



Singapore Teachers Co-operative Society Limited



2025

Annual Report & Statement of Accounts

90th Annual General Meeting

Date & Time: Saturday, 27 June 2026, 10am

Venue: ParkRoyal on Beach Road

MDDI (P) 088/03/2026



Vision

A leading Co-operative committed to serving its members and caring for the community.

Mission

To establish a strong local and international network; to provide our members with excellent financial products at competitive rates and good investment returns; and to be engaged in social services.



Always there for you...

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SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LTD

150 CHANGI ROAD #02-06
GUTHRIE BUILDING, SINGAPORE 419973

Tel: 6440 4393 | **Email:** cs@teachersco-op.org.sg | **Website:** www.teachersco-op.org.sg

UEN: S32CS0013G

3 June 2026

NOTICE OF ANNUAL GENERAL MEETING 2026

Notice is hereby given that the 90th ANNUAL GENERAL MEETING of Singapore Teachers Co-operative Society Ltd will be held at ParkRoyal on Beach Road, Grand Ballroom, 7500 Beach Road, Singapore 199591, on Saturday, 27 June 2026 at 10:00am.

Meeting Agenda

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Meeting Agenda		Page
1. Adoption of the Annual General Meeting Standing Orders.		
2. The Chairman's Address.		
3. To confirm the minutes of the 89th Annual General Meeting held on 28 June 2025.	Resolution 1	4-9
4. To receive, and if approved, to accept the Report of the Committee of Management and the Audit Committee Report for the year ended 31 December 2025.	Resolution 2	10-25
5. To receive, and if approved, to accept the Audited Financial Statements for the year ended 31 December 2025.	Resolution 3	26-80
6. To consider and approve the proposed "Distribution of 2025 Surplus" (Annex 4)	Resolution 4	84
7. To consider and approve the Allocation of Undistributed Accumulated Reserves. (Annex 5)	Resolution 5	85-86
8. To consider and approve the Adjustments for FY 2026 and the Estimated expenditure for FY 2027. (Annex 6)	Resolution 6	87
9. To consider and approve the maximum liability of \$80 million for the Year 2026, which the Society may incur in loans and deposits from members and non-members, vide by-laws 9.11 and 9.12. (Annex 7).	Resolution 7	88
10. To approve the payment of \$8,500 per month to members of the Committee of Management.	Resolution 8	
11. To approve the payment of \$30,600 per year for the Audit Committee and the Internal Auditors.	Resolution 9	
12. To consider and approve the Amendments to the Society's By-laws.	Resolution 10	
13. To consider and appoint Messrs Reanda Adept PAC as External Auditor for the financial year 2026.	Resolution 11	
14. Elections: To elect five members to serve on the Committee of Management for a term of three years. (Annex 9)	Resolution 12	91
15. Elections: To elect two members to serve on the Internal Audit for a term of one year. (Annex 10)	Resolution 13	92

16. To transact any other business of which at least seven clear days' notice shall have been given in writing to the Chief Executive Officer (CEO). For any matters pertaining to the By-laws, fifteen clear days' notice must be given in writing to the CEO.		
17. All correspondence with the Society on AGM matters should bear the date, the member's name, NRIC number, address and signature.		

Submit Questions in Advance

ORDINARY members may submit any substantial and relevant questions they wish to raise by post or electronic mail in advance by 19 June 2026 at 5pm and 10 June 2026 on matters pertaining to the By-laws.

a) By post, questions may be sent and addressed to:

Chief Executive Officer (CEO),
Singapore Teachers Co-operative Society Ltd
150 Changi Road, #02-06, Guthrie Building
Singapore 419973

b) By e-mail, attention to the Chief Executive Officer (CEO) at cs@teachersco-op.org.sg

All substantial and relevant matters raised before the deadline will be addressed by the Committee of Management (COM) at the AGM. The COM will endeavour to address all the questions and matters raised during the AGM. However, as there may not be sufficient time to address all the matters raised, responses to those questions that could not be addressed during the AGM process will be addressed separately.

The question-and-answer session will be held at the end of the AGM.

PDPA Consent Disclaimer

By attending the 90th AGM, you consent to the collection, use, and disclosure of your personal data for the AGM proceedings and related activities. Your data will be managed in accordance with the Co-op's Personal Data Protection Policy, available on our website at www.teachersco-op.org.sg

Please note that photography, videography, and/or audio recording will be conducted during the AGM for documentation and archival purposes. The Co-op reserves the right to use any photos, images, or videos taken during the event for publicity (e.g. newsletters, website) and future marketing initiatives.

Registration for the meeting constitutes your consent to such use without the need for further approval.

BY ORDER OF THE COMMITTEE OF MANAGEMENT
For and on behalf of the COM



Teo Chor Kai
Chief Executive Officer

STANDING ORDERS

(To be observed at the Society's Annual General Meeting)

1. Resolutions or Amendments, of which notice in writing has been given, if found to be in order, shall be placed on the Agenda, in the order received, following the business of the Society.
2. The mover of a Resolution or Amendment shall be allowed five minutes in which to state his case and only the mover of the resolution shall have the right to reply at the end of the discussion, within five minutes, and he shall confine himself to answering previous queries and shall not introduce any new matter into the debate.
3. No other speaker shall be allowed more than three minutes.
4. Every member who speaks shall address the Chair, and continue his speech on the subject under discussion.
5. Whenever the Chairman rises to speak during a debate any member who is speaking or attempting to speak, must resume his seat, failing which the member shall be suspended from taking any further part in the business of this meeting.
6. No member shall address the meeting more than once on the same subject except as provided for in No.2.
7. The ruling of the Chairman upon all questions of order and matters in debate shall be final, and shall not be open for discussion.
8. The Chairman may call on continued irrelevancies, repetition, unbecoming language, or any breach of order on the part of a member and may direct such member to discontinue his speech. The Chairman may with the approval of the members present request a member to leave the meeting room should the behaviour of such a member becomes unacceptable.
9. With the permission of the Chairman, a member, whether or not he has already spoken, may rise on a point of order or to explain a material point in his speech if he believes it has been misunderstood.
10. A motion for adjournment shall take precedence over any other motion or amendment to be discussed, but the discussion upon it must be confined solely to the reasons for or against adjournment.
11. Unless otherwise directed by the Chairman or resolved by the meeting, voting on ordinary resolutions shall be by a show of hands. Election of COM members shall be conducted by secret electronic ballot.



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MINUTES OF THE 89TH ANNUAL GENERAL MEETING (AGM) HELD ON SATURDAY, 28 JUNE 2025 AT 1000h AT PARKROYAL ON BEACH ROAD, 7500 BEACH ROAD SINGAPORE 199591

Present: Chairman, Mr Richard Zaccheus and 56 members

Commencement of Meeting

As there was a quorum at 1000h, CEO Mr Teo drew the attention of the members to page 1 and page 2 of the annual report. He also informed members that two emails were received. One pointed out an error of a statement which was inadvertently inserted on page 77 of the annual report. The other concerned the member's decision not to vote in favour of resolution 8. CEO requested members present to disregard the statement "The Distribution of 2024 Surplus was approved by member at the AGM on 28 June 2025", printed on page 77 while considering the resolution. He then invited the Chairman to proceed with the meeting proper.

Mr Richard Zaccheus then chaired the meeting.

Agenda

Item 1 Adoption of the Annual General Meeting (AGM) Standing Orders

1.1 The standing orders were unanimously adopted as proposed by Mr Tan Swee Chong and seconded by Mr Koh Kian Neng.

Item 2 The Chairman's Address

2.1 Address By The Chairman Of The Committee Of Management At The 2025 89th Annual General Meeting Held on 28th June 2025 at Parkroyal on Beach Road.

Good morning, ladies and gentlemen and welcome to our 89th Annual General Meeting 2025.

The Global Turmoil In 2025

STCS had successfully navigated 2024 and welcomed 2025 with eager anticipation. The journey in 2025 has become a roller coaster ride. I do not want to paint a gloomy picture of the future but we must all face the realities. STCS must have a clear vision about the dangers we are facing, as global institutions get weaker and international norms take a back seat.

The decision on imposing tariffs on many countries by the US has caused shock waves in Singapore. The weakening of global institutions will drive countries to take action based on self preservation parochial path by applying force or pressure to get what they want. The old rules based globalization and free trade market economies will become history. The US had been the cornerstone for the free -trade market economies by setting clear rules and norms. This format had allowed open discussions and dialogue amongst countries to arrive at consensus. A strong global rational response to the US tariffs is needed to manage this situation. Singapore will suffer badly as it relies heavily on trade.

As a small country, we have to stay vigilant as the risks are real. We must be prepared to weather the storm with all the resources available to us.

STCS – Riding The Storm

It is not all gloom and doom for STCS. In all situations and circumstances, there is always light at the end of the tunnel. We will always find a way to ride this storm.

The STCS Management team, helmed by CEO Mr Teo Chor Kai and supported by CFO Ms Mavis Ren and the administrative staff, had worked very hard and proven their mettle. Their cohesiveness, fortitude and resilience coupled with their indomitable spirit helped turn all the difficulties that the turmoil brought into opportunities for the society. Let me take you through our performance for the year 2024.

Performance Comparison Year 2024 vs Year 2023

For the year ended 31 December 2024, the Co-Operative was able to generate a total revenue of \$4 161 822, up 20% from \$3 478 112 in FY 2023. This strong financial performance growth was driven by robust investment income and stable finance income.

Dividend/Loan Rebate:

To celebrate this achievement and in recognition of the support of the members during the year, we are proposing a 8% dividend amounting to \$507,650 and 5% loan rebate amounting to \$41,492, giving a total of \$549,142 which is 86% of FY 2024 net surplus.

This generous distribution reflects STCS's commitment to return value to the members.

On Investment

Investment Performance for FY 2024

Total investment income for FY 2024 was \$3,043,447 as against \$2,277,282 in FY 2023. This is \$766,165 higher.

STCS's return on investment remained stable and strong. With these improved returns, STCS was able to maintain competitive term deposit rates and favourable Bonus Savings interest. All our portfolios remain well-diversified, reflecting long-term financial sustainability.

In this respect, we are seeking your approval to extend the restricted investment ratio for another three years. This is presented under resolution 7.

Amendments to By-laws

In alignment with recent changes to the Co-operative Societies Act, we have proposed amendments to the Society's By-laws. These were made available to all members via post and online from 5 June. For your convenience, you may also scan the QR code on screen now, to access a soft copy. Since we did not receive any questions or feedback by 11 June, we will be tabling the proposed amendments under Resolution 10 later during the meeting for your approval.

Cybersecurity Management

On 9 November 2024, the Teachers' Co-op's Statement of Account (SOA) portal was compromised in a cyberattack, resulting in a data breach. Some members received phishing emails from malicious actors impersonating the Co-op. The breach was discovered when an Ordinary member reported a suspicious email. A staff member from the Co-op's Data Protection Management Committee responded immediately, and within four hours:

- The SOA portal was taken offline.
- Members were notified via email, in line with PDPC guidelines.

To ensure wider reach, members were also informed via SMS, website, and physical letters.

The Co-op promptly informed the following parties:

- PDPC – formally notified on 11 November 2024
- Singapore Police Force – police report filed on 15 November 2024
- SNCF – referred us to cybersecurity and public relations consultants
- RCS (MCCY) – informed as per regulatory requirements

Security Review and System Restoration

The Co-op conducted a comprehensive review of its data protection policies and IT outsourcing arrangements. Key steps included:

- Engaging cybersecurity professionals to assess vulnerabilities and recommend safeguards
- Enhancing access controls with our web vendor
- Updating internal policies for stronger data governance

After PDPC's investigations and the completion of the improvements, the SOA portal was securely restored on 13 June 2025.

Outcome of PDPC Investigation

Acknowledging the Society's swift response, and our request for a Voluntary Undertaking on the issue. PDPC accepted our request on 23 June 2025 and confirmed that the Society had fully complied with the terms in this matter. The issue was officially closed. No penalties were imposed or further investigations required.

While unfortunate, the breach reaffirmed the Co-op's commitment to data protection. We will continue strengthening our IT governance, privacy policies, and communication to prevent future incidents.

Loans

STCS has always made the disbursement of loans to members as our unreserved priority. The Loan Committee and Management have put in place strategies and processes to ensure that the disbursement of loans is seamless and expeditious.

Renovation

Last November, the Society undertook a major renovation of our office premises. I'm pleased to share that the project was completed in April this year. We look forward to welcoming our members to a transformed and modernised environment with the right ambience that enhances our services.

Media

The Media Committee has played a vital role in strengthening our connection with members throughout the year. Through regular e-Newsletters, they ensured timely updates on key developments, including AGM highlights, membership initiatives, and promotions. They also extended festive greetings, reflecting the Society's ongoing commitment to member engagement and community spirit.

Membership

As of May 2025, STCS has 3,680 members.

The Membership Committee recognises the decline in membership, which is partly due to factors beyond our control, such as members' retirement, demise or dismissal from service. Despite past incentive efforts, responses have been limited. Moving forward, increasing membership remains a key priority, but growth is not just about recruitment; it's also about engaging members meaningfully to strengthen participation and build community spirit.

I would like to take this opportunity to request all practising teachers in schools who are members to play a part in promoting STCS by word of mouth. By talking to your colleagues in schools you can explain to them of how you have personally benefited. The best form of advertisement is the face-to-face interaction and narrative.

Our Futuristic Perspective

Another area of our focus is in investing in ESG (Environment, Social, and Governance). We believe that investing in ESG can help STCS to reduce the environmental impact, improve social outcomes and build governance structures. Good environmental practices will reduce the imposition of strict regulations which could hurt profits. Good social practices will reduce the reputational damage leading to loss of member confidence and revenue. Finally, weak governance practices may likely lead us to experience fraud or other financial problems.

The COM will only introduce ESG after thoroughly exploring its feasibility and approval will only be given, if they are convinced that there is a genuine compelling reason for introducing ESG.

Conclusion

I want to thank you for attending our AGM. Your presence is an affirmation of your loyalty, trust, and support for STCS.

My appreciation and thanks to all the staff for their efficient coordinated work.

I would like to compliment the COM members for working as a cohesive unit to enhance the management structure. The initiatives introduced by them has helped STCS to be more resilient and maintain sustainability.

Thank you.

Richard Zaccheus
Chairman STCS.

2.2 Chairman, Mr Richard Zaccheus sought members' approval to vote the resolutions by a show of hands. Members present unanimously agreed as proposed by Mdm Seah Ee Leng Elaine and seconded by Mr Leong Poong Choon.

Item 3 To confirm the minutes of the 88th Annual General Meeting held on 29 June 2024

3.1 This was unanimously approved as proposed by Mr Santoh Singh and seconded by Mr Quan Wing Wah.

Item 4 To receive, and if approved, to accept the Report of the Committee of Management and the Audit Committee Report for the year ended 2024

4.1 The above resolution was unanimously approved as proposed by Mr Quan Wing Wah and seconded by Ms Kiren Kaur Gill.

Item 5 To receive, and if approved, to accept the audited Financial Statements for the year ended 31 December 2024.

5.1 The above resolution was unanimously approved as proposed by Mdm Vasanthi D/O Arumugam and seconded by Mr Koh Kian Neng.

Item 6 To consider and approve the proposed “Distribution of 2024 Surplus”

6.1 The above resolution was unanimously approved as proposed by Mdm Seah Ee Leng Elaine and seconded by Mr Quan Wing Wah.

Item 7 To consider and approve the Adjustments for FY2025 and the Estimated expenditure for FY 2026.

7.1 The above resolution was unanimously approved as proposed by Mdm Seah Ee Leng Elaine and seconded by Mr Koh Kian Neng.

Item 8 To consider and approve the maximum liability of \$80 million for the year 2025, which the Society may incur in loans and deposits from members and non-members, vide by-laws 9.11 and 9.12.

8.1 The above resolution was unanimously approved as proposed by Mdm Lau Bee Eng and seconded by Mr Fok Kim Fook.

Item 9 To consider and approve the extension of the Restricted Investments (RI) (30%) for another 3 years.

9.1 The above resolution was unanimously approved as proposed by Mr Koh Kian Neng and seconded by Ms Kiren Kaur Gill.

Item 10 To approve the payment of \$8,000 per month to members of the Committee of Management.

10.1 The above resolution was unanimously approved as proposed by Mr Soh Cher Boon and seconded by Ms Tan Hui Teng.

Item 11 To approve the payment of \$12,600 per year for the AC Committee and the Internal Auditors.

11.1 The above resolution was unanimously approved as proposed by Mdm Elene Lim Lan Hiang and seconded by Mr Quah Wing Wah.

Item 12 To consider the approve the Amendments to the Society’s by-laws.

12.1 The above resolution was unanimously approved as proposed by Mdm Vasanthi D/O Arumugam and seconded by Mr Fok Kim Fook.

Item 13 To consider and appoint Messrs Reanda Adept PAC (Mr Ng Kok Keong) as External Auditor for the financial year 2025.

13.1 The above resolution was unanimously approved as proposed by Mr Tan Swee Chong and seconded by Mr Ranjit Singh Khaira.

Item 14 Elections: To elect two members to serve on the Committee of Management for a term of three years. Returning Officer, Mr Chua Kia Khian will be announcing the result.

14.1 Chairman, Mr Richard Zaccheus invited the Returning Officer to announce the results.

14.2 Mr Chua Kia Khian, the Returning Officer, announced that only TWO nominations were received for the two vacancies. He thereby declared the TWO candidates duly elected and returned to office unopposed.

They were: Mdm Elene Lim Lan Hiang and Mdm Kiren Kaur Gill

Item 15 To transact any other business of which at least seven clear days' notice shall have been given in writing to the Chief Executive Officer (CEO). For any matters pertaining to By-laws, fifteen clear days' notice must be given in writing to the CEO.

15.1 CEO informed that he had received two emails. One was an erratum on page 77 which had earlier been rectified. The second email was not tenable as the member did not submit his proposal as a resolution and there was no seconder to his resolution.

Item 16 Adjournment

16.1 There being no other business, the meeting was adjourned at 1115h

Recorded by:



Teo Chor Kai
CEO

Certified by:



Richard Zaccheus
Chairman

Report of the Committee of Management – Year 2025

1. Committee of Management

The Committee of Management (COM) continued to provide governance and oversight throughout 2025.

The leadership team comprised of the Chairman, Deputy Chairman, Honorary Treasurer, Honorary Assistant Treasurer, Honorary Assistant Secretary, and committee members who collectively ensured policy compliance, accord directions for operational continuity, and alignment with the Society's mission.

Chairman:	Mr Richard Zaccheus
Deputy Chairman:	Mr Allan Tok Wei Cheng
Hon. Treasurer:	Mr Fok Kim Fook
Hon. Asst. Treasurer:	Mdm Elaine Seah Ee Leng
Hon. Asst. Secretary:	Mr Ho Boon Huat
Committee Members:	Mr Peter Tan Swee Chong
	Mdm Elene Lim Lan Hiang
	Mr Wilson Koh Kian Neng
	Mdm Kiren Kaur Gill
	Mr Ong Chee Kiong
	Ms Kwek Wen Qing

2. Sub-Committees

The Society operated 10 sub-committees in 2025. The ad-hoc Renovation Committee was dissolved following the successful completion of the office renovation in May 2025.

3. Board Meetings

A total of 13 COM meetings were held in 2025. Sub-committee meetings were carried out as scheduled.

Please refer to Annex 1 for attendance details.

4. Internal Audit

Internal Auditor, Mr Phua Chin Hong continued his audits on payments and receipts. Any discrepancies identified were promptly addressed and rectified.

The Society intends to elect an additional ordinary member to support the internal audit processes.

5. 89th Annual General Meeting (AGM)

The 89th AGM was held on 28 June 2025 at Parkroyal on Beach Road with 56 members in attendance. Chairman, Mr Richard Zaccheus, chaired the meeting. The meeting proceeded smoothly, and all resolutions were passed with overwhelming support.

Ten members received \$100 gift vouchers during the lucky draw.

Ms Elene Lim and Mdm Kiren Kaur were elected unopposed to serve on the COM for the 2025 – 2028 term.

6. Staff

The Society employed a total of 10 staff in 2025. Staffing movements included the departure of the Finance Manager in January and a part-time employee in April. An Assistant Manager (IT/Admin) joined in April.

The Society continued to engage a part-time cleaner.

7. Membership Overview

Membership movements in 2025 were as follows:

- 61 new members joined,
- 12 members passed away,
- 3 were terminated,
- 58 retired,
- and 78 resigned.

The Society closed the year with a total membership of **3,634**.

7.1 Membership Promotion

To encourage new sign-ups, the Society conducted a recruitment visit to Bukit Panjang Government High School. Incentives included a \$50 credit each to both the proposer and the new member, along with a lucky draw for two iPhone 16 mobile phones.

This resulted in the successful recruitment of 21 new members.

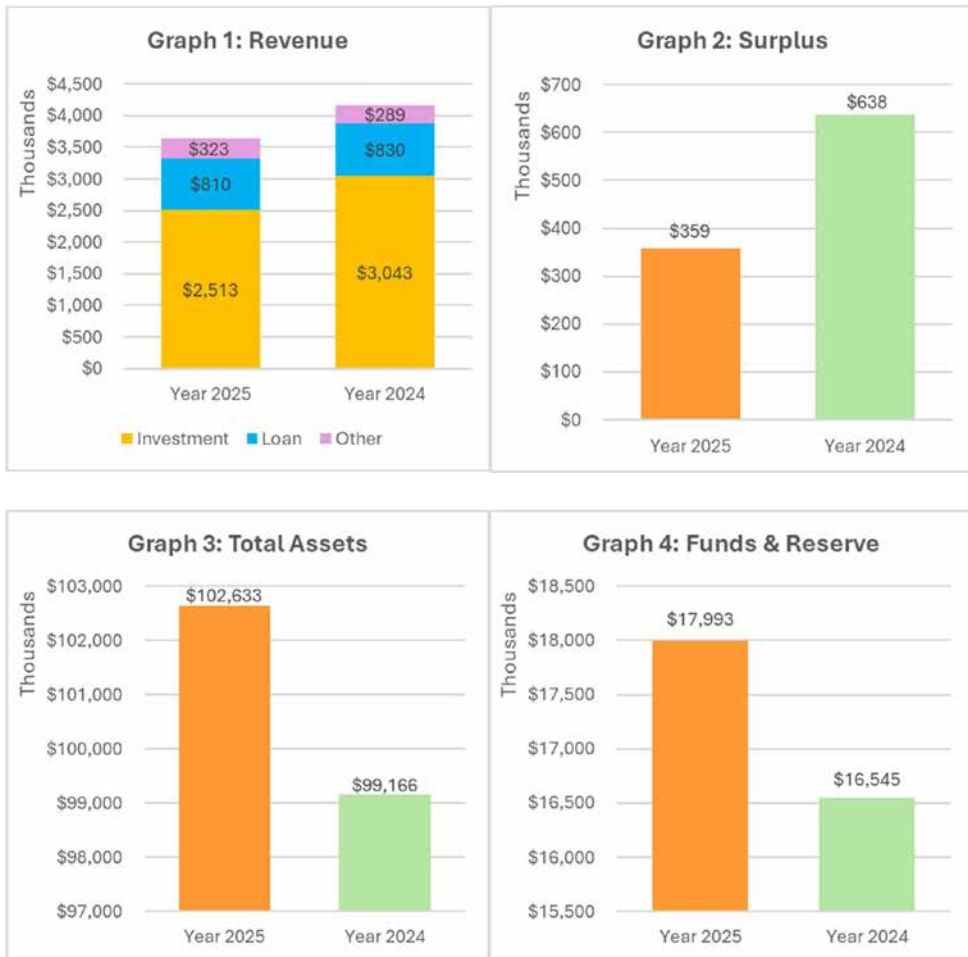
FINANCIAL REPORT FOR YEAR 2025

8. Financial Performance & Position - FY2025

8.1 Performance Overview

FY2025 performance showed a moderation in surplus amid a declining interest rate environment and continued member-centric pricing decisions by the Committee of Management (COM).

- Revenue: \$3.65M
- Surplus for the year: \$358,930
- Total Assets: \$102.63M (+\$3.47M). The increase was mainly due to members' deposits invested in financial assets.
- Funds & Reserves: \$17.99M (+\$1.45M), supported by unrealised gains on bonds and improved equity valuations.



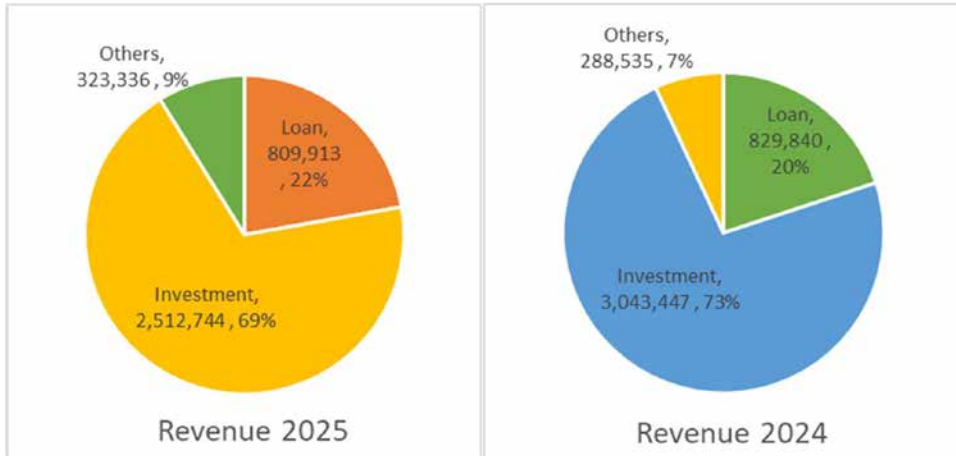
Despite lower surplus, the co-operative remains financially sound, with stable operations, controlled risks, and a strengthened balance sheet.

8.2 Financial Performance

8.2.1 Revenue

Total revenue amounted to **\$3,645,993**, showing a decrease of **\$515,829 (12%)** (FY2024: \$4,161,822).

Graph 5: Revenue by Segment



8.3 Loans

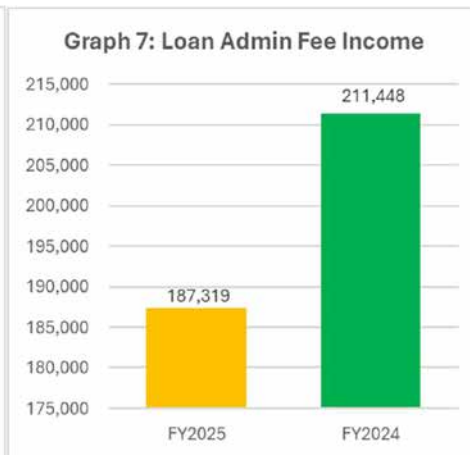
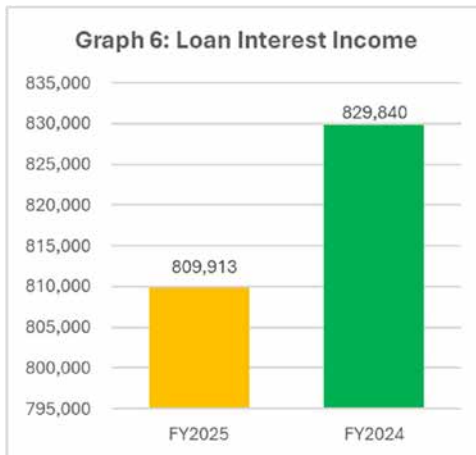
8.3.1 Interest Income

Interest income for FY2025 was \$809,913, a decrease of \$19,927 (2.4%) compared to FY2024 (\$829,840). The decline was mainly due to softer borrowing demand during the year.

While loan interest income has moderated, the co-operative’s core lending activities remained relatively stable and continue to be closely monitored.

8.3.2 Loan Admin Fee (Other Income)

Loan administration fee income for FY2025 amounted to \$187,319, a decrease of \$24,129 (11%) compared to FY2024 (\$211,448).



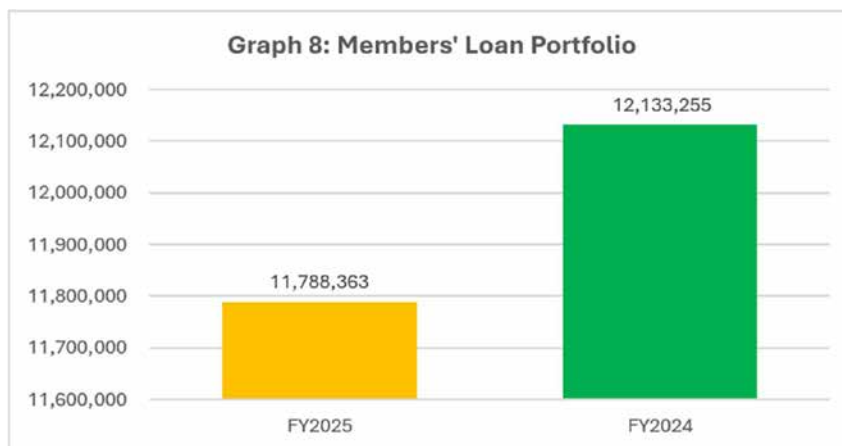
8.3.3 Members' Loan Portfolio

As of 31 December 2025, the Members' Loan Portfolio stood at \$11,788,363, a decrease of \$344,892 (2.8%) compared to FY2024 (\$12,133,255). The decline was mainly due to lower loan disbursements during FY2025.

Loans Disbursed

During 2025, the Co-operative approved 370 loans with total net disbursements amounting to \$4.51 million, which was \$509,352 lower than in 2024.

Depending on the loan amount and tenor, interest rates ranged from 3.0% to 5.0% per annum, corresponding to an effective interest rate (EIR) of 5.49% to 9.77%.



8.4. Investment Income

8.4.1 Investment Performance

Investment income for FY2025 amounted to \$2,512,744, a decrease of \$530,703 (17%) compared to FY2024 (\$3,043,447).

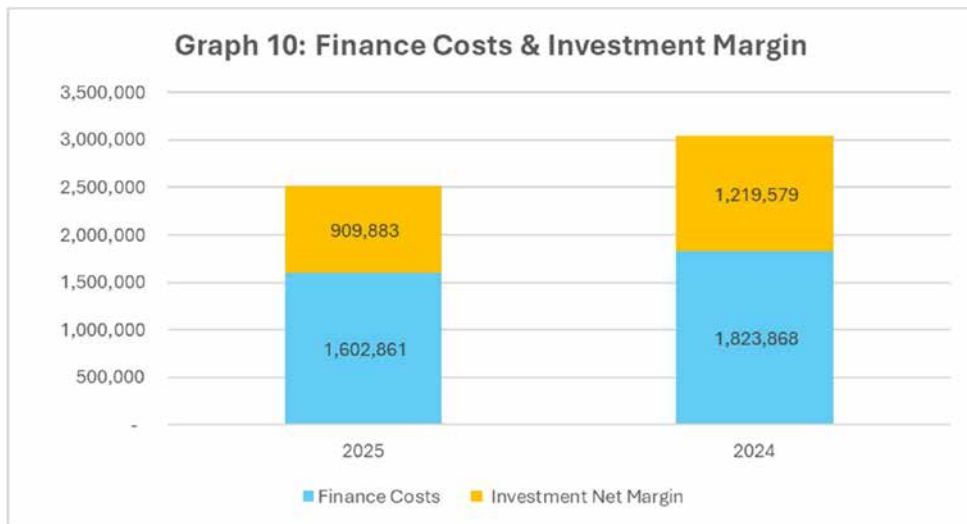
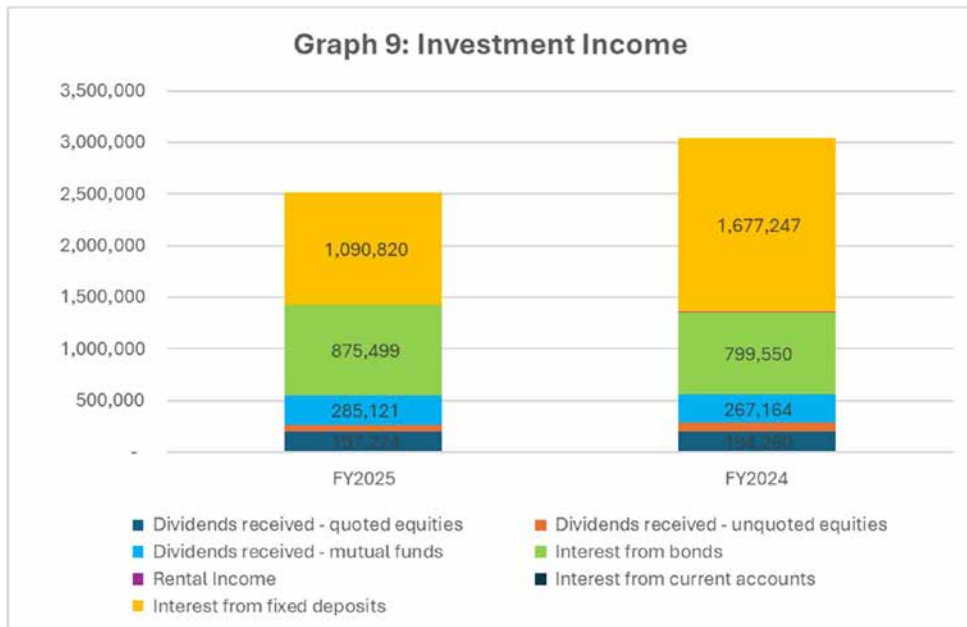
Net interest margin declined by \$309,696 to \$909,883. This was mainly due to:

- Fixed Deposit (FD) income decreased by \$586,427, from \$1,677,247 in FY2024 to \$1,090,820 in FY2025, following the decline in market interest rates; and
- Although finance costs decreased by \$221,007, from \$1,823,868 to \$1,602,861, the reduction was not sufficient to fully offset the lower FD income, as the co-operative continued to maintain competitive rates on members' deposits.

The Committee of Management's member-focused pricing approach for General Savings, Bonus Savings, and Term Deposits continued to provide value to members, although this resulted in lower interest margins during the year.

Mitigating Factors and Investment Strategy:

- Bond interest income increased to \$875,499 (FY2024: \$799,550), supported by bond investments made during the higher-yield periods in 2023 and 2024. This helped strengthen the fixed income portfolio and partially cushioned the impact of lower FD returns.
- Capital gains of \$243,968 were recognised in retained earnings, compared to \$204,790 in FY2024, further supporting the co-operative's capital position and Capital Adequacy Ratio (CAR).



8.4.2 Investment Portfolio (Annex 8)

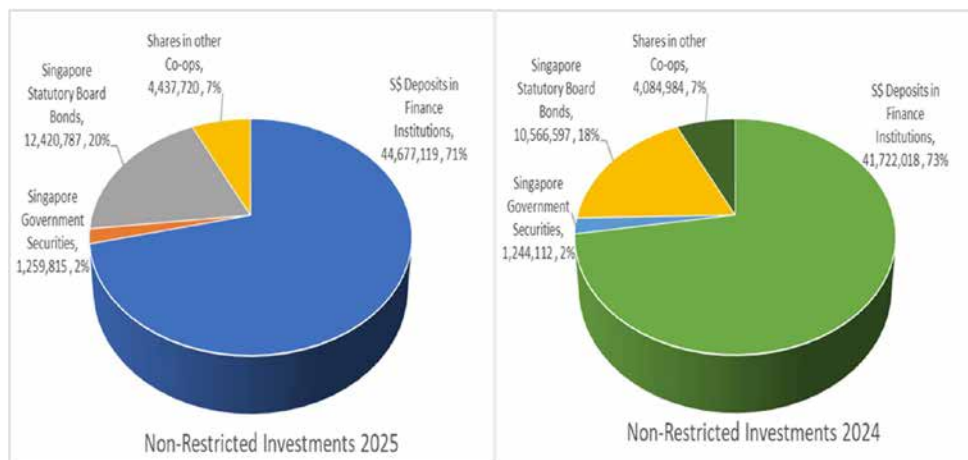
Restricted and Non-Restricted Investments

As at 31 December 2025, the co-operative held:

- \$24,363,341 in restricted investments (FY2024: \$24,534,531); and
- \$62,795,441 in non-restricted investments (FY2024: \$57,617,711).

Total investments increased by \$5.01 million (6.1%), from \$82.15 million in FY2024 to \$87.16 million in FY2025. The increase was mainly due to higher placements in non-restricted investments, particularly fixed deposits and statutory board bonds.

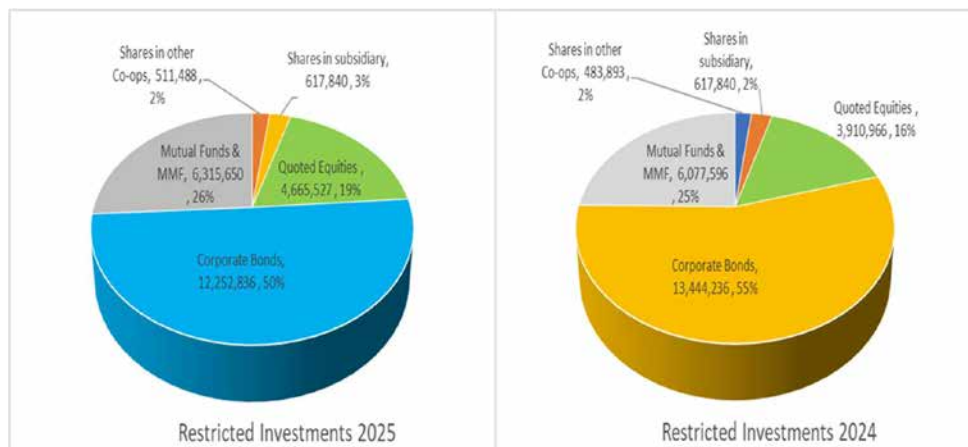
Graph 11: Non-Restricted Investments Portfolio



Restricted Investment (RI) Limit

Restricted investments represented 23.74% of total assets as at 31 December 2025, compared to 24.74% in FY2024. This remained well within the regulatory limit of 30%.

Graph 12: Restricted Investments Portfolio



8.4.3 Investment Return (Annex 8)

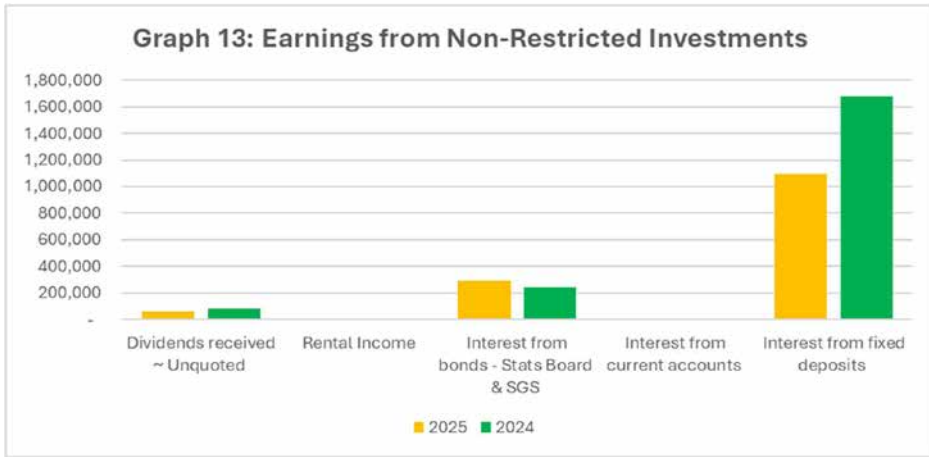
- **Total investment returns** for FY2025 decreased by \$491,525 (15.1%) to \$2,756,712, compared to \$3,248,237 in FY2024.
- Overall **Return on Investment (ROI)** decreased from 3.95% to 3.16%.

Income Recognition

- Investment income of \$2,512,744 was recognised in the Profit and Loss account, compared to \$3,043,447 in FY2024.
- Capital gains of \$243,968 (FY2024: \$204,790) were recorded in retained earnings.

Non-Restricted Investments

- Income from non-restricted investments decreased by \$574,508 (28.5%) to \$1,441,298, compared to \$2,015,806 in FY2024.
- Returns declined from 3.50% to 2.30%, mainly due to lower interest earned from fixed deposits despite higher investment balances, reflecting the softer interest rate environment.



Restricted Investments

- Earnings increased by \$82,983 (6.7%) to \$1,315,414 (FY2024: \$1,232,431).
- Returns improved from 5.02% to 5.40%, supported by stronger performance from SGX-listed shares and stable bond yields.



The portfolio remains well-diversified, compliant with regulatory limits, and positioned conservatively amid evolving market conditions.

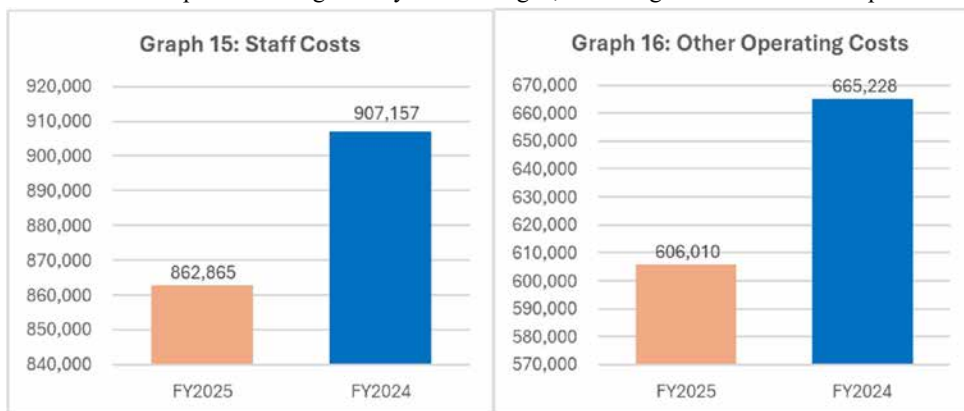
8.5 Credit Risk

Provision for bad debts charged to profit or loss decreased to \$60,275 in FY2025, compared to \$65,246 in FY2024.

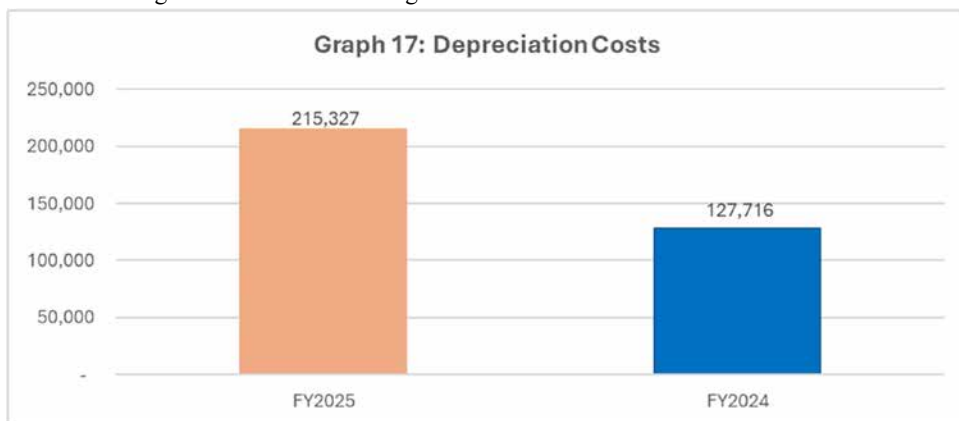
Overall credit risk remained well managed, supported by prudent lending practices, regular monitoring, and continued oversight of the loan portfolio.

8.6 Operating Expenditure

- Overall expenses were generally well managed, reflecting continued cost discipline.



- Depreciation expenses increased by \$87,611 to \$215,327 in FY2025 (FY2024: \$127,716), following the completion of renovation works and the capitalisation of related assets, including new furniture and fittings.



- Other Operating Expenses were partially supported through:
 - Staff Welfare Fund: Utilised \$33,710 (FY2024: \$7,943) for staff insurance, refreshments, and festive support.
 - Education & Training Fund: Utilised \$125,012 (FY2024: \$21,796).

8.7 Financial Position

Overall, the balance sheet strengthened for the financial year ended 31 December 2025, supported by growth in members' deposits and improvements in investment market valuations.

- Total assets** increased to \$102.63 million (up S\$3.47 million).
 This increase was largely due to a \$3.20 million rise in fixed deposits and a \$2.05 million increase in financial assets. The increase was partially offset by decrease in loans to members (-\$0.34 million) and other receivables (-\$1.25 million).
- Total liabilities** increased by S\$2.02 million to a total of \$84.64 million.
 This growth was primarily driven by a rise in members term deposits (+\$1.76 million) and general savings balances (+\$0.95 million), which were partially offset by reduction in members share capital (-\$0.17 million), bonus savings (-\$0.18 million) and other payables (-\$0.33 million).
- Funds and reserves** rose to \$17.99 million, a year over year increase of \$1.45 million.
 The appreciation was largely attributed to favourable equity and bond valuation (+\$1.17 million). Institutional capital also contributed an additional \$0.34 million to the reserve growth.

8.8 Prudential Requirements

Prudential Requirements	Effective Date as at:	Requirement	31-Dec-2025	31-Dec-2024
1. Capital Adequacy Ratio (CAR) %	01/01/2023 (<i>dd 23/06/21, RCS SF70.1.6</i>)	Min 10%, (Tier A 12%)	14.81%	14.98%
2. Minimum Liquid Ratio (MLA) %	01/01/2023 (<i>dd 23/06/21, RCS SF70.1.6</i>)	Min 15%	57.84%	55.84%
3. Restricted Investments < 30% of Total Assets	28/06/25 to 30/06/28	Max 30%	23.74%	24.74%

The Co-operative had complied with all the prudential requirements for the financial years ended 31 December 2025 and 31 December 2024.

8.9 Overall Assessment

The Co-operative is financially stable, supported by:

- Stable lending operations
- Controlled credit risk
- Diversified investment portfolio
- Strong capital base (CAR)

8.10 Forward Focus & Strategic Priorities

To strengthen the Co-operative's long-term resilience and sustainability, the Committee of Management (COM) and management will continue to focus on the following key areas:

- i. **Growing the Loan Portfolio**
 - a. Strengthen our core lending business to improve income stability and increase loan utilisation.
- ii. **Optimising Investment Strategy**
 - a. Enhance investment performance across different interest rate environments.
 - b. Build a more stable fixed income portfolio that provides sustainable recurring income.
- iii. **Maintaining Margin and Cost Discipline**
 - a. Balance attractive member returns with the Co-operative's long-term financial sustainability.
- iv. **Driving Operational Excellence & Member Service**
 - a. Improve operational efficiency, strengthen governance, and enhance overall member experience.

8.11 Conclusion

The lower surplus recorded for FY2025 was mainly due to:

- Interest rates easing from the exceptionally high levels seen previously, which affected investment returns; and
- Member-focused pricing decisions made across our deposit products.

Moving forward, the Co-operative will continue to focus on:

- Rebuilding and growing the loan portfolio to provide a stable and sustainable source of income; and
- Maintaining a balanced investment strategy that supports long-term income stability while preserving capital.

These efforts are important in ensuring the Co-operative remains financially resilient and sustainable for the long term.

9. Member Returns – Proposed Distribution of Surplus FY2025

Despite the lower surplus for FY2025, the co-operative remains committed to delivering value to members. It is proposed that the FY2025 surplus be distributed as follows:

- Dividend payout: 5% (\$308,790)
- Loan rebate: 4% (\$31,669)

This represents approximately 95% of the FY2025 surplus of \$358,930 being returned to members.

10. Member Deposit Interest Rates

i. General Savings

General Savings accounts earned interest at 1.0% per annum throughout 2025.

ii. Term Deposit

Term Deposit interest rates ranged from 1.10% to 2.80% per annum, depending on the period of placement during the year.

iii. Bonus Savings

Bonus Savings interest rates were maintained at either 2.00% or 2.50% per annum during the year, as shown below:

Period	Rate
1-Jan-2025 to 30-Sep-2025	2.5% p.a. (effective yield of 3.08% upon maturity after 2 years)
1-Oct-2025 to 31-Dec-2025	2.0% p.a. (effective yield of 2.46% upon maturity after 2 years)

OTHER ACTIVITIES FOR YEAR 2025

11. Office Renovation

The office renovation, which commenced in November 2024, was completed in May 2025.

Members who visited the office would have noticed the newly remodelled space. The upgraded layout improved workflow, workspace efficiency, and overall visitor experience.

12. System Enhancements and Statement of Accounts

Following a data breach incident, the Society fully restored the web portal of its Statement of Accounts (SOA) viewing in May 2025.

The Personal Data Protection Council (PDPC) issued only a warning, acknowledging that the Society took prompt and effective remedial measures. Additional security safeguards were implemented based on professional IT & Compliance recommendations, strengthening the system's overall resilience. With the restored and enhanced secured environment, members regained online access to view their SOA.

The Society is exploring further improvements to the system, including the possible migration of members' data to a secure cloud-based environment & Singpass integration to enhance reliability and accessibility.

Hardcopy SOAs were also mailed for both the mid-year (30 June 2025) and year-end (31 December 2025) periods, ensuring all members had access to their financial information through multiple channels.

13. Singapore Teachers' International Holdings (STIH)

The Society continued to outsource certain operational services to STIH. These services include:

- Debt collection services.
- Auxiliary services, such as handling telephone enquiries and providing general administrative support.

14. Conferences & Training

Members of the COM and staff participated in various conferences and training events during the year to enhance their knowledge and strengthen the Society's governance and operations.

Event:

28 May 2025

Dialogue with Co-op Leaders

14 - 16 July 2025

**World Credit Union Conference (WCUC)
Stockholm, Sweden**

11 - 13 September 2025

ASIAN CREDIT UNION FORUM 2025

19 September 2025

SNCF Centennial Night

30 October - 2 November 2025

SNCF ACLC Co-ops Build A Better Singapore

Attended By:

Mr Fok Kim Fook

Mr Teo Chor Kai

Mr Willy Siang

Mdm Elaine Seah

Mr Peter Tan

Mr Teo Chor Kai

Mr Willy Siang

Mr Fok Kim Fook

Mdm Kiren Kaur Gill

Mr Fok Kim Fook

Mdm Elaine Seah

Mr Peter Tan

Mdm Elene Lim

Mr Wilson Koh

Mdm Kiren Kaur Gill

Mr Ray Ong

Ms Kwek Wen Qing

Mr Teo Chor Kai

Mr Willy Siang

Mr Fok Kim Fook

Mdm Elaine Seah

Mr Peter Tan

Mr Teo Chor Kai

Ms Mavis Ren

Mr Willy Siang

Mdm Angela Siow

Mr Jeremy Lim

15. Appreciation

The Committee of Management wishes to thank:

the Patron: Ms Indranee Rajah, Minister in the Prime Minister's Office, Second Minister for Finance and Second Minister for National Development,

the Registrar of Co-operative Societies and her officers,

the Accountant-General's Department,

the Ministry of Education,

the Ministry of Culture, Community and Youth,

the National Institute of Education,

the Institute of Technical Education,

the Members,

the staff and,

all others who have rendered their services in one way or another for their support throughout 2025.

Thank you.



Teo Chor Kai
Chief Executive Officer

SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LTD

150 CHANGI ROAD
#02-06 GUTHRIE BUILDING
SINGAPORE 419973

TEL: 64404393

AUDIT COMMITTEE REPORT FOR FINANCIAL YEAR 2025

1. The Audit Committee “AC” comprises of three members:

Chairman - Mr. Chua Kia Khian
Secretary - Mdm. Elaine Seah
Member - Mdm. Rendy Chen

2. The AC conducted four meetings for the term 2025/2026.

3. For the term 2025/2026, AC’s activities included the following:

- (i) Reviewed with the external auditor, the audit plan;
- (ii) Reviewed with the external auditor, the audit report;
- (iii) Reviewed the assistance given by the officers of the Co-operative to the external auditor;
- (iv) Reviewed the scope and results of the audit procedures;
- (v) Reviewed the balance-sheet, income and expenditure statement of the Co-operative and the consolidated financial statements.

AC performed an independent review of the Group’s audited consolidated financial statements for the year ended 31 December 2025 before submission to the Committee of Management ‘COM’. AC discussed with the external auditors the audit findings and recommendations, and noted no material irregularities in the financial reporting processes. AC noted that the officers of the Co-operative had provided their full support and assistance to the external auditor. Based on the results of the review, the AC was of the view that the consolidated financial statements of the Group were fairly presented.

The external auditor had issued an unqualified opinion on the consolidated financial statements of the Group and that the accompanying statements were properly drawn up in accordance with the provisions of the Co-operative Societies Act 1979 and Financial Reporting Standards in Singapore.

4. External Auditors reported that their audit work covered the review of risk areas of the Co-operative, including:

- (i) Income recognition on loans;
- (ii) Receivable risk of loans to members;
- (iii) Fair value measurement and valuation risks of investments;
- (iv) Member Deposit Accounts; and,
- (v) Impairment of non-financial assets, namely “Property, plant and equipment” and “Investment in subsidiary”.

Based on the External Auditor’s work performed, they reported that there were no exceptions.

5. External Auditors also reported that the Co-operative complied with the MCCY Prudential Requirement for the financial year ended 31 December 2025.

6. AC recommended the re-appointment of Reanda Adept PAC as the External Auditor for the Co-operative for the financial year 2026.
7. AC reviewed the IT intrusion incident with the Management, and was satisfied with the full compliance with the relevant agencies and stakeholders.



Mr Chua Kia Khian
Chairman
Audit Committee

**AUDITED FINANCIAL STATEMENTS
AND OTHER FINANCIAL INFORMATION**

**SINGAPORE TEACHERS CO-OPERATIVE SOCIETY
LIMITED (FORMERLY KNOWN AS THE SINGAPORE
TEACHERS' CO-OPERATIVE SOCIETY LIMITED)
AND ITS SUBSIDIARY**
(Incorporated in Singapore)

Unique Entity Number: S32CS0013G

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LIMITED AND ITS SUBSIDIARY

(fka The Singapore Teachers' Co-operative Society Limited and Its Subsidiary)

AUDITED FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION

Singapore Teachers Co-operative Society Limited and Its Subsidiary COMMITTEE OF MANAGEMENT

Zaccheus Richard Bains (Chairman)
Tok Wei Cheng Allan (Deputy Chairman)
Fok Kim Fook (Honorary Treasurer)
Seah Ee Leng Elaine (Honorary Assistant Treasurer)
Ho Boon Huat (Honorary Assistant Secretary)
Elene Lim Lan Hiang
Peter Tan Swee Chong
Wilson Koh Kian Neng
Kiren Kaur Gill
Ray Ong Chee Kiong
Kwek Wen Qing

REGISTERED OFFICE

150 Changi Road
#02-06 Guthrie building
Singapore 419973

AUDITOR

Reanda Adept PAC
138 Cecil Street
#06-01 Cecil Court
Singapore 069538

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SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LIMITED AND ITS SUBSIDIARY

(fka The Singapore Teachers' Co-operative Society Limited and Its Subsidiary)

STATEMENT BY THE COMMITTEE OF MANAGEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

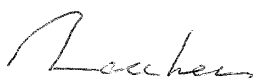
The Committee of Management are pleased to present their statement to the members together with the audited consolidated financial statements of Singapore Teachers Co-operative Society Limited (the Co-operative) and its subsidiary (the Group) for the financial year ended 31 December 2025.

In the opinion of the Committee of Management,

- (a) the financial statements of the Group and of the Co-operative are drawn up so as to give a true and fair view of the financial position of the Group and of the Co-operative as at 31 December 2025, and the financial performance and changes in funds and reserves of the Group and of the Co-operative and the cash flows of the Group for the financial year then ended; and
- (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.
- (c) the receipts, expenditures, investment of monies and acquisition and disposal of assets by the Co-operative during the financial year ended 31 December 2025 have been made in accordance with the provision of the Co-operative Societies Act 1979 (the "Act") and the By-Laws of the Co-operative; and
- (d) proper accounting and other records have been kept by the Co-operative.

These financial statements were authorised for issue on the date of this statement.

On behalf of the Committee of Management,



ZACCHEUS RICHARD BAINS
Chairman



FOK KIM FOOK
Honorary Treasurer

Singapore,

27.04.2026

SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LIMITED AND ITS SUBSIDIARY

(fka The Singapore Teachers' Co-operative Society Limited and Its Subsidiary)

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

TO THE MEMBERS OF SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Singapore Teachers Co-operative Society Limited (the Co-operative) and its subsidiary (collectively, the Group), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Co-operative as at 31 December 2025, consolidated statement of comprehensive income, consolidated statement of changes in funds and consolidated statement of cash flows of the Group and statement of comprehensive income and statement of changes in funds of the Co-operative for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements and the financial statements of the Co-operative are properly drawn up in accordance with the provisions of the Co-operative Societies Act, 1979 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Co-operative as at 31 December 2025 and of the consolidated financial performance, consolidated changes in fund and consolidated cash flows of the group and of the financial performance and changes in fund of the Co-operative for the 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 Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Committee of Management is responsible for the other information. The other information comprises the Statement by the Committee of Management and appendices included in the Annual Report 2025 but does not include the financial statements and our auditors' report thereon. The Co-operative's Annual Report is expected to be made available to us after the date of this auditor's report.

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

SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LIMITED AND ITS SUBSIDIARY

(fka The Singapore Teachers' Co-operative Society Limited and Its Subsidiary)

INDEPENDENT AUDITOR'S REPORT (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

TO THE MEMBERS OF SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LIMITED (CONT'D)

Other Information (Cont'd)

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 Committee of Management for the Financial Statements

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

In preparing the financial statements, Committee of Management is responsible for assessing the Group'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 Committee of Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Committee of Managements' responsibilities include overseeing the Group'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 auditors' 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.

SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LIMITED AND ITS SUBSIDIARY

(fka The Singapore Teachers' Co-operative Society Limited and Its Subsidiary)

INDEPENDENT AUDITOR'S REPORT (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

TO THE MEMBERS OF SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LIMITED (CONT'D)

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Committee of Management.
- Conclude on the appropriateness of Committee 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 Group'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 Group 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LIMITED AND ITS SUBSIDIARY

(fka The Singapore Teachers' Co-operative Society Limited and Its Subsidiary)

INDEPENDENT AUDITOR'S REPORT (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

TO THE MEMBERS OF SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LIMITED (CONT'D)

Report on Other Legal and Regulatory Requirements

In our opinion:

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

Basis for opinion

We conducted our audit in accordance with SSAs. Our responsibilities under those standards are further described in the Auditor's responsibility for the compliance audit section of our report. We are independent of the Group in accordance with the ACRA Code together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on Committee of Management's compliance.

Committee of Management's responsibility for compliance with legal and regulatory requirements

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

Auditor's responsibility for the compliance audit

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



SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LIMITED AND ITS SUBSIDIARY

(fka The Singapore Teachers' Co-operative Society Limited and Its Subsidiary)

INDEPENDENT AUDITOR'S REPORT (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

TO THE MEMBERS OF SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LIMITED (CONT'D)

Report on Other Legal and Regulatory Requirements

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

A handwritten signature in black ink that reads 'Reanda Adept PAC'.

REANDA ADEPT PAC

Public Accountants and
Chartered Accountants
Singapore,

27.04.2026

Reanda Adept PAC

A Public Accounting Corporation with Limited Liability

Co Reg No: 200819324E

138 Cecil Street #06-01 Cecil Court Singapore 069538

Tel: 6323 1613 Fax: 6323 1763 www.reanda-adept.com.sg

Reanda is an international network of public accountants and consulting firms

SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LIMITED AND ITS SUBSIDIARY

(fka The Singapore Teachers' Co-operative Society Limited and Its Subsidiary)

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	Group		Co-operative	
		2025 \$	2024 \$	2025 \$	2024 \$
ASSETS					
Non-current assets					
Investment property	4	-	-	-	-
Property, plant and equipment	5	2,941,887	2,882,691	2,941,887	2,882,691
Investment in subsidiary	6	-	-	617,840	617,840
Financial assets	7	40,618,260	38,758,548	40,618,260	38,758,548
Loans to members	8	8,004,725	7,983,651	8,004,725	7,983,651
		<u>51,564,872</u>	<u>49,624,890</u>	<u>52,182,712</u>	<u>50,242,730</u>
Current assets					
Financial assets	7	1,245,563	1,053,836	1,245,563	1,053,836
Loans to members	8	3,783,638	4,149,604	3,783,638	4,149,604
Other receivables	9	738,892	1,997,510	736,126	1,995,089
Prepayments		8,015	2,711	8,015	2,711
Fixed deposits	10	43,370,925	40,152,400	42,811,293	39,608,480
Cash and bank balances	11	1,940,816	2,200,672	1,865,826	2,113,538
		<u>51,087,849</u>	<u>49,556,733</u>	<u>50,450,461</u>	<u>48,923,258</u>
Total assets		<u>102,652,721</u>	<u>99,181,623</u>	<u>102,633,173</u>	<u>99,165,988</u>
FUNDS, RESERVES AND LIABILITIES					
Funds and reserves					
Retained surplus	12	8,801,017	8,457,445	8,795,759	8,455,826
General reserve fund	13	6,402,287	6,402,287	6,402,287	6,402,287
Fair value reserve	14	2,288,810	1,122,188	2,288,810	1,122,188
Common good fund	15	349,348	323,968	349,348	323,968
Co-operative education and training fund	16	22,379	104,751	22,379	104,751
Staff welfare fund	17	134,901	136,111	134,901	136,111
Total funds and reserves		<u>17,998,742</u>	<u>16,546,750</u>	<u>17,993,484</u>	<u>16,545,131</u>
LIABILITIES					
Current liabilities					
Subscription share capital	18	6,175,801	6,345,628	6,175,801	6,345,628
General savings	19	25,623,765	24,671,661	25,623,765	24,671,661
Bonus savings	20	10,225,092	10,409,730	10,225,092	10,409,730
Term deposits from members	21	41,792,871	40,035,268	41,792,871	40,035,268
Members' and ex-members' accounts	22	40,713	42,411	40,713	42,411
Other payables	23	777,790	1,102,604	763,500	1,088,588
Central co-operative fund	24	17,947	27,571	17,947	27,571
		<u>84,653,979</u>	<u>82,634,873</u>	<u>84,639,689</u>	<u>82,620,857</u>
Total liabilities		<u>84,653,979</u>	<u>82,634,873</u>	<u>84,639,689</u>	<u>82,620,857</u>
Total funds, reserves and liabilities		<u>102,652,721</u>	<u>99,181,623</u>	<u>102,633,173</u>	<u>99,165,988</u>

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

SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LIMITED AND ITS SUBSIDIARY

(fka The Singapore Teachers' Co-operative Society Limited and Its Subsidiary)

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group		Co-operative	
		2025 \$	2024 \$	2025 \$	2024 \$
Income					
Finance income	25	809,913	829,840	809,913	829,840
Investment income	26	2,524,041	3,053,978	2,512,744	3,043,447
Other income	27	340,493	301,687	323,336	288,535
		<u>3,674,447</u>	<u>4,185,505</u>	<u>3,645,993</u>	<u>4,161,822</u>
Cost and expenses					
Depreciation of property, plant and equipment	5	(215,327)	(127,716)	(215,327)	(127,716)
Finance costs	28	(1,602,861)	(1,823,868)	(1,602,861)	(1,823,868)
Staff costs	29	(952,287)	(995,606)	(862,865)	(907,157)
Others		(602,446)	(598,839)	(606,010)	(665,228)
		<u>301,526</u>	<u>639,476</u>	<u>358,930</u>	<u>637,853</u>
Surplus for the year					
Finance costs	28	(503,987)	(518,768)	(503,987)	(518,768)
(Deficit)/Surplus from operations		<u>(202,461)</u>	<u>120,708</u>	<u>(145,057)</u>	<u>119,085</u>
Income tax expense	30	-	-	-	-
(Deficit)/Surplus after taxation		<u>(202,461)</u>	<u>120,708</u>	<u>(145,057)</u>	<u>119,085</u>
Less: Statutory appropriation					
- Central Co-operative Fund	24	(17,947)	(27,571)	(17,947)	(27,571)
Net (deficit)/surplus for the financial year (c/f)		<u>(220,408)</u>	<u>93,137</u>	<u>(163,004)</u>	<u>91,514</u>

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

SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LIMITED AND ITS SUBSIDIARY

(fka The Singapore Teachers' Co-operative Society Limited and Its Subsidiary)

STATEMENTS OF COMPREHENSIVE INCOME (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group		Co-operative	
		2025 \$	2024 \$	2025 \$	2024 \$
Net (deficit)/surplus for the financial year (b/f)		(220,408)	93,137	(163,004)	91,514
Other comprehensive income:					
<u>Items that will not be reclassified to profit or loss:</u>					
Net fair value gains on equity instruments at FVOCI		1,115,761	1,320,042	1,115,761	1,320,042
<u>Items that may be reclassified subsequently to profit or loss:</u>					
Net fair value gain on debt instruments at FVOCI		752,600	248,522	752,600	248,522
Net fair value gains on debt instruments at FVOCI reclassified to profit or loss upon disposal		-	104,983	-	104,983
Other comprehensive income for the financial year, net of tax		<u>1,868,361</u>	<u>1,673,547</u>	<u>1,868,361</u>	<u>1,673,547</u>
Total comprehensive income for the financial year		<u><u>1,647,953</u></u>	<u><u>1,766,684</u></u>	<u><u>1,705,357</u></u>	<u><u>1,765,061</u></u>

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

SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LIMITED AND ITS SUBSIDIARY

(fka The Singapore Teachers' Co-operative Society Limited and Its Subsidiary)

STATEMENTS OF CHANGES IN FUNDS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Group	Retained surplus (Note 12)	General reserve fund (Note 13)	Fair value reserve (Note 14)	Common good fund (Note 15)	Co-operative education & training fund (Note 16)	Staff welfare fund (Note 17)	Total
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 January 2024	8,207,824	6,402,287	(1,67,120)	364,892	126,547	144,054	15,078,484
Other appropriations	(3,190)	-	-	3,190	-	-	-
Rebate on loan interest	(45,116)	-	-	-	-	-	(45,116)
Movement in funds	-	-	(179,449)	(44,114)	(21,796)	(7,943)	(253,302)
Net surplus for the financial year	93,137	-	-	-	-	-	93,137
<u>Other comprehensive income</u>	-	-	-	-	-	-	-
Net fair value gain on equity instruments at FVOCI	-	-	1,320,042	-	-	-	1,320,042
Net fair value gain on debt instruments at FVOCI	-	-	248,522	-	-	-	248,522
Net fair value gain on debt instruments at FVOCI reclassified to profit or loss upon disposal	-	-	104,983	-	-	-	104,983
<u>Others</u>	-	-	-	-	-	-	-
Transfer of fair value reserves of equity instruments at FVOCI upon disposal	204,790	-	(204,790)	-	-	-	-
Balance at 31 December 2024	8,457,445	6,402,287	1,122,188	323,968	104,751	136,111	16,546,750
Other appropriations	(157,950)	-	-	82,810	42,640	32,500	-
Rebate on loan interest	(40,852)	-	-	-	-	-	(40,852)
Movement in funds	518,814	-	(457,771)	(57,430)	(125,012)	(33,710)	(155,109)
Net deficit for the financial year	(220,408)	-	-	-	-	-	(220,408)
<u>Other comprehensive income</u>	-	-	-	-	-	-	-
Net fair value gain on equity instruments at FVOCI	-	-	1,115,761	-	-	-	1,115,761
Net fair value gain on debt instruments at FVOCI	-	-	752,600	-	-	-	752,600
<u>Others</u>	-	-	-	-	-	-	-
Transfer of fair value reserves of equity instruments at FVOCI upon disposal	243,968	-	(243,968)	-	-	-	-
Balance at 31 December 2025	8,801,017	6,402,287	2,288,810	349,348	22,379	134,901	17,998,742

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

SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LIMITED AND ITS SUBSIDIARY

(fka The Singapore Teachers' Co-operative Society Limited and Its Subsidiary)

STATEMENTS OF CHANGES IN FUNDS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Retained surplus (Note 12)	General reserve fund (Note 13)	Fair value reserve (Note 14)	Common good fund (Note 15)	Co-operative education & training fund (Note 16)	Staff welfare fund (Note 17)	Total
Co-operative	\$	\$	\$	\$	\$	\$	\$
Balance at 1 January 2024	8,207,828	6,402,287	(167,120)	364,892	126,547	144,054	15,078,488
Other appropriations	(3,190)	-	-	3,190	-	-	-
Rebate on loan interest	(45,116)	-	-	-	-	-	(45,116)
Movement in funds	-	-	(179,449)	(44,114)	(21,796)	(7,943)	(253,302)
Net surplus for the financial year	91,514	-	-	-	-	-	91,514
<u>Other comprehensive income</u>	-	-	-	-	-	-	-
Net fair value gain on equity instruments at FVOCI	-	-	1,320,042	-	-	-	1,320,042
Net fair value gain on debt instruments at FVOCI	-	-	248,522	-	-	-	248,522
Net fair value gain on debt instruments at FVOCI reclassified to profit or loss upon disposal	-	-	104,983	-	-	-	104,983
<u>Others</u>	-	-	-	-	-	-	-
Transfer of fair value reserves of equity instruments at FVOCI upon disposal	204,790	-	(204,790)	-	-	-	-
Balance at 31 December 2024	8,455,826	6,402,287	1,122,188	323,968	104,751	136,111	16,545,131
Other appropriations	(157,950)	-	-	82,810	42,640	32,500	-
Rebate on loan interest	(40,852)	-	-	-	-	-	(40,852)
Movement in funds	457,771	-	(457,771)	(57,430)	(125,012)	(33,710)	(216,152)
Net deficit for the financial year	(163,004)	-	-	-	-	-	(163,004)
<u>Other comprehensive income</u>	-	-	-	-	-	-	-
Net fair value gain on equity instruments at FVOCI	-	-	1,115,761	-	-	-	1,115,761
Net fair value gain on debt instruments at FVOCI	-	-	752,600	-	-	-	752,600
<u>Others</u>	-	-	-	-	-	-	-
Transfer of fair value reserves of equity instruments at FVOCI upon disposal	243,968	-	(243,968)	-	-	-	-
Balance at 31 December 2025	8,795,759	6,402,287	2,288,810	349,348	22,379	134,901	17,993,484

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

SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LIMITED AND ITS SUBSIDIARY

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CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group 2025 \$	Group 2024 \$
Cash flows from operating activities			
(Deficit)/Surplus from operations		(202,461)	120,708
<u>Adjustments for:</u>			
Depreciation of property, plant and equipment	5	215,327	127,716
Property, plant and equipment written off	27	-	9,853
Interest income	26	(1,978,005)	(2,497,030)
Finance costs	28	2,106,848	2,342,636
Net impairment losses on loan to members		60,275	65,246
Dividend income	26	(546,036)	(554,654)
Operating cash flows before working capital changes		<u>(344,052)</u>	<u>(385,525)</u>
<u>Changes in working capital:</u>			
Loans to members		284,617	(11,216)
Other receivables, prepayments		1,253,314	(947,829)
Members and ex-members' accounts		(1,698)	15,313
Other payables and accruals		(324,814)	322,110
Cash generated from/(used in) operating activities		<u>867,367</u>	<u>(1,007,147)</u>
Interest received	26	1,978,005	2,497,030
Payment to CCF	24	(27,571)	(93,799)
Net cash generated from operating activities		<u>2,817,801</u>	<u>1,396,084</u>
Cash flows from investing activities			
Purchase of financial assets, at FVOCI		(5,663,933)	(9,349,123)
Proceeds from disposal of investments		5,600,802	5,527,988
Proceeds from dividend income	26	546,036	554,654
Purchase of property, plant and equipment	5	(274,523)	(398,207)
Purchase from money market fund		(191,727)	(1,050,085)
Net cash generated from/(used in) investing activities		<u>16,655</u>	<u>(4,714,773)</u>
Cash flows from financing activities			
Payment of common good fund		(57,430)	(44,114)
Payment of co-operative education and training fund		(24,689)	(21,796)
Payment of staff welfare fund		(1,210)	(7,943)
Rebate on loan interest		(40,852)	(45,116)
Subscription share capital		(169,827)	(197,860)
General savings		952,104	(425,779)
Bonus savings		(184,638)	(1,109,722)
Term deposits		1,757,603	6,513,639
Interest paid	28	(1,602,861)	(1,823,868)
Dividends paid	28	(503,987)	(518,768)
Net cash generated from financing activities		<u>124,213</u>	<u>2,318,673</u>
Net increase/(decrease) in cash and cash equivalents		<u>2,958,669</u>	<u>(1,000,016)</u>
Cash and cash equivalents at the beginning of financial year		42,353,072	43,353,088
Cash and cash equivalents at the end of financial year	11	<u>45,311,741</u>	<u>42,353,072</u>

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

SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LIMITED AND ITS SUBSIDIARY

(fka The Singapore Teachers' Co-operative Society Limited and Its Subsidiary)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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

1. GENERAL INFORMATION

The Singapore Teachers' Co-operative Society Limited (the Co-operative) is domiciled in Singapore and constituted under the Co-operative Societies Act, 1979.

The Co-operative's registered office and principal place of business is at 150 Changi Road, #02-06, Guthrie Building Singapore 419973.

The principal activities of the Co-operative are to promote in accordance with the Co-operative's principles, the economic interest of and self-help and thrift among its members who are professional teachers engaged by the Ministry of Education and other educational institutions.

The principal activities of its subsidiary are disclosed in Note 6 to the financial statements.

With effective from 22 September 2025, the name of the Co-operative was changed from The Singapore Teachers' Co-operative Society Limited to Singapore Teacher Co-operative Society Limited.

The Committee of Management has authorised and approved these financial statements for issue on the date of the Statement by the Committee of Management.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 BASIS OF PREPARATION

The financial statements of the Group have been drawn up in accordance with Singapore Financial Reporting Standards (FRS) and the applicable requirements of the Singapore Co-operative Societies Act, 1979. The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements of the Group have been prepared on the basis that it will continue to operate as a going concern.

2.2 ADOPTION OF NEW AND AMENDED STANDARDS AND INTERPRETATIONS

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 January 2025. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

The following standards and interpretations are effective for the annual period beginning on or after 1 January 2025:

- Amendments to FRS 21 *The Effects of Changes in Foreign Exchange Rates*: Lack of Exchangeability

SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LIMITED AND ITS SUBSIDIARY

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.2 ADOPTION OF NEW AND AMENDED STANDARDS AND INTERPRETATIONS (Cont'd)

The amendments to FRS 21 *The Effects of Changes in Foreign Exchange Rates* specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The application of these amendments to standards and interpretations does not have a material effect on the financial statements.

2.3 BASIS OF CONSOLIDATION

(a) Business combinations

Business combinations are accounted for under the acquisition method. The cost of acquisition is measured at the fair value of the assets acquired, equity instruments issued and liabilities incurred at the acquisition date. Acquisition related costs are recognised as an expense in the periods in which the costs are incurred and the services are rendered.

Any excess or deficiency of the purchase consideration over and above the fair value of the underlying net assets of the entity acquired is accounted for as goodwill / bargain purchase gain.

(b) Subsidiary

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Co-operative's separate financial statements, investment in subsidiary is accounted for at cost less impairment losses.

(c) Accounting for subsidiary by the Co-operative

Investments in subsidiary are stated in the Co-operative's statement of financial position at cost less accumulated impairment losses. On disposal of investment in subsidiaries, the difference between disposal proceeds and the carrying amount of the investments are recognised in the statement of comprehensive income.

(d) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.4 FOREIGN CURRENCIES

(a) Functional and presentation currencies

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Singapore dollars ("S\$"), which is also the functional currency of the Co-operative.

(b) Transactions and balances

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

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

2.5 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, if any. The cost of property, plant and equipment 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. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

	<u>Useful lives</u>
<u>Property, plant and equipment</u>	
Freehold properties (strata-title units)	50
Furniture and fittings	5
Renovation	10
Computers	3 to 5

The carrying amounts of property and plant and equipment at the end of the reporting period are disclosed in Note 5 to the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.5 PROPERTY, PLANT AND EQUIPMENT (Cont'd)

The residual value, useful lives and depreciation method are reviewed at least at the end of each financial period, and adjusted prospectively, if appropriate. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

2.6 INVESTMENT PROPERTY

Investment property is a property that are either owned by the Co-operative or right-of-use assets that are held to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or in the ordinary course of business. Investment property comprise completed investment property that are being constructed or developed for future use as investment property.

Investment property is measured at cost, including transaction costs.

Investment property is derecognised either when they have been disposed of (i.e., at the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition as gains or losses arising from the retirement or disposal of investment property.

Depreciation provided on freehold property is 50 years. Depreciation is computed on a straight-line basis so as to write off the cost or the carrying amount over their estimated useful lives. The carrying amount, residual value and useful lives are reviewed and adjusted as appropriate at the end of each reporting period with changes in estimate accounted for on a prospective basis.

2.7 IMPAIRMENT OF NON-FINANCIAL ASSETS

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, (or, where applicable, when an annual impairment testing for an asset is required), the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.7 IMPAIRMENT OF NON-FINANCIAL ASSETS (Cont'd)

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.8 FINANCIAL INSTRUMENTS

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement – Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in other comprehensive income which will not be reclassified subsequently to profit or loss. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income.

For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.8 FINANCIAL INSTRUMENTS (Cont'd)

(a) Financial assets (Cont'd)

Subsequent measurement - Investments in debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

i) Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

ii) Fair value through other comprehensive income (FVOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method which are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from funds and reserves to profit or loss as a reclassification adjustment when the financial asset is derecognised.

iii) Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

Derecognition

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

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.8 FINANCIAL INSTRUMENTS (Cont'd)

(a) Financial assets (Cont'd)

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL). In calculating ECLs for loans to members, the Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at FVOCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when the contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 30 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(b) Financial liabilities

Initial recognition and measurement

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

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

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

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2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.8 FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial liabilities (Cont'd)

Subsequent measurement

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

Derecognition

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

2.9 LEASES

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising from operating leases on the Group's investment property is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.10 EMPLOYEE BENEFITS

(a) Define contribution plans

The Group makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Short-term employee benefits

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

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2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.11 INCOME RECOGNITION

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation. The following specific recognition criteria must also be met before income is recognised:

Rental income

Rental income is recognised on a straight-line basis over the term of the relevant operating leases.

Interest income

Interest income are recognised using the effective interest method.

The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group and the Co-operative estimates cash flows considering all contractual terms of the financial instrument (for example prepayment options) but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts. Where the estimates of cash flows have been revised, the carrying amount of the financial asset or liability is adjusted to reflect the actual and revised cash flows, discounted at the instruments original effective interest rate. The adjustment is recognised as interest income in the period in which the revision is made as long as the change in estimates is not due to credit issues.

Dividend income

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

2.12 GOVERNMENT GRANTS

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all the attaching conditions will be complied with. Where the grant relates to an asset, the carrying amount of the asset is deducted against the amount of grant received.

2.13 FINANCE COSTS

Interest expenses and similar charges are recognised as it accrues, using the effective interest method.

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2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.14 TAXES

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.15 CASH AND CASH EQUIVALENTS

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions which are not subject to significant change in value.

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2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.16 SUBSCRIPTION SHARE CAPITAL

Subscription shares held by members are repayable on cessation of membership in accordance with By-laws 4.13. Subscription shares shall normally be withdrawn after the effective date of cessation of membership.

Dividends on subscription shares are recognised as finance costs in the statement of comprehensive income in the year in which they are declared and approved for payment.

2.17 FUNDS

General Reserve Fund

The Co-operative shall pay into the General Reserve Fund such portion of its net surplus as the Committee of Management 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 subscription share capital and bonus shares.

Common Good Fund

The Common Good Fund ("CGF") represents amounts set aside by the Co-operative to support members welfare through member benefit scheme, including funeral grants, disability benefits and tenure-based payouts, in accordance with the Co-operative's By-laws, Society's Administrative Policy and Rules Governing Common Good Fund. The CGF is funded through monetary donations, monthly member contributions and appropriations can be from net surplus or retained surplus not more than ten percent as approved by members at the general meeting. Where a member resigns with less than ten years of membership, any credit balance attributable to the member is transferred to the CGF upon approval of the resignation by the Committee of Management.

The CGF is a designated fund established to provide member benefits and is distributed in accordance with defined eligibility criteria. The adequacy of the CGF is reviewed periodically by the Committee of Management, taking into consideration expected future obligations and funding requirements.

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2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.17 FUNDS (Cont'd)

Co-operative Education and Training Fund

This fund is used for education and training activities of the Co-operative.

Staff Welfare Fund

This fund is established for the benefit and welfare of the staff of the Co-operative and the appropriation is normally from retained surplus.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires Committee of Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

3.1 KEY SOURCES OF ESTIMATION UNCERTAINTY

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

(a) Provision for expected credit losses ("ECLs") of loans to members

The Group uses a provision matrix to calculate ECLs for loans to members. The provision rates are based on the payment profiles of finance income over a period of 24 months before the end of the reporting period and the corresponding historical credit losses experienced within this period.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of members' actual default in the future. The information about the ECLs on the Group's loans to members and the carrying amount of loans to members is disclosed in Note 8 to the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CON'TD)

3.1 KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

(b) Investment in subsidiary – assessment of impairment (Note 6)

At the date of the statement of financial position, the carrying amount of the Co-operative's investment in subsidiary was \$617,840 (2024: \$617,840) after taking into account accumulated impairment losses of \$172,160 (2024: \$172,160), as it was determined by the Committee of Management that the cost of the investment is impaired (see Note 6).

Committee of Management has made a judgement that the decline in the carrying value of this investment is significant and prolonged and has considered the long-term duration of the decline and the significant magnitude by which the recoverable amount is below cost. Other factors taken into consideration in determining the impairment loss include the future profitability of the subsidiary, financial health of and near-term business outlook of the subsidiary.

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

(c) Classification between investment property and owner-occupied property

The Group and the Co-Operative exercise judgement in determining whether a property meets the definition of an investment property. Investment property is defined as property held to earn rental income, for capital appreciation, or both. In making this assessment, the Group and the Co-operative have established specific criteria and consider whether the property generates cash flows that are largely independent of other assets within the Group and the Co-operative.

This judgement is applied on an individual property basis. Property that does not meet these criteria are not classified as investment property, and the significance of this determination is assessed separately for each property.

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

4. INVESTMENT PROPERTY

	Group and Co-operative	
	2025	2024
	\$	\$
Cost		
As at 1 January	-	1,996,598
Reclassification	-	(1,996,598)
At 31 December	-	-
Accumulated depreciation		
As at 1 January	-	843,906
Reclassification	-	(843,906)
As at 31 December	-	-
Carrying amount as at 31 December	-	-

The investment property comprises a freehold (strata-title) commercial unit previously held for capital appreciation and rental income.

In the prior year, a property with a carrying amount of \$1,152,692 was reclassified from investment property to property, plant and equipment, following a change in use. The property is now owner-occupied and used for administrative and operational purposes.

The reclassification is in accordance with FRS 40 Investment Property, as the asset no longer meets the definition of investment property. From the date of the change in use, the property is accounted for in accordance with FRS 16 Property, Plant and Equipment, and is subject to depreciation over its estimated useful life.

5. PROPERTY, PLANT AND EQUIPMENT

<u>Group and Co-operative</u>	<u>Freehold building</u>	<u>Furniture and fittings</u>	<u>Renovation</u>	<u>Computers</u>	<u>Total</u>
	\$	\$	\$	\$	\$
Cost					
At 1 January 2024	2,467,226	73,346	31,256	482,911	3,054,739
Additions	-	92,870	266,594	38,743	398,207
Written off	-	(47,456)	(31,256)	(27,063)	(105,775)
Reclassification	1,996,598	-	-	-	1,996,598
At 31 December 2024	4,463,824	118,760	266,594	494,591	5,343,769
Additions	-	228,604	4,905	41,014	274,523
Written off	-	(13,696)	-	(30,559)	(44,255)
At 31 December 2025	4,463,824	333,668	271,499	505,046	5,574,037

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

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5. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

<u>Group and Co-operative</u>	Freehold building	Furniture and fittings	Renovation	Computers	Total
	\$	\$	\$	\$	\$
Accumulated Depreciation					
At 1 January 2024	1,042,828	61,262	24,295	456,993	1,585,378
Depreciation charge	99,119	6,875	773	20,949	127,716
Written off	-	(43,791)	(25,068)	(27,063)	(95,922)
Reclassification	843,906	-	-	-	843,906
At 31 December 2024	1,985,853	24,346	-	450,879	2,461,078
Depreciation charge	99,119	64,944	27,150	24,114	215,327
Written off	-	(13,696)	-	(30,559)	(44,255)
At 31 December 2025	2,084,972	75,594	27,150	444,434	2,632,150
Carrying amounts					
At 31 December 2024	2,477,971	94,414	266,594	43,712	2,882,691
At 31 December 2025	2,378,852	258,074	244,349	60,612	2,941,887

6. INVESTMENT IN SUBSIDIARY

	Co-operative	
	2025 \$	2024 \$
Unquoted equity shares, at cost	790,000	790,000
Less: Accumulated impairment losses		
Balance at the beginning/end of the year	(172,160)	(172,160)
	617,840	617,840

(a) Details of the subsidiary is as follows:

<u>Name of subsidiary</u>	<u>Principal place of business</u>	<u>Principal Activities</u>	<u>Percentage of equity held</u>	
			2025 %	2024 %
Singapore Teachers' International Holdings Pte. Ltd. ("STIH") ¹	Singapore	To carry on the business of investment holding and to act as general or special agents or managers or managing agents and to enter into partnership or any agreement for sharing profits or co-operation	100	100

¹Audited by Reanda Adept PAC

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6. INVESTMENT IN SUBSIDIARY (Cont'd)

(b) Impairment assessment of the Co-operative's investment in subsidiary:

The Co-operative assessed the carrying amount of its investment in subsidiary for indicators of impairment. The Co-operative assessed the recoverable amount of the investment using the fair value less costs to sell (FVLCTS) approach which was based on the financial position of STIH, which took into consideration the fair value of the Company's underlying assets and liabilities. The fair value measurement was categorised as a Level 3 in the fair value hierarchy based on the inputs in the valuation techniques used.

Committee of Management is of the view that there is a basis for making a reliable estimate of the price, that is, fair value at which an orderly transactions to sell the asset and could be reliable estimated.

7. FINANCIAL ASSETS

	Group and Co-operative	
	2025	2024
	\$	\$
<u>Financial assets at FVOCI</u>		
Quoted equity securities	4,665,527	3,910,966
Quoted bonds (debt instruments)	25,933,437	25,254,945
Quoted managed funds	5,070,088	5,023,760
Unquoted equity investments	<u>4,949,208</u>	<u>4,568,877</u>
	40,618,260	38,758,548
<u>Financial assets at FVTPL</u>		
Money market fund	<u>1,245,563</u>	<u>1,053,836</u>
	<u>41,863,823</u>	<u>39,812,384</u>

The Group has elected to measure its investments in quoted equity securities and unquoted shares in other co-operative societies at fair value through other comprehensive income due to the Group's intention to hold them for long-term appreciation.

During the year, the Group disposed of investments in equity securities with fair value amounting to \$1,850,803 (2024: \$2,328,136) at the date of derecognition to better manage their market price risk exposure. The cumulative gain or loss arising from the disposals amounted \$243,968 (2024: \$204,790) and was transferred from the fair value reserve to retained surplus.

The Group's quoted bonds and quoted managed funds are classified as financial assets, at FVOCI as the Group holds them to collect contractual cash flows and sell these assets.

The Group recognised dividends amounting to \$482,345 (2024: \$441,220) from quoted equity securities still held as at the reporting date and \$22,587 (2024: \$20,204) from quoted equity securities disposed during the year prior to their disposal.

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7. FINANCIAL ASSETS (Cont'd)

The quoted equity securities and bonds are based on their closing bid price quotations on the last market day of the financial year and are classified under Level 1 of the fair value hierarchy.

The unquoted equity investments in co-operative societies and corporatised co-operative amounting to \$4,949,208 (2024: \$4,568,877) are valued based on their realisable values as set out in the By-laws of the respective co-operative societies. The fair value measurement was categorised as a Level 3 in the fair value hierarchy based on the inputs in the valuation techniques used as disclosed in the Note 34.6 to the financial statements.

8. LOAN TO MEMBERS

	Group and Co-operative	
	2025	2024
	\$	\$
Balance at beginning of financial year	12,326,302	12,424,332
<u>Add:</u>		
Loans granted during the financial year	12,144,177	13,933,256
Offset existing loan	(7,615,917)	(8,913,831)
Net loans granted during the financial year	4,528,260	5,019,425
	16,854,562	17,443,757
<u>Less:</u>		
Repayments during the financial year	(4,179,788)	(4,325,580)
Transfer from subscription share capital	(15,721)	(11,597)
Transfer from general savings (Note 19)	(592,979)	(663,534)
Others	(24,389)	(7,498)
Bad debts written off	(42,864)	(109,246)
	(4,855,741)	(5,117,455)
	11,998,821	12,326,302
<u>Less:</u>		
Allowance for expected credit losses/ impairment	(210,458)	(193,047)
Balance at end of financial year	11,788,363	12,133,255
Repayable within one year	3,783,638	4,149,604
Repayable after one year but within five years	8,004,725	7,983,651
	11,788,363	12,133,255

Repayments during the financial year consist of monthly instalments and full repayments and full settlements of existing loans to obtain new loans.

Loans to members bear effective interest rate ranging from 5.37% to 9.76% (2024: 5.49% to 9.76%) per annum. Loans to members are repayable within periods from 12 months to 60 months (2024: 12 months to 60 months).

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8. LOAN TO MEMBERS (Cont'd)

Expected credit losses

The movement in allowance for expected credit losses of loans to members computed based on 12-month and lifetime ECL are as follows:

	Group and Co-operative	
	2025	2024
	\$	\$
Balance at beginning of year	193,047	237,047
Charge to profit or loss	60,275	65,246
Write off during the year	(42,864)	(109,246)
Balance at end of year	<u>210,458</u>	<u>193,047</u>

9. OTHER RECEIVABLES

	Group		Co-operative	
	2025	2024	2025	2024
	\$	\$	\$	\$
Sundry receivables	7,739	1,086,056	6,741	1,086,056
Interest receivable from:				
- fixed deposits	480,777	665,134	479,009	662,313
- bonds	247,536	240,138	247,536	240,138
Deposits	2,840	6,182	2,840	6,182
Amount due from subsidiary	-	-	-	400
	<u>738,892</u>	<u>1,997,510</u>	<u>736,126</u>	<u>1,995,089</u>

10. FIXED DEPOSITS

	Group		Co-operative	
	2025	2024	2025	2024
	\$	\$	\$	\$
Banks	42,811,293	39,608,480	42,811,293	39,608,480
Finance companies	559,632	543,920	-	-
	<u>43,370,925</u>	<u>40,152,400</u>	<u>42,811,293</u>	<u>39,608,480</u>

The effective interest rates of fixed deposits maturing within 12 months from the financial year end vary from 0.36% to 3.00% (2024: 2.00% to 4.82%) per annum.

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11. CASH AND BANK BALANCES

For the purposes of the consolidated statement of cash flows, cash and cash equivalents are comprised of the following: -

	Group	
	2025 \$	2024 \$
Cash and bank balances	1,940,816	2,200,672
Fixed deposits (Note 10)	43,370,925	40,152,400
	<u>45,311,741</u>	<u>42,353,072</u>

12. RETAINED SURPLUS

	Group		Co-operative	
	2025 \$	2024 \$	2025 \$	2024 \$
Balance at beginning of year	8,457,445	8,207,824	8,455,826	8,207,828
	<u>8,457,445</u>	<u>8,207,824</u>	<u>8,455,826</u>	<u>8,207,828</u>
Less: Other appropriations				
- Common Good Fund (Note 15)	(82,810)	(3,190)	(82,810)	(3,190)
- Co-operative education and training fund (Note 16)	(42,640)	-	(42,640)	-
- Staff Welfare Fund (Note 17)	(32,500)	-	(32,500)	-
	<u>(157,950)</u>	<u>(3,190)</u>	<u>(157,950)</u>	<u>(3,190)</u>
- Rebate on loan interest of 5% (2024: 5%)	(40,852)	(45,116)	(40,852)	(45,116)
- Transfer of fair value reserves of equity instruments at FVOCI upon disposal	243,968	204,790	243,968	204,790
Others	518,814	-	457,771	-
	<u>9,021,425</u>	<u>8,364,308</u>	<u>8,958,763</u>	<u>8,364,312</u>
Net (deficit)/ surplus for the year after statutory appropriations	<u>(220,408)</u>	<u>93,137</u>	<u>(163,004)</u>	<u>91,514</u>
Balance at end of year	<u>8,801,017</u>	<u>8,457,445</u>	<u>8,795,759</u>	<u>8,455,826</u>

13. GENERAL RESERVE FUND

Under the Co-operative's By-laws 7.4, the general reserve fund refers to an unallocated reserve not earmarked for any specific purpose. It serves as a financial buffer to absorb unforeseen losses that may arise from the Co-operative's operations or investments, thereby contributing to the financial stability and resilience of the Co-operative.

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14. FAIR VALUE RESERVE

Fair value reserve represents the cumulative fair value changes of financial assets at fair value through other comprehensive income until they are disposed of or impaired.

15. COMMON GOOD FUND

	Group and Co-operative	
	2025	2024
	\$	\$
Balance at beginning of year	323,968	364,892
<u>Add:</u>		
Contributions received from members	29,270	30,483
Transfer from subscription share capital	-	3
Appropriation for the year (Note 12)	82,810	3,190
	112,080	33,676
	436,048	398,568
<u>Less:</u>		
Amounts disbursed during the year	(27,300)	(25,200)
Transfer to general savings (Note 19)	(59,400)	(49,400)
	(86,700)	(74,600)
Balance at end of year	349,348	323,968

Based on management's assessment of accumulated member contributions, historical payouts and projected obligations, the estimated funding required to support CGF obligations is approximately \$619,738. The Committee of Management has approved an allocation of \$600,000 from retained surplus to strengthen the fund, subject to approval at the forthcoming Annual General Meeting.

16. CO-OPERATIVE EDUCATION AND TRAINING FUND

	Group		Co-operative	
	2025	2024	2025	2024
	\$	\$	\$	\$
Balance at beginning of year	104,751	126,547	104,751	126,547
<u>Less:</u>				
Appropriation for the year (Note 12)	42,640	-	42,640	-
Amounts disbursed during the year	(125,012)	(21,796)	(125,012)	(21,796)
Balance at end of year	22,379	104,751	22,379	104,751

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17. STAFF WELFARE FUND

	Group and Co-operative	
	2025	2024
	\$	\$
Balance at beginning of year	136,111	144,054
<u>Add:</u>		
Appropriation for the year (Note 12)	32,500	-
<u>Less:</u>		
Amounts disbursed during the year	(33,710)	(7,943)
Balance at end of year	<u>134,901</u>	<u>136,111</u>

18. SUBSCRIPTION SHARE CAPITAL

	Group and Co-operative	
	2025	2024
	\$	\$
Balance at beginning of year	6,345,628	6,543,488
Issue of subscription shares	118,042	82,050
Redemption of subscription shares	(287,869)	(279,910)
Balance at end of year	<u>6,175,801</u>	<u>6,345,628</u>

This relates to subscription shares held by members where the Co-operative does not have the right of refusal to members' request for withdrawals upon cessation of membership.

Every member shall be allowed to subscribe a minimum monthly sum to this Subscription Account in accordance with the Administrative Rules on Subscription (By-Law 7.3). Subscription capital may not be withdrawn except for such purposes and under such conditions as laid down in the By-Laws or except on a termination of membership.

At the end of the reporting year, subscription capital of \$118,042 (2024: \$82,050) were received from the Co-operative's members.

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19. GENERAL SAVINGS

	Group and Co-operative	
	2025	2024
	\$	\$
Balance at beginning of year	24,671,661	25,097,440
<u>Add:</u>		
Amounts received from members	3,521,112	3,874,807
Transfer from subscription share capital	30,626	29,690
Transfer from Common Good Fund (Note 15)	59,400	49,400
Transfer from bonus savings with interest (Note 20)	4,266,122	4,290,829
Transfer from term deposits with interest (Note 21)	725,799	694,090
Other additions		
- Interest on general savings (Note 28)	243,919	239,674
- Dividends on subscription share capital*	503,987	518,768
- Loan interest rebates	40,851	45,116
- Others	3,079	154
	<u>9,394,895</u>	<u>9,742,528</u>
	34,066,556	34,839,968
Amounts withdrawn by members	(5,775,608)	(6,023,537)
Transfer to subscription share capital	-	(410)
Transfer to term deposits (Note 21)	(2,058,432)	(3,434,950)
Adjustment to reduce loans		
- principal (Note 8)	(592,979)	(663,534)
- interest	(10,826)	(6,897)
Others	(4,946)	(38,979)
	<u>(8,442,791)</u>	<u>(10,168,307)</u>
Balance at end of year	<u>25,623,765</u>	<u>24,671,661</u>

*Under the Co-operative's By-laws 9.4, dividends declared by the Co-operative will be credited to the members' general savings accounts except when a claim is made by a member.

Interest is payable at the rates of 1.0% (2024: 1%) per annum and will be credited into members' accounts on 30th June and 31st December annually.

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20. BONUS SAVINGS

	Group and Co-operative	
	2025	2024
	\$	\$
Balance at beginning of year	10,409,730	11,519,452
<u>Add:</u>		
Amounts received from members	9,752,471	10,193,450
Interest on maturity of bonus savings (Note 28)	283,984	280,708
	10,036,455	10,474,158
	20,446,185	21,993,610
<u>Less:</u>		
Premature withdrawals by members	(281,330)	(355,920)
Matured withdrawals by members	(3,923,524)	(4,796,637)
Transfer to general savings with interest (Note 19)	(4,266,122)	(4,290,829)
Transfer to term deposit (Note 21)	(1,750,117)	(2,140,494)
	(10,221,093)	(11,583,880)
Balance at end of year	10,225,092	10,409,730

Bonus savings are for a period of 24 months and bear effective interest rate of 2.0% to 2.5% (2024: 2.0% to 2.5%) per annum. Bonus savings may be withdrawn prematurely in which case neither interest nor bonuses shall be paid.

21. TERM DEPOSITS FROM MEMBERS

	Group and Co-operative	
	2025	2024
	\$	\$
Balance at beginning of year	40,035,268	33,521,629
<u>Add:</u>		
Amounts received from members	2,976,499	5,576,148
Transfer from general savings (Note 19)	2,058,432	3,434,950
Interest on maturity of term deposits (Note 28)	1,074,958	1,303,486
Transfer from Share Capital	-	2,000
Transfer from bonus savings (Note 20)	1,750,117	2,140,494
	7,860,006	12,457,078
	47,895,274	45,978,707
<u>Less:</u>		
Amounts withdrawn by members	(5,376,604)	(5,249,349)
Transfer to general savings (Note 19)	(725,799)	(694,090)
	(6,102,403)	(5,943,439)
Balance at end of year	41,792,871	40,035,268

Term deposits from members are unsecured and bear interest rate of 1.10% to 3.30% (2024: 2.60% to 3.50%) per annum with maturity period of one year.

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22. MEMBERS' AND EX-MEMBERS' ACCOUNTS

	Group and Co-operative	
	2025	2024
	\$	\$
Balance at beginning of year	42,411	27,098
<u>Add:</u>		
Over deductions and adjustments	157,750	273,869
	<u>200,161</u>	<u>300,967</u>
<u>Less:</u>		
Refunds during the year	(159,448)	(258,556)
Balance at end of year	<u>40,713</u>	<u>42,411</u>

23. OTHER PAYABLES

	Group		Co-operative	
	2025	2024	2025	2024
	\$	\$	\$	\$
Accruals	144,912	216,694	130,622	202,678
Sundry payables	400	112,301	400	112,301
Interest payable	627,871	770,007	627,871	770,007
GST payable	4,607	3,602	4,607	3,602
	<u>777,790</u>	<u>1,102,604</u>	<u>763,500</u>	<u>1,088,588</u>

24. CENTRAL CO-OPERATIVE FUND

Section 71(2)(a) of the Co-operative Societies Act, 1979 requires every society to contribute to the Central Co-operative Fund ("CCF") at 5% of the first \$500,000 and 20% thereafter of the surplus resulting from operations of the Co-operative.

	Group and Co-operative	
	2025	2024
	\$	\$
Balance at beginning of year	27,571	93,799
Payment to CCF	(27,571)	(93,799)
Appropriation for the year	<u>17,947</u>	<u>27,571</u>
Balance at end of year	<u>17,947</u>	<u>27,571</u>

25. FINANCE INCOME

This represents interest income from loans granted to members.

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26. INVESTMENT INCOME

	Group		Co-operative	
	2025	2024	2025	2024
	\$	\$	\$	\$
Interest income from:				
- bonds	875,499	799,550	875,499	799,550
- fixed deposits	1,102,117	1,687,778	1,090,820	1,677,247
- savings accounts	389	9,702	389	9,702
	<u>1,978,005</u>	<u>2,497,030</u>	<u>1,966,708</u>	<u>2,486,499</u>
Dividend income from:				
- quoted equity investments	197,224	194,260	197,224	194,260
- quoted unit trusts investments	285,121	267,164	285,121	267,164
- unquoted equity investments	63,691	93,230	63,691	93,230
	<u>546,036</u>	<u>554,654</u>	<u>546,036</u>	<u>554,654</u>
Rental income	-	2,294	-	2,294
	<u>2,524,041</u>	<u>3,053,978</u>	<u>2,512,744</u>	<u>3,043,447</u>

27. OTHER INCOME

	Group		Co-operative	
	2025	2024	2025	2024
	\$	\$	\$	\$
Government grants	68,741	51,105	68,741	51,105
Members' admin fee	187,319	211,448	187,319	211,448
Members' entrance fee	312	202	312	202
Property, plant and equipment written off	-	(9,853)	-	(9,853)
Sundry income	84,121	48,785	66,964	35,633
	<u>340,493</u>	<u>301,687</u>	<u>323,336</u>	<u>288,535</u>

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28. FINANCE COSTS

	Group and Co-operative	
	2025	2024
	\$	\$
Interest expenses		
General savings (Note 19)	243,919	239,674
Bonus savings (Note 20)	283,984	280,708
Term deposits from members (Note 21)	1,074,958	1,303,486
	<u>1,602,861</u>	<u>1,823,868</u>
Dividends paid	503,987	518,768
	<u>2,106,848</u>	<u>2,342,636</u>

29. STAFF COSTS

	Group		Co-operative	
	2025	2024	2025	2024
	\$	\$	\$	\$
Employee benefits expense (including directors):				
Salaries and bonuses	848,021	897,983	765,584	816,459
CPF contributions	99,049	91,760	92,856	85,793
Other short-term benefits	5,217	5,863	4,425	4,905
	<u>952,287</u>	<u>995,606</u>	<u>862,865</u>	<u>907,157</u>

30. INCOME TAX EXPENSE

(a) Major components of income tax expense

	Group	
	2025	2024
	\$	\$
Statement of comprehensive income:		
Current year tax expense	-	-
	<u>-</u>	<u>-</u>

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30. INCOME TAX EXPENSE (Cont'd)

(b) Reconciliation between income tax expense and the accounting surplus

	Group	
	2025	2024
	\$	\$
(Deficit)/Surplus from operations	(202,461)	120,708
Income tax using the statutory rate of 17% (2024: 17%)	(34,418)	20,520
Non-deductible expenses	34,467	-
Income not subject to taxation	(340)	(20,013)
Benefits arising from unrecognised tax losses, tax benefits or temporary differences	291	(507)
Total tax expense	-	-

The Co-operative is exempted from income tax under Section 13(1)(e) of the Income Tax Act 1947.

31. COMMITMENTS

Capital commitments

During the financial year, the Co-operative has the following capital expenditure commitments in respect of property, plant and equipment are as follows:

	Group and Co-operative	
	2025	2024
	\$	\$
Contracted but not provided for	-	141,943

32. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, significant transactions with related parties took place at terms agreed between the parties are as follows:

	Co-operative	
	2025	2024
	\$	\$
Rendering of services by subsidiary company	135,683	116,992
Rental paid by the subsidiary company	(1,200)	(1,200)
Accounting paid by the subsidiary company	(1,200)	(1,200)
Postage paid by the subsidiary company	-	(1,600)

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32. SIGNIFICANT RELATED PARTY TRANSACTIONS (Cont'd)

Compensation of key management personnel

The reimbursement and expenses of the officers of the Group for the financial year are as follows:

	Group	
	2025	2024
	\$	\$
<u>Paid/Payable by the Co-operative</u>		
Allowances	105,940	97,880
Salaries and bonuses	266,666	274,113
Meeting expenses	6,610	6,100
Transport reimbursement	11,365	11,130
CPF contribution	22,564	25,697
	413,145	414,920
<u>Paid/Payable by subsidiary</u>		
Director's remuneration	41,300	42,000
CPF contribution	3,095	2,996
Board meeting expenses	550	650
	44,945	45,646

33. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Group	1 January 2025	Proceeds from funds	Funds withdrawal and transfer	Non-cash changes		31 December 2025
				Interest expense	Dividend paid	
				\$	\$	
General savings	24,671,661	8,646,989	(8,442,791)	243,919	503,987	25,623,765
Bonus savings	10,409,730	9,752,471	(10,221,093)	283,984	-	10,225,092
Term deposits from members	40,035,268	6,785,048	(6,102,403)	1,074,958	-	41,792,871

Group	1 January 2024	Proceeds from funds	Funds withdrawal and transfer	Non-cash changes		31 December 2024
				Interest expense	Dividend paid	
				\$	\$	
General savings	25,097,440	8,984,086	(10,168,307)	239,674	518,768	24,671,661
Bonus savings	11,519,452	10,193,450	(11,583,880)	280,708	-	10,409,730
Term deposits from members	33,521,629	11,153,592	(5,943,439)	1,303,486	-	40,035,268

34. FINANCIAL RISK MANAGEMENT

The Group is exposed to credit risk, liquidity risk, market risk and fund management risk which arise in the normal course of its operations. The Group reviews and agrees policies for managing each of these risks and they are summarised below. The Group does not hold or issue derivative financial instruments.

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34. FINANCIAL RISK MANAGEMENT (Cont'd)

34.1 SUMMARY OF FINANCIAL INSTRUMENT

Group	Financial assets at amortised cost	Financial liabilities at amortised cost	Financial assets at FVOCI	Financial assets at FVPL	Total
As at 31 December 2025	\$	\$	\$	\$	\$
Non-current assets					
Financial assets	-	-	40,618,260	-	40,618,260
Loans to members	8,004,725	-	-	-	8,004,725
Current assets					
Financial assets	-	-	-	1,245,563	1,245,563
Loans to members	3,783,638	-	-	-	3,783,638
Other receivables	738,892	-	-	-	738,892
Fixed deposits	43,370,925	-	-	-	43,370,925
Cash and bank balances	1,940,816	-	-	-	1,940,816
Total assets	57,838,996	-	40,618,260	1,245,563	99,702,819
Current liabilities					
Subscription share capital	-	6,175,801	-	-	6,175,801
General savings	-	25,623,765	-	-	25,623,765
Bonus savings	-	10,225,092	-	-	10,225,092
Term deposits from members	-	41,792,871	-	-	41,792,871
Members' and ex-members' accounts	-	40,713	-	-	40,713
Other payables	-	773,183	-	-	773,183
Central Co-operative Fund	-	17,947	-	-	17,947
Total Liabilities	-	84,649,372	-	-	84,649,372

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34. FINANCIAL RISK MANAGEMENT (Cont'd)

34.1 SUMMARY OF FINANCIAL INSTRUMENT (Cont'd)

Group	Financial assets at amortised cost	Financial liabilities at amortised cost	Financial assets at FVOCI	Financial assets at FVPL	Total
As at 31 December 2024	\$	\$	\$	\$	\$
Non-current assets					
Financial assets	-	-	38,758,548	-	38,758,548
Loans to members	7,983,651	-	-	-	7,983,651
Current assets					
Financial assets	-	-	-	1,053,836	1,053,836
Loans to members	4,149,604	-	-	-	4,149,604
Other receivables	1,997,510	-	-	-	1,997,510
Fixed deposits	40,152,400	-	-	-	40,152,400
Cash and bank balances	2,200,672	-	-	-	2,200,672
Total assets	56,483,837	-	38,758,548	1,053,836	96,296,221
Current liabilities					
Subscription share capital	-	6,345,628	-	-	6,345,628
General savings	-	24,671,661	-	-	24,671,661
Bonus savings	-	10,409,730	-	-	10,409,730
Term deposits from members	-	40,035,268	-	-	40,035,268
Members' and ex-members' accounts	-	42,411	-	-	42,411
Other payables	-	1,099,002	-	-	1,099,002
Central Co-operative Fund	-	27,571	-	-	27,571
Total Liabilities	-	82,631,271	-	-	82,631,271

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34. FINANCIAL RISK MANAGEMENT (Cont'd)

34.1 SUMMARY OF FINANCIAL INSTRUMENT (Cont'd)

Co-operative	Financial assets at amortised cost	Financial assets carried at cost	Financial liabilities at amortised cost	Financial assets, Financial assets, at FVOCI	Financial assets, Financial assets, at FVPL	Total
As at 31 December 2025	\$	\$	\$	\$	\$	\$
Non-current assets						
Investment in subsidiary	-	617,840	-	-	-	617,840
Financial assets	-	-	-	40,618,260	-	40,618,260
Loans to members	8,004,725	-	-	-	-	8,004,725
Current assets						
Financial assets	-	-	-	-	1,245,563	1,245,563
Loans to members	3,783,638	-	-	-	-	3,783,638
Other receivables	736,126	-	-	-	-	736,126
Fixed deposits	42,811,293	-	-	-	-	42,811,293
Cash and bank balances	1,865,826	-	-	-	-	1,865,826
Total assets	57,201,608	617,840	-	40,618,260	1,245,563	99,683,271
Current liabilities						
Subscription share capital	-	-	6,175,801	-	-	6,175,801
General savings	-	-	25,623,765	-	-	25,623,765
Bonus savings	-	-	10,225,092	-	-	10,225,092
Term deposits from members	-	-	41,792,871	-	-	41,792,871
Members' and ex-members' accounts	-	-	40,713	-	-	40,713
Other payables	-	-	758,893	-	-	758,893
Central Co-operative Fund	-	-	17,947	-	-	17,947
Total Liabilities	-	-	84,635,082	-	-	84,635,082

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34. FINANCIAL RISK MANAGEMENT (Cont'd)

34.1 SUMMARY OF FINANCIAL INSTRUMENT (Cont'd)

Co-operative	Financial assets at amortised cost	Financial assets carried at cost	Financial liabilities at amortised cost	Financial assets, Financial assets, at FVOCI	Financial assets, at FVPL	Total
As at 31 December 2024	\$	\$	\$	\$	\$	\$
Non-current assets						
Investment in subsidiary	-	617,840	-	-	-	617,840
Financial assets	-	-	-	38,758,548	-	38,758,548
Loans to members	7,983,651	-	-	-	-	7,983,651
Current assets						
Financial assets	-	-	-	-	1,053,836	1,053,836
Loans to members	4,149,604	-	-	-	-	4,149,604
Other receivables	1,995,089	-	-	-	-	1,995,089
Fixed deposits	39,608,480	-	-	-	-	39,608,480
Cash and bank balances	2,113,538	-	-	-	-	2,113,538
Total assets	55,850,362	617,840	-	38,758,548	1,053,836	96,280,586
Current liabilities						
Subscription share capital	-	-	6,345,628	-	-	6,345,628
General savings	-	-	24,671,661	-	-	24,671,661
Bonus savings	-	-	10,409,730	-	-	10,409,730
Term deposits from members	-	-	40,035,268	-	-	40,035,268
Members' and ex-members' accounts	-	-	42,411	-	-	42,411
Other payables	-	-	1,084,986	-	-	1,084,986
Central Co-operative Fund	-	-	27,571	-	-	27,571
Total Liabilities	-	-	82,617,255	-	-	82,617,255

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34. FINANCIAL RISK MANAGEMENT (Cont'd)

34.2 CREDIT RISK

Credit risk refers to the risk that the counterparty will default on its contractual obligations, resulting in a loss to the Group. The Group's exposure to credit risk arises primarily from loans to members. For other financial assets (including financial assets, at FVOCI, fixed deposits and cash and cash balances), the Group minimises credit risk by dealing with high credit rating counterparties.

In the management of credit risk on loans to members, the Group considers the probability of default upon initial recognition of the loan and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. The Group generally does not require a collateral on loans.

The Group has determined the default event on loans to members to be when internal and/or external information indicates that the loan is unlikely to be received, which could include default of loan instalments due for more than 90 days or there is significant difficulty of the member in repaying the loan.

To minimise credit risk, the Group has developed and maintained the Group's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is based on the Group's own records to rate its loans to members. The Group considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating,
- Actual or expected significant adverse changes in Singapore's financial or economic conditions that are expected to cause a significant change to the members' ability to meet their obligations,
- Actual or expected significant changes in the employment status and creditworthiness of the individual members,
- Significant changes in the expected performance and behaviour of the member, including changes in the payment status of members in the group and changes in the creditworthiness of the member.

Regardless of the analysis above, a significant increase in credit risk is presumed if a member has defaulted (past due) in making a loan instalment payment.

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

- There is a significant difficulty of the member,
- A breach of the loan agreement, such as a default or past due event,
- It is becoming probable that the member will enter bankruptcy or another financial difficulty.

SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LIMITED AND ITS SUBSIDIARY

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

34. FINANCIAL RISK MANAGEMENT (Cont'd)

34.2 CREDIT RISK (Cont'd)

The Group categorises a loan for potential write-off when a member has defaulted in making loan instalment payment for at least 180 days. Loans are written off when there is evidence indicating that the member is in severe financial difficulty and there is no realistic prospect of recovery of the loan.

The Group's current credit risk grading framework comprises the following categories:

Category	Definition	Basis for recognising expected credit loss (ECL)
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is past due, there has been a significant increase in credit risk since initial recognition or there is evidence indicating the loan is credit-impaired (in default).	Lifetime ECL - credit-impaired
III	There is evidence indicating that the member is in severe financial difficulty and the loan has no realistic prospect of recovery.	Amount is written off

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

Note	Category	12-month or lifetime ECL	Gross carrying amount \$	Loss allowance \$	Individual impairment \$	Net carrying amount \$	
31 December 2025							
Loans to members	8	I	12-month ECL	11,455,201	-	-	11,455,201
Loans to members	8	II	Lifetime ECL	543,620	(78,031)	(132,427)	333,162
				<u>11,998,821</u>	<u>(78,031)</u>	<u>(132,427)</u>	<u>11,788,363</u>
31 December 2024							
Loans to members	8	I	12-month ECL	11,783,523	-	-	11,783,523
Loans to members	8	II	Lifetime ECL	542,779	(78,031)	(115,016)	349,732
				<u>12,326,302</u>	<u>(78,031)</u>	<u>(115,016)</u>	<u>12,133,255</u>

The Group has assessed the latest repayments and creditworthiness of the members, adjusted for the future outlook of the economic environment. In the current year, loans amounting to \$42,864 (2024: \$109,246) were deemed credit-impaired were deemed credit-recovered owing to change in the members' financial situation and default of loan instalments. Accordingly, the Group measured the impairment loss using the lifetime ECL and determined that the entire amount owed was to be written off.

Information regarding the loss allowance movement of loans to members is disclosed in Note 8.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

34. FINANCIAL RISK MANAGEMENT (Cont'd)

34.2 CREDIT RISK (Cont'd)

Set out below is the information about the credit risk exposure on the Group's loans to members using a provision matrix:

	Loans to members					Total
	Days past due					
	Not past due	30-90 days	91-182 days	183-365 days	>365 days	
	\$	\$	\$	\$	\$	\$
31 December 2025						
Total gross carrying amount	11,455,201	145,961	136,499	128,732	132,428	11,998,821
ECL rate	0%	8%	10%	62%	8%	
31 December 2024						
Total gross carrying amount	11,783,523	164,370	170,009	67,087	141,313	12,326,302
ECL rate	0%	3%	14%	58%	35%	

34.3 LIQUIDITY RISK

Liquidity risk is the risk that the Group and the Co-operative will not be able to meet its financial obligations as and when they fall due. The Group's and the Co-operative's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's and Co-operative's reputation.

The Group and the Co-operative monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by Committee of Management to finance the Group's and Co-operative's operations and to mitigate the effects of fluctuations in cash flows.

The following table analyses the Group's and Co-operative's non-derivative financial liabilities into relevant maturity groupings based on the remaining period from the date of statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

34. FINANCIAL RISK MANAGEMENT (Cont'd)

34.3 LIQUIDITY RISK (Cont'd)

	Group			Co-operative		
	Less than one year	One year to five years	Total	Less than one year	One year to five years	Total
	\$	\$	\$	\$	\$	\$
At 31 December 2025						
Subscription share capital	6,175,801	-	6,175,801	6,175,801	-	6,175,801
General savings	25,623,765	-	25,623,765	25,623,765	-	25,623,765
Bonus savings	7,578,542	2,646,550	10,225,092	7,578,542	2,646,550	10,225,092
Term deposits from members	41,792,871	-	41,792,871	41,792,871	-	41,792,871
Members' and ex-members accounts	40,713	-	40,713	40,713	-	40,713
Other payables	773,183	-	773,183	758,893	-	758,893
Central Co-operative Fund	17,947	-	17,947	17,947	-	17,947
	<u>82,002,822</u>	<u>2,646,550</u>	<u>84,649,372</u>	<u>81,988,532</u>	<u>2,646,550</u>	<u>84,635,082</u>
At 31 December 2024						
Subscription share capital	6,345,628	-	6,345,628	6,345,628	-	6,345,628
General savings	24,671,661	-	24,671,661	24,671,661	-	24,671,661
Bonus savings	7,635,220	2,774,510	10,409,730	7,635,220	2,774,510	10,409,730
Term deposits from members	40,035,268	-	40,035,268	40,035,268	-	40,035,268
Members' and ex-members accounts	42,411	-	42,411	42,411	-	42,411
Other payables	1,099,002	-	1,099,002	1,084,986	-	1,084,986
Central Co-operative Fund	27,571	-	27,571	27,571	-	27,571
	<u>79,856,761</u>	<u>2,774,510</u>	<u>82,631,271</u>	<u>79,842,745</u>	<u>2,774,510</u>	<u>82,617,255</u>

34.4 FUND MANAGEMENT

The Group's objective when managing fund is to safeguard the Group's ability to continue as a going concern and to maintain an optimal fund structure so as to maximise members value.

The Co-operative is also required to comply with the prudential requirements issued by the Registrar of the Co-operative Societies. The relevant ratios are:

	Prudential Requirements		Co-operative	
	2025	2024	2025	2024
Capital Adequacy Ratio (CAR)	≥ 10%	≥ 10%	14.81%	14.98%
Minimum Liquid Assets (MLA)	≥ 15%	≥ 15%	57.84%	55.84%
Restricted Investments	≤ 30%	≤ 30%	23.74%	24.74%

The Co-operative had complied with all of the prudential requirements for the financial years ended 31 December 2025 and 31 December 2024.

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

34. FINANCIAL RISK MANAGEMENT (Cont'd)

34.5 MARKET RISK

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Price risk on quoted bonds and equity

Group

If prices for quoted bonds and equity increase or decrease by 10% (2024: 10%) with all other variables held constant, the Group's fair value reserves would increase or decrease respectively by \$3,691,462 (2024: \$3,524,351).

Foreign currency risk

The Group is not exposed to foreign currency risk since it does not operate in currencies other than the functional currency of each entity.

Interest rate risk

The Group does not expect any significant effect on the Group's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

If the interest rates increase or decrease by 50 (2024: 50) basis points with all other variables being held constant, the comprehensive (loss)/income of tax will be lower or higher by \$72,161 (2024: \$62,063) respectively as a result of higher or lower interest income or expense on floating rate bank investments, loan to members, general savings, bonus savings and term deposits.

34.6 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including loans to members, other receivables, fixed deposits, cash and bank balances, subscription share capital, general savings, bonus savings, term deposits from members, members' and ex-members' accounts, other payables and Central Co-operative Fund) are assumed to approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair values of other classes of the financial assets and liabilities are disclosed in the respective notes to the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

34. FINANCIAL RISK MANAGEMENT (Cont'd)

34.6 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (Cont'd)

The fair values of other financial assets and liabilities are determined as follows:

- the fair value of financial assets and financial liabilities traded on liquid markets are determined with reference to quoted market prices; and
- the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on observable current market transactions and dealer quotes for similar instruments.

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

	Fair value measurements at the reporting date using			Total
	Quoted prices in active markets for identical (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	\$	\$	\$	\$
Group and Co-operative 2025				
<u>Financial assets measured at fair value</u>				
Quoted equity securities	4,665,527	-	-	4,665,527
Quoted bonds	25,933,437	-	-	25,933,437
Quoted managed funds	5,070,088	-	-	5,070,088
Unquoted equity investments	-	-	4,949,208	4,949,208
Money market fund	1,245,563	-	-	1,245,563
	<u>36,914,615</u>	<u>-</u>	<u>4,949,208</u>	<u>41,863,823</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

34. FINANCIAL RISK MANAGEMENT (Cont'd)

34.6 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (Cont'd)

	Fair value measurements at the reporting date using			
	Quoted	Significant	Significant	Total
	(Level 1)	(Level 2)	(Level 3)	
	\$	\$	\$	\$
Group and Co-operative 2024				
<u>Financial assets measured at fair value</u>				
Quoted equity securities	3,910,966	-	-	3,910,966
Quoted bonds	25,254,945	-	-	25,254,945
Quoted managed funds	5,023,760	-	-	5,023,760
Unquoted equity investments	-	-	4,568,877	4,568,877
Money market fund	1,053,836	-	-	1,053,836
	<u>35,243,507</u>	-	<u>4,568,877</u>	<u>39,812,384</u>

d) Level 3 fair value measurements

(i) Information about significant unobservable inputs used in Level 3 fair value measurements

The following table shows the information about the fair value measurements using significant unobservable inputs (Level 3):

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Unquoted equity investments at FVOCI	The fair value is calculated using the net asset value (NAV) of the investee entity adjusted for the fair value of the underlying assets and liabilities of the Group and Co-operative where applicable.	NAV	The estimated fair value would increase/(decrease) if the NAV was higher/(lower).

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

34. FINANCIAL RISK MANAGEMENT (Cont'd)

34.6 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (Cont'd)

(ii) Movements in Level 3 assets measured at fair value

The following table presents the reconciliation for all asset measured at fair value based on significant unobservable inputs (Level 3):

	Fair value measurements using significant unobservable inputs (Level 3)	
	2025 \$	2024 \$
Group and Co-operative		
Unquoted Equity Securities		
At 1 January	4,568,877	3,248,835
Net fair value gain recognised in other comprehensive income	380,331	1,320,042
At 31 December	<u>4,949,208</u>	<u>4,568,877</u>

35. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

The Group has not adopted the following standards and interpretations that have been issued but not yet effective:

Effective date (annual periods beginning on or after)	New or revised accounting standards and interpretations
1 January 2026	Amendments to FRS 109 <i>Financial Instruments</i> and FRS 107 <i>Financial Instruments: Disclosures</i> : Amendments to the Classification and Measurement of Financial Instruments
1 January 2026	Annual Improvement to FRSs Volume 11
1 January 2026	Amendments to FRS 109 <i>Financial Instruments</i> and FRS 107 <i>Financial Instruments: Disclosures</i> : Contracts Referencing Nature-dependent Electricity
1 January 2027	FRS 118 <i>Presentation and Disclosure in Financial Statements</i>
1 January 2027	FRS 119 <i>Subsidiaries without Public Accountability: Disclosures</i>
Date to be determined	Amendments to FRS 110 <i>Consolidated Financial Statements</i> and FRS 28 <i>Investments in Associates and Joint Ventures</i> : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

35. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS (Cont'd)

The Committee of Management expects that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application. Thus, in our view, it is not necessary to provide information to assess the possible impact that the application of the new and amended standards will have on the entity's financial statements as such a disclosure would not be material.

FRS 118 *Presentation and Disclosure in Financial Statements* introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.

In addition, narrow-scope amendments have been made to FRS 7 *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards. FRS 118, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. FRS 118 will apply retrospectively.

ANNEX 1

Singapore Teachers Co-operative Society Limited
150 Changi Road, #02-06, Guthrie Building
89th Committee of Management 2025

Attendance at the Committee of Management Meetings for the Year 2025

S/No	Name of COM Member	J	F	M	A	M	J	J	A	S	O	N	D	Total	%
1	Mr Richard Zaccheus Bains	1	1	1	1	1	2	1	1	1	1	1	1	13	100.0%
2	Mr Allan Tok Wei Cheng	1	1	1	1	0	1	1	1	1	1	1	1	11	84.6%
3	Mr Fok Kim Fook	1	1	1	1	1	2	1	1	1	1	1	1	13	100.0%
4	Mr Ho Boon Huat	1	0	0	0	1	1	1	1	0	1	1	0	7	53.8%
5	Mdm Elaine Seah Ee Leng	1	1	1	1	1	1	1	0	1	1	0	1	10	76.9%
7	Mr Peter Tan Swee Chong	1	1	1	1	1	2	1	1	1	1	1	1	13	100.0%
6	Mdm Elene Lim Lan Hiang	0	1	1	0	1	2	1	1	1	1	1	1	11	84.6%
8	Mr Wilson Koh Kian Neng	1	1	1	0	1	2	1	0	0	1	0	0	8	61.5%
9	Mdm Kiren Kaur Gill	1	1	1	1	1	2	1	1	1	1	1	1	13	100.0%
10	Mr Ong Chee Kiong	1	1	0	1	0	0	1	1	1	1	1	0	8	61.5%
11	Mdm Kwek Wen Qing	1	1	1	1	1	1	1	1	1	1	0	1	11	84.6%

ANNEX 2

COMMITTEES' LIST 2025/2026**Loan:**

Chairman - Mr Peter Tan Swee Chong
 Vice-Chairman - Mr Fok Kim Fook

Recording Secretary- Mr Jeremy Lim

Investment/Finance:

Chairman - Mr Allan Tok Wei Cheng
 Vice-Chairman - Mr Fok Kim Fook

Recording Secretary- Ms Mavis Ren

Remuneration:

Chairman - Mr Allan Tok
 Secretary - Mdm Elaine Seah Ee Leng

Membership:

Chairman - Mr Wilson Koh Kian Neng
 Secretary - Mdm Elene Lim Lan Hiang

Audit:

Chairman - Mr Chua Kia Khian
 Secretary - Mdm Elaine Seah Ee Leng

Media/ Publicity/Welfare:

Chairperson - Mdm Kiren Kaur Gill
 Secretary - Ms Kwek Wen Qing
 Editor - Mr Teo Chor Kai

Internal Auditors:**Staff Welfare:**

Chairman - Mr Richard Zaccheus
 Secretary - Mrs Chia Teck Lim

Data Protection Management Committee (DPMC):

Approving Officer - Mr Teo Chor Kai
 Data Protection Officer - Mr Willy Siang
 Data Protection Officer - Mr Jeremy Lim

Members:

Mr Richard Zaccheus
 Mdm Kiren Kaur Gill
 Mr Ray Ong Chee Kiong
 Mr Teo Chor Kai
 Ms Mavis Ren

Members:

Mdm Elaine Seah Ee Leng
 Mr Wilson Koh Kian Neng
 Mr Ho Boon Huat
 Mr Teo Chor Kai

Members:

Mr Richard Zaccheus
 Mr Fok Kim Fook
 Mr Teo Chor Kai

Members:

Mdm Garmit Kaur
 Mdm Shamsulbadariah
 Mr Ray Ong Chee Kiong
 Mr Jeremy Lim

Member:

Ms Rendy Chen

Members:

Mdm Lau Bee Eng
 Mdm Tan Hui Teng
 Mr Willy Siang
 Mr Jeremy Lim

Members:

Mr Phua Chin Hong
 Professional Accounting Firm

Members:

Mr Fok Kim Fook
 Mr Teo Chor Kai
 Ms Mavis Ren

ANNEX 3

Representatives/Delegates/Staff in Other Co-operative Organisation**Singapore National Co-operative Federation (SNCF)**

Delegates - Ms Mavis Ren
- Mr Fok Kim Fook

The Singapore Amalgamated Services Co-operative Organisation Ltd (SASCO)

Delegates - Mr Fok Kim Fook
- Mr Teo Chor Kai

Consumers Association of Singapore (CASE)

Delegates - Mr Allan Tok Wei Cheng
Mr Fok Kim Fook

Premier Security Co-operative Society Ltd

Delegate - Mr Teo Chor Kai

Income Insurance Limited

Delegate - Ms Mavis Ren

NTUC FairPrice Co-operative Ltd

Delegates - Mr Peter Tan Swee Chong
Mr Ray Ong Chee Kiong

NTUC Health Co-operative Ltd

Delegate - Mdm Kiren Kaur Gill

SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LTD

				ANNEX 4	
PROPOSED DISTRIBUTION OF 2025 SURPLUS					
				S\$	S\$
SURPLUS FOR THE YEAR 2025					358,930
Less: Contribution to Central Co-operative Fund					<u>(17,947)</u>
					340,983
Proposed Dividend on Share Capital: (2024 = 8%)	5.0% x	\$ 6,175,801	308,790		
Proposed Loan Interest Rebate: (2024 = 5%)	4.0% x	\$ 791,727	31,669		<u>(340,459)</u>
					524
Distribution to:-					
Common Good Fund			-		
Staff Welfare Fund			-		
Co-op education and Training Fund			524		
Retained Surplus			-		(524)
					<u>0</u>
					<u>0</u>

ANNEX 5

Proposed Resolution: Allocation of Undistributed Accumulated Reserves

WHEREAS the Society has accumulated undistributed reserves totalling **\$8.8 million** from previous financial years;

AND WHEREAS the Committee of Management (COM) has identified a need to strengthen the Society's operational efficiency, enhance digital infrastructure, and broaden the scope of member welfare and community impact;

The COM hereby propose the fund of \$1.65 million be distributed as follows:

Name of Fund	Amount	Purpose & Scope of Utilization
1. Strategic Development Fund (New)	\$600,000	To fund the upgrading of IT infrastructure, implementation of Artificial Intelligence (AI) solutions, integration of Singpass services, and the enhancement of cybersecurity measures.
2. Community Development & Contingency Fund (New)	\$200,000	To support social projects and activities that benefit the wider community, and to provide a financial buffer for unforeseen events.
3. Education & Training Fund	\$200,000	To be utilized in accordance with existing Society policies and rules governing educational support and skills training.
4. Common Good Fund	\$600,000	To be utilized in accordance with existing Society policies and rules for the general welfare of the membership.
5. Staff Welfare Fund	\$50,000	To be utilized in accordance with existing policies to support the well-being and development of the Society's employees.

ANNEX 5

Notes to Allocation of Past Undistributed Surpluses (\$8.8m)

The Society has accumulated undistributed surpluses in the past years through prudent financial management. These surpluses represent institutional capital. In accordance with the Society's By-law 9.3A which is in alignment with the 2024 Co-op Act, it is recommended that part of these surpluses be allocated to funds to strengthen the Society over the long run.

1. Plan & Recommendations:

A strategic plan is to be set up to ensure the prudent use of the surpluses allocation. Rules and policies would be drawn up to ensure compliance. The Society intends to allocate the surpluses into five funds. The amount recommended is \$1.65 million to be drawn from the undistributed surpluses. Taking into consideration, the balance after the draw down, together with the amount in the General Reserves, the result CAR is around 13% which is still higher than the 12% prescribed by the RCS written direction.

2. 5-Year Plan

With the funds allocation, the society hopes to achieve the following for the period July 2026 to July 2031

<u>Area</u>	<u>Target</u>
Membership	An increase of 100 members per year
Digital Adoption	To achieve a 90% of members usage
Operational Efficiency	To achieve a 90% rate
Members Satisfaction	To achieve 95% satisfaction

It is envisaged that AI tools will be extensively used to help achieve the desired targets.

3. Staff Training

All staff will be encouraged to attend relevant AI courses to help equip them to face the ever changing economic landscape.

4. Tapping on Resources

The Society can also tap on the Ministry of Culture, Community and Youth (MCCY) \$30 m budget for SCM year Transformation Road map for grants in its initiatives to promote community work involvement by itself, or, in partnership with other co-ops.

ANNEX 6

SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LTD			
ESTIMATES FOR FY 2026 - FY 2027			
	FY 2026	FY 2026 (Adjustments)	FY 2027
	S\$	S\$	S\$
<u>OPERATING EXPENDITURE</u>			
Auditor's Remuneration	33,500		33,500
Administrative Expenses	44,400	(8,400)	36,000
Affiliation Fees	800	200	1,000
COM Responsibility Allowance	100,000	5,000	105,000
Attendance Allowance / Sub-Comm Meeting	1,000		1,000
Attendance Allowance / MC Meeting	7,150		7,150
Transport Expenses	17,500		17,500
Allowance for expected credit losses	20,000		20,000
Bad Debts Written Off / Provision	100,000		100,000
Bank Charges	7,000		7,000
Co-Operative Activities	60,000		60,000
Computer Service & Supplies	110,000	(5,000)	105,000
Debts Management Fees	36,000	12,000	48,000
General Meeting Expenses	40,000		40,000
General Expenses	12,000		12,000
Insurance	35,500		35,500
Internal Audit / AC Expenses	30,600		30,600
Investment Management Fee	3,000	2,000	5,000
Maintenance of Office Premises	2,000	(1,000)	1,000
Maintenance of Office Equipment	3,000		3,000
Membership Drive Expenses	10,000		10,000
Printing & Stationery	10,000		10,000
Postages & Courier	10,500	4,500	15,000
Professional & Legal Expenses	45,000	(10,000)	35,000
Property Tax & Quit Rent	8,900	5,820	14,720
Refreshment	12,000		12,000
Staff CPF Contributions	105,000		105,000
Staff Dental & Medical Expenses	8,000	(3,000)	5,000
Staff Salaries & Bonuses	850,000		850,000
Skill Development Levy	1,570		1,570
Service Charges for Check-off	6,000		6,000
Service Charges for Premises	22,000	(1,000)	21,000
Telephone Charges	18,000		18,000
Utilities	15,000		15,000
TOTAL	1,785,420	1,120	1,786,540
<u>CAPITAL EXPENDITURE</u>			
Computer & Equipment	10,000		10,000
Computer Software	300,000	(250,000)	50,000
Renovation	10,000	(10,000)	-
Furniture & Office Equipment	10,000		10,000
TOTAL	\$ 330,000	\$ (260,000)	\$ 70,000
TOTAL ESTIMATED EXPENDITURE	\$ 2,115,420	\$ (258,880)	\$ 1,856,540

ANNEX 7

SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LTD

MAXIMUM LIABILITY

The Committee of Management reviewed its savings policy and is satisfied that it is possible to maintain the present level of liability and provide members with better returns. It is therefore recommended that the maximum borrowing limit of the Society for the year 2026 be set at **S\$80,000,000**.

	BALANCE 31/12/2025	PROJECTED BALANCE 31/12/2026	ESTIMATE INTEREST PAYABLE	INTEREST PAYABLE 31/12/2025
	S\$'000	S\$'000	S\$'000	S\$'000
GENERAL SAVINGS	25,624	26,500	154	244
BONUS SAVINGS	10,225	11,000	280	284
TERM DEPOSITS	41,793	42,500	606	1,075
TOTAL	\$ 77,642	\$ 80,000	\$ 1,040	\$ 1,603

SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LIMITED

(Registered under the Co-operative Societies Act, Cap. 62, Singapore)

ANNEX 8**REPORT ON INVESTMENT****7.1 RESTRICTED AND NON-RESTRICTED INVESTMENTS**

As at 31 December 2025, the Co-operative has \$24,363,341 (FY2024: \$24,534,531) in restricted Investments and \$62,795,441 (FY2024: \$57,617,711) in non-restricted investments.

7.2 RESTRICTED INVESTMENT (RI) LIMIT

As at 31 December 2025, our restricted investments amounted to \$24,363,341 or 23.74% of total assets.

<i>Non-Restricted Investments</i>	FY2025	FY2024
	Investment Amount (\$)	Investment Amount (\$)
Investment properties	-	-
Statutory board bonds & SGS	13,680,602	11,810,709
Shares in other co-op and corporatised co-op (invest before 30/06/2010)	4,437,720	4,084,984
Fixed deposits and bank balances	44,677,119	41,722,018
Total	62,795,441	57,617,711
Restricted Investments		
<i>Restricted Investments</i>	FY2025	FY2024
	Investment Amount (\$)	Investment Amount (\$)
Shares listed on SGX	4,665,527	3,910,966
Corporate bonds	12,252,835	13,444,236
Mutual Funds & MMF	6,315,651	6,077,596
Shares in private companies	617,840	617,840
Shares in other co-op and corporatised co-op (invest after 30/06/2010)	511,488	483,893
Total	24,363,341	24,534,531
Total Investments	87,158,782	82,152,242
Total Assets	\$ 102,633,173	\$ 99,165,988
Restricted Investment (RI) approved	30%	30%
Total RI invested	\$ 24,363,341	\$ 24,534,531
RI as a % of Total Assets	23.74%	24.74%

Asset Allocation

<i>Restricted Investments</i>	FY2025		
	Investment Amount (\$)	Approved Allocation (%) of 30% RI	Actual Invested %
Shares listed on SGX	4,665,527	Max 25% of 30% RI	4.55%
Investment Properties	-	Max 25% of 30% RI	0.00%
Corporate bonds and Managed Funds	18,568,486	remaining or max 70% of 30% RI	18.09%
Shares in private companies	617,840	Max 5% of 30% RI	1.10%
Shares in other co-op and corporatised co-op (invest after 30/06/2010)	511,488		
Total	24,363,341	30.0%	23.74%

SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LIMITED

(Registered under the Co-operative Societies Act, Cap. 62, Singapore)

ANNEX 8**REPORT ON INVESTMENT****7.3 INVESTMENT PERFORMANCE FROM FY2024 TO FY2025**

<i>Non-Restricted Investment Returns</i>	FY2025	FY2024
	Returns (\$)	Returns (\$)
Investment properties - Rental	-	2,293
Statutory board bonds & SGS - Interest	293,053	243,683
Shares in other co-op and corporatised co-op (invest before 30/06/2010) - Dividends	57,036	82,879
Fixed deposits and bank Balances - Interest	1,091,209	1,686,951
Total	\$ 1,441,298	\$ 2,015,806
Returns on non-restricted investment	2.30%	3.50%
<i>Restricted Investment Returns</i>	FY2025	FY2024
	Returns (\$)	Returns (\$)
Shares listed on SGX - Dividends & Capital Gains	441,192	399,049
Corporate bonds - Interest	582,446	555,868
Mutual Funds & MMF - Dividends	285,121	267,163
Shares in private companies	-	-
Shares in other co-op and corporatised co-op (invest after 30/06/2010) - Dividends	6,655	10,351
Total	1,315,414	1,232,431
Returns on restricted investment	5.40%	5.02%
Total Investment Returns	2,756,712	3,248,237
Returns on investment (ROI)	3.16%	3.95%
Investment Income recognised in P&L	2,512,744	3,043,447
Capital Gains recognised in Retained Earnings	243,968	204,790

SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LTD
 150 CHANGI ROAD #02-06
 GUTHRIE BUILDING
 SINGAPORE 419973

TEL: 6440 4393

90th ANNUAL GENERAL MEETING – 27 JUNE 2026
NOMINATION FOR ELECTION TO THE COMMITTEE OF MANAGEMENT – 2026/2029

NO	NAME OF CANDIDATE	NAME OF PROPOSER	NAME OF SECONDER
01.	MR FOK KIM FOOK	MR RICHARD ZACCHEUS	MR TEO CHOR KAI
02.	MR KOH KIAN NENG	MR TEO CHOR KAI	MR FOK KIM FOOK
03.	MR TOK WEI CHENG ALLAN	MR TEO CHOR KAI	MR FOK KIM FOOK
04.	MDM SEAH EE LENG ELAINE	MR TEO CHOR KAI	MR FOK KIM FOOK
05.	MDM HALIMAH BINTE MARJUBEE	MR RICHARD ZACCHEUS	MR TEO CHOR KAI
06.	MR HO BOON HUAT	MS KWEK WEN QING	MR TAN SWEE CHONG



MR CHUA KIA KHIAN
RETURNING OFFICER

DATED: 24 APRIL 2026

Annex 10

SINGAPORE TEACHERS CO-OPERATIVE SOCIETY LTD

150 CHANGI ROAD #02-06

GUTHRIE BUILDING

SINGAPORE 419973

TEL: 6440 4393

90th ANNUAL GENERAL MEETING – 27 JUNE 2026
NOMINATION FOR ELECTION TO THE INTERNAL AUDIT – 2026/2027

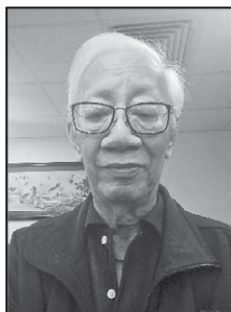
NO	NAME OF CANDIDATE	NAME OF PROPOSER	NAME OF SECONDER
01.	MR PHUA CHIN HONG	MR TEO CHOR KAI	MR RICHARD ZACCHEUS
02.	MR SANTOKH SINGH S/O AJAIB SINGH	MR TEO CHOR KAI	MR FOK KIM FOOK



MR CHUA KIA KHIAN
RETURNING OFFICER

DATED: 24 APRIL 2026

Annex 11



Profile of candidate standing for election to be a member of the Committee of Management

Name: Fok Kim Fook

Designation: Retired Senior Teacher

Date of joining the Society: 12 July 1969

Positions held and contributions:

Co-op delegate at NTUC and CASE.

Represent Co-op on the Board of Management of Edu Care Co-op, SASCO Co-op
And SASCO Senior Citizen Home

Years servicing in Teachers' Co-op:

<u>Years of Service</u>	<u>Committee</u>
1994 - 1997	Insurance Committee
1997 - 1998	Supervisory Board
1999 - To date	Committee of Management
2000 - 2020	Loan Committee
2002 - 2018	Childcare Committee
2002 - 2020	Investment Committee
2002 - 2004	Hon Asst Treasurer
2007 - 2010	Hon Asst Secretary
2010 - 2014	Deputy Chairman
2014 - 2018	1 st Deputy Chairman
2018 - To date	Hon Treasurer



Profile of candidate standing for election to be a member of the Committee of Management

Name: Koh Kian Neng Wilson

Designation: Teacher

Joined the society: 22 Oct 2016

Experience in Co-operative work:

<u>Duration</u>	<u>Appointment</u>
2016 – to date	COM Member
2025 – to date	Membership – IC
2024 – 2025	Renovation - member
2016 – 2024	Membership - secretary
2020 – to date	Investment – member
2019 – 2020	D&D - member
2016 – 2019	loan - member

Annex 11

**Profile of candidate standing for election to be a member of the Committee of Management**

Name: Tok Wei Cheng Allan
Designation: Lead Teacher (Mathematics)
Date of joining the Society: 27 June 2001
Position held and contribution:
Singapore National Co-operative Federation- EXCO member (2020-2023)
Committee of Management: 1st Deputy Chairman (2017- Current)
Committee of Management: 2nd Deputy Chairman (2013 - 2016)
Investment Committee Chairman (Current)
Remuneration Committee Chairman (Current)
CASE - Delegate

**Profile of candidate standing for election to be a member of the Committee of Management**

Name: Elaine Seah Ee Leng
Designation: Retired HOD
Joined the society: 13 Dec 1987
Experience in Co-operative work:
Positions held and contributions:
Committee of Management (member) – Current
Assistant Treasurer – Current
Audit Committee (Secretary) – Current
Remunerations Committee (member) – Current
Investment Committee (member) – Current
Ladies Committee (member)
Loan Committee (member)
1st Assistant Treasurer

Annex 11



Profile of candidate standing for election to be a member of the Committee of Management

Name: Halimah Binte Marjubee

Designation: Retired Senior Teacher

Joined the society: 31 Dec 1997

Experience in Union work:

<u>Duration</u>	<u>Appointment</u>
1) 2000 - To Date	Singapore Teachers' Union
2) 2017 - 2019	Educare Co-operative Ltd Director
3) 1991 - 2015	RELC Treasurer
4) 1986 - 2013	Singapore Association for Continuing Education (SACE) Publication/ Life Member
5) 2015 - 2023	Singapore Teachers' Union Council Member



Profile of candidate standing for election to be a member of the Committee of Management

Name: Ho Boon Huat

Designation: HOD MTL

Joined the society: 30 September 2013

Experience in Co-operative work: Elected to the Committee of Management in 2019

<u>Experience in Co-operative work:</u>	<u>Duration</u>
Honorary Assistant Secretary	Current
Investment Committee (member)	Current
Media/ Publicity/ Welfare Committee (secretary)	2020-2021
Membership Committee (secretary)	2019-2020



Profile of candidate standing for election to be a member of the Internal Audit

Name: Phua Chin Hong
 Designation: Senior Education Officer, Retired
 Joined the society: 27.08.1986

Experience in Co-operative work:

1. Secretary
Remuneration Committee
2019 – 2024
2. Member
Supervisory Board
2008 - 2019
3. Member
Internal Audit Committee
2019 – 2024
4. Member
Internal Audit
2024 – 2026



Profile of candidate standing for election to be a member of the Internal Audit

Name: Santokh Singh
 Designation: SH / HOD Retired
 Joined the society: 31 August 2016

Duration

1994 - 2009
 1997
 2013 - 2015
 1994 -2009

Appointment

AC NPCC
 World Youth Conference
 representative
 Sinda Centre Principal
 Grassroot leader and Petition
 writer at MPS

NOTES

Co-operative Principles

Voluntary Association and Open Membership

Membership of a Co-operative society shall be voluntary and available without artificial restriction or any social, political, racial or religious discrimination, to all persons who can make use of its services and are willing to accept the responsibilities of membership.

Democratic Control

Co-operative societies are democratic organisations. Their affairs shall be administered by persons elected or appointed in a manner agreed by the members and accountable to them. Members of primary societies should enjoy equal rights of voting (one member, one vote) and participation in decisions affecting their societies. In other than primary societies the administration should be conducted on a democratic basis in a suitable form.

Limited interest on Capital

Share capital shall only receive a strictly limited rate of interest, if any.

Equitable division of surplus

The economic results arising out of the operations of the society belong to the members of that society and shall be distributed in such a manner as would avoid one member gaining at the expense of others.

This may be done by decision of the members as follows:

- By provision for development of the business of the Co-operative;
- By provision of common services; or,
- By distribution among the members in proportion to their transactions with the society.

Co-operative Education

All Co-operative societies shall make provision for the education of their members, officers, and employees and of the general public, in the principles and technique of Co-operation, both economic and democratic.

Co-operation among Co-operatives

All Co-operative organisations, in order to best serve the interests of their members and communities shall actively co-operate in every practical way with other Co-operatives at local, national and international levels.



Singapore Teachers Co-operative Society Limited

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