



STRAITS TIMES
CO-OP

2021

ANNUAL

REPORT

82nd ANNUAL GENERAL MEETING
VENUE: HELD BY VIRTUAL MEANS
DATE: 21 JUNE 2022
TIME: 7:00 PM



CERTIFIED TRUE COPY

Serial No.81

C. No.32.

STRAITS SETTLEMENTS

Certificate of Registration
of the

Straits Times Press

Co-operative Thrift & Loan Society Ltd.

Singapore

Under Section 9 of Ordinance No.204
(Co-operative Societies), I, Leonard David
Gammans, Registrar of Co-operative Societies
Straits Settlements, hereby certify that

The Straits Times Co-operative Thrift
Loan Society is this day registered under Or
dinance No.204 (Co-operative Societies) and tha
this society is registered with liability.

The by-laws of the said society are a
this day registered.

Given under my hand this twenty first
of February, one thousand nine hundred and
thirty four.

L.D.Gammans

Seal

Registrar, Co-operative Socie
Straits Settlements.

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CORPORATE INFORMATION

COMMITTEE OF MANAGEMENT (COM)

Chairman	: See Hwee Peng Stanley	(SPHTech Group)
Vice-Chairman	: Ang Hoe Kiat	(Fastco Pte Ltd.)
Secretary	: Lei Ivy	(SPHTech Group)
Treasurer	: Phua Yin Sin	(Straits Times Co-operative Limited)
Committee Member	: Chan Yim Han Emily	(Media Solutions)
	: Han Poh Tin	(Chinese Media)
	: Latiff Bin Mohideen Ghani	(Production)
	: Ramoo Tharmaretnam	(Human Resources)
	: Tang Kah Yim Connie	(Digital Media Products)
	: Yong Chwee Choo Joyce	(Media Solutions)

INVESTMENT COMMITTEE (IC)

Chairman	: See Hwee Peng Stanley
Vice Chairman	: Ang Hoe Kiat
Secretary	: Lei Ivy
Treasurer	: Phua Yin Sin

AUDIT COMMITTEE (AC)

Chairman	: Han Poh Tin
Members	: Chan Yim Han Emily
	: Latiff Bin Mohideen Ghani

EXTERNAL AUDITOR

Nexia TS Public Accounting Corporation
80 Robinson Road, #25-00
Singapore 189702

REGISTERED OFFICE

1000 Toa Payoh North
News Centre
Singapore 318994

AGENDA

NOTICE IS HEREBY GIVEN that the 82nd Annual General Meeting of Straits Times Co-operative Limited, will be convened and held by way of electronic means on Tuesday, 21 June 2022 at 7.00pm for the following purposes: -

- 1 To consider and confirm the Minutes of the 81st AGM held on 23 June 2021 and the EGM held on 25 November 2021. **Resolution 1**
- 2 To receive and adopt the COM's Report and audited Statement of Accounts for the period 1 January to 31 December 2021. **Resolution 2**
- 3 To approve the proposed appropriation for the year ended 31 December 2021 as follows: **Resolution 3**

	S\$
a) Central Co-operative Fund – 5% (2020: 5%)	12,408
b) Central Co-operative Fund – 20% (2020: 20%)	-
c) Honorarium to COM	16,350
d) Common Good Fund	50,000
e) Donation	6,000
f) 2.5% Dividend on Subscription at 31.12.2021 (2020: 2.5%)	505,785
g) (From) Accumulated Fund	(342,389)
Gross Profit for the year	248,154
- 4 To approve the estimated expenditure for 2022. **Resolution 4**
- 5 To authorized the COM to appoint a professional audit firm, where necessary, to be External Auditor of the Co-operative for 2022/2023. **Resolution 5**
- 6 To consider any other matters arising. **Resolution 6**

For and on behalf of the COM



Lei Ivy
Secretary

Important Notes

- (1) As a precautionary measure due to the constantly evolving COVID-19 situation in Singapore, a member will not be able to attend the Annual General Meeting in person.
- (2) The Annual General Meeting will be convened and held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Charities, Co-operative Societies and Mutual Benefit Organisations) Order 2020.
- (3) Please refer to **Annex A: Alternative Arrangements** for details of how the Annual General Meeting will be conducted, including how members may electronically access the meeting, send to the chairman of the meeting the substantial and relevant matters which they wish to raise, and cast their votes.
- (4) A member must appoint the chairman of the meeting as his/her proxy to attend, speak and vote on his/her behalf at the Annual General Meeting if such member wishes to exercise his/her voting rights at the Annual General Meeting. Please refer to **Annex B: Proxy Form** for information on how the chairman of the meeting may be appointed as proxy to vote.
- (5) **Dividends will be credited into members' bank accounts after 22 June 2022.**
- (6) Please see our Annual Report at [2021 Annual Report](#).
- (7) Please go to the pre-registration website below to
 - pre-register to attend the AGM,
 - pre-submission of questions regarding the AGM, and;
 - submit proxy form.

[Pre-Registration Website](#)

MINUTES OF THE 81ST ANNUAL GENERAL MEETING

Minutes of the 81st Annual General Meeting of members held on 23 June 2021 via Zoom Online Webinar at 6:30pm.

PRESENT: 37 members (via proxy forms)

There being a quorum, the meeting commenced at 6:30 p.m. and was presided by the President Ms Mable Chan Kam Man.

1. Opening Address by Vice Chairman, Mr See Hwee Peng Stanley

- 1.1. The Vice Chairman opened the online meeting by thanking attendees for taking time to attend the Electronic AGM for Straits Times Co-operative (ST Coop).
- 1.2. He explained that he is standing in on behalf of the ex-Chairman, Mr Ang Hoe Kiat who, due to a change in the company status of Fastco Pte Ltd from a SPH subsidiary to an Associate Company, has resigned as a member and stepped down as Chairman of the ST Coop effective 1 June 2021.
- 1.3. This year's AGM took on a similar format as last year where we make the necessary adjustments to ensure we comply with the relevant regulations under COVID19 Temporary Measures Act 2020, that provides us this alternative meeting arrangement for the delivery of the AGM formal proceedings to be conducted through electronic means.
- 1.4. As part of our ST Coop's alternative arrangements, in addition to the notice of the AGM that was published, members had been given access to the AGM documents on 24 May 2021 which included the necessary materials and write-ups for each of the resolutions.
- 1.5. Members were invited to submit questions that they might have on any resolutions and asked to submit their votes on the resolutions prior to the AGM by way of a proxy form and also to appoint the Chairman of the meeting to vote on their behalf.
- 1.6. This being an Electronic AGM, the Vice Chairman acknowledged to this group of members who were electronically present that they had been verified by the Co-operative Secretary to attend this Electronic AGM in addition to the list of members who had earlier appointed him as the Chairman of the meeting as their proxy to attend, speak and vote at this AGM.
- 1.7. The Co-operative Secretary had informed him that we had sufficient quorum to conduct the business of this AGM.
- 1.8. Besides showing the Agenda, the Chairman mentioned that the Committee of Management (COM), Staff of ST Coop and our President, Ms Mable Chan were also in attendance in the webcast. He then introduced Ms Mable Chan, the President, to give the opening address to kick-start the 81st AGM.

2. Opening Address by the President Ms Mable Chan

- 2.1. President Mable Chan warmly greeted all members of the ST Coop who were present at this online meeting. She recalled ST Coop's AGM used to be held in Sheraton Hotel with a sit-down dinner. This was not possible in the last AGM as well as this year, due to the Covid-19 pandemic.
- 2.2. Year 2020 had been a special year for many, and a challenging one too. Because of Covid-19, many things have changed and we have no choice but to adapt to the many new changes happening around us.
- 2.3. Since the inception of ST Coop back in 1934, it has helped many employees of SPH and its subsidiary companies to have savings for rainy days and take loans when they needed for unforeseen events. She noted things have changed; people are now joining the ST Coop because they could get good returns instead of saving for rainy days.

- 2.4. She was glad to know that ST Coop has done well in Year 2020 despite the pandemic situation, but cautioned that times ahead are unpredictable and the markets are still volatile. She congratulated and thanked the COM for navigating the markets ahead well with caution in order to protect members' money with a sustainable investment strategy.
- 2.5. With the SPH restructuring taking place, she was assured by the COM that plans are in place to make sure ST Coop membership will continue for members going to the new SPH Media Trust entity. They will give more updates closer to the date when the CLG is formed officially.
- 2.6. She would like to request that members continue to give their support to the ST Coop COM as they plan and navigate with all the uncertainties and challenges ahead.
- 2.7. She ended her note wishing everyone a safe and healthy year ahead.



3. 2020 Results and Outlook for 2021

- 3.1. Ms Phua Yin Sin, the ST Coop Treasurer first shared that although last year was a challenging one, we are grateful that there was no disruption to the cooperative business and the team had adapted well and risen up to all the challenges that came along in this pandemic year.
- COM had shifted the monthly committee meeting to the virtual platform.
 - Staff of ST Coop had already digitised most of our operations before the pandemic strike, which had allowed for a smooth transition into the work from home arrangement immediately.
- 3.2. She then shared the key highlights of the financial results in 2020. (Refer to the 2020 Annual Report pages 16 to 46.)

2020 RESULTS

OVERVIEW



Comprehensive Income (all in S\$)	As at 31 Dec 2020	As at 31 Dec 2019
Total Income	2,468,118	2,243,920
Total Expenditure	(1,378,504)	(1,577,824)
Surplus before Contribution	1,089,614	666,096
Contribution to Central Co-operative Fund	(117,923)	(58,219)
Net Surplus after Contribution	971,691	607,877
Dividend 2.5% (2019: 3%)	(448,367)	(599,481)
Balance Sheet (all in S\$)	As at 31 Dec 2020	As at 31 Dec 2019
Total Assets	69,279,249	74,374,005
Total Liabilities	(55,499,407)	(60,628,699)
Net Assets / Total Funds	13,779,842	13,745,306
Capital Adequacy Ratio (CAR) - 10%	 1%	13.6%
Minimum Liquid Assets (MLA) Ratio - 15%	 11%	70.4%
		81.4%

- 3.3. On Comprehensive Income
- Total Income increased by S\$224K, mainly contributed by gains on disposal of government bonds which had helped to cushion the reduction in interest income from bonds, bank deposits and dividend income from equities.
 - Total Expenditure reduced by S\$199K as a result of a reduction in interest payable on Specific Deposits due to reduction of members' funds.
 - Overall, our surplus before contribution was better by S\$424K when compared to 2019.

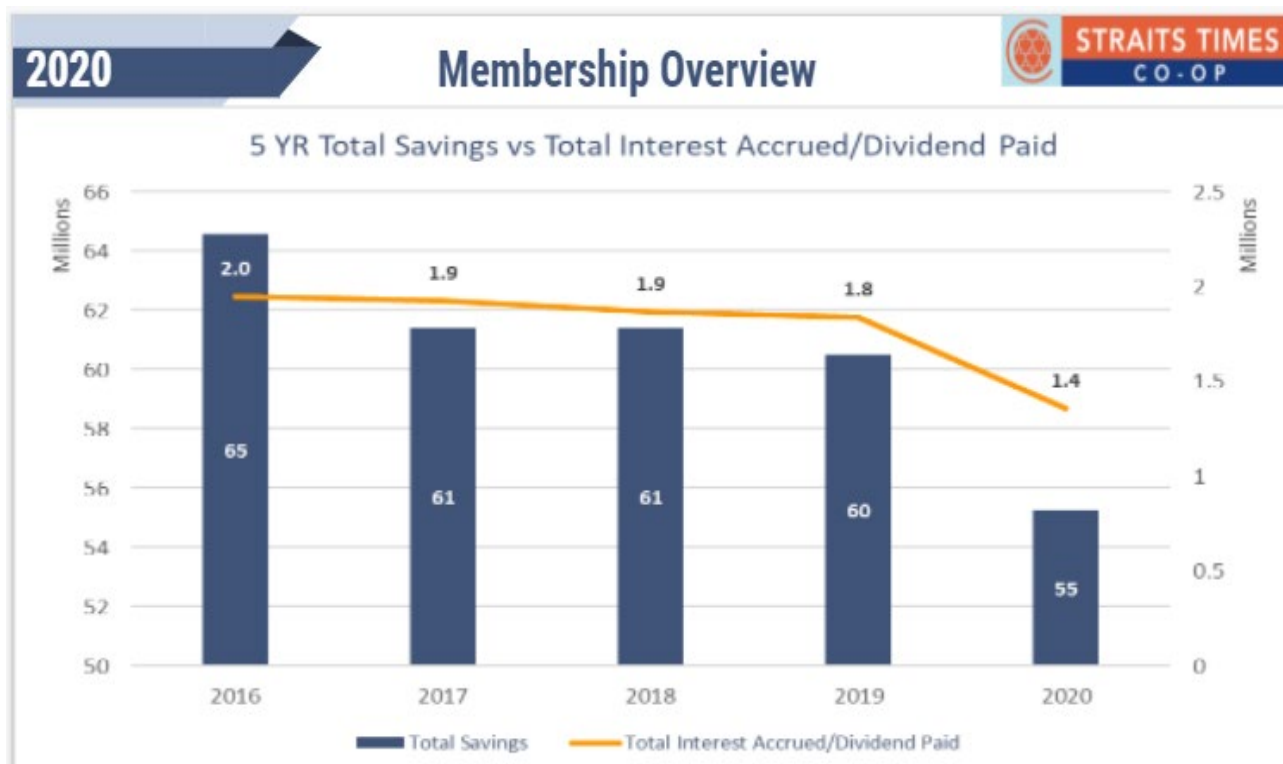
3.4. On the Balance Sheet

- Total Assets and Total Liabilities had both reduced by almost S\$5M. This is mainly contributed by a reduction in cash as there was almost a S\$5M reduction in members' total savings during the year due to termination, retirement or resignation of memberships.
- In 2020, the Capital Adequacy Ratio (CAR) was 13.6% or a 1% increase when compared to 2019.
- Minimum Liquid Assets Ratio (MLA) was 70.4% or an 11% decrease when compared to 2019 – This is because the Co-operative has increased its investment holdings under the Restricted Investments category which are generally considered less liquid in nature, hence resulting in an increase in the MLA.
- Investment COM hopes that by increasing our investments under the Restricted Investments category, it can help to improve the investment yield as the Non-Restricted Investments category is currently in an extremely low interest rate environment.
- Both our CAR and MLA are well above the Registry of Co-operative Societies requirement of 10% and 15% respectively.
- Overall, ST Coop had performed relatively well in 2020 as compared to other cooperatives.

3.5. Membership Overview

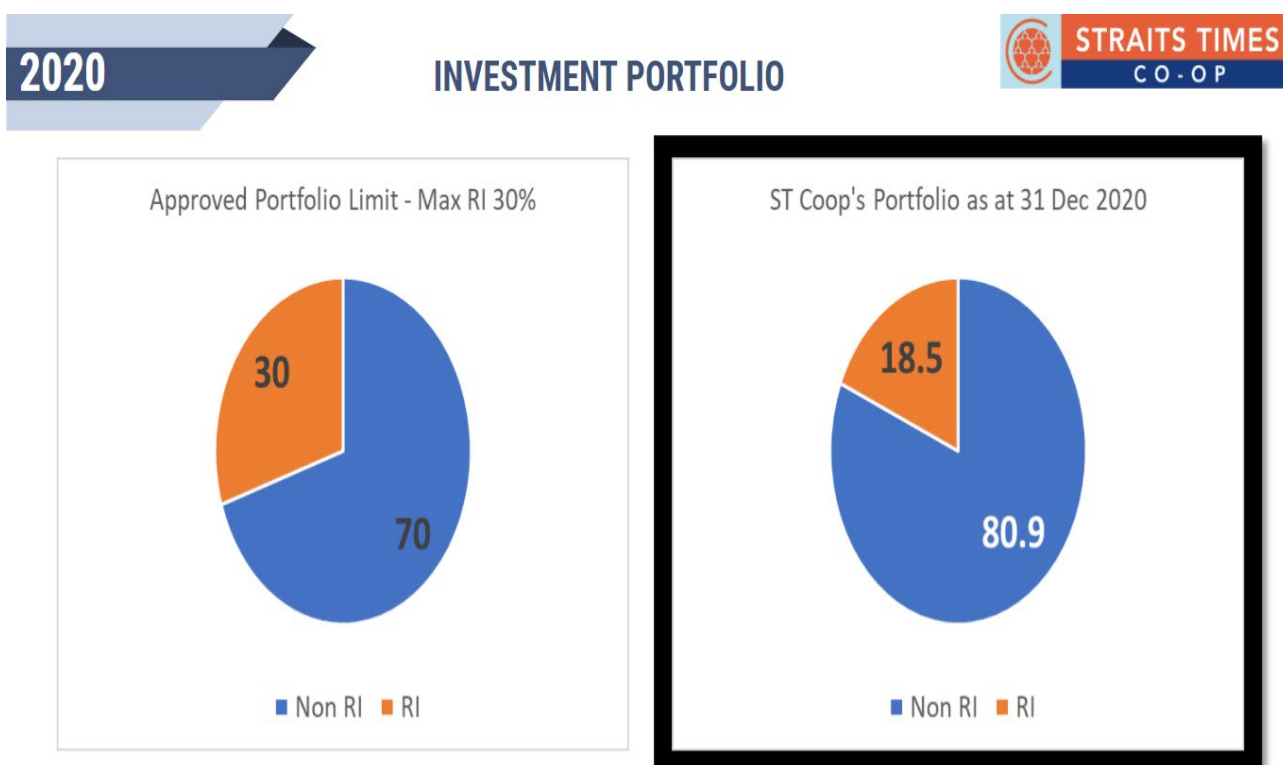


- As at December 2020, ST Coop membership stood at 1,129 with S\$55M in total savings.
- 93% of the members are from SPH and 7% are from Times Publishing Group. The longest membership with ST Coop from both companies is 39 and 38 years respectively.
- 56% of our members are female and the median age of our members is 48 years old.
- The median membership length is 13 years and the monthly median deduction is S\$500.
- Close to 12% of our members are making a monthly deduction of S\$750 which is the maximum monthly deduction allowed.
- 23% of our members are aged above 56 years old and their savings represent 33% of the total savings of ST Coop.
- 4% of our members had total savings of more than S\$200k and the youngest is aged less than 45 years old.



- Our Members Total Savings in 2020 amounted to S\$55M with S\$1.4M in total interest accrued and dividend to be paid out.
- Members total savings had reduced by S\$5M in 2020 due to a reduction in total membership.
- The membership as at 31 December 2020 was 1,129 and in 2019 it was 1,269.
- There was a reduction of 140 membership accounts in 2020.
- Last year 35 new members were admitted while 175 accounts were closed due to cessation of employment/ membership and retirement.

3.6. Investments & Dividends Overview



- ST Coop's investment mandates are governed by the written directions on investments issued by the Registry of Co-operative Societies, which had provided that the default Restricted Investment limit be set at 10%.
- Our Co-operative, having met the additional conditions imposed under the Written Directions, had applied to the Registrar for a higher Restricted Investment of 30% which had been approved for the period from FY2020 to FY2023.
- This allows ST Coop to invest up to 30% of our investments in higher risk Singapore dollar denominated products such as equities, corporate bonds and mutual funds. The remaining 70% of our investments are in low-risk Singapore dollar denominated products such as Fixed Deposits, Singapore Government Bonds, Statutory Board Bonds such as HDB and LTA with an AAA credit rating from international credit rating agencies.
- The AAA credit rating makes the Singapore Government Securities some of the safest possible investments to hold. This provides assurance to our members that their hard-earned savings and interests accrued are properly safeguarded.

3.7. Investments Performance

2020 RESULTS TOTAL INVESTMENT PERFORMANCE			STRAITS TIMES CO-OP	
Income from Investments (all in S\$)	Income as at 31 Dec 2020	Income as at 31 Dec 2019		
Restricted Investment (RI)*	602,141	208,770		
Non Restricted Investment (Non-RI)	2,009,658	1,853,930		
Total Income from Investment (A)	2,611,799	2,062,700		
Investments Amount (all in S\$)	Fair Value as at 31 Dec 2020	Fair Value as at 31 Dec 2019		
Restricted Investment (RI)	12,807,645	9,477,134		
Non Restricted Investment (Non-RI)	56,086,359	64,348,180		
Total Investments Amount (B)	68,894,004	73,825,314		
Total Assets (C)	69,279,249	74,374,005		
Returns on Total Investments (A/B)	3.8%	2.8%		
Total Assets in Investments (B/C)	99.4%	99.2%		

* Income from equities has been restated to include gain/(loss) transferred to accumulated surplus upon disposal of equity investment in financial assets, at FVOCI. As a result, returns on RI in 2019 was restated from 4.0% to 2.2% and Returns on Total Investments in 2019 was restated from 3.0% to 2.8%.

- In the proposed 3-year investment plan for FY2020 to FY2023, the Investment Committee hopes to generate annual returns of at least 3% from investments.
- Overall, in FY2020, 99.4% of our assets were placed in investments and they have generated a 3.8% return, which is better than 2019.

3.8. Restricted Investments Performance

2020 RESULTS RESTRICTED INVESTMENT PERFORMANCE


Restricted Investments (RI) (all in S\$)	2020		2019	
	Investment Amt	Income	Investment Amt	Income
Shares listed on SGX *	6,184,860	432,889	6,237,664	99,500
Managed Fund/Unit Thrust	600,555	10,129	-	-
Corporate Bonds	5,871,150	159,123	3,088,390	99,201
Shares in other Co-op (invested after 30 Jun 2010)	151,080	-	151,080	10,069
Total	12,807,645	602,141	9,477,134	208,770
Returns on RI (Income/Investment Amt)	4.7%		2.2%	
Total Assets	69,279,249		74,374,005	
Restricted Investments (RI) approved	30%		30%	
Approved RI @ 30% of Total Assets	20,783,774		22,312,201	
Total Restricted Investments (RI) invested	12,807,645		9,477,134	
RI as a % of Total Assets	18.5%		12.7%	

* Income from equities has been restated to include gain/(loss) transferred to accumulated surplus upon disposal of equity investment in financial assets, at FVOCI. As a result, returns on RI in 2019 was restated from 4.0% to 2.2% and Returns on Total Investments in 2019 was restated from 3.0% to 2.8%.

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- As at Dec 2020, 18.5% of our investment portfolio is in Restricted Investment which is a 5.8% increase compared to 2019. Overall, this portfolio has provided us with 4.7% return in 2020, an increase of 2.5%.
- The increase was contributed from gain on disposal of equities and higher interest income from Corporate Bonds as holdings in these bonds had increased by almost S\$2.8M in 2020.

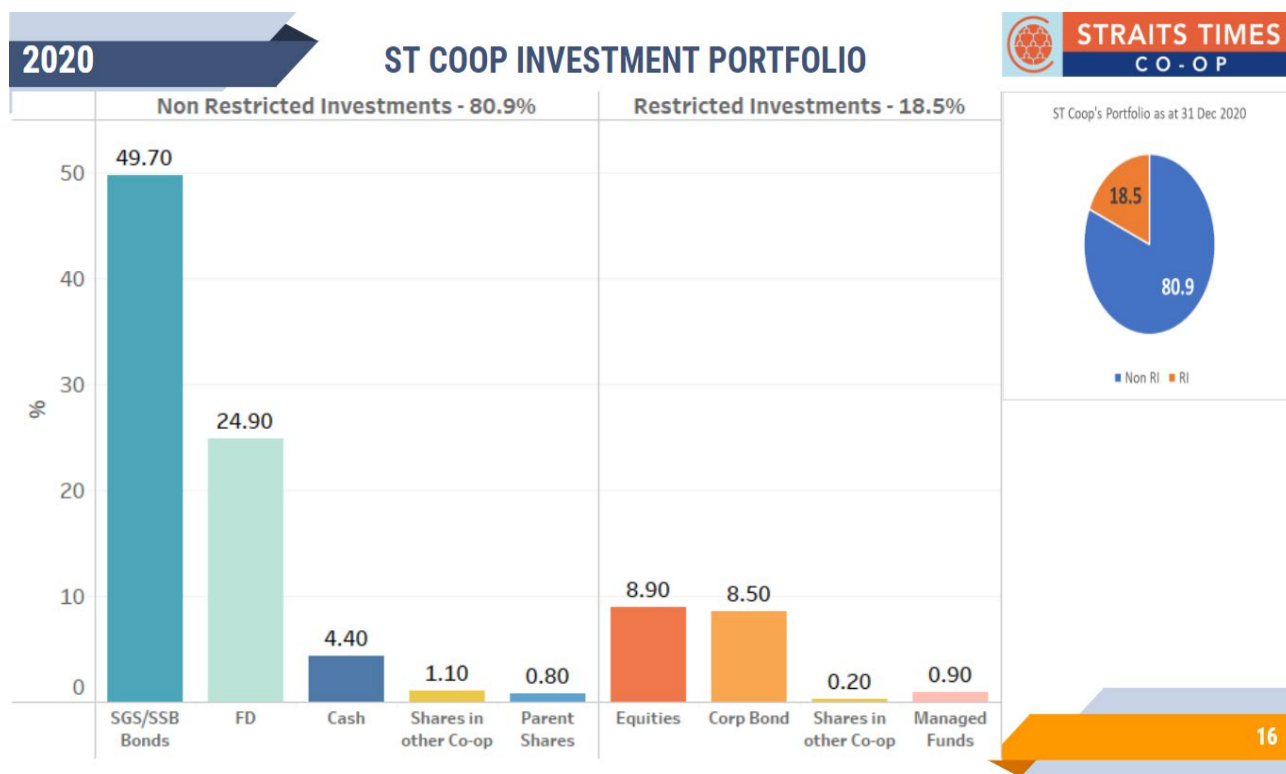
3.9. Non-Restricted Investments Performance

2020 RESULTS NON RESTRICTED INVESTMENT PERFORMANCE


Non Restricted Investments (Non-RI) (all in S\$)	2020		2019	
	Investment Amt	Income	Investment Amt	Income
Parent Shares	565,000	12,500	1,090,000	78,700
Statutory Board/ SGS Bond	34,433,159	1,702,438	36,094,126	1,379,264
Shares in other Co-op (invested after 30 Jun 2010)	750,000	61,929	750,000	323,522
Fixed Deposits	17,256,763	226,672	18,176,408	47,474
Cash & Cash Equivalent	3,081,437	6,119	8,237,646	24,970
Total	56,086,359	2,009,658	64,348,180	1,853,930
Returns on Non-RI (Income/Investment Amt)	3.6%		2.9%	

- As at Dec 2020, 80.9% of our investment portfolio is in Non-Restricted Investment which provided us with 3.6% return, which was 0.7% better than 2019.
- Majority of these Non-Restricted Investment products were Statutory Board Bonds or Singapore Government Security bonds and Fixed Deposits which provided us with fixed interest income.

3.10. Overall Investments Portfolio



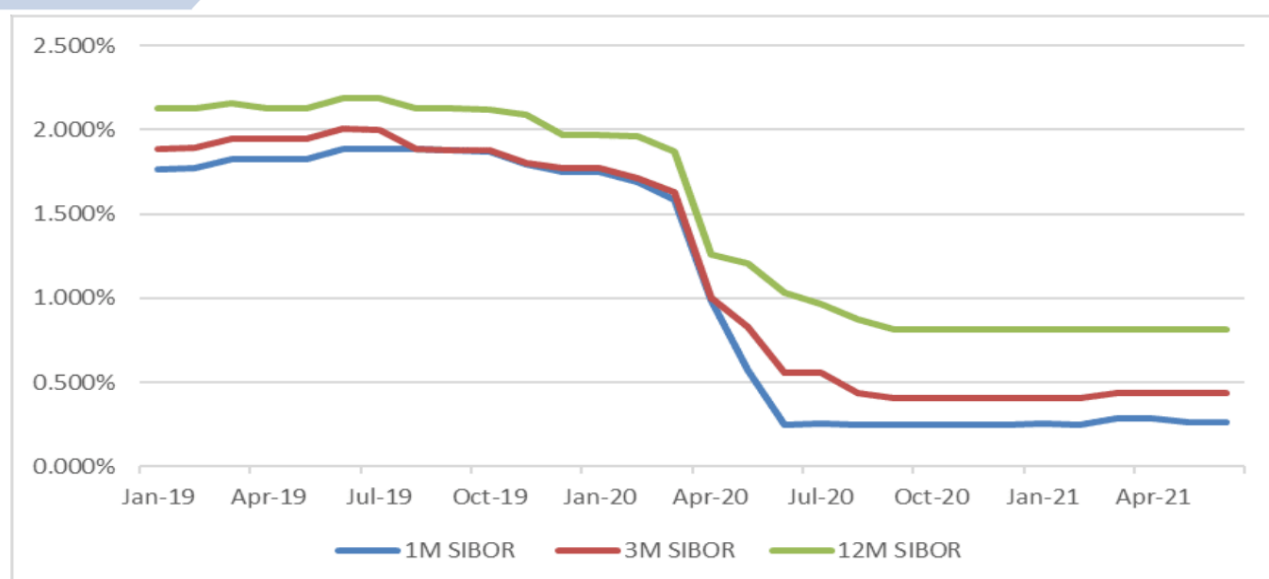
- In FY 2020, at least 80% of our investment holdings were held in Non-Restricted Investments. Almost 50% were invested in the Singapore Government Bonds or Statutory Board Bonds with AAA credit rating from international credit rating agencies.
- The remaining, at least 29%, were placed in cash or cash equivalent such as fixed deposit.

3.11. Fixed Deposit Returns in FY2020

- Fixed Deposit represents 24.9% of ST Coop's Investment Portfolio.
- Our Treasurer gave an overview of how interest rates fared globally: -
 - In 2020, countries across the globe took measures to keep the interest rates down throughout the year. Such measures will probably be extended into this year. Many countries also announced measures to infuse liquidity in the banking system so as to be able to provide affordable financing thereby supporting economic growth. The extra liquidity will continue to keep interest rates down.
 - On the other side, bank credit offtake was low, as banks adopted a cautious stance towards lending across all sectors of the economy. This meant lower demands for funds by borrowers, and resulted in an even lower rate of interest on deposits for savers. As evident from the chart below, the Singapore Interbank Offered Rate had declined sharply in 2020.
 - ST Coop's fixed deposit placements on average only garnered interest rates of less than 0.5% in FY2020, and most of our current accounts across various banks were paying us zero interest for our savings with them.

DEPOSITS RETURNS

SGD SIBOR RATE (Jan 2019 to Jun 2021)



Note: Singapore Interbank Offered Rate (SIBOR) refers to the interest rate that banks borrow from one another.

Source: [DBS](#)

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3.12. Singapore Government Bonds Returns in FY2020

GOVT BOND RETURNS

SGS BOND YIELD TO MATURITY



Note: Singapore Government Securities (SGS) pays a fixed rate of interest and have maturities ranging from 2 to 30 years.

Source: [S&P Singapore Government Bond Index](#)

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- Singapore Government Bond returns represent almost 50% of our Investment Portfolio. The yield to maturity is presented in the chart above. (A bond's yield to maturity is the total return anticipated on a bond if the bond is held until its maturity date.)
- As evident from the chart above, the Singapore Government Bond yield to maturity had reduced significantly in 2020. A lower yield to maturity had meant that the Singapore Government Bond had appreciated significantly. As such, ST Coop had initiated to take profits which had provided us with gains on disposal of government bonds amounting to S\$938K in FY2020.
- Our Treasurer cautioned that though ST Coop reaped the gain in FY 2020, we may run into re-investment risks.

GOVT BOND RETURNS

DETAILS OF OUTSTANDING SGS BONDS (as at 1 Jun 2021)



Issue Code	Date Issued	Maturity Date	Coupon Rate (%)	Issuance Amount (S\$m)	Bond Duration
N516100Z	03/10/2016	01/10/2021	1.250	9,100	5-Year
N517100F	03/04/2017	01/04/2022	1.750	5,600	
N518100E	01/02/2018	01/02/2023	1.750	10,000	
N519100A	01/02/2019	01/02/2024	2.000	4,200	
N520100A	02/11/2020	01/11/2025	0.500	2,900	
NX13100H	01/07/2013	01/07/2023	2.750	8,800	10-Year
NX15100Z	02/06/2015	01/06/2025	2.375	6,400	
NX18100A	02/05/2018	01/05/2028	2.625	5,400	
NY07100X	03/09/2007	01/09/2022	3.125	9,200	15-Year
NY09100H	01/09/2009	01/09/2024	3.000	8,700	
NY14100E	01/07/2014	01/07/2029	2.875	7,600	
NZ07100S	01/03/2007	01/03/2027	3.500	8,300	20-Year
NZ10100F	01/09/2010	01/09/2030	2.875	9,500	
NZ13100V	02/09/2013	01/09/2033	3.375	6,800	
NX16100F	01/06/2016	01/06/2026	2.125	8,500	
NZ16100X	01/08/2016	01/08/2036	2.250	8,300	
NZ19100S	01/07/2019	01/07/2039	2.375	3,700	30-Year
NA12100N	02/04/2012	01/04/2042	2.750	5,100	
NA16100H	01/03/2016	01/03/2046	2.750	7,400	
NA20100F	02/03/2020	01/03/2050	1.875	7,200	

Source: [MAS](#)

Year of Issuance

2018

2019

2020

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- The chart above provided details of all outstanding Singapore Government Bonds as at 1 June 2021. The last 3 years of new issuance has been highlighted for ease of reference.
- Looking at the 5 yr bond duration, it is evident that the coupon rate has reduced from 1.75% to 2% to 0.5% for issuance in 2018, 2019 and 2020 respectively.
- The latest 10-year and 20-year bonds issued in 2018 and 2019 respectively had commanded a much higher coupon rate of 2.625% and 2.375% respectively.
- The sole 30-year bond issued in 2020 only had a coupon rate of 1.875%, compared to past 30-year bonds issued in 2012 and 2016 were at 2.75%.
- This implies that buying-in to the new bond issuances in FY2020 is only paying us a coupon rate of between 0.5% - 1.875%.
- Treasurer also gave members an insight to some of the future Singapore Government Securities issuance announced so far.

GOVT BOND RETURNS

FUTURE SGS BONDS ISSUANCE



- Singapore Government will issue new bonds totaling up to SGD90billion to finance long-term infrastructure that will benefit both current and future generations under a law to be tabled in Parliament later this year.
- Under the proposed Significant Infrastructure Government Loan Act (SINGA), the bond issues will fund major long-term infrastructure, in addition to developing the domestic debt market and meeting Singaporeans' retirement needs through the Central Provident Fund.
- Based on Straits Times published on 10 Feb 2021, two researchers from the Institute of Policy Studies (IPS) had mentioned that ***"The Singapore Government Securities bonds issued will pay a fixed coupon of 1.875%, for which there is strong demand in the market."***

Source: [Straits Times](#)

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- Though the Singapore Government will issue new SINGA bonds in the 4th quarter of 2021, the current interest rate trend has remained low. It was forecasted that the coupon rate for the new longer tenor bond issuance will likely be well below 2%.
- Treasurer concluded with this observation - Due to the existing low interest rate environment, ST Coop's Investment Income from our Non-Restricted Investment portfolio, which makes up at least 70% of the total investment portfolio, will be reduced in the coming years.

4. Questions Raised via Proxy Forms

- 4.1. The Chairman took over and brought up the questions raised via the proxy forms.
- 4.2. As part of the alternative arrangements, members were invited to submit questions that they had on any resolution via the AGM Pre-registration website between 24 May and 16 June 2021.
- 4.3. The following questions were received and addressed by Chairman during the AGM:

**Q1: Why this year dividend subscription lower than previous year?
(raised by Tan Poh Ling – SPH Secretariat/Legal)**

Chairman's response:

As shared by our Treasurer earlier, the lower dividend payout of 2.5% for FY2020 is necessary and timely, given the risk of a prolonged economic uncertainty due to COVID-19 which had resulted in an extremely low interest rate environment. With a lower dividend payout, the Committee of Management hopes to keep up our reserve so as to help strengthen its ability to operate under stressed conditions and position the Co-op to meet future challenges.

Ever since COVID19 pandemic strikes, the bond and equity markets have been very volatile. ST Coop's investment guidelines are governed by the Registrar's cooperative Act. In recent years, the guidelines have been tightened; our investment policies are conservative in nature. This makes it more challenging for credit cooperatives to earn profits for the dividends.

ST Coop members have gotten good dividend payouts for many years. In the current pandemic situation, there is a need for caution in our investments, with a need to set aside funds to sustain the growth for the next few years.

Chairman also noted that most other credit cooperatives in Singapore are giving less than 2% dividend to their members.

**Q2: Do we still continue with Co-op after transferred to SPH Media Trust?
(raised by Rafeah Binte Aris – SPHTech)**

**Q3: Any changes after moving to the new CLG named SPH Media Trust?
(raised by Syed Al-Alwi Shah Bin Syed Hussain Shah – SPHTech)**

Chairman's response:

Chairman noted members' anxiety and the need for updates on their membership status. The Committee of Management is working closely with SPH Group to ensure minimum disruption to the ST Coop's membership and continuing subscription. There will be more clarity once SPH Group finalises the company structure for the media and non-media groups, which may take 3 to 6 months. For now, ST Coop will continue to exist even after the new media entity is formed later this year. We will liaise with the new entity's HR Department to continue the monthly subscription deductions.

We will convene an Extraordinary General Meeting (EGM) to amend the by-laws in order to allow the continuity of the current membership structure for staff in the media group. (i.e. after the new media entity starts operation).

The ST Coop Committee of Management asked that members participate in the EGM when it is announced later.

5. ST Coop Initiatives during Covid-19 pandemic

- 5.1. The Chairman next shared some of the initiatives carried out by the ST Coop in support of its members and the community during the challenging times of the Covid-19 pandemic in 2020.
- 5.2. ST Coop gave out a one-time special payout of S\$50 to staff and members who had been with ST Coop for at least one year. This amounted to S\$56,900.
- 5.3. ST Coop also allowed its members the option to defer their loan repayment for up to six months during this trying period.
- 5.4. ST Coop had donated S\$1,000 to Mind the Gap Fund to support the households that were affected by Covid-19.
- 5.5. These were reported in the Singapore National Co-operative Federation (SNCF) newsletter in the Apr 2020 – Mar 2021 issue.

6. Formal Proceedings of Resolutions

- 6.1. The Chairman then went on with the formal proceedings of this meeting, indicating that this meeting has been called with due notice and we have sufficient quorum to conduct the business of this 81st AGM.
- 6.2. He proceeded with the agenda and ran through all the resolutions and responses for the 81st Annual General Meeting of Straits Times Co-operative Limited. Refer to the Summary of the Resolutions Passed based on the votes cast in the Appendix.

7. Resolution 1: To consider and confirm the Minutes of the 80th AGM held on 20 July 2020. (Refer to the Annual Report pages 5 to 15 for details.)

- 7.1. He confirmed there was no question received and there were no matters arising from the minutes of the last AGM. The Chairman declared the resolution unanimously passed.

8. Resolution 2: To receive and adopt the Committee's Report and audited Statement of Accounts for the period 1 January to 31 December 2020. (Refer to the Annual Report pages 16 to 46 for details)

- 8.1. He confirmed there was no question received for this agenda item. The Chairman declared the resolution unanimously passed.

9. **Resolution 3: To approve the proposed appropriation for the year ended 31 December 2020. (Refer to the Annual Report page 47 for details.)**

RESOLUTION 3



To approve the proposed appropriation for the year ended 31 December 2020.

Proposed Appropriation (all in S\$)	2020	2019
a) Central Co-operative Fund – 5%	25,000	25,000
b) Central Co-operative Fund – 20%	117,923	33,219
c) Honorarium to Management Committee	15,250	16,000
d) Common Good Fund	50,000	50,000
e) Donation*	6,000	6,000
f) 2.5% Dividend on Subscription at 31.12.20 (2019:3%)	448,367	599,481
g) To/(From) Accumulated Fund	427,074	(63,604)
Total	1,089,614	666,096

Donation*	
1) Assisi Home & Hospice	4) Club Rainbow (Singapore)
2) Muslimin Trust Fund Association	5) ST School Pocket Money Fund
3) Kwong Wai Shiu Hospital And Nursing Home	6) Sree Narayana Mission Home for the Aged Sick

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- 9.1. He confirmed there was no question received for this agenda item. The Chairman declared the resolution unanimously passed.
10. **Resolution 4: To approve the estimated expenditure for 2021. (Refer to the Annual Report page 48 for details.)**

RESOLUTION 4

To approve the estimated expenditure for 2021.



Estimated Expenditure (all in S\$)	2021	2020
Staff Salary (plus CPF)	250,000	245,000
Depreciation & Maintenance of Compute System	170,000	170,000
Audit Fee	18,000	20,000
Printing & Stationery	3,000	5,000
AGM Expenses	20,000	22,000
Sundry Expenses	4,000	6,000
Transport	500	1,000
Welfare and Dental Expenses	3,540	3,540
Training	10,000	15,000
Insurance	10,000	10,000
Hardware/Software Upgrade	10,000	10,000
Contingencies Expenses	10,000	80,000
Interest on Specific Deposit	900,000	1,150,000
Bank Charges	1,500	1,000
Provision for Bad & Doubtful Loan	10,000	10,000
Total	1,420,540	1,748,540

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- 10.1. He confirmed there was no question received for this agenda item. The Chairman declared the resolution unanimously passed.

11. Resolution 5: To authorise the COM to appoint a professional audit firm, where necessary, to be External Auditor of the Co-operative for 2021/2022.

11.1. The Chairman proposed the re-appointment of Nexia TS as the external auditors of the Co-operative for the financial year ending 31 December 2021 and that the COM be authorised to fix their remuneration is put up for consideration by members here.

11.2. He confirmed there was no question received for this agenda item. The Chairman declared the resolution unanimously passed.

12. Resolution 6: To approve the proposed amendments to the by-laws of the Co-operative. (Refer to the Annual Report pages 49 to 98 for details.)

12.1. He confirmed there was no question received for this agenda item. The Chairman declared the resolution unanimously passed.

13. Resolution 7: To transact any other business in respect of which notice has been received by the Secretary three working days before the Meeting.

13.1. The Co-operative Secretary had informed the Chairman that no notice was received from any member wishing to discuss other business not included in today's agenda.

14. Dividends for 2020

14.1. The Chairman informed that 2.5% Dividends on Subscription accounts as at 31 Dec 2020 shall be credited into members' bank account after 24 June 2021.

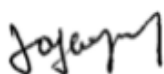
15. In Closing

15.1. On behalf of the COM members, the Chairman thanked everyone for their online attendance and continued support for Straits Times Co-operative.

15.2. He declared the closure of the meeting on a note for everyone to stay safe, stay healthy and vigilant.

15.3. The online meeting ended at 7:05 p.m.

Recorded by:



Yong Chwee Choo Joyce
Secretary

Confirmed by:



See Hwee Peng Stanley
Chairman of Meeting

MINUTES OF THE EXTRAORDINARY GENERAL MEETING

Minutes of the Extraordinary General Meeting of members held on 25 November 2021 via Zoom Online Webinar at 6:30pm.

PRESENT: 343 members (via proxy forms)

There being a quorum, the meeting commenced at 6:30pm and was presided by Ms Mable Chan Kam Man, President, Straits Times Co-operative and Mr Don Yeo, Head of HR, SPH Media Trust.

1. Opening Address by Chairman, Mr See Hwee Peng Stanley

- 1.1. Chairman opened the meeting by thanking attendees for taking time to attend the Extraordinary General Meeting ("EGM") for Straits Times Co-operative ("ST Coop") virtually.
- 1.2. He explained that the EGM was called to address the recent changes in the Singapore Press Holdings Ltd ("SPHL") company structure. He added that this EGM is crucial to allow the ST Coop to continue its activities for our fellow members.
- 1.3. Chairman went on to add that the ST Coop is honoured to have Ms Mable Chan, the President of ST Coop and Mr Don Yeo, Head of HR, SPH Media Trust joining us at the virtual EGM.
- 2.1. President warmly greeted all members of the ST Coop present at the online meeting and added that this would be her last time meeting with the ST Coop as its President.
- 2.2. She said that the announcement of SPH Media restructuring was first made in May this year and subsequently at the EGM held in September when an overwhelming majority of SPH shareholders voted in favour of the restructuring.
- 2.3. The understanding is that the Committee of Management ("COM") of ST Coop has been very hard at work over the past few months and had many rounds of discussions before they conclude their recommendations and resolution for this EGM. She added that it was not an easy decision to make for the COM and she also understood that the COM had conducted separate dialogue sessions with affected members of the cooperative to address some of the concerns raised.
- 2.4. She was heartened to know that the COM has made special arrangements to allow affected members to enjoy this FY's dividend by extending the validity of their membership till 3 January 2022.
- 2.5. She said she was pleased and honoured to serve as our President for the past few years and that moving forward, the COM will work closely with the new SPH Media Trust Group ("SMT") and the management team to continue with the good work of the ST Coop and to continue to service the members to the best of our abilities. She added that the ST Coop has done so and she strongly believed it will continue to do so.
- 2.6. She moved on to wish everyone a safe and healthy year ahead and added that for those who are remaining in the media side, to continue to enjoy good dividends and being looked after and for those parting ways, she was sure they are well looked after by what the management has decided to offer them at the night's resolution.
- 2.7. She ended her address by thanking and wishing everyone all the best.

3.1. SPHL Restructure

- Chairman explained that SPHL is currently going through a restructuring exercise. A new business entity, SPH Media Limited ("SML"), has been formed and relevant staff from SPHL media business were transferred to SML on 1 Oct 2021. More than 90% of ST Coop members have since been transferred to SML. There are 14 ST Coop members remaining in SPHL Non-Media ("SPHL Non-Media").
- On 1 Dec 2021, SML would be transferred from SPHL to SMT, a company limited by guarantee.
- There have been talks that SPHL Non-Media would be sold and delisted from the Stock Exchange. Details are still pending SPHL's AGM and EGM.
- Chairman emphasized that these companies have different payroll systems and may have different Human Resource policies governing their staff moving forward.

3.2. ST Coop Current Situation

- Chairman reminded that ST Coop is a lean outfit set up to serve a specific sector within a specific company. It also lacks resources to expand.
- He shared that it has been challenging to support members from Times Publishing Group ("TPG").
- Lastly, the tightening of investment regulations by MCCY and uncertain financial markets have made it difficult to maintain the Coop's current investment performance.

3.3. ST Coop Committee of Management's Recommendations

- Chairman updated that the COM deliberated and debated on the options and had to make some hard decisions; namely, to restrict membership to SMT and her subsidiaries. That means ST Coop must terminate the members from both TPG as well as SPHL Non-Media. The COM proposed the termination to be effective on 3 Jan 2022.
- The termination date was set on 3 Jan 2022 so that affected members could enjoy the dividends for 2021 (if any), loyalty bonus (if applicable) and interests.
- Reason being, based on existing By-laws, any termination of membership will not receive dividends for the year if subscription deductions are not received for the full calendar year.
- These recommendations had been communicated to affected members from SPHL Non-Media and with members from TPG via virtual dialogue sessions on 29 Sep and 6 Oct respectively. Chairman was glad to report that most of the attendees understood the rationale behind the COM's recommendations and were receptive.

3.4. Affected Members' Payout

- All savings in Subscription and Specific Accounts of affected members will be returned to them in Jan 2022 via their bank account recorded in the ST Coop system.
- Dividends, if any, will be paid out after the AGM in Jun/Jul 2022 via their bank account recorded in the ST Coop system.
- Conditions: ST Coop membership must be maintained till 31 Dec 2021. Any resignation, retrenchment, golden handshake or the likes before 31 Dec 2021 would be considered as regular termination of membership without the fulfillment of full year membership.

3.5. Proposed Amendments to the By-Laws

The proposed amendments to the Straits Times Co-operative Limited By-Laws are as follows:

By-Law No	Existing Clause	Proposed Amendments (Changes are in blue)	Reason for Amendments
4	MEMBERSHIP	MEMBERSHIP	
4.1	Membership of the Co-operative shall be open to all full-time permanent employees of the Singapore Press Holdings Group, Times Publishing Group and their subsidiary companies.	Membership of the Co-operative shall be open to all full-time permanent employees of the Singapore Press Holdings Group, Times Publishing Group <u>SPH Media Trust Group and their subsidiary companies with effect from 1 December 2021.</u> <u>Members from Singapore Press Holdings Group, Times Publishing Group and their subsidiary companies will have their membership extended to 31 December 2021 provided these members continue to provide salary deductions under the human resource special arrangement from October to December 2021.</u>	With the restructuring of Singapore Press Holdings Group, >90% of the Straits Times Co-operative Limited (ST Coop)'s members will be transferred to SPH Media Ltd that will be a subsidiary of the SPH Media Trust Group, a company limited by guarantee. Hence, the ST Coop's membership will have to open to the employees of SPH Media Trust Group and its subsidiary companies. ST Coop, being a small setup with minimal manpower resources, needs to focus on servicing a specific company to be sustainable. And because the different companies will be under separate HR policies and payment mechanisms, members from the SPH Non-Media Group (SPH Group) and Times Publishing Group will cease their membership from ST Coop.
4.16(c)	termination of membership or resignation of service or official retirement from the Singapore Press Holdings Group and the Times Publishing Group;	termination of membership or resignation of service or official retirement from the Singapore Press Holdings Group and the Times Publishing Group <u>SPH Media Trust Group and its subsidiary companies;</u>	The By-Laws have to take effect on 1 December 2021 as this is the stipulated date for the split of SPH Media Trust Group from SPH Group.

S/N	Questions Raised by	Answers by ST Coop
Q1	How will the move to SPH Media impact on ST Co-op membership as well as terms and conditions? (raised by Ng Siok Ling – ST Editorial)	<ul style="list-style-type: none"> There is no impact to your ST Coop membership if we have enough votes FOR the amended By-Laws. There will be no changes to the terms and conditions to your ST Coop membership if we have enough votes FOR the amended By-Laws.
Q2	Are there any changes to the privileges after the transfer? (raised by Yu Mei Meng – Media Solutions)	<ul style="list-style-type: none"> There will be no changes to the terms and conditions or privileges to your ST Coop membership if we have enough votes FOR the amended By-Laws.
Q3	What is the maximum amount allowed for monthly contribution? When a staff is re-employed can they continue to be a member? (raised by Tang Yin Nam Serene – Media Solutions)	Monthly Subscription By-Law 7.4 <ul style="list-style-type: none"> The minimum subscription per month shall be S\$10, and the maximum shall not exceed 25% of basic salary or S\$750 whichever is lower. Subscription shall not be changed more than twice in any one financial year. Increase for monthly subscription will be allowed only during the first half of the year and not later than 20th of each month (i.e. application in Dec 20X1 to May 20X2) to take effect from the following month (i.e. Jan 20X2 to Jun 20X2) and application without payslip will NOT be processed. No further increase in monthly subscription would be allowed during the second half of the year up to 31st

S/N	Questions Raised by	Answers by ST Coop
		<p>December (i.e. NO application can be accepted after 20 May 20X2 up till 30 Nov 20X2 as no further increase can be allowed to take effect from the following month ie Jul 20X2 to Dec 20X2).</p> <p>Membership Termination By-Law 4.16(c)</p> <ul style="list-style-type: none"> As per new amended By-law 4.16(c), "Membership shall cease by official retirement from the SPH Media Trust Group and its subsidiary companies." Hence membership will cease by official retirement age regardless if a member is offered any re-employment.
Q4	<p>Hope to hear from the management on the outcome of the EGM. (raised by Yasotha D/O Muthusamy – EMTM Admin)</p>	<p>By mid Dec 2021,</p> <ul style="list-style-type: none"> This EGM Meeting Minutes and its results shall be posted on the ST Coop website. Email will be sent by Secretary - Lei Ivy (SPH Tech) to all members providing the links to ST Coop website for the EGM Meeting Minutes and its results, and the amended By-Laws (if any).
Q5	<p>What are the issues or implications, if any, with regards to porting our monies over to SPH Media Trust? Can Thrift and Loan continue to function? (raised by Lim Chin Ping – EMTM Visual)</p>	<ul style="list-style-type: none"> There is no porting of monies to SPH Media Trust. All your contribution amounts are kept within the ST Coop. The purpose of this EGM is to allow ST Coop to continue its business function (in thrift and loan) without any changes.
Q6	<p>How is ST Coop affected? (raised by Ng Sor Luan – EMTM Visual)</p>	<ul style="list-style-type: none"> If the majority has voted FOR the changes of the By-laws, <ul style="list-style-type: none"> Nothing will be affected for members in SPH Media Trust. Membership of those from SPHL Non-Media and TPG will cease effective 3 Jan 2022. If the majority has voted AGAINST the changes of the By-laws, then it may result in one of the following: <ul style="list-style-type: none"> ST Coop to cease its operations. Leave to the remaining members from SPHL Non-Media and TPG to take over the ST Coop.
Q7	<p>Hope this tradition still continue as a culture for the future. (raised by Muhammad Arman Bin Dolkapa – Engineering PC)</p>	<ul style="list-style-type: none"> We hope so too, depending on the votes received for this EGM. Result of the resolution will be read out later.

- 5.1. Chairman then went on with the formal proceedings of this meeting and indicated that this meeting has been called with due notice and we have sufficient quorum to conduct the business of this EGM.
- 5.2. **Resolution 1:** To approve the proposed amendments to the By-Laws of the Co-operative

RESOLUTION 1



To approve the proposed amendments to the by-laws of the Co-operative.

STRAITS TIMES CO-OPERATIVE LIMITED PROPOSED AMENDMENTS TO BY-LAWS

By-Law No	Existing	By-Law No	Proposed Amendments (Please underline the changes)	Reason for Amendments
4	MEMBERSHIP	4	MEMBERSHIP	
4.1	Membership of the Co-operative shall be open to all full-time permanent employees of the Singapore Press Holdings Group, Times Publishing Group and their subsidiary companies.	4.1	Membership of the Co-operative shall be open to all full-time permanent employees of <u>the Singapore Press Holdings Group SPH Media Trust Group, Times Publishing Group and their its subsidiary companies with effect from 1 December 2021.</u> <u>Members from Singapore Press Holdings Group and Times Publishing Group and their subsidiary companies will have their membership extended to 31 December 2021 provided these members continue to provide salary deductions under the human resource special arrangement from October to December 2021.</u>	With the restructuring of Singapore Press Holdings Group, >90% of the Straits Times Co-operative Limited (ST Coop)'s members will be transferred to SPH Media Ltd that will be a subsidiary of the SPH Media Trust Group, a company limited by guarantee. Hence, the ST Coop's membership will have to open to the employees of SPH Media Trust Group and its subsidiary companies. ST Coop, being a small setup with minimal manpower resources, she needs to focus on servicing a specific company to be sustainable. And because the different companies will be under separate HR policies and payment mechanisms, members from the SPH Non-Media Group (SPH Group) and Times Publishing Group will cease their membership from ST Coop.
4.16(c)	termination of membership or resignation of service or official retirement from the Singapore Press Holdings Group and the Times Publishing Group;	4.16(c)	termination of membership or resignation of service or official retirement from <u>the Singapore Press Holdings Group SPH Media Trust Group and the Times Publishing Group and their its subsidiary companies;</u>	The By-laws have to take effect on 1 Dec 2021 as this is the stipulated date for the split of SPH Media Trust Group from SPH Group.

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RESOLUTION 1



To approve the proposed amendments to the by-laws of the Co-operative.

Results:

TOTAL NO. OF VALID VOTES RECEIVED	FOR		AGAINST	
	NO. OF VOTES	% OF VOTES	NO. OF VOTES	% OF VOTES
343	328	100%	0	0%

Abstain – 15 votes

*Invalid – 12 votes

Resolution unanimously passed –

“RESOLVED that the proposed amendments to the by-laws of the Co-operative be hereby endorsed and approved.”

*Invalid - 9 duplicate votes from members and 3 non-member votes.

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- 5.3. Chairman confirmed that no question was received pertaining to this agenda item.
- 5.4. He updated that a total of 355 proxy votes were received. Out of which, 343 votes were valid and 12 votes were invalid. And out of the 343 valid votes, 15 had abstained from voting.
- 5.5. The number of votes for is 328 votes or equivalent to 100% of the total votes and the number of votes against is 0 vote, meaning 0% of the total vote.

- 5.6. Chairman declares the resolution unanimously passed. Meaning the proposed amendments to the By-Laws of the cooperative be hereby endorsed and approved.
- 6.1. On behalf of the COM members, Chairman thanked everyone for their online attendance and continued support for Straits Times Co-operative.
- 6.2. He declared the closure of the meeting on a note for everyone to stay safe, stay healthy and vigilant.
- 6.3. The online meeting ended at 6:52pm.

Recorded by:



Lei Ivy
Secretary

Confirmed by:



See Hwee Peng Stanley
Chairman of Meeting

COMMITTEE OF MANAGEMENT REPORT FOR FINANCIAL YEAR ENDED 31 DECEMBER 2021

To: The Members of Straits Times Co-Operative Limited

Ladies/Gentlemen

The Committee of Management (COM) is pleased to present the Annual Report, Statement of Accounts and Balance Sheet of the Co-operative for the period 1 January to 31 December 2021.

1. Results

The Co-operative recorded a gross profit of S\$248,154 (2020 profit was S\$1,089,614) for the year ended 31 December 2021. Profit came mainly from dividends from investments, interest from bonds and sales of quoted investment.

2. Dividends

During the year under review, dividends of 2.5% were paid to members in accordance with the Co-operative's by-laws amounting to S\$448,366 (2020: 3% - S\$599,481).

3. Membership

The membership as at 31 December 2021 was 984. During the year under review, 8 new members were admitted while 153 accounts were closed upon cessation of employment/membership and retirement.

4. Subscription

Subscription capital as at 31 December 2021 amounted to S\$20,231,395 (2020: S\$17,934,679), an increase of S\$2,296,716 over the previous year. The average monthly total subscription received during the year was S\$513,997 (2020: S\$585,456), or S\$522 per member (2020: S\$519).

5. Specific deposits

The balance in this account as at 31 December 2021 was S\$31,871,845. Interest of 2.5% amounting to S\$777,263 calculated on the balance as at 31 December 2021 had been credited to members' accounts.

6. Loan

For the year 2021, loans granted to members amounted to S\$20,070 (2020: S\$31,000), a decrease of S\$10,930 over the previous year.

7. Auditors

Nexia TS Pte Ltd, public accountants and chartered accountants were the auditors for year under review and the audit fee was S\$9,000.

8. Common good fund

During the year, grants amounting to S\$29,450 were paid to members for study awards, loyalties bonus and funeral grants from the Co-operative's common good fund. The balance in this account as at 31 December 2021 was S\$78,336.

9. Investments

9.1. Restricted and Non-Restricted Investments performance

As at 31 December 2021, the Co-operative has S\$15,150,720 (23.4%) in Restricted Investments and S\$49,185,956 (76.1%) in Non-Restricted Investments, other assets including loans, fixed assets, intangible assets and other receivables, amounting to S\$335,102 (0.5%), the Co-operative has total assets of S\$64,671,778.

As at 31 December 2021, the Co-operative has a Minimum Liquid Assets (MLA) ratio of 61.8% and Capital Adequacy Ratio (CAR) of 14.3%.

MLA and CAR ratio required by the Registrar of Co-operative Societies is 15% and 10% respectively.

(All in S\$)	As at 31 December 2021		As at 31 December 2020	
Restricted Investments (RI)	Investment Amount	Income	Investment Amount	Income
Shares listed on SGX ¹	6,464,885	327,878	6,184,860	432,889
Managed Fund/Unit Trust	-	3,391	600,555	10,129
Corporate Bonds	8,534,755	222,078	5,871,150	159,123
Shares in other Co-op (invest after 30 June 2010)	151,080	-	151,080	-
Total	15,150,720	553,347	12,807,645	602,141
Returns on RI	3.7%		4.7%	
Non-Restricted Investments (Non-RI)	Investment Amount	Income	Investment Amount	Income
Parent Shares	1,165,000	30,000	565,000	12,500
Statutory Board/SGS Bond	32,241,000	804,610	34,433,159	1,702,438
Shares in other Co-operative	750,000	60,543	750,000	61,929
Fixed Deposits	10,874,568	45,276	17,256,763	226,672
Cash & Cash Equivalents	4,155,388	238	3,081,437	6,119
Total	49,185,956	940,667	56,086,359	2,009,658
Returns on Non-RI	1.9%		3.6%	
Total Investment/Total Income	64,336,676	1,494,014	68,894,004	2,611,799
Returns on Total Investments	2.3%		3.8%	

In the proposed investment plan for FY2020 to FY2023, the Investment Committee hopes to generate annual returns of at least 3.0%.

9.2. Restricted Investments (RI) limits

The default RI limit is 10%.

Based on the revised written direction dated 18 November 2013, Credit Co-operatives are allowed to apply to the Registry of Co-operative Societies for a higher RI limit of 20% to 30% subject to conditions imposed.

The Co-operative applied to the registry of Co-operative societies in May 2020 for the higher RI limit of 30% for a 3-year period from FY2020 to FY2023 or the Co-operative's Annual General Meeting date in 2023, whichever is earlier.

¹ Income from equities includes gain/(loss) transferred to accumulated surplus upon disposal of equity investment in financial assets, at FVOCI.

9.3. Asset allocation for Restricted Investment (RI)

The investible funds will be based on the following asset allocation as approved by members during the last Annual General Meeting held on 20 July 2020 will serve as the primarily investment guidelines for FY2020 to FY2023 and will be strictly adhered to.

Restricted Investment (RI)	Planned Allocation FY 2020 to FY 2023	Actual as at 31 Dec 2021	Actual as at 31 Dec 2020
Shares listed on SGX	Up to Max 40%	33.3%	29.9%
Corporate Bonds issued in Singapore	Up to Max 50%	44.0%	28.4%
Managed Funds / Unit Trusts	Up to Max 10%	-	2.9%
Shares in other Co-op (invested after 30 June 2010)	Remainder	0.8%	0.7%
Total	100%	78.1%	61.9%
Generate annual returns of at least 3% and invest a further S\$7mil in FY 2021 to stay within the 30% (RI ratio) limit. All investments transactions will be approved by the Investment Committee.		Annual return of 3.7% and an increase of S\$2.3mil investments in RI during FY 2021. The targeted annual return of 3% was met.	Annual return of 4.7% and an increase of S\$3.3mil investments in RI during FY 2020. The targeted annual return of 3% was met.

10. Corporate governance

10.1. Attendance of Committee of Management

During the year, the Committee of Management held twelve meetings for the period January to December 2021. The attendance of each committee at every meeting is as follows:

Name	Position	No of Meeting	
		Held	Attended
See Hwee Peng Stanley (Re-appointed as Chairman on June 2021)	Chairman	12	12
Ang Hoe Kiat (Re-appointed as Vice Chairman on June 2021)	Vice Chairman	12	12
Lei Ivy (Re-appointed as Secretary on June 2021)	Secretary	12	12
Phua Yin Sin	Treasurer	12	12
Chan Yim Han Emily	Committee Member	12	12
Han Poh Tin	Committee Member	12	12
Latiff Bin Mohideen Ghani	Committee Member	12	12
Tang Kah Yim Connie (Co-opted on June 2021)	Committee Member	12	7
Tung Mei Fan (Stepped down on Feb 2021)	Committee Member	12	1
Yong Chwee Choo Joyce (Re-appointed as COM Member on June 2021)	Committee Member	12	11

10.2. Audit Committee

The Audit Committee's terms of reference were expanded to review:

- With the internal and external auditors, the audit plans and audit reports;
- The assistance given by the officers of the credit co-op to the auditor;
- The scope, results and effectiveness of the audit procedures.

10.3. Attendance of Audit Committee

In 2021, the Audit Committee held one meeting:

Name	Position	No of Meeting	
		Held	Attended
Han Poh Tin	Chairman	1	1
Latiff Bin Mohideen Ghani	Member	1	1
Chan Yim Han Emily	Member	1	0

11. Appreciation

The Committee of Management would like to express their appreciation to the staff for their dedication and commitment to work and to members for their continued support and co-operation. The Committee of Management also like to express their appreciation to the President Ms Mable Chan for her advice and guidance.

For and on behalf of the COM



Lei Ivy
Secretary

Straits Times Co-operative Limited
(Registered under the Co-operative Societies Act 1979)
(Incorporated in the Republic of Singapore)
(Unique Entity No.: S34CS0024G)

**Annual Report for the financial year ended
31 December 2021**

**Management Committee's Statement
for the financial year ended 31 December 2021**

The Management Committee present their statement to the members of the Straits Times Co-operative Limited (the "Co-operative") together with the audited financial statements for the financial year ended 31 December 2021.

In the opinion of the Management Committee,

- (a) the financial statements as set out on pages 34 to 57 are drawn up 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 activities, changes in accumulated funds and cash flows of the Co-operative for the financial year then ended;
- (b) at the date of this statement, there are reasonable grounds to believe that the Co-operative will be able to pay its debts as and when they fall due; and
- (c) the receipts, expenditure, investment of monies and acquisition and disposal of assets by the Co-operative during the financial year ended 31 December 2021 have been made in accordance with the provisions of the Cooperative Societies Act 1979 (the "Act") and the By-laws of the Co-operative.

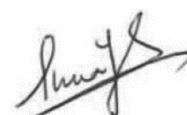
On behalf of the Management Committee



.....
See Hwee Peng
Vice-Chairman



.....
Lei Ivy
Secretary



.....
Phua Yin Sin
Treasurer

5 May 2022

Independent Auditor's Report to the Members of Straits Times Co-Operative Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Straits Times Co-operative Limited (the "Co-operative") which comprise the statement of financial position as at 31 December 2021, and the statement of comprehensive income, statement of changes in members' fund and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 34 to 57.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Co-operative Societies Act 1979 (the "Act") and Financial Reporting Standards in Singapore ("FRS") 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 activities, changes in accumulated funds 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 on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Co-operative in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believed that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Management Committee's Statement as set out on page 30.

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 for the Financial Statements

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

Independent Auditor's Report to the Members of Straits Times Co-operative Limited (continued)

Responsibilities of Management for the Financial Statements (continued)

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Co-operative's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Co-operative's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Co-operative to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management 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.

**Independent Auditor's Report to the Members of
Straits Times Co-operative Limited (continued)**

Report on Other Legal and Regulatory Requirements

Opinion

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

During the course of our audit, nothing has come to our attention to cause us to believe that the receipts, expenditure, investments of monies and acquisition and disposal of assets made by the Co-operative during the financial year ended 31 December 2021 have not been made in accordance with the By-laws of the Co-operative and the provisions of the Act.

***Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants***

**Singapore
5 May 2022**

**Statement of Comprehensive Income
for the financial year ended 31 December 2021**

	Note	2021 \$	2020 \$
Income			
Interest income			
- bonds		845,618	834,047
- bank deposits		45,514	232,791
- loans to members		3,317	4,334
Dividend income			
- quoted equity instruments		271,637	251,259
- quoted debt instruments		9,678	10,129
- unquoted equity investments		60,543	61,929
Gain/(loss) on disposal of financial assets, FVOCI			
- government bonds		90,360	938,214
- quoted bond		-	6,050
- statutory bonds		90,710	83,250
- mutual fund		(6,287)	-
Entrance fee - point in time		40	145
Other income	3	28,341	45,970
		1,439,471	2,468,118
Expenditure			
Affiliation fees		282	317
Amortisation of intangible assets	18	58,909	58,808
Audit fees		9,898	7,770
Bank charges		1,578	1,625
Depreciation of plant and equipment	17	1,095	1,020
Employee compensation	4	241,271	230,820
Ex gratia payment ⁽¹⁾		-	56,900
Insurance		9,497	9,885
Interest on specific deposits	20	777,362	910,750
Maintenance of computer system		94,672	83,966
Medical expenses		525	526
Meeting expenses		-	69
Printing and stationery		-	3
Professional fee		9,630	9,898
Skills development levy		356	356
Sundry expenses		5,108	2,979
Training		1,329	562
Welfare expenses		-	2,250
Reversal of loss allowance on financial assets at amortised cost	27(b)	(20,195)	-
		1,191,317	1,378,504
Surplus before contributions		248,154	1,089,614

⁽¹⁾ Ex gratia payment is in relation to one-time special payment to the members of the Co-operative of \$50 per member.

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

**Statement of Comprehensive Income
for the financial year ended 31 December 2021**

	Note	2021 \$	2020 \$
Surplus before contributions		248,154	1,089,614
Contributions to:			
- Central Co-operative Fund - 5%	5	(12,408)	(25,000)
- Central Co-operative Fund - 20%	5	-	(117,923)
- Over provision in the prior financial year		25,000	25,000
		12,592	(117,923)
Net surplus after contributions		260,746	971,691
Other comprehensive (loss)/income			
<i>Items that may be classified subsequently to profit or loss:</i>			
Financial assets, at FVOCI			
- Fair value (losses)/gains - debt instruments		(2,018,026)	1,974,135
- Reclassification		(174,783)	(1,027,514)
<i>Items that will not be classified subsequently to profit or loss:</i>			
Financial assets, at FVOCI			
- Fair value gains/(losses) - equity instruments		1,118,671	(1,219,475)
		(1,074,138)	(272,854)
Total comprehensive (loss)/income for the financial year		(813,392)	698,837

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

**Statement of Financial Position
as at 31 December 2021**

	Note	2021 \$	2020 \$
ASSETS			
Current assets			
Financial assets, at FVOCI	7	-	5,540,630
Loans to members	14	25,103	14,711
Other receivables	15	237,186	240,391
Cash and cash equivalents	16	15,029,956	20,338,200
		<u>15,292,245</u>	<u>26,133,932</u>
Non-current assets			
Plant and equipment	17	3,753	2,932
Intangible assets	18	69,060	127,211
Financial assets, at FVOCI	7	49,306,720	43,015,174
		<u>49,379,533</u>	<u>43,145,317</u>
Total assets		<u>64,671,778</u>	<u>69,279,249</u>
LIABILITIES			
Current liabilities			
Subscription capital	19	20,231,395	17,934,679
Specific deposits	20	31,871,845	37,340,746
Other payables	21	101,154	223,982
		<u>52,204,394</u>	<u>55,499,407</u>
NET ASSETS		<u>12,467,384</u>	<u>13,779,842</u>
MEMBERS' FUNDS			
Accumulated surplus	22	2,123,539	2,296,168
Common good fund	23	78,336	57,786
General reserve fund	24	7,111,222	7,111,222
Fair value reserve	25	3,154,287	4,314,666
Total funds		<u>12,467,384</u>	<u>13,779,842</u>

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

**Statement of Changes in Members' Fund
for the financial year ended 31 December 2021**

	Note	Accumulated surplus \$	Common good fund \$	General reserve fund \$	Fair value reserve \$	Total funds \$
2021						
Beginning of financial year		2,296,168	57,786	7,111,222	4,314,666	13,779,842
Study award		-	(3,800)	-	-	(3,800)
Retirement and funeral grants		-	(25,650)	-	-	(25,650)
Committee members' honoraria		(15,250)	-	-	-	(15,250)
Donations		(6,000)	-	-	-	(6,000)
Dividends paid	26	(448,366)	-	-	-	(448,366)
Transfer to common good fund		(50,000)	50,000	-	-	-
Transfer upon disposal of equity investment	25	86,241	-	-	(86,241)	-
Other comprehensive loss						
Fair value losses	25	-	-	-	(899,355)	(899,355)
Reclassified to profit or loss	25	-	-	-	(174,783)	(174,783)
		-	-	-	(1,074,138)	(1,074,138)
Net surplus after contributions		260,746	-	-	-	260,746
Total comprehensive loss for the financial year		260,746	-	-	(1,074,138)	(813,392)
End of financial year		2,123,539	78,336	7,111,222	3,154,287	12,467,384

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

**Statement of Changes in Members' Fund
for the financial year ended 31 December 2021**

	Note	Accumulated surplus \$	Common good fund \$	General reserve fund \$	Fair value reserve \$	Total funds \$
2020						
Beginning of financial year		1,803,528	48,906	7,111,222	4,781,650	13,745,306
Study award		-	(3,470)	-	-	(3,470)
Retirement and funeral grants		-	(37,650)	-	-	(37,650)
Committee members' honoraria		(17,700)	-	-	-	(17,700)
Donations		(6,000)	-	-	-	(6,000)
Dividends paid	26	(599,481)	-	-	-	(599,481)
Transfer to common good fund		(50,000)	50,000	-	-	-
Transfer upon disposal of equity investment	25	194,130	-	-	(194,130)	-
Other comprehensive income						
Fair value gains	25	-	-	-	754,660	754,660
Reclassified to profit or loss	25	-	-	-	(1,027,514)	(1,027,514)
		-	-	-	(272,854)	698,837
Net surplus after contributions		971,691	-	-	-	971,691
Total comprehensive income for the financial year		971,691	-	-	(272,854)	698,837
End of financial year		2,296,168	57,786	7,111,222	4,314,666	13,779,842

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

Statement of Cash Flows
for the financial year ended 31 December 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities			
Net surplus after contributions		260,746	971,691
Adjustments for:			
- Contributions to Central Co-operative Fund		(12,592)	117,923
- Depreciation and amortisation		60,004	59,828
- Dividend income		(341,858)	(323,317)
- Gain on disposal of financial assets, at FVOCI		(174,783)	(1,027,514)
- Reversal of loss allowance on financial assets at amortise cost		(20,195)	-
- Interest income		(894,449)	(1,071,172)
- Interest expense		777,362	910,750
		(345,765)	(361,811)
Changes in working capital:			
- Other payables		7,687	2,591
Cash used in operations		(338,078)	(359,220)
Contributions paid to Central Co-operative Fund		(117,923)	(33,219)
Interest received		897,654	1,166,315
		441,653	773,876
Changes in funds:			
- Study award		(3,800)	(3,470)
- Retirement & funeral grants		(25,650)	(37,650)
- Honorarium paid		(15,250)	(17,700)
- Donations granted		(6,000)	(6,000)
Net cash provided by operating activities		390,953	709,056
Cash flows from investing activities			
Dividend received		341,858	323,317
Loans to members	14	(20,070)	(31,000)
Repayment from members	14	29,873	39,475
Purchase of plant and equipment		(1,916)	-
Purchase of intangible assets		(758)	-
Purchase of financial assets, at FVOCI		(11,165,794)	(9,950,201)
Proceeds from sale of financial assets, at FVOCI		9,515,523	9,560,317
Net cash used in investing activities		(1,301,284)	(58,092)
Cash flows from financing activities			
Dividends paid	26	(448,366)	(599,481)
Receipts from members - subscription capital	19	6,167,968	7,025,475
Withdrawal of subscription capital	19	(3,871,252)	(4,589,837)
Withdrawal of specific deposits	20	(6,246,263)	(8,562,975)
Net cash used in financing activities		(4,397,913)	(6,726,818)
Net decrease in cash and cash equivalents		(5,308,244)	(6,075,854)
Cash and cash equivalents			
Beginning of the financial year		20,338,200	26,414,054
End of the financial year	16	15,029,956	20,338,200

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

Notes to the Financial Statements for the financial year ended 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 Straits Times Co-operative (the “Co-operative”) for the financial year ended 31 December 2021 were authorised for issue by the Management Committee on [●].

1 General information

The Co-operative is registered under the Co-operative Societies Act 1979 with its principal place of business and registered office at 1000, Toa Payoh North, Singapore 318994.

The principal activities of the Co-operative is to encourage thrift by receiving subscription from members and to prevent indebtedness by enabling them to obtain loans on reasonable terms.

There have been no significant changes in the nature of these activities during the financial year.

2 Significant accounting policies

2.1 Basis of preparation

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

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Co-operative’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. There were no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

Interpretations and amendments to published standards effective in 2021

On 1 January 2021, the Co-operative adopted the new or amended FRS and Interpretations of FRS (“INT FRS”) that are mandatory for application for the financial year. Changes to the Co-operative’s accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Co-operative’s accounting policies and had no material effect on the amounts reported for the current or prior financial years

Impact of COVID-19

The COVID-19 pandemic has affected almost all countries of the world, and resulted in border closures, production stoppages, workplace closures, movement controls and other measures imposed by the various governments. The Co-operative’s operation have likewise been affected by the spread of COVID-19 since 2020.

Set out below is the impact of COVID-19 on the Co-operative’s financial performance reflected in this set of financial statements for the financial year ended 31 December 2021:

- (i) The Co-operative has assessed that the going concern basis of preparation for this set of financial statements remains appropriate.
- (ii) An assessment was made for the financial year ended 31 December 2021 whether there is any indication that the Co-operative’s assets may be impacted adversely. The Co-operative concluded that the impairment is adequate.

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Impact of COVID-19 (continued)

As the global COVID-19 situation remains very fluid as at the date of these financial statements were authorised for, the Co-operative cannot reasonably ascertain the full extent of the probable impact of the COVID-19 for the financial year ending 31 December 2022. If the situation persists beyond Management Committee's current expectations, the Co-operative's assets may be subject to further write downs in the subsequent financial periods.

2.2 Revenue recognition

(a) Interest income

Interest income from investments are recognised on time proportion basis over the period of placement of investment and at the effective interest rate applicable.

Interest on loans granted to members of the Co-operative is calculated at the rate of 6% per annum on the amounts borrowed.

(b) Dividend income

Dividend income is recognised when the Co-operative's right to receive payment is established.

(c) Other income

All other forms of income except for government grants are recognised at point in time when the Co-operative has satisfies its performance obligation by transferring good or service to the member.

2.3 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Co-operative will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

2.4 Plant and equipment

(a) Measurement

All items of plant and equipment are initially recorded at cost and subsequent carried at cost less accumulated depreciation and any accumulated impairment losses.

The cost of plant and equipment initially recognised includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2 Significant accounting policies (continued)

2.4 Plant and equipment (continued)

(b) Depreciation

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives as follows:

	<u>Useful lives</u>
Office equipment	5 to 10 years

The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in profit or loss when changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "other gains and losses".

2.5 Intangible assets

Computer software licenses

Intangible asset represents the Co-operative's computer software that is not an integral part of a computer-controlled machine. It is initially separately measured at cost which includes the purchase prices (net of any discounts and rebates) and other directly attributable costs of preparing the asset for its intended use. Direct expenditures including employee costs, which enhance or extend the performance of computer software beyond its specifications and which can be reliably measured, are added to the original cost of the software. Costs associated with maintaining the computer software are expensed off when incurred.

Computer software licenses are subsequently carried at cost less any accumulated amortisation and any accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over their estimated useful lives of 5 years.

The amortisation period and amortisation method of intangible assets are reviewed at least at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

2.6 Impairment of non-financial assets

Intangible assets and plant and equipment are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

2 Significant accounting policies (continued)

2.6 Impairment of non-financial assets (continued)

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating units ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

Management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in profit or loss.

2.7 Financial assets

(a) Classification

The Co-operative classifies its financial assets as amortised cost and fair value through other comprehensive income ("FVOCI").

The classification depends on the Co-operative's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets.

The Co-operative reclassifies debt instruments when and only when its business model for managing those assets changes.

(b) Initial recognition

At initial recognition, the Co-operative measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial assets.

(c) Subsequent measurement

(i) Debt instruments

Debt instruments of the Co-operative mainly comprise of cash and cash equivalents, other receivables, loans to members and investments in bonds.

2 Significant accounting policies (continued)

2.7 Financial assets (continued)

(c) *Subsequent measurement* (continued)

(i) Debt instruments (continued)

The subsequent measurement depending on the Co-operative's business model for managing the asset and the cash flow characteristics of the asset:

- **Amortised cost:** Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.
- **FVOCI:** Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income ("OCI") and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented as part of the Co-operative's income on the face of the statement of comprehensive income. Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".

(ii) Equity instruments

The Co-operative subsequently measures all its equity investments at their fair values. The Co-operative has elected to recognise the changes in fair value of equity investments not held for trading in OCI as these are strategic investments and the Co-operative considered this to be more relevant. Movement in fair values of investments classified as FVOCI are presented as "fair value gain and losses" in OCI. Dividends from equity investments are recognised in profit or loss as "dividend income".

Regular way purchases and sales of these financial assets are recognised on trade date – the date on which the Co-operative commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Co-operative has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

2 Significant accounting policies (continued)

2.7 Financial assets (continued)

(c) Impairment

The general 3-stage expected credit loss ("ECL") approach is applicable to all other financial assets at amortised costs and debt investments at FVOCI. The Co-operative assesses on a forward-looking basis the ECL associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

2.8 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.9 Other payables

Other payables represent liabilities for goods and services provided to the Co-operative prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.10 Fair value estimate of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) are based on quoted market prices at the reporting date. The quoted market prices used for financial assets are the current bid prices; the appropriate quoted market prices used for financial liabilities are the current asking prices.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Co-operative uses a variety of methods and makes assumptions based on market conditions that are existing at each reporting date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used. Valuation techniques, such as discounted cash flow analysis, are also used to determine the fair values of the financial instruments.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

2.11 Provisions

Provisions for other liabilities and charges are recognised when the Co-operative has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

2.12 Employee compensation

Employee benefits are recognised as an expense.

2 Significant accounting policies (continued)

2.12 Employee compensation (continued)

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Co-operative pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Co-operative has no further payment obligations once the contributions have been paid.

2.13 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Co-operative are measured using the currency of the primary economic environment in which the Co-operative operates ("functional currency"). The financial statements are presented in Singapore Dollar, which is the functional currency of the Co-operative.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss.

2.14 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value.

2.15 Dividends to Co-operative's members

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

3 Other income

	2021 \$	2020 \$
Government grants		
- Central Co-operative Fund Grant ^(a)	21,408	2,000
- Jobs Support Scheme ^(b)	4,929	41,824
- Wage Credit Scheme ^(c)	1,426	1,426
- Temporary Employment Credit ^(d)	-	475
	27,763	45,725
Others	578	245
	<u>28,341</u>	<u>45,970</u>

^(a) Central Co-operative Fund Grant was introduced to help enhance co-operatives' capabilities, governance and operational efficiency.

3 Other income (continued)

- (b) Jobs Support Scheme ("JSS") is a temporary scheme introduced in the Singapore Budget 2020 to help enterprises retain local employees. Under JSS, employers will receive cash grants in relation to the gross monthly wages of eligible employees.
- (c) The Wage Credit Scheme ("WCS") was introduced in 2013 to help business cope with rising wage costs and share productivity gains with their employees. The amount an employer can receive depends on the fulfilment on certain conditions under the scheme.
- (d) The Temporary Employment Credit ("TEC") was introduced as a budget initiative to provide additional support to help employers adjust to cost increases associated with the CPF changes in 2016. The amount an employer can receive depends on the fulfilment on certain conditions under the scheme.

4 Employee compensation

	2021 \$	2020 \$
Staff salaries, bonus and allowances	210,740	200,682
Employer's contributions to defined contribution plans	30,531	30,138
	<u>241,271</u>	<u>230,820</u>

The Co-operative does not currently have a policy to compensate staff for unused annual leave.

5 Central Co-operative Fund

Pursuant to Section 71(2) of the Co-operative Societies Act 1979, at the end of each financial year, the Co-operative shall contribute:

- (a) 5% of the first \$500,000 of the surplus resulting from the operations of the Co-operative during the preceding financial year to the Central Co-operative Fund ("CCF"); and
- (b) 20% of any surplus in excess of \$500,000 from the operations of the Co-operative during the preceding financial year either to the CCF or to the Singapore Labour Foundation.

6 Income tax expense

The Co-operative is exempted from income tax under Section 13(1)(f)(ii) of the Income Tax Act, Chapter 134.

7 Financial assets, at FVOCI

Details of the financial assets are analysed as follows:

	2021 \$	2020 \$
Current		
- Singapore statutory bonds at fair value (Note 9)	-	1,514,150
- Singapore government bonds at fair value (Note 10)	-	4,026,480
	<u>-</u>	<u>5,540,630</u>

7 Financial assets, at FVOCI (continued)

	2021 \$	2020 \$
Non-current		
- Quoted bonds at fair value (Note 8)	8,534,755	5,871,150
- Singapore statutory bonds at fair value (Note 9)	15,066,678	14,359,899
- Singapore government bonds at fair value (Note 10)	17,174,322	14,532,630
- Quoted equity instruments at fair value (Note 11)	7,629,885	6,749,860
- Unquoted equity instruments at cost (Note 12)	901,080	901,080
- Mutual fund at fair value (Note 13)	-	600,555
	<u>49,306,720</u>	<u>43,015,174</u>

8 Quoted bonds at fair value

	2021 \$	2020 \$
Non-current		
Quoted bonds at cost	8,491,825	5,746,125
Fair value gain (Note 25)	142,930	225,025
Impairment losses	(100,000)	(100,000)
Quoted bonds at fair value	<u>8,534,755</u>	<u>5,871,150</u>

9 Singapore statutory bonds at fair value

	2021 \$	2020 \$
Singapore statutory bonds at cost	14,863,500	14,874,250
Fair value gain (Note 25)	503,178	1,299,799
Impairment losses	(300,000)	(300,000)
Singapore statutory bonds at fair value	<u>15,066,678</u>	<u>15,874,049</u>
Current	-	1,514,150
Non-current	15,066,678	14,359,899
Singapore statutory bonds at fair value	<u>15,066,678</u>	<u>15,874,049</u>

10 Singapore government bonds at fair value

	2021 \$	2020 \$
Singapore government bonds at cost	16,924,400	16,995,650
Fair value gain (Note 25)	1,249,922	2,563,460
Impairment losses	(1,000,000)	(1,000,000)
Singapore government bonds at fair value	<u>17,174,322</u>	<u>18,559,110</u>
Current	-	4,026,480
Non-current	17,174,322	14,532,630
Singapore government bonds at fair value	<u>17,174,322</u>	<u>18,559,110</u>

11 Quoted equity instruments at fair value

	2021 \$	2020 \$
Non-current		
Quoted equity instruments at cost	6,371,628	6,524,033
Fair value gain (Note 25)	<u>1,258,257</u>	<u>225,827</u>
Quoted equity instruments at fair value	<u>7,629,885</u>	<u>6,749,860</u>

12 Unquoted equity instruments

	2021 \$	2020 \$
Non-current		
NTUC Choice Homes Co-operative Limited	300,000	300,000
Premier Security Co-operative Society Limited	50,000	50,000
NTUC Income Insurance Co-operative Limited	<u>551,080</u>	<u>551,080</u>
	<u>901,080</u>	<u>901,080</u>

The cost of investments in these unquoted equity instruments are deemed to be an appropriate estimate of fair value, whereby the management committee is of the view that there is insufficient of recent information that is available to measure fair value. Therefore, cost represents the best estimate of fair value within that range.

13 Mutual fund at fair value

	2021 \$	2020 \$
Non-current		
Mutual fund at cost	-	600,000
Fair value gain (Note 25)	<u>-</u>	<u>555</u>
Mutual fund at fair value	<u>-</u>	<u>600,555</u>

14 Loans to members

	2021 \$	2020 \$
Beginning of financial year	34,906	43,381
Loans granted during the financial year	<u>20,070</u>	<u>31,000</u>
	54,976	74,381
Repayment during the financial year	<u>(29,873)</u>	<u>(39,475)</u>
End of financial year	25,103	34,906
Less: Loss allowance (Note 27(b))	<u>-</u>	<u>(20,195)</u>
	<u>25,103</u>	<u>14,711</u>

Loans to members are unsecured, bear interest at 6% (2020: 6%) per annum and are repayable in not more than 36 monthly instalments (2020: 36 monthly instalments).

15 Other receivables

	2021	2020
	\$	\$
Interest receivables		
- bonds	237,186	225,391
- short-term bank deposits	-	15,000
	<u>237,186</u>	<u>240,391</u>

16 Cash and cash equivalents

	2021	2020
	\$	\$
Cash and bank balances	4,155,388	3,081,437
Deposits with financial institutions	10,874,568	17,256,763
	<u>15,029,956</u>	<u>20,338,200</u>

17 Plant and equipment

	2021	2020
	\$	\$
Office equipment		
<i>Cost</i>		
Beginning of financial year	6,733	12,611
Additions	1,916	-
Written off	-	(5,878)
End of financial year	<u>8,649</u>	<u>6,733</u>
 <i>Accumulated depreciation</i>		
Beginning of financial year	3,801	8,659
Depreciation charge	1,095	1,020
Written off	-	(5,878)
End of financial year	<u>4,896</u>	<u>3,801</u>
 Net book value	<u>3,753</u>	<u>2,932</u>

18 Intangible assets

	2021	2020
	\$	\$
Computer software licenses		
<i>Cost</i>		
Beginning of financial year	294,039	304,839
Additions	758	-
Written off	-	(10,800)
End of financial year	<u>294,797</u>	<u>294,039</u>

18 Intangible assets (continued)

	2021 \$	2020 \$
<i>Accumulated amortisation</i>		
Beginning of financial year	166,828	118,820
Amortisation charge	58,909	58,808
Written off	-	(10,800)
End of financial year	<u>225,737</u>	<u>166,828</u>
Net book value	<u>69,060</u>	<u>127,211</u>

19 Subscription capital

	2021 \$	2020 \$
Beginning of financial year	17,934,679	19,982,711
Receipts from members	6,167,968	7,025,475
	<u>24,102,647</u>	<u>27,008,186</u>
Withdrawals	(3,871,252)	(4,589,837)
Transfers to specific deposits account (Note 20)	-	(4,483,670)
End of financial year	<u>20,231,395</u>	<u>17,934,679</u>

20 Specific deposits

	2021 \$	2020 \$
Beginning of financial year	37,340,746	40,509,301
Transfers from subscription capital (Note 19)	-	4,483,670
	<u>37,340,746</u>	<u>44,992,971</u>
Withdrawals	(6,246,263)	(8,562,975)
Interest payables	777,362	910,750
End of financial year	<u>31,871,845</u>	<u>37,340,746</u>

The Co-operative periodically transfer members' subscription capital (Note 19) between 5% to 20% to the specific deposit accounts. As at 31 December 2021, the percentage to be transferred as decided by the Committee during the year end meeting is Nil (2020: 20%). The rate of interest to be fixed by the Committee from time to time and shall not exceed 10% per annum without the approval of the Registrar (2021: 2.5%; 2020: 2.5%). Such interest shall be credited to the deposit account of members.

21 Other payables

	2021 \$	2020 \$
Central Co-operative Fund	12,408	142,923
Unclaimed dividend, deposits, subscription	55,180	55,952
Accrued operating expenses	33,566	25,107
	<u>101,154</u>	<u>223,982</u>

22 Accumulated surplus

Pursuant to Section 72(1) of the Co-operative Societies Act 1979, the net surplus may be divided among the members by way of dividend or patronage refund or by way of honoraria to officers of the Co-operative, or allocated to any other funds constituted by the Co-operative to such extent and under such conditions as may be prescribed under the Act or in the By-Laws.

23 Common good fund

The common good fund was created to provide relief and grants to members of the Co-operative and may be devoted to any educational, medical, social or charitable purposes as approved by the Registrar of Co-operative Societies from time to time. The common good fund shall be used only for the benefit of members of the Co-operative. Movements in the fund are disclosed in the Statement of Changes in Members' Funds.

24 General reserve fund

The Co-operative shall pay into the general reserve fund such portion of its net surplus as the Management Committee may decide from time to time. The fund shall be indivisible and no member shall be entitled to claim a specific share of it. The general reserve fund shall be used:

- (i) to meet unforeseen losses;
- (ii) to provide a margin beyond the liabilities of the Co-operative so as to ensure its ability to pay such liabilities in full in the event of dissolution; and
- (iii) to enable the Co-operative by reason of the income derived from the general reserve fund to reduce the rate of interest on loans granted to members without causing a reduction in the rate of dividend on share capital and bonus shares.

25 Fair value reserve

	Quoted bonds (Note 8) \$	Singapore statutory bonds (Note 9) \$	Singapore government bonds (Note 10) \$	Quoted equity instruments (Note 11) \$	Mutual Fund (Note 13) \$	Total \$
2021						
Beginning of financial year	225,025	1,299,799	2,563,460	225,827	555	4,314,666
Fair value (loss)/gain	(82,095)	(705,911)	(1,223,178)	1,118,671	(6,842)	(899,355)
Transfer to accumulated funds upon disposal	-	-	-	(86,241)	-	(86,241)
Reclassified to profit or loss	-	(90,710)	(90,360)	-	6,287	(174,783)
End of financial year	142,930	503,178	1,249,922	1,258,257	-	3,154,287
2020						
Beginning of financial year	187,890	749,263	2,205,065	1,639,432	-	4,781,650
Fair value gain/(loss)	43,185	633,786	1,296,609	(1,219,475)	555	754,660
Transfer to accumulated funds upon disposal	-	-	-	(194,130)	-	(194,130)
Reclassified to profit or loss	(6,050)	(83,250)	(938,214)	-	-	(1,027,514)
End of financial year	225,025	1,299,799	2,563,460	225,827	555	4,314,666

Fair value reserve is non-distributable.

26 Dividends

	2021 \$	2020 \$
<i>Dividends paid</i>		
Final dividend declared of 2.5% (2020: 3%) in respect of the previous financial year's subscription capital	<u>448,366</u>	<u>599,481</u>

27 Financial risk management

Financial risk factors

The Co-operative's activities expose it to market risk (including currency risk, interest risk and price risk), credit risk and liquidity risk.

The Management Committee reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Co-operative's policy that no trading in derivatives for speculative purpose shall be undertaken.

(a) Market risk

(i) *Currency risk*

The Co-operative is not exposed to currency risk as it has no significant transactions denominated in foreign currencies.

(ii) *Price risk*

The Co-operative is exposed to equity securities price risk arising from the investments held by the Co-operative which are classified as FVOCI. These securities are quoted equity instruments listed in Singapore, Singapore government bonds, Singapore statutory bonds and unquoted investments in other Co-operatives. To manage its price risk arising from investments in securities, the Co-operative diversified its portfolio.

If prices for quoted investments had changed by 10% (2020: 10%) with all other variables including tax rate being held constant, the total equity securities will increase/decrease by \$4,840,564 (2020: \$4,211,409).

The unquoted investments as the investment does not have a quoted market price in an active market and other methods of determining fair value do not result in a reasonable estimate.

(iii) *Cash flow and fair value interest rate risks*

Cash flow interest rate risk is the risk that the future cash flows of the Co-operative's financial instruments will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Co-operative's exposure to interest rates relates primarily to interest-earning financial assets and interest-bearing financial liabilities. Interest rate risk is by the Co-operative on an on-going basis with the primary objective of limiting the extent to which net interest income and expense could be affected by an adverse movement in interest rates.

27 Financial risk management (continued)**Financial risk factors** (continued)

(a) Market risk (continued)

(iii) *Cash flow and fair value interest rate risks* (continued)

The Co-operative does not hedge its investment in bonds as they have active secondary or resale markets to ensure liquidity. The Co-operative's loans at a rate based on the Management Committee's decision given to members form a natural hedge for its interest-bearing loans to members. The Co-operative's policy is to place surplus funds in deposits with financial institutions at favourable fixed interest rates or bonds carrying fixed rate of interest with financial institutions.

If the interest rates increase/decrease by 1% (2020: 1%) with all other variables including tax rate being constant, the effects on net surplus will not be significant.

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its obligations resulting in financial loss to the Co-operative. The major classes of financial assets of the Co-operative are cash and cash equivalents, loans to members, other receivables and financial assets, at FVOCI. For other financial assets, the Co-operative adopts the policy of dealing with high credit quality counterparties.

The Co-operative's investments in debt instruments are considered to be low risk investments which the issuers have a low risk of default and a strong capacity to meet contractual cash flows.

As the Co-operative does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position.

The Co-operative has applied the general approach to measure the expected credit losses. Based on an assessment of qualitative and quantitative factors that are indicative of the risk of default, these exposures are considered to be low credit risk. Therefore, the loss allowance on these financial assets has been measured on the 12-month expected credit loss basis. No loss allowance was recognised at the reporting date. However, the management committee has considered the forward-looking factors such as retrenchment rate and accordingly recognised the loss allowance for the loans to members amounted to \$nil as at 31 December 2021 (2020: \$20,195). Cash and cash equivalents, other receivables are subject to immaterial credit loss.

The movement in credit loss allowance for loans to members is as follows:

	Other receivables \$
2021	
Beginning of financial year	20,195
Loss allowance recognised in profit or loss during the financial year on:	
- Reversal of unutilised amount	(20,195)
End of financial year	<u>-</u>
2020	
Beginning and end of financial year	<u>20,195</u>

27 Financial risk management (continued)**Financial risk factors (continued)****(c) Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash to finance the Co-operative's operations. The Co-operative manages the liquidity risk by maintaining a level of cash and cash equivalents deemed adequate to finance the Co-operative's operations. The Co-operative's surplus funds are also managed centrally by placing them with reputable financial institutions on varying maturities.

The table below analyses the maturity profile of the Co-operative's financial liabilities based on contractual undiscounted cash flows.

	2021	2020
	\$	\$
Less than 1 year		
Subscription capital	20,231,395	17,934,679
Specific deposits	31,871,845	37,340,746
Other payables	101,154	223,982
	<u>52,204,394</u>	<u>55,499,407</u>

(d) Fair value measurements

The following table presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

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

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
2021				
Financial assets				
FVOCI	48,405,640	-	901,080	49,306,720
2020				
Financial assets				
FVOCI	47,654,724	-	901,080	48,555,804

There were no transfer between Levels 1 and 2 during the year.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Co-operative is the current bid price. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market (e.g. over-the counter derivatives) is determined by using valuation techniques. For unquoted investments, it is not practicable to determine the fair values because of the lack of quoted market prices and the assumptions used in valuation models to value these investments cannot be reasonably determined. These instruments are classified as Level 3.

The carrying amount receivables and payables are assumed to approximate their fair values.

27 Financial risk management (continued)**Financial risk factors** (continued)

(e) Financial instruments by category

The carrying amounts of different categories of financial instruments is disclosed as follows:

	2021	2020
	\$	\$
Financial assets, at FVOCI	49,306,720	48,555,804
Financial assets at amortised cost	15,292,245	20,593,302
Financial liabilities at amortised cost	<u>52,204,394</u>	<u>55,499,407</u>

28 New of revised accounting standards and interpretations

Certain new accounting standards, amendments and interpretations to existing standards that have been published are mandatory for the Co-operative's accounting periods beginning on or after 1 January 2022. The Co-operative does not expect that the adoption of those accounting standards and interpretations will have a material impact on the Co-operative's financial statements.

DISTRIBUTION OF PROFIT 2021

PROFIT AND LOSS ACCOUNT

The Gross Profit for the year ended 31 December 2021 was S\$248,154. The Committee of Management proposed a dividend of 2.5% and distributes as follows: -

	2021	2020
	S\$	S\$
Central Co-operative Fund – 5% (2020: 5%)	12,408	25,000
Central Co-operative Fund – 20% (2020: 20%)	-	117,923
Honorarium to COM	16,350	15,250
Common Good Fund	50,000	50,000
Donation	6,000	6,000
2.5% Dividend on Subscription at 31.12.2021 (2020: 2.5%)	505,785	448,367
To / (From) Accumulated Fund	(342,389)	427,074
Gross Profit for the year	248,154	1,089,614

ESTIMATED EXPENDITURE 2022

EXPENDITURE

	2022	2021
	S\$	S\$
Staff Salary (plus CPF)	250,000	250,000
Depreciation & Maintenance of Computer System	180,000	170,000
Audit Fee	10,000	18,000
Printing & Stationery	3,000	3,000
AGM Expenses	20,000	20,000
Sundry Expenses	4,000	4,000
Transport	500	500
Dental Expenses	540	540
Training	10,000	10,000
Insurance	10,000	10,000
Hardware/Software Upgrade	10,000	10,000
Contingencies Expenses	10,000	10,000
Interest on Specific Deposit	800,000	900,000
Bank Charges	2,000	1,500
Provision for Bad & Doubtful Loan	-	10,000
Welfare Expenses	3,000	3,000
Total Estimated Expenditure for the year	1,313,040	1,420,540



UEN No: S34CS0024G

REPUBLIC OF SINGAPORE

THE CO-OPERATIVE SOCIETIES ACT
(CHAPTER 62)

**NOTICE OF REGISTRATION
AS A CREDIT SOCIETY**

This is to notify that

Straits Times Co-operative Ltd

.....

..... is hereby

registered as a Credit Society, to **receive deposits** and **grant loans** on

and from the **19th** day of **January**, 20 **11**

under section 16A(7) of the Co-operative Societies Act.

Dated this **19th** day of **January**, 20 **11**



CHENG TAI CHIN
Registrar of Co-operative Societies
Singapore



Straits Times Co-operative Limited

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