

PREPARING YOU FOR A BETTER TOMORROW



2024 ANNUAL
REPORT

Preparing You For A Better Tomorrow



Mission

We are a leading Credit Co-operative that cares and protects the total assets of our members through our professionalism, integrity, corporate governance and quality customer service.

We provide members with responsive and innovative financial products and services leading to sustainable growth of our Credit Co-operative.

We endeavour to fulfill our members' financial needs through our competitive products and efficient service.

Vision

To be the first choice credit co-operative in financial services and to enhance members' standard of living.

Values

Social Responsibility
Empathy
Reliability
Vibrancy
Innovation
Competence
Excellent Service

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Message from the Chairman



YEO Chun Fing

As we reflect on the past year, I am pleased to present our annual report for FY 2024. It has been a year of progress and transformation for our co-operative, and I am proud of the milestones we have achieved together.

We demonstrated resilience and adaptability in the face of significant challenges. Our strategic initiatives have begun to bear fruit, resulting in robust financial performance and growth across key metrics.

Our digital transformation from a legacy system to a cutting-edge new platform marks a significant milestone in our on-going commitment to efficiency and customer satisfaction. In today's fast-paced digital world, reliance on an outdated legacy system can hinder growth and agility. Recognizing this, we embarked on a comprehensive digital transformation strategy aimed at modernizing our IT infrastructure, enhancing our operational capabilities, and future-proofing our business.

Our achievements would not have been possible without the hard work and dedication of our employees. We have continued to invest in their growth and development, fostering a culture of innovation, inclusivity and collaboration. I am grateful for their unwavering commitment and passion, which drive our co-operative forward.

As we move into the next year, we remain focused on seizing new opportunities for growth. We are confident in our ability to navigate the evolving market landscape and deliver sustainable value to our members.

I would like to express my gratitude to our members, partners and employees for their continued support and trust. Together, we can build a better tomorrow for our co-operative and all its stakeholders.

Board of Directors



Back row (L to R) - Shawn Pek, Arshad Ismail, Tan Eng Whee, Tan Sze Wei, Noorfarahin Ahmad, Sampath Kamdasamy, Gabriel Ng, Chan Kok Wai

Front row (L to R) - Ken Tan, Jess Low, Yeo Chun Fing, Sanjeev Tiwari, Lakshmanan Sinnatamby, Sheikh Abu Bakar

Not in photo - Kalaichelvan Ponnusamy

The Board of Directors plays a pivotal role in the governance and strategic direction of the co-operative. As the highest decision-making body, the board is responsible for setting policies, ensuring regulatory compliance, and safeguarding members' interests. They oversee and provide guidance to navigate challenges and seize growth opportunities. The board's strategic vision helps steer the co-operative towards long-term success, while their commitment to ethical standards ensures the organization operates with integrity. Their leadership, unwavering support and insightful contributions are fundamental to our progress and prosperity.

Board of Directors

Meetings and Attendance

The Board held four meetings and a special board meeting. The attendance of the directors is as shown in the table below:

Attendance	25 Apr 2023	2 Aug 2023	31 Aug 2023	26 Oct 2023	25 Jan 2024
Present	12 Directors	12 Directors	16 Directors	12 Directors	13 Directors
Absent	4 Directors	4 Directors	1 Director	5 Directors	4 Directors

The newly elected Board of Directors will hold office for 3 years from 31 August 2023 till the next AGM in 2026. The elected Directors met after the AGM and formed the following committees:

Investment & Fund Management Committee

Yeo Chun Fing, Chairman
 Sanjeev Tiwari
 Shawn Pek
 Sheikh Abu Bakar
 Terence Khoo

Audit Committee

Jefry Mohamad, Chairman
 Arshad Ismail
 Surianah Sufarman

Internal Auditors

Chin Li Li
 Lim Hock Seng Andy

Staff Committee

Yeo Chun Fing, Chairman
 Jefry Mohamad
 Noor Shyma A. Latiff

Employees Spotlight



Photo on top (L to R)
Terence, Dheveya, Siti, Vimala, Sharon, Jess, Alex



Photo on left: Farhana

Our employees play a crucial role in the co-operative's success and growth. They worked hard to execute the co-operative's vision, mission and strategic goals. By bringing their unique skills and diligence to their roles, our employees help innovate processes, improve efficiency and deliver quality services. Their engagement and dedication directly influence customer satisfaction and organizational reputation.

The board and management deeply appreciate the hard work, commitment, and passion of our employees. Their efforts are the cornerstone of our achievements and an integral part of our journey.

Financial Highlights

Income and Surplus

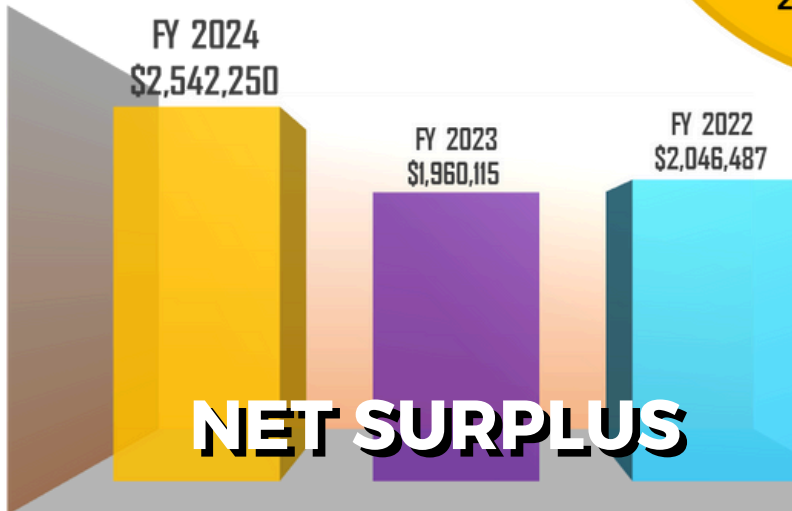
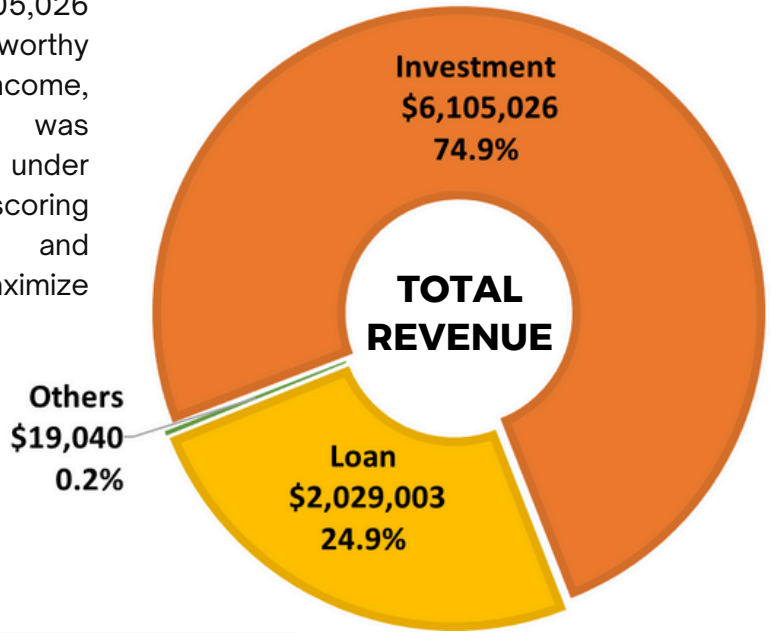
In the past fiscal year, we achieved an outstanding financial performance, underscoring our strategic initiatives and operational efficiency. Net surplus before transfer to retained earnings was \$5,084,640, including \$2,542,390 from the gain on sale of NTUC Choice Home shares in May 2023. After the adjustment, our net surplus was \$2,542,250, reflecting a 30% increase compared to the previous year.

We recorded a total revenue of \$8,153,069 (before adjustment gain on sales of NTUC Choice Home shares), marking a significant achievement in our financial performance. This revenue was primarily driven by our investment income, which contributed \$6,105,026 to our overall earnings. A noteworthy portion of this investment income, amounting to \$1,432,982, was generated from assets placed under Restricted Investment, underscoring our strategic allocation and management of funds to maximize returns.

Our loan income also played a crucial role in our revenue composition, amounting to \$2,029,003. This reflects our effective loan portfolio management and our ability to generate steady income from our lending operations. The diversification of our revenue streams ensures a balanced and resilient financial foundation, capable of withstanding market fluctuations and economic challenges.

A small part of the revenue amounting to \$19,040 was generated from other sources.

In addition to our primary income sources, we generated \$98,840 from various other avenues.



Financial Highlights

Restricted Investment

Our Restricted Investment as at 31 March 2024 was \$47,909,724. This made up 29.1% of our total assets.

Non-Restricted Investments

As of 31 March 2024, our total non-restricted investments were \$63 million. These came from Singapore Government Bonds/Statutory Board Bonds, Fixed Deposits and Co-operatives' Shares. Returns were 7.5% or \$4.6 million which was higher than expected and it came mainly from the sale of NTUC Choice Home shares. While Bonds and Fixed deposits have given us a constant return of 3.6%.

	Invested Amount \$'000	Net Revenue \$'000
Singapore Government Bonds	43,052	1,536
Fixed Deposits	13,318	503
Co-operatives Shares	6,229	2,633
Total	62,599	4,672

Capital Adequacy Ratio (CAR)

At the close of the financial year, our Capital Adequacy Ratio was at 16.1%. This was 6.1% above the target of 10% by July 2021 set by the Registry of Co-operative Societies (RCS) for Co-operative Societies to pay dividends without the need to seek Registrar's approval; and 4.1% above the target of 12% by January 2023 for operating in Tier A for unsecured loans.

Liquid Assets

As of 31 March 2024, our Liquid Assets stood at 27.8%. This is in excess of the 15% Minimum Liquid Assets mandated by the Written Directions.

Total Assets

Our total assets are valued at \$164 million as at 31 March 2024. This is \$16.1 million higher than FY 2023. This was mainly due to our Fixed Deposit promotion rate offered to members to stabilise members withdrawal.

Performance Overview

Loan Performance

The management reviewed the existing loan products and interest rates to ensure they align with current market conditions and member needs. This evaluation aims to enhance the competitiveness and attractiveness of our products, addressing gaps and making adjustments to better serve our members.

On 1 May 2023, the loan products and interest rates were revised. This revision was crucial as considerations were also based on economic conditions; such as lowering interest rates during an economic downturn can provide relief to borrowers facing financial difficulties.

The decision to revise the rates also came at an opportune moment. With Singapore transitioning to an endemic phase and returning to normalcy, we witnessed a surge in loan applications.

The total loan approved had increased by 67% compared with FY 2023.

We will regularly update our products to stay competitive in the market and offer rates that are in line with or better than those of our competitors.

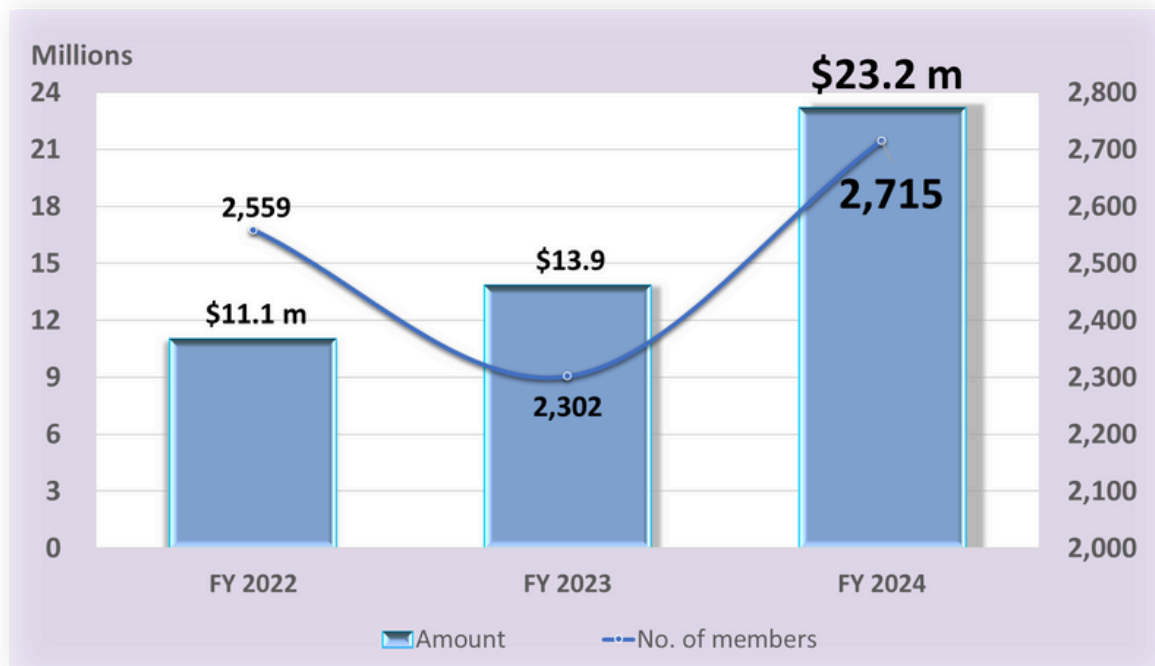
Total Loan Approved

\$23,210,442



Total Approved Applications

2,715



Performance Overview

Members' Deposit

While significant withdrawals from members' savings and subscription accounts persist, there has been a notable decrease, averaging a drop of 7% compared to FY 2023.

Term Deposits had fallen by 63.8% in FY 2023 due to members transferring their funds into higher-paying interest fixed deposits offered by banks. To address this, we evaluated our rates and financial capability before introducing new term deposit interest rates from 1 May 2023.

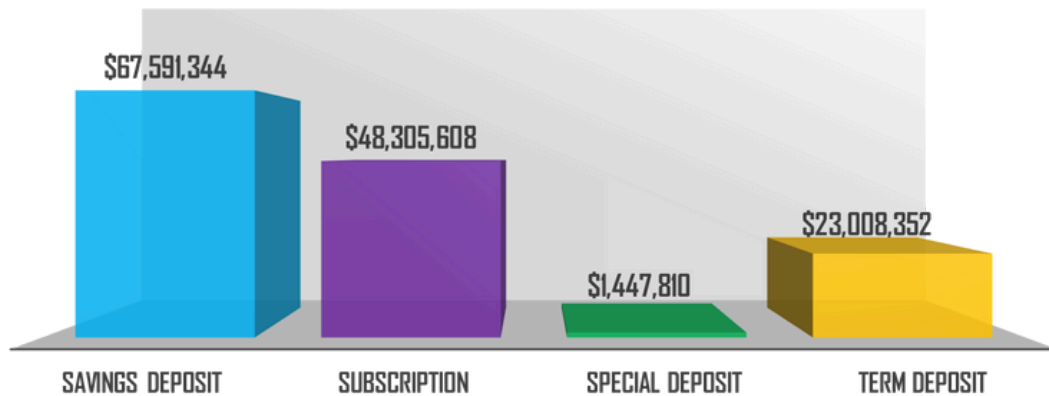
The revision of the term deposit interest

rates aim to provide more attractive returns to members, countering the downward trend, while attracting & retaining members and bolstering our financial stability. This strategic adjustment saw an influx of deposits.

Total deposits for FY 2024 were \$140,353,114. Total interest paid to Savings, Special and Term Deposits Accounts was \$1,100,408.

A 2.5% dividend on share capital and subscriptions was approved at the AGM on 31 Aug 2023 and the total dividend paid to members was \$1,255,554.

FY 2024 Total Deposits



Deposit Accounts	% Increase/(decrease) compared to FY 2023	
→ Subscription	(\$1,961,065)	(3.9%)
→ Savings	(\$6,883,734)	(9.2%)
→ Term Deposit	\$18,318,128	390.6%
→ Special Deposit	(\$425,081)	(22.7%)

Membership Outreach

In 2023, outreach to Ministries and Statutory Boards resumed fully, averaging 2 events per month. Leveraging on AUPE Union relationship with government agencies, we conducted briefings for employees from various agencies including MSF, ICA, Temasek Polytechnic, Vital, JTC, National Parks Board, National Heritage Board, and Sports SG. Additionally, management allocated booths for recruitment activities at events such as the NEA Vertical Challenge, Republic Polytechnic Bazaar, and Workforce Singapore Townhall Session.

We are thrilled to celebrate the success of our collaborative membership recruitments, made possible through our invaluable partnership with these Unions. By harnessing their extensive network and trusted reputation, we have successfully attracted a diverse group of new members. We want to highlight our collaboration with SPWU which attracted over 3,000 SPWU members. The savings scheme was designed to enhance their members' savings potential and provide financial stability.

We are deeply grateful for the unions' dedication and proactive involvement, which have been instrumental in achieving our membership goals. This collaboration has strengthened our shared mission and laid the groundwork for continued growth and mutual support.

Total Membership



% Increase compared to FY 2023



Institutional Members:



Union Partners:



What's my financial dream?
Family Planning, Children's Education, Retirement, Travelling, Build-up Emergency Fund?

Exclusively for
SPWU
Members

Sign Up and Apply for the
SPWU Savings Scheme*
*Terms & Conditions apply

+ Earn 1% p.a.
on your savings

Exclusive invitation for
MSF MINISTRY OF SOCIAL AND FAMILY DEVELOPMENT

WELCOME GIFT
UNI QLO \$30 UNI QLO E-VOUCHER*
*Terms & Conditions apply

What's your financial dream?
Retirement, Family Planning, Children's Education, Travelling, Build-up Emergency Fund?

Exclusive invitation for
NATIONAL PARKS

WELCOME GIFT
UNI QLO \$30 UNI QLO E-VOUCHER*
*Terms & Conditions apply

What's your financial dream?
Retirement, Family Planning, Children's Education, Travelling, Build-up Emergency Fund?

Exclusive invitation for
HDBSU
Members

RECEIVE
Singapore Mint
*Festive Pack
If you save a min. of \$50 in the savings account

What's your financial dream?
Retirement, Family Planning, Children's Education, Travelling, Build-up Emergency Fund?

Start saving with as little as \$10/month and

Membership Management System

The transition to a new system

Upgrading to a new system is essential for enhancing members' engagement, modernizing operations, improving efficiency and ultimately delivering greater value to our members.

It also enables us to leverage advanced technology to meet current and future needs and support the long-term growth and sustainability of the organisation.



Abacus

The decision to use the Abacus system was driven by its ease of use, flexibility, scalability and security. The vendor is specialised in the provision of banking software since 1979 and has customers in more than 40 countries.

To ensure a smooth and successful implementation, the operations team worked closely with the developer to configure the new system according to our defined requirements. The team assessed current processes and identified pain points. They mapped out current processes, designed new workflows and identified data for extraction and migration. They also explored external platforms, including Singpass and MyInfo, useful for integration which will add significant value by expanding functionality, improving user experience and streamlining operations. Members were also informed of the change and expectations of minimal disruptions and delays.

After extensive testing and bug fixes, the new system officially went live on 3 April 2023. The system functionality includes -

- User-friendly interface. Designed with usability in mind, the system features an intuitive interface that simplifies navigation and minimizes the learning curve for users.
- Grow with the organization. Ability to expand service offerings, such as a diverse array of loan products.
- Ability to integrate with other software solutions and third-party applications adds value to the organisation. Facilitating data exchange and enhancing overall operational efficiency, e.g. real-time withdrawal removes manual back-office approval and reduces the likelihood of operational downtime to ensure consistent service availability.
- CRM module. Able to manage interactions with members online.
- Supports mobile and cloud-based access. It enables us to manage operations remotely and ensure continuity of service even when working off-site.
- Offers a high degree of customization. Tailor the system to our specific needs and operational workflow.

The team continues to identify areas for optimization and improvement and proactively address any performance issues or bottlenecks to ensure a seamless user experience.

Membership Management System

Launch of Mobile App


Our Mobile App 'AUPE Credit Co-operative' was launched on 8 April 2024. The app offers a range of advantages to members such as enhancing their experience through convenience, accessibility and advanced features, including:

- Secured login using Singpass. Secure authentication ensures that only authorised users can access sensitive information and perform transactions.
- Real-time processing of savings withdrawal. API integration with the bank ensures real-time and instant credit of funds.
- Opening of Term Deposit. The latest tenure and rates are visible to members and they can easily open the account by selecting the preferred tenure.
- Upload documents related to the account. It allows members to quickly upload any missing documents into the respective account folder required for processing any application.
- Perform online transactions anytime and anywhere, without the need to visit our office. It eliminates the need to wait in line at the counter, saving members valuable time.
- 24/7 access to their accounts, enabling them to manage their finances outside regular operating hours. It allows for quick and easy access to account information, balance checks and transaction history
- Digital statements reduce the need for physical paperwork, making it more environmentally friendly. It allows members to easily access and store their documents electronically.
- Join Membership using MyInfo. Non-members may join us by retrieving their particulars through MyInfo which reduces manual entry.


Within a year, 10,252 members successfully activated their mobile banking accounts and actively used the app. This accomplishment highlights the growing trend of digital banking adoption among our members, reflecting their preference for convenient, secure and efficient management of their finances.

Guide to set-up your ACC Mobile Account

- 1 Download Mobile App 'AUPE Credit Co-operative'**




Available in App store (iOS) and Play Store (Android)
- 2 Register your ACC mobile account**

Tap on  Enter details to register

SG Mobile No.: 91234567
Our SMS Sender ID is AUPE


Malaysia Mobile No.: 60199123456
Our SMS Sender ID is AUPE-MY
- 3 Activate your Account Set up your PIN**

After you receive the activation code via SMS/Email

Tap on  key in 6-digit activation code and create PIN


* 12 characters PIN to consist:
• Lower case letters
• Upper Case Letters
• Special character
• Numbers
- 4 Login with your PIN to access e-services**

Once your account is activated

Tap on  login with NRIC/FIN No. and PIN

If you cannot remember your PIN
Tap on **Forgot your PIN?** to receive a temporary PIN (valid for 24 hours) via SMS/Email

since 1965

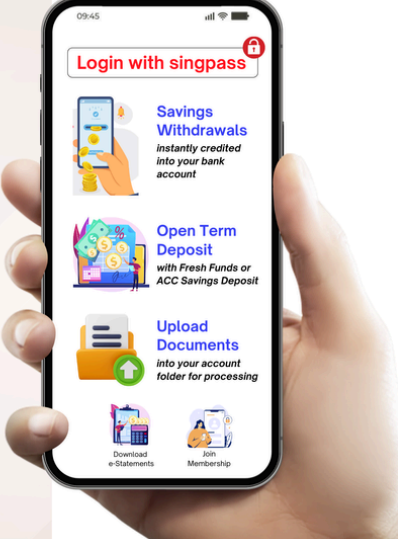


New Features now available

Access your account on the move



Update the app on
Apple App Store or Google Play Store



Events and Activities

Overseas Delegation Visit



Together with SNCF, we hosted a sharing session with 22 delegates from St Vincent Credit Union, Hong Kong on 24 Oct 2023.

Ms Verene Cheong, Head of Marketing Communications and Strategy at SNCF, introduced the Singapore Co-operative Movement and shared some of the challenges that credit co-operatives are facing, including the decline in membership and lending activities. Mr Benjamin Kang, Co-operatives Relationship Partner at SNCF presented statistics on the Singapore Co-operative.

The Board Secretary, Ms Jess Low, shared our co-operative services and dedication to our members through active membership engagement and involvement in sustainable practices. Additionally, Mr. Yeo Chun Fing, Chairman, addressed our challenges in membership outreach and the competitive market including managing members' expectations and our strategies for adapting to rapid technological changes.

Mr Lucas Poon, Treasurer of St. Vincent Credit Union of Hong Kong echoed the same challenges. To counter some of these challenges, the credit union has carried out educational programmes and promotional activities, including a collaborative project with fellow credit unions to run a vegetable garden.

The sharing session was a resounding success, fostering insightful discussions and valuable exchanges.

Events and Activities

Credit Sector Networking Session



We hosted a dynamic networking session to share our digital transformation journey on 28 Mar 2024. Attendees included 36 co-operators from 10 credit co-operatives, Mr Ang Hin Kee, CEO at SNCF, Mr John McGucken, Managing Director at Fern Software, representatives from SNCF and Fern Software Pte Ltd, and Mr Robin Andrews, Regional Senior Manager (SEA) at British Consulate Singapore.

The Chief Executive, Mr Sanjeev Tiwari, thanked everyone for their presence and hoped that this session provides a platform for co-operators to exchange ideas and discuss the evolving technological landscape of credit co-operatives.

The Board Secretary, Ms Jess Low, shared the co-operative's journey on transitioning from its legacy system to a new system, 'Abacus', developed by Fern Software Pte Ltd. She emphasized the critical role of digital transformation in staying competitive, meeting the evolving needs of members and leveraging technology to enhance operational efficiency and member services. Topics covered also included the integration of Singpass, MyInfo and API with Standard Chartered Bank to improve security, members' experience and environmentally sustainable practices.

Mr Eli Fairon, PMO Director at Fern Software Pte Ltd showcase the main features of 'Abacus' covering digital transformation, modern membership management and process streamlining. He also shared on Quantum AI, a Loan Decision Engine, which is capable of determining loan decisions efficiently and effectively. It will execute multiple decision flows to identify trends and patterns based on members' historical data and loan parameters such as loan amount, connecting with Credit Referencing Agencies to access credit scoring, the lender's "risk appetite" and accurately generate loan predictions.

This session provided an invaluable platform for sharing insights and strategies on how digital tools can enhance operational efficiency, improve member services and drive growth.

Contact Us

Phone

6280 8033



Email

coop@aupe.org.sg



Website

<https://www.acc.aupe.org.sg>



Address

**295 Upper Paya Lebar Road
Singapore 534929**

