



CUSTOMS CREDIT CO-OPERATIVE SOCIETY (S) LTD.

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THE BOARD OF DIRECTORS' ANNUAL REPORT 2020

FINANCIAL PERFORMANCE

Income: **\$250,158/-**

Surplus (before contributions to Central Co-operative Fund): **\$78,154/-**

The Co-operative Society achieved a surplus of **\$78,154/- in FY 2020**. The surplus in FY2020 derived from the interest income and other dividends received from investment.

Net Assets (Assets less Liabilities) = **negative \$304,996**

Capital Adequacy Ratio (CAR): **9.4%**

The required minimum CAR set by Registry of Co-operative Societies is **10%**. CAR indicates the amount of buffer that a credit co-operative has to absorb unanticipated losses which may arise from its operations or investments. Plans to improve the CAR includes continuous effort to increase revenue by extending more loans to members, minimize expenditure and increase the Accumulated Fund.

Minimum Liquid Assets (MLA): **66.6 %**

The Co-operative Society's MLA met the Registrar of Co-operative Societies requirement of **15%**

Restricted Investments : **8.0%**

The applicable Restricted Investment (RI) limit is 10% as the Society has negative net assets. In December 2020 the RI stood at 8.0%. The Co-operative Society will continue to monitor the stock price and will dispose of the stock at the best opportunity.

The Board of Directors has great pleasure in presenting to you the annual report and the audited statement of accounts for the year ended 31 December 2020.

In the year 2020, we continue to face challenges in relation to membership recruitment and limited restriction in investments. **Overall core activity (outstanding loans) decreased by \$206,816/- (17.35%) from \$1,191,740 in 2019 to \$984,924/- in FYE 2020.**

Our society will continue to explore new opportunities and expand its revenue base and the financial gains will be ploughed back to members.

BOARD OF DIRECTORS AND STAFF 2020/2021

Chairman	Mr S.Krishnan
Vice Chairman	(Vacant)
Secretary	Mr P.Namasivayam
Treasurer	Mr Farihullah S/O Abdul Wahab Safiullah
Alternate Treasurer	Mr Mohan Singh
Board Member	Mr Ganesh Peramaiyan
Board Member	Mr Thanabalan Iyaamalai
Board Member	Mr Gurmit Singh S/O Gurmej Singh
Board Member	Mr Choo Teik Choon
Board Member	Mr Winston Tay
Board Member	Mr Darrel Toh
Board Member	Mr Tan Eng Lam - resigned wef May 2021
Manager	Mr Tan Ting Meng
Admin Staff	Mdm Zaiton Bte Abdullah

BOARD MEETING

The Board of Directors held 12 meetings during the period under review to transact the business of the society.

SUB-COMMITTEES

Audit Committee	Mr Ganesh s/o Peramaiyan Mr Thanabalan Iyyamalai Mr P Namasivayam Tan Eng Lam (Resigned from BOD wef May 2021)	Chairman Secretary Member
Investment Committee	Mr S. Krishnan Mr Farihullah AWS Mr P Namasivayam Mr Gurmit Singh Bajaj	Chairman Secretary Member Member
Credit Committee	Mr Farihullah AWS Mr P. Namasivayam Mr Choo Teik Choon	Chairman Secretary Member
Admin/IT	Mr Farihullah AWS Mr P. Namasivayam Mr Thanabalan Iyyamalai	Chairman Member Member

Sub-Committee's Quarterly Meeting, where possible, was held on the last Tuesday of the Month and back to back with the BOD Meeting. The respective sub-committee meetings for the Year 2020/2021 were scheduled by the Manager and were duly carried out by the various Sub-committees.

INTERNAL AUDITOR - Mr P.Loganathan of SASCO was appointed as our Internal Auditor after AGM 2019. He will be performing internal audit once in six months and will be paid \$200/- for two visits. He has done the first visit in June 2020 for the first six months and the second visit was done in Nov 2020.

MEMBERSHIP

As at 31 December 2020 the membership strength was 619

Membership on 31 December 2019 was 652 and continued to slide in 2020 to 619. This was due mainly to older members terminating their membership upon retirement from their service.

SCHOLARSHIP AWARDS

Annual scholarship awards are presented to member's children for their academic studies ranging from primary to university level. During the year our Society gave away \$,1,800/- worth of awards to Nine(09) deserving members' children.

DIVIDEND/INTEREST

The Society is in progress of meeting the stipulated prudential requirements. The Society has met the prudential requirement for MLA and required RI and yet to meet the requirement on CAR. The Society is not able to declare any dividend as its CAR is below the Registry's minimum requirement for credit co-operatives. As per Registrar's direction, the interest rate on specific deposits was revised 0.1% in 2020

INSTITUTIONAL CAPITAL

Institutional Capital (Accumulated Fund) stood at \$564,685 as at 31 December 2020.

COMMON GOOD FUND

A total sum of \$15,610/- was granted under the Common Good Fund for medical, death and retirement benefits.

APPROPRIATION OF PROFITS - 2019

The proposed Appropriation of Profits is shown in Annex of Statement of Accounts FY Ending 31 Dec 2020. (uploaded in CCCS Website)

ACCOUNTS OF THE SOCIETY

The Society engaged M/S Belinda Chua & Co. to maintain its computerized accounting system for the year 2020.

STATEMENT OF ACCOUNTS

Members of the Society were furnished with their respective statement of accounts after the close of the financial year ending 31 Dec 2020.

AFFILIATION/INVESTMENT

SINGAPORE NATIONAL CO-OPERATIVE FEDERATION (SNCF)

Our co-operative is affiliated to SNCF which is an apex body of all Co-operative Societies in Singapore. SNCF coordinates and facilitates the activities of the co-operatives in Singapore. It does so by organizing and supervising courses, study missions and seminars on important topics such as co-operative management, financial analysis, investment management and decision making for its members.

As an affiliate of SNCF, our co-operative was supporter of most of the events organized in 2020/2021.

SINGAPORE ASSOCIATION OF AMALGAMATED CO-OP SOCIETIES LTD. (SASCO)

SASCO continues to play an important role in caring for the less fortunate members of the society through various Community Projects such as managing a Home for Senior Citizens and a day care centre for the senior citizens. It also operates two Child Care Centers that cater mainly to lower and middle-income families.

Our Co-operative Society is an affiliate of SASCO and our Chairman Mr. S Krishnan is our representative. He is the current Secretary of SASCO EXCO and our Co-operative Society's Treasurer, Mr. Farihullah AW Safiullah is the Chairman of SASCO Home.

NTUC FAIRPRICE

The society is an institutional member of NTUC Fairprice with \$.68,500.00 shares.

NTUC INCOME

Our investment with NTUC Income Insurance Co-operative amounted to \$427,080 shares.

PREMIER SECURITY CO-OPERATIVE SOCIETY

The society is an institutional member of Premier Security Co-operative with \$50,000/- shares. Our Chairman, Mr. S Krishnan is our representative to Premier Security Co-operative.

CCCS INTERNATIONAL LEARNING INSTITUTE

The Society holds 100,000 shares of CCCS International Learning Institute (Pte) Ltd.

The main shareholder, Premier Security Co-operative has informed that CCCS International Learning Institute (Pte) Ltd. has started to make moderate profits for 2019/2020.

GENERAL

EXTERNAL CONFERENCES AND STUDY MISSIONS

Our co-operative society actively supported and participated in various overseas conferences and study missions arranged by SNCF. However, such participation in international conferences and study missions has been curtailed since 2020 due to the Covid 19 Pandemic Situation internationally.

CREDIT CO-OP MANAGEMENT ACCOUNTING SYSTEM

Our Society's accounts have been migrated to the current Window Based System and is supported by M/S Belinda Chua & Company. Our Accounts Clerk, Ms. Angeline Tan S.Y co-ordinates with M/S Belinda Chua in maintaining and updating the accounts system.

ACTIVE PARTICIPATION IN CO-OPERATIVE ACTIVITIES

Our co-operative society had given continued support to activities organized by the various co-operative societies in Singapore and we are proud to be part of a well-respected co-operative.

CHANGES TO CUSTOMS CREDIT OPERATING PROCEDURES

YEARLY TRAVEL INCENTIVE FOR MEMBERS

The Travel Incentive for members has been suspended since 2015 and the remaining members of the society will be given an opportunity to participate once our Co-op's financial status improves.

LOAN SCHEMES

- Normal Loan (Secured)
- Normal Loan (Unsecured)
- Education Loan
- Medical Loan
- Exceptional Loan
- Secured Loans to Associate Members

RETIREMENT, DEATH AND HOSPITALISATION GRANTS

The Board will be reviewing the payout amounts because under by-law 12.5, the contribution to the Common Good Fund cannot exceed 25% of net surplus (and is subject to members' approval).

OTHER MATTERS

1 RETIREMENT & RESIGNATION

The Society wishes **Twenty-four (24). Members who retired** from government service (ICA & Singapore Customs) in 2020/2021, many years of happy retirement.

Forty (40). members resigned from their Co-op membership, either due to retirement from service or for other reasons in 2020/2021.

2 OBITUARIES

The Society announces with deep regret that **Four (04) of our Co-op Society have passed away in 2020/2021.**

3 PREMISES

The Society continued its operation from the rented property at #04-01, Parklane Shopping Mall, Selegie Road, Singapore 188307, Tel: 63384890 and Fax No: 63384870. The office is opened for business from Mondays to Fridays daily from 10.00 am to 6.00 pm except Saturdays, Sundays and Public Holidays.

4 STAFF

Madam Zaiton continued to work for the Society as its full-time clerk and Mr Tan Ting Meng is our Manager

5 APPRECIATION

The Committee of Management wish to record its sincere appreciation to:

- a. The Registrar of Co-operative Societies and his staff for their valuable advice and assistance.
- b. Singapore National Co-operatives Federation.
- c. M/S P.G. Wee Partnership LLP for their advice and audit.
- d. Members for their co-operation and support in upholding the prestige of the Society.

**For and on behalf of the
COMMITTEE OF MANAGEMENT**

**P.NAMASIVAYAM
SECRETARY**