

# TEACHERS' CO-OP



*Always There For You* Estd 1932

A NEWSLETTER FOR MEMBERS OF THE TEACHERS' CO-OPERATIVE SOCIETY LTD  
MCI (P) 026/02/2017 2017 November Issue



## 81<sup>st</sup> Annual General Meeting



### Welcome!

*The Society is honoured to have Mr Lim Boon Wee, Deputy Secretary (Services), Ministry of Education as its President, with effect from 1 August 2017.*



### Thank you!

*The Society wishes to thank Mr Neo Kian Hong for his advice, guidance and support during his tenure as President of the Society.*

### Congratulations!

*We wish to congratulate*

**Mr Lim Boon Wee** on being conferred  
**The Public Administration Medal (Gold) in 2017**

# Our President, Mr Lim Boon Wee



Mr Lim Boon Wee was appointed as Deputy Secretary (Services) of the Ministry of Education on 1 May 2014. His key responsibilities include overseeing all human resource and financial functions, school planning and placement, infrastructural development, emergency and crisis management, and organizational and service excellence.

Mr Lim began his career with the Singapore Armed Forces, attaining a rank of Lieutenant-Colonel before leaving active service. He then joined the Administrative Service and held Director-level appointments in the Ministry of Finance and the Ministry of National Development, as well as served in the President's Office as the Principal Private Secretary to President S R Nathan. His last appointment prior to the current one was as Deputy Secretary in the Ministry of Transport from 2005 to 2014.

Mr Lim is currently a member of the Singapore Management University Board of Trustees and the Charity Council.

Mr Lim was awarded the SAF Overseas Scholarship in 1982, and read Natural Sciences (Physics) at the University of Cambridge (UK). He was awarded the Commendation Medal (Military) in 1994 and the Public Administration Medal (Silver) in 2003.

## SOCIETY'S MANAGEMENT

### PATRON

**DR JANIL PUTHUCHEARY**  
Minister of State  
Ministry of Communications and Information &  
Ministry of Education

### PRESIDENT

**MR LIM BOON WEE**  
Deputy Secretary (Services)  
Ministry of Education

### VICE - PRESIDENTS

**MRS BRENDA TAN**  
(Principal, retired)

**MR GOH EK PIANG**  
(Deputy Director of CCAB, retired)

## COMMITTEE OF MANAGEMENT

### CHAIRMAN

**MR RICHARD ZACCHEUS BAINS**

### DEPUTY CHAIRMAN

**Mr Allan Tok Wei Cheng**

### HON. TREASURER

**Mr Fok Kim Fook**

### 1<sup>st</sup> HON. ASST. TREASURER

**Mdm Elaine Seah**

### 2<sup>nd</sup> HON. ASST. TREASURER

**Mr Eugene Guo**

### HON. ASST. SECRETARY

**Mdm Elene Lim Lan Hiang**

### MEMBERS

**Mr Chern Meng Hock**  
**Mr Koh Kian Neng**  
**Mdm Patsy Ng Moi Sng**  
**Mr Peter Tan Swee Chong**

### SENIOR MANAGER

**Mr Teo Chor Kai**

## EDITORIAL BOARD

### EDITOR

**Mr Teo Chor Kai**

### MEMBERS

**Mr Richard Zaccheus Bains**  
**Mdm Patsy Ng Moi Sng**  
**Mdm Garmit Kaur**  
**Mr Koh Kian Neng**  
**Mdm Lau Bee Eng**  
**Mdm Shamsulbadariah**  
**Ms Tan Hui Teng**  
**Mr Peter Tan Swee Chong**

## TEACHERS' CO-OP NEWS

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Merry  
Christmas

HAPPY  
NEW  
YEAR  
WELCOME TO 2018

Gong  
Fa Xi  
Cai



# 81st Annual General Meeting (AGM) President's Address

The Society held its 81st AGM on Saturday, 27 May 2017 at 1030 hours at the Parkroyal on Kitchener Road.

Seventy-eight members were present when the meeting commenced. The Society was honoured to have its President, Mr Neo Kian Hong, Permanent Secretary (Education Development), Ministry of Education to chair the meeting.

## Highlights of his address:

Mr Neo remarked that as an Honorary President, it was his job to share his observations about the Co-operative concerning the purpose of the Co-operative and provide information why members were present at the AGM. He wished to ensure that there was alignment in members' expectations. He emphasized that The Singapore Teachers' Co-operative is a Credit Co-operative where the main purpose is to allow shareholders to save and take loans at a reasonable rate. Any surplus from income from its operation could then be distributed through dividends to shareholders. Members might wish to ponder over these three questions:

- First, did they manage to save money with the co-operative and get at least the minimal percentage of fixed deposits return?
- Second, the rate of interest they paid on their loans as compared to banks or private loan companies?
- Third, did the Co-operative make money and what would be the dividend for the year?

The answers to all the three questions were positive. Members in general received 1.25% to 1.5% on their fixed deposits. Interest rates for short-term loans ranged from 12 - 18% (for credit cards - 24%), while the Co-operative charged around 6%. This met a social purpose of providing a loan alternative that helped members from falling into severe debts. The Co-operative had made modest surpluses and paid 8% dividend on the \$2,000 shares owned by each member for the past years. All these showed that the Co-operative had done well to fulfil its promises.

The Co-operative had also performed well as it was able to write-off bad debts on loans and investments. Despite the write-off, it still maintained the 8% dividend payment.

The Co-operative had made changes and taken steps to improve its returns to its members and also to reduce risks. First, to focus on its core business, it had taken steps to sell unprofitable investments (e.g. the Malacca Condominium unit). It had exited its joint venture business with New Optometry and Ocular Care Centre (NOOCC).

It had entered an agreement to transfer the ownership of its Childcare Centre at Hougang to a third party, even though this business was in the black, but bore risk without getting the required returns. It had requested to raise the percentage allowed in restricted investments from 20% to 30% to improve yield on its cash at hand.

Second, to reduce expenditure, it had cut unnecessary sponsorships and donations that did not help increase membership.

Third, it had engaged wealth managers to help manage surplus funds so that every dollar could be put to good use to increase the income.

With clear focus, tight control of costs and disciplined investments, the Co-operative should do even better in the coming years.

## Economic Outlook

The Singapore economic growth for 2016 was 2%, the weakest since 2009 when the economy was hit by the global financial crisis.

The global growth outlook had improved slightly and full year growth was expected to be higher than in 2016. The US economy was expected to perform better but uncertainties continue. Euro zone was projected to grow modestly. Japan's economy was expected to improve. China's growth was expected to ease slightly. Key Asean economies were expected to edge up slightly. Based on advance estimates, Singapore's economy grew by 2.5% in the first quarter.

Taking into consideration external and domestic factors, the Singapore economy was expected to grow between 1%-3%.

## Going Forward

How could the Co-operative do better?

There are three possible areas to look into:

First, members of the Committee of Management (COM) need to watch the investments and ensure that they were carried out based on proper professional advice. Loans need close monitoring and bad loans managed.

Second, transparency and accountability need to be increased. Members of the COM could approach those who could help to step forward to serve in the COM. The COM should comprise mainly of active personnel in the teaching fraternity. Number of members in the COM could be kept small and qualified.

Third, corporate governance should continue to improve. Recommendations put forth by the special audit should be implemented for compliance and improvement to internal controls.

## Conclusion

Three measurements could be used as yardsticks to measure the success of the Co-operatives:

- (a) Can saving rates be raised to 2% or 2.5%?
- (b) Can the loan interest rates for members be maintained at 5% and below?
- (c) Can the dividend payment be increased to 10%?

The members of the COM could consider and work towards achieving them. Members of the Co-operative are the co-owners of this company. They should understand how it works, expect reasonable returns on their savings and dividend on their share capital, and be prepared to contribute to making it better.

The Chairman, Mr Richard Zaccheus, members of the COM and the staff should be thanked for having served the Co-operative well.

## Excerpt of the Chairman's speech at the 2017 AGM held on 27 May 2017



The chairman, Mr Richard Zaccheus, in his opening address stated that every year brings with it new problems and fresh challenges and 2017 was no exception. Unpredictable economic, technological and geo-political changes are affecting life and business in every country. This coupled with a culture aversion to venturing outside the box and a lack of confidence, are holding co-operatives back from realising their full potential to function as an effective entity.

Despite these challenges, the society was able to post a net surplus of \$1 026 065 for the year which enabled it to give a dividend of 8% and a patronage rebate of 4% which amounted to \$628 650 or 60% of the net surplus. The main source of income was from loans and investments. The society invests in bonds and equities. Total investment income amounted to \$1 424 228.

He further elaborated that it was never going to be easy to chart a future direction for the society in a highly competitive economy. As the society feels its way forward into an unpredictable and tumultuous future, partnership between the society and the members would be crucial in dealing with the disruptive trends. He felt that all concerned should have open minds to experiment and be brave enough to face failures. Changes have to be made to the way the society operates, even if it causes some disruptions. Everyone should be aware that technology holds both promise as well as peril. He took cognizance of the fact that, while implementing changes, members diverse and changing needs have to be taken into account. A new IT system is being developed to provide better services by mid 2018.

He highlighted that the COM has been trimmed from fifteen members to eleven and the sub-committee from eleven to seven. In the course of the year, teachers currently teaching in schools, were recruited to join the COM. He was confident that the new members would bring with them fresh perspective and innovative ideas to ramp up the organisational structure of the society and make it more current and relevant. He envisaged that this new orientation will move the society forward a notch or two in the ensuing years.



*It's social interaction time among members during AGM lunch.*



*AGM in progress!*



# Membership Drive

## Teachers' Investiture Ceremony @ NTU

The National Institute of Education (NIE) held its Teachers' Investiture Ceremony on 5 and 6 July 2017 at Nanyang Auditorium, Nanyang Technological University (NTU). Officials and staff of the Society were present at the ceremony to answer questions personally from graduands on membership application. About 80 copies of the Society's newsletters with insert of a short write-up on Co-op were given out, 8 graduands signed up as members.



## **Co-op Staff in action at NTU**



## Visits to schools

The society's membership team conducted membership presentations on 24 April 2017 at CHIJ Katong Convent and 31 July 2017 at Hai Sing Catholic School respectively. Response to sign up was encouraging. Interested schools may request via telephone call or email for school membership presentation. For further details, do visit the Society's website at [www.teachers-op.org.sg](http://www.teachers-op.org.sg)



Briefing by our Senior Manager, Mr Teo Chor Kai



# WORLD COUNCIL OF CREDIT UNION (WOCCU) CONFERENCE - VIENNA, AUSTRIA 23 - 26 JULY 2017

More than one thousand six hundred and eight-five credit union leaders from sixty countries gathered at Vienna city, in Austria for the WOCCU 2017 conference. The theme for the conference was "Building a Global Community".

WOCCU's main aim is to promote the sustainable development of credit unions and empower credit union members through access to high quality and affordable financial services worldwide. They have with them international programmes to assist credit unions and their associates with rebuilding efforts, providing access to the underserved, developing integrated business networks, supporting communities at risk and encouraging legislative reform and regulatory development.

Twenty-two members from the various credit co-operatives in Singapore participated at the conference. Heading the group was the CEO of the Singapore National Co-operative Federation (SNCF). The Registrar of Co-operatives also sent a representative to the Conference. Personnel from the Tourist Promotion Board was there to man an exhibition booth to promote Singapore to the attendees. Singapore is the venue for the WOCCU 2018 Conference. Singapore hopes to see many of the attendees as well as new guests coming forth to participate at the 2018 Conference.

The event was packed with general sessions and breakout sessions. Listed below are some of the topics for the breakout sessions which the Co-operative may wish to note.

## **I) What is the sound of a tree? Would someone notice if you were gone? Is the co-operative relevant? Would someone notice if it just disappeared one day?**

Credit Co-operatives are navigating through a transformative era where members' needs are evolving and disruptive technology is influencing service delivery. Presently, it is time to refocus so that the Co-operative is positioned to deliver measurable impact in this digital age. The credit co-operatives would look better if they can show:

Impact - Help members navigate life-cycle and other financial challenges.

Transparency - Use business intelligence to see, show and share impacts benefitting members and the communities at large.

Competitiveness - Invest strategically in user-friendly technology.

## **II) Growth Strategies In An Ever-Evolving Environment**

Since the financial crisis in 2008 and the global economic recession, banks and credit unions have focused greatly on protecting themselves against unforgiving external events, choosing to protect their share of the market until more favourable conditions return. In most parts of the world, market conditions have now improved, and opportunities for assets and membership growth have returned. Mergers and organic growth constitute the cornerstone of the growth strategy. They want to gain scale to ensure they remain relevant to their members, acquire new technology, and expand their field of expertise while remaining an independent, locally managed institution.

## **III) Digital Payments and Cyber Security**

Credit and debit payments are experiencing worldwide growth as more people shift to digital payments. Digital capabilities are rapidly improving, while at the same time cyber threats are ever present. It is therefore critical for credit co-operatives to actively manage cyber risk. Investment in people, process, and technology are all important in mitigating the co-operatives' risks, which means budget dollars must be allocated.

The credit co-operatives have a unique governance model and a limited field of membership. This makes cyber resilience a strategic issue, in an environment with limited technical resources and scarce member-owned assets. The credit co-operatives are subject to the same regulatory cyber security standard as the largest financial institutions in the world. Navigating this complex landscape, while balancing human, technological, operational and financial readiness requires new standards of cyber practice.



#### IV) Membership

Nine out of ten consumers would say that recommendations from friends and family members are the most trusted form of advertising worldwide. It is therefore important to build a brand advocate programme that utilizes both internal advocates (employees) and external advocates (members) to attract a new audience.

#### V) Succession Planning

The co-operatives would need to develop a succession strategy and to integrate it into its succession planning process. Co-operative leaders need to be grounded in co-operative principles and governance. They should seek succession planning to achieve long-term sustainable growth for the co-operative in a fast-moving, developed, and highly competitive economy.



*The Singapore delegation at the World Council of Credit Union (WOCCU) Conference in Vienna, Austria.*

## Office Bearers - May 2017 to May 2018

Chairman	- Mr Richard Zaccheus
Deputy Chairman	- Mr Allan Tok Wei Cheng
Hon Treasurer	- Mr Fok Kim Fook
1st Hon Asst. Treasurer	- Mdm Elaine Seah
2nd Hon Asst. Treasurer	- Mr Eugene Guo
Hon Asst. Secretary	- Mdm Elene Lim Lan Hiang



# Announcements

## Closure of Transaction

The society's office will be closed from 16 to 19 December 2017.

There will be no financial transactions from **20 to 31 December 2017**. The Society will remain open for cheque collection and other non-financial matters.

The last date for loan applications and / or savings withdrawal submission is **7 December 2017**.

## Term Deposit

With effect from 1 August 2017, the Society will not be taking in any new Term Deposits from members via fresh funds or internal funds transfer from their General Savings or Bonus Savings accounts until further notice.

The Society has reached its maximum liability of \$67 million allowed for the financial year 2017.

Members would be informed when new Term Deposits can be placed again.

## Loan Cancellation

Please note that any cancellation of a loan upon approval shall be subjected to a payment of \$50.00 administrative fee.

## Checking Your Account Online

We are pleased to inform all members that you can now access your account details online. All you need is an email address which is registered with the society. Please log in to the society's website so that you can be guided on the 'log in' process. For those without an email account, please contact Mr Jimmy Lee of the society for assistance.

## NRIC Number

Please be reminded to include your National Registration Identity Card (NRIC) number in your correspondence with the Society.

## Going Green

In an effort to support our environment, the Committee of Management has decided to cease printing newsletters for circulation to members. With effect from January 2017, the society's newsletter will be published on its website at [www.teachersco-op.org.sg](http://www.teachersco-op.org.sg)

The society will only print hard copies of the Annual Report for those who have requested for it.



Please visit  
[www.teachersco-op.org.sg](http://www.teachersco-op.org.sg)  
for society's activities and  
information.