,167
Investment in the shares of other Co-operative Society, at cost	501,200	501,200
Quoted bonds, at fair value	-	277,525
	2,204,403	2,509,892
Fair value through other comprehensive income		
At beginning of the year	2,509,892	3,146,741
Additions	-	103,400
Disposals	(437,645)	(501,500)
Fair value adjustment	132,156	(238,749)
At end of financial year	2,204,403	2,509,892

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 other comprehensive income.

The investment in shares of other Co-operative society is not held for trading and which the Co-operative had irrevocably elected at initial recognition to recognise in this category. This is long term investment and the Co-operative considers this classification to be more relevant. There is no active market for the investments in co-operative societies. As the Co-operative will receive the carrying value on resignation as member from the investee Co-operative, the carrying value is approximate to the fair value.

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6. LOANS TO MEMBERS

	<u>2021</u>	<u>2020</u>
	S\$	S\$
Balance at beginning of reporting period	979,229	1,442,927
Add: loans granted to members	595,765	673,106
Less:		
Loans repayments	(620,077)	(733,892)
Set-off against subscriptions capital	(153,306)	(363,224)
Allowance for credit losses	(12,398)	(39,688)
	789,213	979,229
Receivable within one year	490,043	692,640
Receivable within 2-5 years	299,170	286,589
	789,213	979,229

Loans to member bear interest rate of 6% (2019: 6%) and are calculated based on the original loan amount. Loans to member are receivable within 5 years. All the loans are secured on the members' subscription balance.

During the financial year, the Co-operative made an impairment allowance of **S\$12,367/-** (2020:39,688) and wrote off S\$ 39,657/- against the provision. The Co-operative considers that the allowance is sufficient for credit impaired and significantly credit risk increased loans. The expected credit loss for the performing loan is not significant

7. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	<u>2021</u>	<u>2020</u>
	S\$	S\$
Deposits	2,390	2,860
Interest receivable on fixed deposits	400,511	286,832
	402,901	289,692
Prepayments	10,903	12,545
	413,804	302,237

8. CASH AND CASH EQUIVALENTS

	<u>2021</u>	<u>2020</u>
	S\$	S\$
Fixed deposits	20,039,683	22,106,553
Cash and bank balances	807,318	653,129
Cash and cash equivalent as per statement of financial position	20,847,001	22,759,682
Less: Fixed deposits maturity more than 3 months	(20,039,683)	(22,106,553)
Cash and cash equivalent as per Statement of Cash Flows	807,318	653,129

The fixed deposits have maturity periods on varying dates from 1 to 3 years and earn interest at 0.45% – 2.5% p.a. (2020: 0.45% – 2.5%)

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NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

9. MEMBERS' SUBSCRIPTION CAPITAL

	<u>2021</u>	<u>2020</u>
	S\$	S\$
Balance at beginning of reporting period	21,044,227	21,522,651
Subscriptions received	2,501,002	2,662,688
Withdrawals during the year	(1,416,206)	(1,833,545)
Offset against loans to members	(117,886)	(363,023)
Unclaimed balances transferred	(815)	(81,452)
Refund	(1,521,686)	(863,092)
Net carrying value	20,488,636	21,044,227

In accordance with By-laws 2.1(m), subscription capital is a regular obligatory savings deposit made by members which is intended to serve as guarantee capital for loans taken or guaranteed by a member and which may not be withdrawn except for such specific purposes and under such conditions as are laid down in the By-laws or except on a termination of membership.

10. MEMBERS' SPECIFIC DEPOSITS

	<u>2021</u>	<u>2020</u>
	S\$	S\$
Balance at beginning of reporting period	2,889,079	2,687,612
Deposits received	1,220,135	1,266,925
Interest credited	14,907	14,373
unclaimed balances transfer to sundry creditors	(318)	-
Withdrawals during the year	(1,127,451)	(1,079,831)
Net carrying value	2,996,352	2,889,079

11. SCHOLARSHIP FUND

	<u>2021</u>	<u>2020</u>
	S\$	S\$
Balance at beginning of reporting period	213,945	221,295
Paid - scholarship awards	(15,150)	(7,350)
	198,795	213,945

12. ANNIVERSARY CELEBRATION FUND

	<u>2021</u>	<u>2020</u>
	S\$	S\$
Balance at beginning of reporting period	51,224	48,804
Collection during the financial year	-	81,431
Utilisation during the financial year	-	(79,011)
	51,224	51,224

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NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

13. COMMON GOOD FUND

	<u>2021</u>	<u>2020</u>
	S\$	S\$
		\$
Balance at beginning of reporting period	8,854	2,842
Contributions from members	9,810	24,939
Transfer from reserve	23,519	29,993
Utilisation during the financial year	(42,180)	(48,920)
	<u>3</u>	<u>8,854</u>

14. MEMBERS' FIXED DEPOSITS

	<u>2021</u>	<u>2020</u>
	S\$	S\$
Fixed deposits received from members	65,789	65,138

The co-operative is authorised to accept fixed deposits from its members with effect from 1 April 1991 following the introduction of by-law 10.7. The fixed deposits limit was increased from \$1,000,000 to \$1,500,000 in 1992 with the approval of the registrar of co-operative societies.

15. CENTRAL CO-OPERATIVE FUND

Credit/ (Charge) for the year

	<u>2021</u>	<u>2020</u>
	S\$	S\$
Contribution for the year @ 5%	(2,365)	(16,806)
Over provision previous year	16,806	-
	<u>14,441</u>	<u>(16,806)</u>

Payable

	<u>2021</u>	<u>2020</u>
	S\$	S\$
Balance at beginning of reporting period	16,806	-
Add: Transfer from surplus at 5% (2020: 5%)	2,365	16,806
Less: Over provision previous year	(16,806)	-
Net carrying value	<u>2,365</u>	<u>16,806</u>

Section 71(1) of the Co-operative Societies Act 1979, requires every Co-operative to contribute 5% of the first S\$ 500,000 and 20% thereafter of the surplus resulting from operations of the Co-operative each year to the Central Co-operative Fund ("CCF").

To support co-ops during the challenging period of the COVID-19 pandemic, the Minister for Culture, Community and Youth approved a support package for co-ops in 2020 as waiver of first-tier CCF contribution of 5% for any financial year ended between 31 December 2019 and 30 September 2020 and another waiver provided in 2021 for any financial year ending between 31 December 2020 and 30 September 2021.

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

16. SUNDRY CREDITORS AND ACCRUALS

	<u>2021</u>	<u>2020</u>
	S\$	S\$
Members' fixed deposits interest payable	658	651
Deposit Received	12,000	12,000
Accruals	10,441	16,514
	<u>23,099</u>	<u>29,165</u>

17. REVENUE

	<u>2021</u>	<u>2020</u>
	S\$	S\$
Interest income from loans	87,978	118,544
Interest income from fixed deposit	294,423	370,063
Dividend from investments	125,195	106,932
	<u>507,596</u>	<u>595,539</u>

18. OTHER INCOME

	<u>2021</u>	<u>2020</u>
	S\$	S\$
Bad debts recovered	12,476	14,719
Government grants	13,006	64,454
Rental income	69,000	60,000
Sundry income	14,446	19,119
Loss on derecognition of debt investment at FVOCI	(27,525)	-
	<u>81,403</u>	<u>158,292</u>

19. EMPLOYEE BENEFIT EXPENSES

	<u>2021</u>	<u>2020</u>
	S\$	S\$
Staff Salaries	171,093	167,853
Staff Bonus	28,436	27,896
Staff CPF Contribution	25,693	25,127
Skills Development Levy	440	433
Staff welfare and recreation	800	1,000
Staff Dental Expenses	-	263
	<u>226,462</u>	<u>222,572</u>

20. DEPRECIATION

	<u>2021</u>	<u>2020</u>
	S\$	S\$
Depreciation	35,213	34,751

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

21. OTHER OPERATING EXPENSES

	<u>2021</u>	<u>2020</u>
	S\$	S\$
Affiliation fee	508	556
Annual general meeting expenses	16,712	20,551
Audit fee	9,000	8,500
Bank charge	5,536	5,520
Brokerage	-	253
Co-operative activities	428	493
Credit bureau searches	1,321	1,290
Electricity and water	4,931	5,121
Equipment lease rental	3,544	-
Impairment allowance for doubtful loans	12,367	39,688
Insurance premium	8,469	8,474
Internal auditor fee	4,200	4,320
Legal fee	-	2,500
Management allowance	14,400	11,775
Miscellaneous expenses	1,209	2,822
Newspaper and periodicals	303	3,844
Office cleaning	6,000	6,000
Postage	917	487
Telephone	4,262	4,766
Printing and stationery	2,332	2,927
Property tax	15,560	6,064
Servicing expenses	10,530	9,081
Transport charges	72	332
	<u>122,601</u>	<u>145,364</u>

22. FINANCIAL COSTS

	<u>2021</u>	<u>2020</u>
	S\$	S\$
Interest paid on members' fixed deposits	658	651
Interest on specific deposit	14,907	14,374
	<u>15,565</u>	<u>15,025</u>

23. RELATED PARTY TRANSACTIONS

Other than disclosed elsewhere in the financial statements, the following transactions and balances were carried out between the Co-operative and the management committee members and their close family members during the financial year:

Related party balances

<u>and transactions shown</u> <u>in the accounts as</u>	<u>Type of relationship between the</u> <u>Society and the related party</u>	<u>2021</u>	<u>2020</u>
		S\$	S\$
Loans	Board of directors	1,200	-
Specific deposits	Board of directors	110,534	77,079
Subscription capital	Board of directors	190,382	183,090

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

23. RELATED PARTY TRANSACTIONS - continued

Key Management Compensation:

	<u>2021</u> S\$	<u>2020</u> S\$
Board members allowances	14,400	11,775
Internal auditors' allowance	4,320	4,320
Key management – Salary, bonus and CPF	67,771	67,771

24. INCOME TAX

The Co-operative is exempted from income tax under Section 13(1) (f) (ii) of the Singapore Income Tax Act.

25. DIVIDENDS

In accordance with the By-Laws of the Co-operative, dividends to members are calculated based on subscription capital as at the previous 31st December.

A dividend of 1.4% (2019: 1.4%) was declared for the previous financial year was paid after approval at the AGM. The dividend payment of S\$294,619/- (2020: S\$301,317/-) was accounted for in the appropriation of the reserve fund during the financial year. The directors propose a dividend of _____ for the current financial year. This will be accounted for as appropriation of the reserve fund in the next financial year.

26. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Financial risk management objectives and policies

The main risks arising from the Co-operative's financial instrument are credit, interest rate and liquidity risks. The Management Committee conducts regular reviews and agrees policies for managing each of these risks to minimise the potential adverse impact of these exposures.

Accounting classifications and fair values

Fair values versus carrying amounts of financial assets and liabilities

	<u>Note</u>	<u>Cash</u>	<u>Financial Assets at amortised cost</u>	<u>Other financial liabilities</u>	<u>Total carrying amount</u>	<u>Fair value</u>
<u>2021</u>		S\$	S\$	S\$	S\$	S\$
Loans to members	(6)	-	789,213	-	789,213	789,213
Other receivables and deposits	(7)	-	402,901	-	402,901	402,901
Cash and cash equivalents	(8)	342	20,846,659	-	20,847,001	20,847,001
		342	22,038,773	-	22,039,115	22,039,115
Members' subscription capital	(9)	-	-	20,488,636	20,488,636	20,488,636
Members' specific deposits	(10)	-	-	2,996,352	2,996,352	2,996,352
Members' fixed deposits	(14)	-	-	65,789	65,789	65,789
Central co-operative Fund	(15)	-	-	2,365	2,365	2,365
Sundry creditors and accruals	(16)	-	-	23,599	23,599	23,599
Unclaimed balances		-	-	45,087	45,087	45,087
		-	-	23,621,828	23,621,828	23,621,828

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26. FINANCIAL ASSETS AND FINANCIAL LIABILITIES- continued

Financial risk management objectives and policies- continued

Accounting classifications and fair values

Fair values versus carrying amounts

	<u>Note</u>	<u>Cash</u>	<u>Financial Assets at amortised cost</u>	<u>Other financial liabilities</u>	<u>Total carrying amount</u>	<u>Fair value</u>
<u>2020</u>		<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>
Loans to members	(6)	-	979,229			
Other receivables and deposits	(7)	-	289,692	-	289,692	289,692
Cash and cash equivalents	(8)	327	22,759,355	-	22,759,682	22,759,682
		327	23,049,047	-	23,049,374	23,049,374
Members' subscription capital	(9)	-	-	21,044,227	21,044,227	21,044,227
Members' specific deposits	(10)	-	-	2,889,079	2,889,079	2,889,079
Members' fixed deposits	(14)	-	-	65,138	65,138	65,138
Central co-operative Fund	(15)	-	-	16,806	16,806	16,806
Sundry creditors and accruals	(16)	-	-	29,165	29,165	29,165
Unclaimed balances		-	-	53,337	53,337	53,337
Honorarium		-	-	15,840	15,840	15,840
		-	-	24,113,592	24,113,592	24,113,592

The carrying values of the investment at FVOCI of S\$ 2,204,403 /-(2020:2,509,892) are the fair values at the reporting date.

Credit risk

Credit risk is the risk of financial loss to the Co-operative if a member or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Co-operative's loans to members and other receivables. For other financial assets, including cash, the Co-operative minimises credit risk by dealing exclusively with high credit rating counterparties.

Cash at bank is placed with licensed banks in Singapore.

The Co-operative provides unsecured loans and secured loans to its members as per its loan management policies and procedures. The unsecured loans are generally covered by sureties / guarantors. The Co-operative performs ongoing evaluation of its loans to members.

The Co-operative considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Co-operative has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 90 days.

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NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

26. FINANCIAL ASSETS AND FINANCIAL LIABILITIES – continued

Financial risk management objectives and policies – continued

Credit risk– continued

To minimise credit risk, the Co-operative has developed and maintained the Co-operative's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Co-operative's own records to rate its major members. The Co-operative considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- Actual or expected significant changes in the earning capacity of the debtor.
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the earning of the debtor.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 90 days past due in making contractual payment.

The Co-operative determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor and the guarantors
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation

The Co-operative categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 365 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

The Co-operative's current credit risk grading framework comprises the following categories:

<u>Category</u>	<u>Definition of category</u>	<u>Basis for recognising expected credit loss (ECL)</u>
I	Counterparty has a low risk of default and does not have any past-due interest and principal repayment amounts.	12 Month ECL
II	Interest and principal payments less than 90 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
III	Interest and principal payments more than 90 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit risk significantly impaired / credit - impaired
IV	There is evidence indicating that the debtor and the guarantors are in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

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NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

26. FINANCIAL ASSETS AND FINANCIAL LIABILITIES – continued

Financial risk management objectives and policies – continued

Credit risk – continued

The table below details the credit quality of the Co-operative's financial assets, as well as maximum exposure to credit risk by credit risk rating categories:

	<u>Note</u>	<u>Category</u>	<u>12-month and /or lifetime ECL</u>	<u>Gross carrying amount</u>	<u>Loss allowance</u>	<u>Net carrying amount</u>
2021				S\$	S\$	S\$
Loan to members	Note A	12 month and Lifetime ECL		801,612	(12,399)	789,213
Deposits and Other receivables	I	12 month ECL		402,901	-	402,901
					<u>(12,399)</u>	
	<u>Note</u>	<u>Category</u>	<u>12-month and /or lifetime ECL</u>	<u>Gross carrying amount</u>	<u>Loss allowance</u>	<u>Net carrying amount</u>
2020				S\$	S\$	S\$
Loan to members	Note A	12 month and Lifetime ECL		1,018,917	(39,688)	979,229
Deposits and Other receivables	I	12 month ECL		289,692	-	289,692
					<u>(39,688)</u>	

Loan to members (Note A)

For loan to members, the Co-operative has applied the general approach in FRS 109 to measure the loss allowance at lifetime ECL. The expected credit loss allowances are measured on each reporting date according to a three – stage expected credit loss impairment model as described above and the details of the expected loss allowance have been disclosed in Note 6.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Co-operative's performance to developments affecting a particular industry.

Exposure to credit risk

The Co-operative has no significant concentration of credit risk. The Co-operative has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

Other receivables (Note B)

The Co-operative assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Co-operative measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

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NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

26. FINANCIAL ASSETS AND FINANCIAL LIABILITIES – continued

Financial risk management objectives and policies – continued

Interest risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The table below set out the Co-operative's exposure to interest rate risks. Included in the tables are the assets and liabilities at carrying amounts, categorised by the earlier of contractual re-pricing or maturity dates.

	<u>Variable Rates</u>		<u>Fixed Rates</u>		
	<u>Less than 1 year S\$</u>	<u>2 to 5 years S\$</u>	<u>Less than 1 year S\$</u>	<u>2 to 5 years S\$</u>	<u>Total S\$</u>
<u>2021</u>					
<u>Assets</u>					
Loan to members	-	-	490,043	299,170	789,213
Fixed deposits with banks	-	-	8,780,496	11,259,187	20,039,683
	-	-	9,270,539	11,558,357	20,828,896
<u>2021</u>					
<u>Liabilities</u>					
Members' specific deposits	-	-	2,996,352	-	2,996,352
Members' fixed deposits	-	-	65,789	-	65,789
	-	-	29,457,277	11,128,215	40,585,492
<u>2020</u>					
<u>Assets</u>					
Loan to members	-	-	692,640	286,589	979,229
Fixed deposits with banks	-	-	10,847,366	11,259,187	22,106,553
	-	-	22,093,422	17,394,240	39,487,662
<u>Liabilities</u>					
Members' specific deposits	-	-	2,889,079	-	2,889,079
Members' fixed deposits	-	-	65,138	-	65,138
	-	-	30,774,507	3,834,930	34,609,437

The Co-operative does not use derivative financial instruments to hedge its debt obligations.

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NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

26. FINANCIAL ASSETS AND FINANCIAL LIABILITIES – continued

Financial risk management objectives and policies – continued

Liquidity risk

Liquidity risk refers to the risk that the Co-operative is unable to meet obligations as and when they fell due. The Co-operative monitors its cash flow and collections on a regular basis as a mean of managing liquidity risk. The Members have committed to provide continuing financial support to the Co-operative as and when required.

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

	Carrying Amount	Contractual Cash flows	Within 1 year	Between 2 and 5 years	Total
<u>2021</u>	S\$	S\$	S\$	S\$	S\$
Financial liabilities					
Members' subscription capital	20,488,636	20,488,636	20,488,636	-	20,488,636
Members' specific deposits	2,996,352	2,996,352	2,996,352	-	2,996,352
Members' fixed deposits	65,789	65,789	65,789	-	65,789
Central Co-operative Fund	2,365	2,365	2,365	-	2,365
Sundry creditors and accruals	23,599	23,599	23,599	-	23,599
Unclaimed Balances	45,087	45,087	45,087	-	45,087
	<u>23,621,828</u>	<u>23,621,828</u>	<u>23,621,828</u>	<u>-</u>	<u>23,621,828</u>
	Carrying Amount	Contractual Cash flows	Within 1 year	Between 2 and 5 years	Total
<u>2020</u>	S\$	S\$	S\$	S\$	S\$
Financial liabilities					
Members' subscription capital	21,044,227	21,044,227	21,044,227		21,044,227
Members' specific deposits	2,889,079	2,889,079	2,889,079		2,889,079
Members' fixed deposits	65,138	65,138	65,138		65,138
Central Co-operative Fund	16,806	16,806	16,806	-	16,806
Sundry creditors and accruals	29,165	29,165	29,165	-	29,165
Unclaimed Balances	53,337	53,337	53,337	-	53,337
Honorarium to directors	15,840	15,840	15,840	-	15,840
	<u>24,113,592</u>	<u>24,113,592</u>	<u>24,113,592</u>	<u>-</u>	<u>24,113,592</u>

27. FAIR VALUES OF ASSETS AND LIABILITIES

Fair value hierarchy

The Co-operative measures fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy have the following levels:

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

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NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

27. FAIR VALUES OF ASSETS AND LIABILITIES – continued

a) Investment

The carrying value of S\$2,204,403/- (2020: 2,509,892) of the investment as at 31 December 2021 disclosed in Note 5 is the fair value as per the basis disclosed.

b) Cash and Cash Equivalents, Other Receivables Deposits and Other Payables

The carrying amounts of these items approximate fair value due to their short term nature.

c) Members' Subscription Capital, Members' Specific Deposits and Members' Fixed Deposits

The carrying amounts of members' specific deposits and members' fixed deposits approximate fair value as the interest payable for the outstanding values are approximate to the market interest and computed on the outstanding principal amounts. Non-interest bearing members' subscription are payable at the expiry of the 12 months' notice of the member, therefore the carrying value is the fair value.

d) Loan to Members

The members' loans are interest bearing and the carrying value is the fair value.

e) Fair value measurements

Information about significant unobservable inputs used in fair value measurements.

The following table shows the information about fair value measurements using significant observable and unobservable inputs:

		Fair value at		
Description		31 December 2021	Level	Valuation techniques
		S\$		
Investment	in	1,703,203	1	Quoted prices in active market
quoted shares				
Investment	in	501,200	3	The value realisable upon resignation
Co-operative				as member as at the balance sheet
Societies				date.

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NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

27. FAIR VALUES OF ASSETS AND LIABILITIES – continued

e) Fair value measurements-continued

Description	Fair value at		Level	Valuation techniques
	31	December		
	2020			
	S\$			
Investment in quoted shares	1,731,167	1	Quoted prices in active market	
Investment in quoted bonds	277,525	1	Quoted prices in active market	
Investment in Co-operative Societies	501,200	3	The value realisable upon resignation as member as at the balance sheet date.	

There were no assets or liabilities transferred from Level 1 and Level 2 to Level 3.

28. CAPITAL MANAGEMENT

The management manages the capital to ensure the Co-Operative will be able to continue as a going concern while maximising the return to members through optimisation of capital. The management balances its capital structure through payment of dividends.

The management's overall strategy remains unchanged from the end of last financial year.

Institutional capital of the Co-Operative comprises of reserve fund and fair value reserve. Capital adequacy ratio is Co-Operative's institutional capital expressed as a percentage of its total assets.

Capital Adequacy Ratio (CAR)	2021	2020
	S\$	S\$
Institutional capital		
-Reserve fund	4,479,541	4,580,371
-Fair value reserve	70,296	(89,385)
	<u>4,549,837</u>	<u>4,490,986</u>
Total assets	<u>28,421,687</u>	<u>28,878,601</u>
Capital adequacy ratio (CAR)	<u>16.01%</u>	<u>15.55%</u>

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NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

28. CAPITAL MANAGEMENT – continued

Minimum Liquid Assets Ratio (MLA)	2021	2020
	S\$	S\$
Total liquid assets – Cash and cash equivalents	20,847,001	22,759,682
Members' subscription capital	20,488,636	21,044,227
Members' specific deposits	2,996,352	2,889,079
Members' fixed deposits	65,789	65,138
	23,550,777	23,998,444
Minimum liquid assets ratio (MLA)	88.52%	94.84%

The Co-operative has to maintain MLA of 15% at all times.

29. COMPARATIVE FIGURES

The financial statements for the year ended 31 December 2020 were audited by another auditor.

The following comparative figures have been reclassified/restated to conform with the current year's presentation. The members' subscription capital, members' specific deposits and members fixed deposits presented under equity (funds) in the previous year have been classified as liabilities as per the requirements of Financial Reporting Standard-32 Financial Instruments Presentation. The portion of the property that has been rented out has also been classified as Investment property. The following is the summary of the amounts before and after reclassification.

	After reclassification /restatement	Before reclassification /restatement
	S\$	S\$
<u>Statement of financial position</u>		
<u>Non-current assets</u>		
Property, plant and equipment	1,409,929	2,327,561
Investment property	917,632	-
<u>Capital and reserves</u>		
Members' subscription capital	-	21,044,227
Members' specific deposits	-	2,889,079
Members' fixed deposits	-	65,138
<u>Funds</u>		
Reserve fund	4,580,371	4,285,752
<u>Current liabilities</u>		
Members' subscription capital	21,044,227	-
Members' specific deposits	2,889,079	-
Members' fixed deposits	65,138	-
Dividend payable	-	294,619

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