



Enhancing the quality of life

MY DREAM

MY CHOICE

MY CREDIT UNION



Annual Report 2016

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The National Anthem

*Forged from the love of liberty
In the fires of hope and prayer
With boundless faith in our destiny
We solemnly declare
Side by side we stand
Islands of the blue Caribbean Sea
This our native land
We pledge our lives to Thee
Here every creed and race find an equal place
And may God bless our Nation*

The Credit Union Prayer

*Lord, make me an instrument of Thy Peace
Where there is hatred, let me sow love
Where there is injury, pardon
Where there is doubt, faith
Where there is despair, hope,
Where there is darkness, light
And where there is sadness, joy.*

*O Divine Master
Grant that I may not so much seek
To be consoled as to console
To be understood as to understand
To be loved as to love
For it is in giving that we receive
It is in pardoning that we are pardoned
And it is in dying
That we are born to eternal life.*

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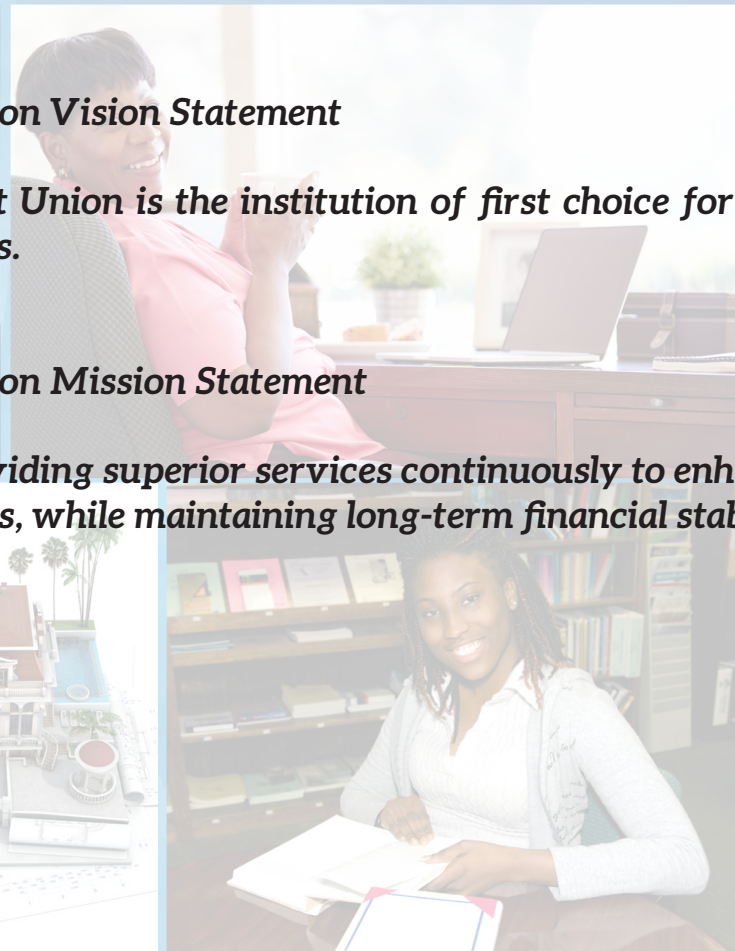
MY CREDIT UNION

U.W.I. Credit Union Vision Statement

The U.W.I. Credit Union is the institution of first choice for superior financial and other services.

U.W.I. Credit Union Mission Statement

Dedicated to providing superior services continuously to enhance the quality of life of its members, while maintaining long-term financial stability.



Annual Report 2016

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LIST OF OFFICERS

BOARD OF DIRECTORS

Mr. Dorwin Manzano	- President
Ms. Marlene Saunders	- Vice-President
Ms. Gail Hosein	- Secretary
Mrs. Patricia Brown	- Director
Mr. Marlon Caesar	- Director
Ms. Lenore Callender	- Director
Ms. Natasha Grant	- Director
Mr. Roger John	- Director
Dr. Steve A. West	- Director
Ms. Belinda Charles	- 1 st Alternate
Ms. Debra Maloney	- 2 nd Alternate

SUPERVISORY COMMITTEE

Mrs. Charmaine Lord-Pope	- Chairman
Dr. Chaney St. Martin	- Secretary
Mr. Mark Maundy	- Member
Mrs. Salisha Alladin-Moonsammy	- Secretary
Ms. Camille Renaud	- 1 st Alternate

CREDIT COMMITTEE

Mr. Reynold Johnson Jnr.	- Chairman
Mr. Dane Goodridge	- Secretary
Mrs. Roxanne Ali-Hassan	- Member
Ms. Keisha Campbell	- Member
Ms. Claudette Taylor	- Member
Mr. Jesille Fraser	- 1 st Alternate
Mr. Pooran Badal	- 2 nd Alternate

STAFF

Mrs. Donna Rosales-Gray	- General Manager
Mrs. Yvonne Romano	- Accounting & A.O.
Mr. Leon Grey	- Credit Supervisor
Ms. Samantha Rodrigues	- Executive Assistant
Ms. Fayola Jones	- Marketing Officer
Ms. Tameka Guerra-Clarke	- Accounting Officer
Ms. Rachelle Churaman	- Credit Officer
Mrs. Luticia Solomon	- Credit Officer
Ms. Krystel Thomas	- Credit Officer
Ms. Janiele Campbell	- Member Service Representative
Ms. Jehnella Dick	- Member Service Representative
Mrs. Charlotte Albert	- Record Management
Mr. Dennis Martin	- Security Officer

SERVICE PROVIDERS

Mrs. Hyacinth Simms	- Accounting
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NOTICE

Dear Member

Notice is hereby given that the 51st Annual General Meeting of the U.W.I. Credit Union Co-operative Society Limited will be held on Saturday April 22nd, 2017 at the Learning Resource Centre, The University of the West Indies, St. Augustine Campus commencing at 1:00 p.m.

PROGRAMME

Call to Order
National Anthem
Opening Prayer
Credential Report
President's Address
Greetings from Guests
Feature Address
Vote of Thanks
Agenda

AGENDA

Credential Report
Notice of Annual General Meeting
Standing Orders
Minutes of the 50th Annual General Meeting
Minutes of the Special General Meeting
Reports
Credential Report
Election of Officers
Resolutions
Any Other Business
Vote of Thanks
Conclusion

REGISTRATION

11:00 a.m. to 1:30 p.m.



Gail Hosein (Ms)
Secretary
April 6th, 2017

STANDING ORDERS

1. (a) A member shall stand and identify himself when addressing the Chair.
(b) Speeches shall be clear and relevant to the subject before the meeting.
2. A member shall only address the meeting when called upon by the Chairman to do so, after which he shall immediately take his seat.
3. No member shall address the meeting except through the Chairman.
4. A member may not speak twice on the same subject except:
(a) as the mover of a motion - who has the right to reply.
(b) he rises to object or to explain (with the permission of the Chair).
5. The mover of a "procedural motion" - (adjournment, lay on the table, motion to postpone) shall have no right to reply.
6. No speeches shall be made after the "question" has been put and carried or negated.
7. A member rising on a "point of order" shall state the point clearly and concisely. (A point of order must have relevance to the "standing orders").
8. (a) A member shall not "call" another member "to order" - but draw the attention of the Chair to a "breach of order".
(b) In no event shall a member "call" the Chair "to order".
9. A "question" shall not be put to the vote if a member desires to speak on it or move an amendment to it - except, that a "procedural motion": the previous "question", proceed to the next business or the closure: "that the question be not put", may be moved at any time.
10. Only one amendment shall be before the meeting at one and the same time.
11. When a motion is withdrawn, any amendment to it falls.
12. The Chairman shall have the right to a "casting vote".
13. If there is equality of voting on an amendment, and if the Chairman does not exercise his "casting vote", the amendment is lost.
14. Provision shall be made for protection of the Chairman from vilification (personal abuse).
15. No member shall impute improper motives against another member.

YOUR RIGHTS AND RESPONSIBILITIES AT YOUR ANNUAL GENERAL MEETING

You are important. You are one of the owners of the Credit Union, which exists to be of service to you.

You have the right to know about the Credit Union. Your questions and suggestions are therefore important and always welcome.

Your vote is important. It helps to select the Officers who must take responsibility for ensuring the successful performance of the Credit Union.

Be aware of your responsibility to select members who are **committed** and **willing to learn** and **to volunteer** their services to the Membership.

Remember:

- *with leadership comes responsibility*
- *you cannot separate a leader from his/her character*
- *skills without character will fail*

MINUTES OF 50TH ANNUAL GENERAL MEETING OF U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED HELD ON SATURDAY, APRIL 2nd 2016 AT THE LEARNING RESOURCE CENTRE, THE UNIVERSITY OF THE WEST INDIES, ST. AUGUSTINE CAMPUS

1.0 COMMENCEMENT

The President, Mr. Kennis Thomas, called the Meeting to order at 1.16 p.m.

Mrs. Brenda Fraser led the meeting in singing of the National Anthem. Deacon Beverly Hoyte delivered the Invocation, which was followed by the reciting of the Credit Union Prayer.

One minute of silence was observed for departed members.

2.0 1ST CREDENTIAL REPORT

A Credential Report taken at 1.16 p.m. indicated that there were present two hundred and sixty-four (264) Ordinary Members, eight (8) Directors and eight (8) Guests.

3.0 PRESIDENT'S ADDRESS

The President, Mr. Kennis Thomas introduced the members of the Board of Directors and Statutory Committees to the meeting and thanked them for their hard work during the period under review.

He recalled that 50 years ago a small group of people started U.W.I. Credit Union from humble beginnings, located firstly at the Faculty of Engineering, Block A; then onto Works Department; finally, the Credit Union acquired its own building at No. 118 Eastern Main Road, St. Augustine.

President Thomas paid tribute to and saluted the pioneers for laying the foundation. He also reaffirmed the Vision:

“The U.W.I. Credit Union is the institution of first choice for superior financial and other services” and

Mission - “Dedicated to providing superior services continuously to enhance the quality

of life of its members, while maintaining long-term financial stability” of the U.W.I. Credit Union.

The President also stated that during 2015, there were many challenges and, according to the Central Bank of Trinidad and Tobago, the economy contracted during the first three quarters and declined by 1.9%. The decline, coupled with low energy prices, caused fear and, in some quarters, uncertainty in the nation, and to some extent, impacted on the Credit Union’s ability to achieve its projections for the year. He also informed the meeting that the Board of Directors agreed to propose a 6% loan interest rebate for the year ended, and that this was in recognition of the faithful members who demonstrated that U.W.I. Credit Union was their institution of first choice for financial services. He gave the commitment that the Board will continue to reward the membership in the future.

President Thomas stressed that persons who offered themselves for election must bring a range of skills and competencies “to the table” and it was very important for the Annual General Meeting to take cognizance of such skills and competencies. He concluded by making a clarion call for the Board, Management and members to work together in the best interest of U.W.I. Credit Union and wished God’s blessings upon the Credit Union, going forward.

4.0 ACKNOWLEDGMENT OF GUESTS

President Thomas acknowledged the following Guests:

- Mr. L. Anthony Watkins - Feature Speaker
- Mr. Adonnis Bernard - Community Care Credit Union
- Mr. Peter Phillip - Community Care Credit Union

Ms Luenda Burke - Trinidad and Tobago Credit Union Deposit Insurance Fund

Mrs. Kisha Wong - Co-operative Development Division, MOLSMED

Ms Paula La Barrie - Co-operative Development Division, MOLSMED

Mr. Terrence Jules - Co-operative Development Division, MOLSMED

Mr. Colin Bartholomew - Co-operative Department Division, MOLSMED

Mrs. Jenine Felician - Romain - PKF, Trinidad and Tobago

5.0 FEATURE ADDRESS

Director Patricia Brown introduced Mr. L. Anthony Watkins, Chief Executive Officer and Principal Consultant of Odyssey Consultants Inc Limited. who delivered the Feature Address.

Mr. Watkins, in speaking on the theme: "In salute of and Dedicated to our Pioneers for laying the foundation", indicated that a foundation was necessary and important although it did not look as attractive as it should. The foundation was reminiscent of human character and values. It stood beneath the organization and kept it steady in times of turbulence.

He paralleled the foundation of the Credit Union to that of a boat's keel which stabilized the foundation. In his presentation he highlighted the following challenges:

- managing the economy
- increased scrutiny of credit unions by stakeholders
- new legislation for credit unions
- increased unemployment and underemployment and
- undervalued and unappreciated volunteerism.

Mr. Watkins indicated that in order to overcome the challenges, there was need for leaders of

character, bold, resolute and empathetic, people of integrity who say and do what they believe in, persons with competence in dealing with people and leaders with a spirit of co-operation, a special brand of pioneers to approach the new frontier that credit unions are facing.

In his closing remarks he appealed to members to:

- become actively involved in the Credit Union and attend the AGMs
- be respectful of the Pioneers and be realistic about the future
- revisit and reaffirm their commitment to the co-operative principles
- be thoughtful of spending and saving decisions
- encourage others to join the Credit Union and
- collaborate to deliver valuable services to members/communities.

Director Marlene Saunders expressed thanks to Mr. Watkins, on behalf of the Officers, Staff and Members of U.W.I. Credit Union, for his very informative address.

6.0 2ND CREDENTIAL REPORT

At 2:00 p.m., a Credential Report indicated that there were present two hundred and sixty-three (263) Ordinary Members, eight (8) Directors and nine (9) Guests.

7.0 ANNUAL REPORT

Vice-President, Dorwin Manzano apologised to members for the late submission of the Annual Report which he indicated was accessible on the Credit Union's website. He informed members that there were some snags experienced in the haste to have it available on the website.

8.0 STANDING ORDERS

The Standing Orders for the conduct of the Meeting were adopted on a motion by Ms Swarzuetta John and seconded by Prof. Winston Mellowes. The motion was unanimously carried.

9.0 NOTICE OF MEETING

Ms Gail Hosein, Secretary, read the Notice to convene the Annual General Meeting.

10.0 MINUTES OF 49TH ANNUAL GENERAL MEETING

Vice-President Manzano gave highlights of the Minutes of the 49th Annual General Meeting which was held on 28th March, 2015.

Confirmation

The Minutes of the 49th Annual General Meeting were confirmed on a motion by Prof. Winston Mellowes and seconded by Mr. Martin Lee John. There was one vote against the motion.

Matters Arising

Mr. Marlon Sampson indicated that the Credit Union loans were not competitive and that Members could access cheaper loans at the banks. He also indicated that the Credit Union needed to look carefully at the delinquency rate of 4%, which he viewed as a bad indicator.

President Thomas indicated that strategies will be put in place, through the Credit Committee, to ensure that the delinquency was reduced.

11.0 REPORTS

11.1 Board of Directors Report

President Thomas, presented the Report of the Board of Directors as stated on pages 16 to 20 of the Annual Report.

There were two corrections as follows:

- Page 17, DELINQUENCY - Delinquency increased from 1.11 % to 4.17%.
- Page 19, "OUTLOOK FOR 2016" instead of FOR 2015.

Some highlights of the Report included the following:

- 12.34% institutional capital
- \$16.9M increase in shares from \$166.84M to \$183.8M.

- Decrease in loan portfolio from \$130.54 million to \$127.14M.
- Delinquency increased to 4.17% in 2015
- Membership increased to 4,662 Members.

The Outlook for 2016 was as follows:

- 1 % Shares increase
- 5% Loan growth
- 5 % Assets growth
- 5 % Membership growth
- 7% Net Income increase
- 2 % Delinquency

Mr. Dane Goodridge, Chairman of the Credit Committee, explained that delinquency in 2014 was 3.27% and not 1.11% as stated in the Annual Report.

Mr. Martin Lee John called on the Credit Union to offer loans to encourage members to go into small business.

Mr. Derick Henry reported that he tried to open an account for his grandson at U.W.I. Credit Union but had to go elsewhere.

The President advised that the Bye-Laws provided criteria for membership which must be followed. However, the Board would take his concern into account in the review of the Bye-Laws which was now in progress.

Vice-President Manzano apprised the meeting of the process for amendment of the Bye-Laws.

Acceptance

The Report was accepted on a motion moved by Mr. Martin Lee John and seconded by Mr. Marlon Sampson. The motion was unanimously carried.

11.2 Credit Committee Report

The meeting considered the Report of the Credit Committee which was presented by Mr. Dane Goodridge, Chairman of the Committee.

It was noted that two thousand, eight hundred and seven (2,807) loans valued at \$35.6M

(\$5.8 million less than the previous year) were granted during the period under review.

The Committee recommended the following:

- Members should consider consolidating multi-loans that they may have at other financial institutions into one loan at U.W.I. Credit Union
- Members should use the Credit Union as their first choice for loans
- All members, especially those who were due to retire within the next three years, should attend financial planning sessions.

Matters Arising

Dr. Jeffrey Smith indicated that there was an Employee Home Ownership Plan between Republic Bank and BIGWU and that the U.W.I. Credit Union should consider linking up with BIGWU and the University in that regard.

Committee Chairman, Mr. Dane Goodridge, responded that the Credit Union will meet with BIGWU and hold discussions on that matter.

Acceptance

The Report was accepted on a motion moved by Mrs. Hazel Thompson-Ahye and seconded by Mr. Vincente Holt. The motion was unanimously carried.

11.3 Education Committee Report

The meeting considered the Report of the Education Committee which was presented by Vice-President Manzano, Chairman of the Committee.

Highlights of the Report included the following activities:

- SEA, CSEC and CAPE Workshops
- Short courses in Beauty Culture, Jewelry-Making and Soft Furnishings
- Pre-Retirees' and Retirees' Members' Fora
- Award of Bursaries
- SEA and CAPE Level Grants
- Departmental Representatives Meetings.

Some of the future programmes for 2016 included:

- Orientation Sessions for new members
- Annual Financial Literacy Seminars
- Annual Retirees Forum
- Lunch-time Members' Fora, once per semester
- Launch of the production of a biannual electronic Newsletter.

Matters Arising

Members made the following comments and suggestions:

- Communication with members should be improved
- The Financial Literacy course should be held twice annually
- There should be courses specifically for male members of the Credit Union
- Small Island Tour packages should be organized and
- There should be engagement of youth members (7 to 18 years) by the Credit Union.

Members were encouraged to attend events put on by the Education Committee and to provide relevant feedback for improvement. Members were also asked to update their contact information at the office.

Acceptance

The Education Committee Report was accepted on a motion moved by Mrs. Erica Bart and seconded by Ms Maud-Marie Sisnette. The motion was unanimously carried.

11.4 Supervisory Committee Report

The meeting considered the Report of the Supervisory Committee, which was presented by Mr. Mark Maundy, Committee Chairman. Mr. Maundy stated that the Committee, over the period, examined the following areas and did not find any irregularities:

- Financial Statements
- Loan Applications
- Source of Funds

- Bank Reconciliation Statements
- Investments
- Cash Verification
- Officers and Staff Accounts
- Share Withdrawals

The Committee noted that the Board of Directors continued to exhibit best practice in corporate governance and continued to make prudent financial decisions.

Matters Arising

There were no matters arising out of the Report.

Acceptance

The Supervisory Committee Report was accepted on a motion by Mrs. Merle King and seconded by Ms Margaret Ann Cobb-Redhead. The motion was unanimously carried.

12.0 AUDITORS' REPORT AND FINANCIAL REPORTS

12.1 Auditors' Report

Mrs. Jenine Felician-Romain, representative of PKF Trinidad and Tobago, presented the Auditors' Report.

The Report was accepted on a motion by Mrs. Petula Bernard-Craig and seconded by Prof. Winston Mellowes. The motion was unanimously carried.

12.2 Financial Statements

The General Manager, Mrs. Donna Rosales Gray, led members through the Financial Statements contained on pages 3 to 36.

Some highlights of the Financial Statements were:

- Increase in Total Assets from \$228.6 million to \$249.4 million
- Increase in Members' Shares from \$166.8 million to \$183.8 million
- Decrease in Members' Loans from \$130.5 million to \$127.1 million.

Acceptance

The Financial Statements were accepted on a motion by Mrs. Petula Bernard-Craig and seconded by Prof. Winston Mellowes. The motion was unanimously carried.

13.0 ELECTIONS

Nominating Committee Report

Dr. David Dolly, Chairman of the Nominating Committee, presented the Committee's Report.

The nominees were as follows:

Board of Directors

Mr. Marlon Caesar
 Ms Belinda Charles
 Mr. Roger John
 Ms Debra Maloney
 Dr. Steve A. West

Supervisory Committee

Mrs. Salisha Alladin-Moonsammy
 Mrs. Charmaine Lord-Pope
 Mr. Mark Maundy
 Ms Camille Renaud
 Dr. Chaney St. Martin

Credit Committee

Mrs. Roxanne Ali-Hassan
 Mr. Pooran Badal
 Ms Keisha Campbell
 Mr. Jesille Fraser
 Mr. Dane Goodridge
 Mr. Reynold Johnson Jr.
 Ms Claudette Taylor

Acceptance

The Nominating Committee Report was accepted on a motion by Ms Illissa Craig and seconded by Deacon Beverley Hoyte. The motion was unanimously carried.

14.0 CREDENTIAL REPORT

A Credential Report taken at 4.05 p.m. indicated that there were present one hundred and fifty-five (155) Ordinary Members, eight (8) Directors and eight (8) Guests.

Mrs. Kisha Wong, Returning Officer, and her team from the Co-operative Development Division, Ministry of Labour and Small Enterprise Development, conducted the Elections of Officers.

The Returning Officer declared three (3) seats on the Board of Directors and all seats on the Supervisory and Credit Committees vacant. Members were invited to submit nominations from the floor, in respect of the Board, Credit and Supervisory Committees. No nominations were forthcoming.

15.0 PRIZES

Mrs. Brenda Fraser conducted the draw for door prizes. The winners were: Pooran Badal, Marva Belfast, Necole Blake, Carl Carr, Nisha Hazelwood, Juliette Johnson, Shebert Mc Kie, Unika Omowale, Nigel Pitt, Nichole Robertson and Christelle Ward.

16.0 RESULTS OF THE ELECTIONS

Mrs. Kisha Wong presented the results of the Elections which were as follows:

Supervisory Committee

Mr. Mark Maundy - 151
Dr. Chaney St. Martin - 134
Mrs. Charmaine Lord-Pope - 119
Ms Camille Renaud - 94 (1st Alternate)
Mrs. Salisha Alladin - Moonsammy - 55 (2nd Alternate)

Board of Directors

Mr. Marlon Caesar - 147
Mr. Roger John - 134
Dr. Steve A. West - 98
Ms Belinda Charles - 92 (1st Alternate)
Ms Debra Maloney - 55 (2nd Alternate)

Credit Committee

Mr. Dane Goodridge - 160
Mrs. Roxanne Ali-Hassan - 149
Ms Keisha Campbell - 142

Mr. Reynold Johnson Jnr - 136
Ms Claudette Taylor - 116
Mr. Jessile Fraser - 114 (1st Alternate)
Mr. Pooran Badal - 52 (2nd Alternate)

17.0 DESTRUCTION OF BALLOTS

A motion for the destruction of the ballots was moved by Vice-President Manzano and seconded by Prof. Winston Mellowes. The motion was unanimously carried.

President Thomas thanked Ms Kisha Wong and her team for conducting the Elections of Officers.

18.0 ACKNOWLEDGEMENTS

Mrs. Brenda Fraser, Retiring Director, thanked members of the Board, Management and Staff, as well as members of U.W.I. Credit Union, for the opportunity to serve as an Officer over the many years.

Prof. Winston Mellowes thanked Mr. Kennis Thomas and Mrs. Brenda Fraser for their sterling contribution to U.W.I. Credit Union over the past years.

19.0 RESOLUTIONS

19.1 Dividend and Interest Rebate

Be it resolved that a 4.5% (\$7,902,627) dividend be approved and that such dividend be disbursed as follows: 4.5% cash.

The resolution was carried on a motion by Ms Gail Hosein on behalf of the Board, and seconded by Ms Joycelin Jackson.

And be it further resolved that an interest rebate of 6.0% (\$990,189) be applied to all ordinary loans”.

The resolution was carried on a motion by Ms Gail Hosein on behalf of the Board, and seconded by Ms Joycelin Jackson.

19.2 Auditors

Be it resolved that the firm PKF (Trinidad) be

retained as Auditors for the 2016 term.

The resolution was carried on a motion moved by Ms Lenore Callender on behalf of the Board and seconded by Ms Sommer Eudoxie.

19.3 Net Surplus Allocation

Honorarium

Be it resolved that \$150,000.00 of the Net Surplus be allocated as Honorarium for the year 2015.

The resolution was carried on a motion moved by Director Dorwin Manzano on behalf of the Board and seconded by Mrs. Erica Bart.

Education Fund

Be it resolved that \$56,424.00 of the Net Surplus of the Society be allocated to the Education Fund

The resolution was carried on a motion moved by Ms Natasha Grant on behalf of the Board and seconded by Mrs. Lucia Williams-Legall.

Building Fund

Be it resolved that \$123,204.00 of the Net Surplus of the Society be allocated to the Building Fund

The resolution was carried on a motion moved by Mr. Roger John on behalf of the Board and seconded by Mrs. Jeanette Reyes.

20.0 OTHER BUSINESS

Vice-President Manzano informed the meeting that the 50th Anniversary Gala Dinner and Awards Ceremony would be held at Radisson Hotel, Wrightson Road, Port of Spain on Wednesday 4th May, 2016 at 7.30 p.m. Tickets were available at a subsidized price of \$225.00. Guests should be seated by 7.15 p.m. There would be three awardees as follows:

- the Longest serving Officer
- the Longest serving member of Staff
- the Longest Active Member

150 tickets would be available for sale on a “first come, first served” basis, from April 8th, 2016.

Members made the following suggestions:

- Annual Reports should be printed for use at the Annual General Meeting (at least 150 – 200 basic copies)
- only the Financial Statements should be printed in hard copy, instead of the entire Annual Report
- the Credit Union should cater for the differently-abled members
- iPads can be provided to members for use at the Annual General Meeting
- There should be a loan package for members to purchase iPads
- The registration closure time for the Annual General Meeting should be reviewed and
- the names of deceased members should be included in the Annual Report.

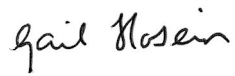
Members were informed that a Caribbean Secondary Examinations Certificate (CSEC) and Caribbean Advanced Proficiency Examinations (CAPE) Workshop for secondary school students, would be held at 9.00 a.m. on Saturday April 8, 2016 at the Institute of Critical Thinking, UWI St. Augustine Campus.

21.0 VOTE OF THANKS

Ms Marlene Saunders moved a vote of thanks to Almighty God, the UWI Administration and its supporting faculties and departments. She also thanked the Co-operative Development Division for their due diligence, co-operative partners Central Finance Facility (CFF), CUNA Caribbean, the Trinidad and Tobago Credit Union Deposit Insurance Fund (TTCUDIF), the General Manager and Staff for their hard work, and the Membership for staying with the Credit Union and being good members. She specifically thanked Mr. Kennis Thomas and Mrs. Brenda Fraser for “walking the walk and talking the talk”.

22.0 CONCLUSION

There being no further business, the 50th Annual General Meeting concluded at 6.32 p.m.



Gail Hosein (Ms)
Secretary
April 2nd 2016

MINUTES OF SPECIAL GENERAL MEETING OF U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED HELD ON THURSDAY JUNE 2ND, 2016 AT LECTURE THEATRE 1, FACULTY OF ENGINEERING, THE UNIVERSITY OF THE WEST INDIES, ST. AUGUSTINE CAMPUS

1.0 CALL TO ORDER

The President, Mr. Dorwin Manzano, called the Meeting to order at 5:15 p.m. upon the attainment of a quorum of forty (40) Ordinary Members.

Ms Jael Grant (youth member) led the Meeting in the singing of the National Anthem of the Republic of Trinidad and Tobago.

Vice-President Ms Marlene Saunders led the invocation which was followed by the Credit Union Prayer and one minute of silence in observance of members who passed away since the last meeting. Special mention was made of the passing of Mr. Alvin John, former Faculty of Engineering employee, whose funeral service was held on June 2nd, 2016, just prior to the Special General Meeting.

2.0 WELCOME

President Manzano declared the Meeting duly constituted in accordance with Bye-Law 21(e).

The President welcomed all Members to the meeting and thanked them for making the special effort to attend and participate in the decision making process within the Credit Union system.

Mr. Manzano welcomed and recognized Mrs. Kisha Wong and Mr. David Greaves, Officers from the Co-operative Development Division, in the Ministry of Labour and Small Enterprise Development (MOLSMED). Members were reminded that the purpose of the Meeting was to consider the Budget of the Society for the year ending 30th December 2016.

Apologies were extended, on behalf of the Board of Directors, to members for the late

submission of the proposed Budget and its omission from the recently concluded Annual General Meeting of April 2nd 2016. Members were also assured of the Board's commitment to transparency and openness in the conduct of the affairs of the Society, as demonstrated by the relatively short period of time between the recent Annual General Meeting and the Special General Meeting.

3.0 ECONOMIC OVERVIEW

Director Marlon Caesar presented an economic overview of the local economy and a revised projected outlook for U.W.I. Credit Union in respect of 2016.

Director Caesar opined that the local economy continued to face challenges and uncertainty due to low commodity prices, but advised that the Board of Directors of U.W.I. Credit Union remained committed to addressing the issues that affected the operations and financial stability of the Society and, by extension, the financial security of the membership.

The Board felt it prudent, based on the projections and pronouncements from the Government of Trinidad and Tobago in their mid-year review and U.W.I. Credit Union's actual performance in 2015, to present a revised Outlook for 2016 as follows:

Shares - the Shares growth target for 2016 remained unchanged.

Loans - The loan portfolio underperformed in 2015, registering a 2% decrease. The main contributor to the decrease was the uncertain economic environment and job insecurity which influenced the borrowing patterns of the membership.

Assets - The Assets target was reduced from 5% to 2% in line with the projected growth of the main earning asset, the loan portfolio.

Membership - The membership target of 5% remained unchanged.

Net Income - The Net Income target was reduced from 7% to 2% in line with the expected level of income. Although the target was reduced, it was an improvement on the negative performance in 2015 of -5.6%. It is the intention of the Board and the Credit Committee to continue to work on increasing the income from the loan portfolio while at the same time reducing the overall operating expenditure.

Delinquency - The target of <2% was set in an effort to reduce the delinquency rate of 4.17% recorded in 2015. It was noted that the Delinquency Policy was under review by the Board.

The revised targets were as follows:

	Previous	Revised
•Shares	1%	1%
•Loans	5%	2%
•Assets	5%	2%
•Membership	5%	5%
•Net Income	7%	2%
•Delinquency	<2%	<2%

4.0 BUDGET 2016 HIGHLIGHTS

Total Income - \$20.1M

Total Revenue was budgeted at \$20.1M which represented a 1% increase on 2015 performance. Interest on loans represented 91% of total budgeted income with other income comprised mainly of investment income at 9%.

Total Operating Expenditure - \$7.5M

In a period of rising cost, the Credit Union critically reviewed its current level of expenditure, which resulted in a 1% decrease in budgeted expenditure. The highest category of expenditure was Personnel at 41% followed by Governance at 18%. Training, Workshops,

Bursaries and Cultural Events accounted for 17% of the budget.

Total Capital Expenditure - \$1.2M

Total capital expenditure was budgeted at \$1.2M which represented a 7.7% decrease on 2015 actual expenses. The main expenditure was predicated on the ongoing office renovations, which demonstrated the Board's commitment to provide an improved office space for members and staff.

Net Income - \$12.6M

Net Income was budgeted at \$12.6M which was a 2% increase on the 2015 performance of \$12.3M.

5.0 CREDENTIAL REPORT

A Credential Report taken as at 5:40 p.m. indicated that there were forty-seven (47) Ordinary Members present.

6.0 DISCUSSIONS ON THE PROPOSED BUDGET

In response to a question on what constituted \$4,800 under Members Travel, it was noted that the sum represented a refund from the Travel Agency for one member's cancellation relating to the Retirees overseas event.

One member suggested that information technology security had become a critical issues in many organizations and that the Credit Union should ensure that its information technology was adequately factored into the Budget so that the Credit Union can be protected accordingly.

It was suggested that the Credit Union Board should budget for research and development into key areas affecting the Credit Union Movement.

It was noted that staff bonus was included in salaries hence the large quantum budgeted.

The rental income with respect to the Credit Union's Wilson Street property would be billed for two (2) months arrears each month.

It was the intention to institute mandatory medical insurance provision and associated contributions by staff and the Credit Union.

The provision for promotion in the sum of \$38,500.00 represented actual expenses in relation to special items for the 50th Anniversary Dinner and Gala Event.

7.0 CREDENTIAL REPORT

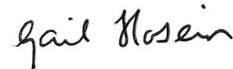
A Credential Report taken at 6:25 p.m. indicated that there were present forty-four (44) Ordinary Members.

8.0 MOTION FOR APPROVAL OF BUDGET

A motion was moved by Mr. Martin Lee John and seconded by Mr. Bert Martin, for the approval of the Budget for year ending 31st December, 2016, as presented. The motion was unanimously accepted.

9.0 CONCLUSION

The Special General Meeting concluded at 6:27 p.m.



Gail Hosein (Ms)
Secretary
June 2nd 2016

BOARD OF DIRECTORS REPORT FOR THE YEAR 2016/2017

INTRODUCTION

The Board of Directors is pleased to present its Report on activities for the year 2016/2017. Following the 50th Annual General Meeting of April 2nd 2016 and the Inaugural Meeting of the Board of Directors, the Board was reconstituted as follows:

Mr. Dorwin Manzano	-	President
Ms. Marlene Saunders	-	Vice-President
Ms. Gail Hosein	-	Secretary
Mrs. Patricia Brown	-	Director
Mr. Marlon Caesar	-	Director
Ms. Lenore Callender	-	Director
Ms. Natasha Grant	-	Director
Mr. Roger John	-	Director
Dr. Steve A. West	-	Director
Ms. Belinda Charles	-	1st Alternate
Ms. Debra Maloney	-	2nd Alternate

The Board also appointed the following Sub-Committees:

Education

Ms Marlene Saunders	-	Chairman
Ms Camille Renaud	-	Secretary
Ms Lenore Callender	-	Member
Ms Natasha Grant	-	Member
Ms Unika Omowale	-	Member
Ms Cheringdell Depradine	-	Co-opted

Social & Cultural

Mr. Roger John	-	Chairman
Mr. Reynold Johnson	-	Member
Mr. Bert Martin	-	Member
Mrs. Dawn Smith-Layne	-	Member
Mr. Seone Vialva	-	Member

Nominations

Dr. David Dolly	-	Chairman
Mrs. Patricia Brown	-	Member
Mr. Cicero Lallo	-	Member
Mr. Kennrick Nobbee	-	Member
Ms Marlene Saunders	-	Member

Finance and Investment

Mr. Marlon Caesar	-	Chairman
Mr. Jesille Fraser	-	Member
Ms Gail Hosein	-	Member
Ms Debra Maloney	-	Member
Mr. Dorwin Manzano	-	Member

Buildings

Dr. Steve A. West	-	Chairman
Mr. Mrs. Patricia Brown	-	Member
Ms Belinda Charles	-	Member
Ms Debra Maloney	-	Member
Mr. Dion Wilson	-	Member
Prof. Clement Imbert	-	Co-opted

Governance, Risk and Compliance

Dorwin Manzano	-	Chairman
Mr. Marlon Caesar	-	Member
Ms Belinda Charles	-	Member
General Manager	-	Member

Human Resource

Mrs. Patricia Brown	-	Chairman
Ms Lenore Callender	-	Member
Mr. Dorwin Manzano	-	Member
Ms Marlene Saunders	-	Member
Dr. Steve A. West	-	Member

Notwithstanding the scarcity of financial resources within the nation over the period and its associated challenges of reduced spending, a shrinking labour force and potential delinquency, the Board, in collaboration with Management, was able to successfully navigate through these challenges by providing effective and efficient financial solutions to the needs of members. Delinquency is on the decline and the Board will continue to exercise prudent and sound financial management of the affairs of the organization together with good corporate governance practices.

COMPLIANCE

The Board worked closely with Management to ensure that all aspects of the credit

union's operations were compliant with various legislation. In April and August 2016 Compliance Training was held for Officers and Staff. In September 2016 U.W.I. Credit Union adopted a risk based approach to compliance.

A compliance audit was conducted by the external auditors, as required by the FIU Regulations, and a more favourable report than the initial one was received.

The Credit Union also received a favourable report from the National Insurance Board following a compliance audit conducted in 2016.

PERFORMANCE

Revised growth targets were set at the Special General Meeting of June 2nd 2016. The Credit Union was able to achieve most of these targets during 2016 and the results for the period were as follows:

Growth		
	Targets	Actual
Shares	1 %	4.92%
Loans	2 %	10.08%
Assets	2%	6.49%
Membership	5 %	3.75%
Net Income	2 %	26.27%
Delinquency	< 2 %	3.91%

LOANS

The loan portfolio increased from \$127.14M in 2015 to \$139.96M in 2016, which represents an increase of \$12.82M or 10.08%. There was a 67.73% increase in mortgage loans over the period. The development and implementation of effective strategies for stimulating the loan portfolio continues to be a matter of priority for the Board. A review of the Credit Policy will be undertaken in the new term, in light of the current economic conditions, to mitigate against the risk of default.

DELINQUENCY

The Board continued to focus on controlling delinquency and during 2016 there was a marginal decrease from 4.17% in 2015 to 3.91%. During the term the Board mandated a Sub-Committee to review the Delinquency Policy, which was completed, and the final Draft will be submitted to the Board for consideration at the end of April 2017.

SHARES

Members' Share Capital increased by \$9.04M (4.92%), from \$183.82M in 2015 to \$192.86M in 2016. This is a positive sign and displays member confidence in the Credit Union's ability to offer a better rate of return than other financial institutions.

INSTITUTIONAL CAPITAL

The recommended local standard for Institutional Capital has been provisionally set at 8.0% by the Central Bank of Trinidad and Tobago whilst the international standard remains at 10.0%. In accordance with the prudence concept the Board continues to maintain a minimum capital level of 12.0% to protect the Credit Union in the event of difficult times.

MEMBERSHIP

The Credit Union continues to enjoy a steady growth in its membership. As at December 31st 2016 the membership stood at 4,837 (4,662 in 2015).

STAFFING AND HR ISSUES

During the period the Human Resource sub-committee of the Board reviewed several HR matters and made recommendations which resulted in the following matters being approved by the Board for implementation:

- revised organizational structure
- reclassification of staff
- revised job descriptions
- revised staff contracts
- revised employees' handbook.

The recruitment of an Operations Manager and an additional Security Officer began in December 2016 and should be completed by May 2017. Succession planning and capacity building continues to engage the attention of the Board.

A Training and Development Policy for Officers and Staff was also approved. A compendium of approved policies and procedures is currently being compiled for use by Management and Officers.

TRAINING & CONFERENCES

Directors, Officers and Employees attended the following programmes during the term under review:

- “Recession – Our Members, Our Interest” January 27, 2016 – 3 directors, 3 staff members (Central Finance Facility)
- “Developing a Comprehensive Enterprise Risk Management Framework for your Credit Union” February 17-18, 2016 – 3 credit committee members, 3 directors, 2 staff members (Central Finance Facility)
- “Compliance Management and Techniques” March 17, 2016 – 2 credit committee members, 1 directors, 1 staff member (Central Finance Facility)
- “Supervisory Committee Workshop” May 20-21, 2016 – 3 supervisory committee members (Central Finance Facility)
- “Customer Service Excellence – how to deliver exceptional customer service” May 24, 2016 – 2 staff members (Central Finance Facility)
- “World Council of Credit Union Conference” July 17-20, 2016 – one director (World Council of Credit Union - WOCCU)
- “CUES Director Development Seminar” September 14-16, 2016 – one director (Credit Union Executive Society - CUES)
- “5th Leadership Conference” November 1-6, 2016 – 2 directors (Association of Co-operative Credit Union Presidents - ACCUPTT)
- “Compliance and Risk Management”

November 25, 2016 – 2 directors, one staff member (Trinidad and Tobago Credit Union Deposit Insurance Fund - TTCUDIF)

- “CUES Director Conference” December 10 to 15, 2016 – one director (Credit Union Executive Society - CUES)
- “Information Security Awareness” March 17-18, 2017 – one staff member (Association of Co-operative Credit Union Presidents - ACCUPTT).

BUILDING

In September 2016 the upper floor of the office building at 118 Eastern Main Road began. The project was originally scheduled to be completed by the end of October 2016, however there were delays in the procurement of some required materials. The revised date for completion of the project is April 13th 2017.

An assessment of the current condition of the Wilson Street property revealed that the building was structurally sound and, with minor reconfiguration and repairs, it can be utilized for credit union activities. The Board will be actively pursuing this matter in the new term.

STRATEGIC PLANNING AND TEAM BUILDING RETREAT

The Board of Directors, Chairpersons of the Credit and Supervisory Committees, the General Manager and senior staff participated in a Strategic Planning Retreat in April 2016. A review of the current strategic plan and a strategy for implementation of an operational plan were carried out and agreed upon. Training in AML/CFT Compliance and Understanding of Financial Statements was also conducted during the retreat.

GOVERNANCE

The Board reviewed and approved an Educational Awards and Grants Policy which governs the administration of the educational awards and grants offered annually by the Credit Union.

Officers of U.W.I. Credit Union continue to observe the Code of Business Conduct and Ethics and are required to maintain the standards enshrined in the Code.

An orientation session was conducted for all members who submitted nominations to serve on the Board and other Statutory Committees. This was followed by individual interviews of each nominated member, by the Nominating Committee, to ascertain whether each nominee had met the fit and proper criteria and other requirements for election to office.

BYE-LAWS

The Board conducted a review of the existing bye-laws of the organization and the proposed amendments will be discussed with the Co-operative Development Division, Ministry of Labour and Small Enterprise Development. A Special General Meeting of members will be convened subsequently to consider proposed amendments.

50th ANNIVERSARY CELEBRATION

U.W.I. Credit Union celebrated its 50th anniversary on May 4th 2016. In commemoration of this golden and auspicious milestone, the following activities were held in 2016:

- A gala dinner and award ceremony at the Radisson Hotel on May 4th 2016 at which foundation members and long serving staff and members were recognized
- A yacht cruise took on December 17th 2016 and
- Documentation of the last 25 years' history of the U.W.I. Credit Union which is still in progress.

The "History of the UWI Credit Union, 1965 to 1990" was already published in 1990.

SOCIAL AND CULTURAL ACTIVITIES

The Credit Union held its annual cricket competition on October 01st 2016 and the competition was won by the University Field Station team.

Activities for members were organised during Credit Union Week, October 13 - 17, 2016. Activities included displays of handcrafted items made by members who participated in the various educational programmes hosted by the credit union and the distribution of refreshment and tokens.

A joint Credit Union all-fours competition was held on November 12th 2016 between the following Credit Unions: Aero Services, Community Care, TECU and U.W.I. TECU emerged as the overall winner.

The Annual Children's Christmas Party was held on December 04th 2016 at the UWI Staff Social Club. This event continues to be a success and, without exception, all young children enjoyed and fully participated in the fun-filled activities that were planned.

The 27th Annual Calypso and Ole Mas competition was held on February 17th 2017 at the Dudley Huggins Building car park. Mr. Rawle Peters won the Calypso Monarch and Mrs. Tamika Elcock-John won the Audience Vintage competition. Mr. Marlon Edmund won the best party song and the best Credit Union Commentary, whilst Mr. Rawle Peters won the best Social Commentary. Mr. Tyrone Corbin won the Ole Mas King and Individual (male) and Ms Althea Hazelwood won the Ole Mas Queen and Individual (female). The Faculty of Science and Technology won the Best Ole Mas Band.

WEBSITE

The new and enhanced website was completed. Online services are now available to fully compliant members where balances can be viewed and transfers made between accounts. Upcoming activities and registration for events are also available.

OUTLOOK FOR 2017

The Board and Management team of U.W.I. Credit Union continue to keep abreast of reports on the domestic, regional and international

economy and, notwithstanding the current state of the national economy, have set the following growth targets to be achieved in 2017:

- Shares - 1%
- Loans - 10%
- Assets - 8%
- Membership - 5%
- Net Income - 5%
- Delinquency - <3%

A revised draft Marketing Plan for the Credit Union has been formulated and is a priority item for the Board's review immediately after the AGM.

BOARD MEETINGS

During the period April 2016 to February 2017, the Board held eleven (11) meetings. Attendance at these meetings was as follows:

Name	Possible	Present	Excused
Dorwin Manzano	11	11	-
Marlene Saunders	11	10	1
Gail Hosein	11	10	1
Patricia Brown	11	11	-
Marlon Caesar	11	11	-
Lenore Callender	11	8	3
Natasha Grant	11	11	-
Roger John	11	11	-
Steve A. West	11	11	-
Belinda Charles	4	4	-

OUTGOING OFFICERS

The outgoing Officers are Mr. Dorwin Manzano, Ms Lenore Callender and Ms Gail Hosein. The Board expresses its sincere thanks to these Officers for their outstanding performance and invaluable service during their term of office. Mr. Manzano is again offering himself for service while Ms Callender opted not to offer herself for re-election. The proposed legislation restricts the term limit of Directors to two consecutive three year terms. In keeping with the Board's practice to prepare

for this restriction Ms Hosein will not be offering herself for re-election in the upcoming elections.

OBITUARIES

The Board extends its deepest condolences to the bereaved families of following members who passed away during the period: Gail Baccus-Taylor, Carlyle Christian, Carl Jaikaran, Alvin A. John, Patricia Mannette, Janet C. Marcano-Hernandez, Tennille Persad, Sherma J. Quamina-Wong Kang, Sydney K Ragoobar, Vishnu Rajkumar, Prior Ramcharan and Darron Small.

ACKNOWLEDGEMENTS

The Board acknowledges the kind assistance, sincere encouragement and ready co-operation given by:

The UWI Administration
 The Commissioner for Co-operative Development and his Staff
 The Central Finance Facility Co-operative Society Limited
 CUNA Caribbean Insurance Society Limited/ CUNA Mutual Group
 The Division of Facilities Management, UWI
 The Faculty of Science and Technology, UWI
 The Faculty of Food & Agriculture, UWI
 The Institute of International Relations
 The Trinidad and Tobago Credit Union Deposit Insurance Fund Co-operative Society Limited
 The UWI Security Limited
 The General Manager and Staff of the U.W.I. Credit Union
 Departmental Representatives
 All Members of the U.W.I. Credit Union

CONCLUSION

The Board of Directors wishes to thank the Members for their continued confidence in the Credit Union and for making U.W.I. Credit Union the institution of first choice for financial and other services.

The Board remains committed to promoting the economic welfare of members.

The Board thanks the Membership for the opportunity to serve, expresses its sincere thanks to all for their support of its programmes and looks forward to another successful year.

Gail Hosein

Gail Hosein (Ms)
Secretary
Board of Directors, U.W.I. Credit Union
March 22nd 2017

REPORT OF THE CREDIT COMMITTEE FOR THE YEAR ENDED DECEMBER 31st, 2016

INTRODUCTION

The Committee is pleased to present its Report on the activities for the year ended December 31st, 2016.

Committee members, elected at the last AGM, met on Monday 4th April, 2016 to select a Chairperson and Secretary. The composition of the committee was as follows:

Mr. Reynold Johnson	- Chairperson
Mr. Dane Goodridge	- Secretary
Mrs. Roxanne Ali-Hassan	- Member
Ms Keisha Campbell	- Member
Ms Claudette Taylor	- Member
Mr. Jesille Fraser	- 1st Alternate
Mr. Pooran Badal	- 2nd Alternate

MEETINGS

The Credit Committee met weekly throughout the year to review loan applications in line with its terms of reference. As a result of the current financial climate the committee also facilitated additional meetings with members who experienced great financial difficulties. Past approved loans were also monitored to ensure that members complied with the agreed terms of the loan.

The attendance by members of the Committee during the period was as follows:

Name	Possible	Present	Excused
Reynold Johnson	38	33	5
Dane Goodridge	38	33	5
Roxanne Ali-Hassan	38	34	4
Claudette Taylor	38	34	4
Keisha Campbell	38	33	5

The Credit Committee also attended workshops on Risk Governance and Compliance Management, Financial and Strategic Planning and FIU Compliance. These workshops were mandatory due to new regulations from the Trinidad and Tobago Central Bank and helped to enhance the performance of Committee members.

LOANS

Two thousand, eight hundred and eighty-three (2,883) loan applications were processed for the year 2016. This represented a decrease of 2.01% when compared to 2015 (2,942).

A total of two thousand, six hundred and ninety-seven (2,700) applications were approved valued at \$48.10M. This represents a 35.00% increase in loan value (\$12.4M) compared to 2015 (\$35.63M). Thirty-eight (37) applications were cancelled, one hundred and thirty-five (135) were not approved and ten (10) were still pending.

Loans	2015	2016
Processed	2,942	2,883
Approved	2,807	2,700
Not Approved	103	135
Cancelled	21	38
Pending/Unprocessed	11	10

The largest loans approved category was Mortgages which accounted for 16.30% of total loans approved. This was closely followed by Utilities/Debt and Vehicles which were 15.89% and 15.81% respectively. Housing and Domestic accounted for 13.35% and 11.13% of the loans approved.

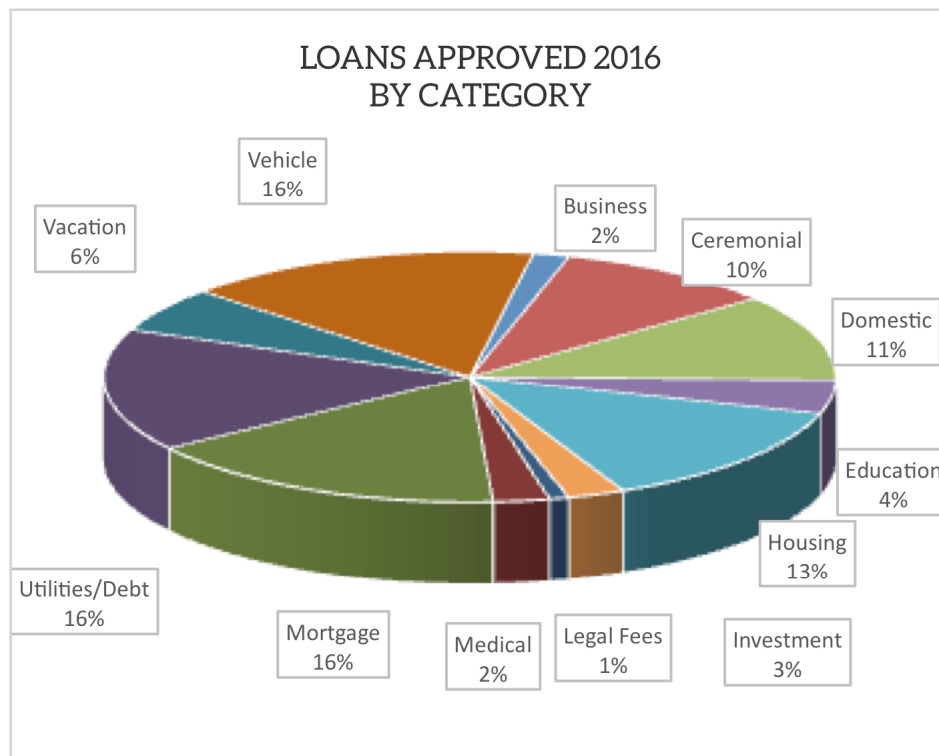


Figure 1

It should be noted that Mortgage loans recorded a 588.46% increase from the previous year, which was the largest of all increases, followed by Utilities/Debt (134.97% and Investment (96.09%). This may indicate better financial planning by members in light of the current economic environment. The comparative table of loans approved by categories for 2015 and 2016 can be found at the end of this report.

DELINQUENCY ANALYSIS

As at December 31, 2016 the delinquency ratio was 3.9% compared to 4.1% for 2015, recording a small decrease in the delinquency rate in 2016.

The Committee will continue working with the Board of Directors and Loan officers to further reduce the delinquency ratio in the coming period.

RECOMMENDATIONS

Members should consider consolidating their

multiple-loans with U.W.I. Credit Union and other financial institutions into one loan with the Credit Union, which can result in increased disposable income.

The Committee also encourages all members to engage U.W.I. Credit Union before obtaining loans, hire purchase or line of credit from any other financial or non-financial institution.

Financial Planning sessions should be considered by all members who are due to retire within the next five years. This recommendation is also open to all other interested members.

ACKNOWLEDGEMENTS

The Credit Committee thanks Almighty God for a productive 2016. The Committee also wishes to express its gratitude to the Board of Directors, General Manager, Credit Officers and other members of Staff for their support during the year. We sincerely thank the entire

Total Loans Approved 2016 2-Year Comparison		
Category	2015	2016
Business	780,450	770,878
Ceremonial	4,514,984	4,733,939
Domestic	3,922,254	5,354,970
Education	3,170,283	2,135,919
Housing	6,171,179	6,422,358
Investment	616,000	1,207,900
Legal Fees	360,825	411,604
Medical	1,393,030	1,189,857
Mortgage	1,139,000	7,841,567
Utilities/Debt	3,253,720	7,645,302
Vacation	1,852,142	2,786,230
Vehicle	8,459,867	7,605,268
Total	35,633,734	48,105,792

Membership for their support and for the opportunity to be of service.



Dane Goodridge
Secretary
March 29th 2017

REPORT OF THE EDUCATION COMMITTEE FOR THE YEAR 2016/ 2017

1.0 INTRODUCTION

The Education Committee is pleased to present its Report on its activities for the period April 2016 to March 2017.

2.0 COMMITTEE MEMBERS

The Board appointed the following members to serve on the Education Committee:

Ms Marlene Saunders	-	Chairperson
Ms Camille Renaud	-	Secretary
Ms Lenore Callender	-	Member
Ms Natasha Grant	-	Member
Ms Unika Omowale	-	Member

3.0 ORIENTATION AND TRAINING PROGRAMMES

An Orientation programme was conducted for prospective 2017/ 2018 Board and Committee members on the Fit and Proper Criteria, Leadership Roles and Responsibilities, and on relevant issues in the Credit Union Movement.

The elected 2016/2017 Board and Committee members participated in compliance training in accordance with the Finance and Intelligence Unit's (FIU's) Regulations.

Loans Officers also participated in external programmes in Money Laundering and Risk Management.

4.0 SEMINARS AND WORKSHOPS

Mr. Trevor James facilitated three sessions of an "I Can" workshop that focused on coaching techniques for 2016 Secondary Entrance Examination (SEA) candidates, and for their parents during the final session. One session was held on March 12th, 2016 in the 2015/ 2016 term and the other two sessions were held on April 9th and 23rd, 2016 in the 2016/ 2017 term.

Ms Christine Greenidge conducted a one-day "Career and Development" workshop on April 8th 2016 for candidates of the 2016 Caribbean Secondary Examinations Certificate (CSEC) and Caribbean Advanced Proficiency Examinations (CAPE).

The October 17th 2016 Post Budget Review forum on the Government of Trinidad & Tobago's presentation of its October 2016 budget was facilitated by panelists Dr. Marlene Attzs, Mr. David Abdullah and Mr. Martin Frankin.

The forum, which attracted twenty five (25) participants, engaged in insightful and meaningful discussion on the socio-economic impact of the budget on the country, opportunities for credit unions to attract new membership and provide new products, and implications for trade unions and workers.

On November 19th 2016, Mr. Jesille Fraser facilitated a practical Financial Planning workshop which attracted twenty two (22) participants.

5.0 SHORT COURSE OFFERINGS

Dean of the Faculty of Food & Agriculture, UWI St. Augustine Campus, Dr. Wayne Ganpat, facilitated the August 6th and 13th 2016 Home Gardening workshop. He was assisted by Ms Patricia Clement.

Mrs. Eileen Salandy facilitated a seven-week Christmas Cooking course from October 26th to December 7th 2016. Course Participants were presented with certificates of participation.

6.0 BURSARIES

The Jerris Attzs Bursary was awarded to second-year University student, Ms Reshma Roopnarine, on the recommendation by the

Student Affairs (Admissions) Office of The University of the West Indies, St. Augustine Campus.

Credit Union Bursaries were also awarded to the following second and third-year continuing tertiary-level students:

Mr. Jarrel De Matas -
Brenda Fraser Bursary
Ms Gianisi Legall (Youth member) -
Claude McEachrane Bursary
Mrs. Nikeisha Plato-Robinson -
Jill Thompson Bursary
Mr. Joseph Drayton -
Vibert Medford Bursary.

6.0 GRANTS

SEA Grants

At the July 20th 2016 Awards Ceremony, Secondary Entrance Assessment (SEA) Grants were awarded to twenty-nine (29) students who were placed in secondary schools.

Feature Speaker, Ms Christine Greenidge, delivered a practical address on self-awareness in the context of transitioning from primary to secondary school.

Continuing second to fifth year grants were awarded to eight (8) secondary school students who maintained a B+ or 65% average.

'O' and 'A' Level Grants

Ordinary ('O') and Advanced ('A') level grants were awarded to first and second-year candidates who successfully completed the Caribbean Examinations Council's (C.X.C's) Caribbean Secondary Education Certificate (CSEC) and Caribbean Advanced Proficiency Examinations (CAPE).

8.0 AWARDS

There were no awards for excellence in scholastic, sporting and cultural activities.

9.0 ACTIVITIES AND OUTINGS

Retirees' Trip

Thirteen (13) individuals ventured on a trip

to Curacao from November 5th to 8th 2016. They enjoyed their stay at the all-inclusive Sunscape Curacao Resort and Spa and had the opportunity to visit sites on the island and meet the dolphins at the nearby Dolphin Academy.

10.0 E-SERVICES

Registered members utilized the e-services to conveniently view historical account transactions, current balances and the status of loan applications, and to perform internal transfers between accounts.

11.0 DEPARTMENTAL REPRESENTATIVES

Updates on the Credit Union's activities were presented to the Departmental Representatives who serve as Liaisons between U.W.I. Credit Union and the University community. Discussions were held on the proposed offerings of student educational loans and a student membership drive at the July 28th 2016 meeting of Departmental Representatives.

12.0 POST EVENTS

The Education Committee, together with the Social & Cultural Committee, arranged the following activities in celebration of U.W.I. Credit Union's 50th Anniversary:

- "Gala Dinner" on May 4th 2016 at the Radisson Hotel and Conference Centre and the
- "50 for 50" Boat Cruise on December 17th 2016 from the Black Jack Marina in Chaguaramas, to Scotland Bay.

13.0 PROPOSED EVENTS

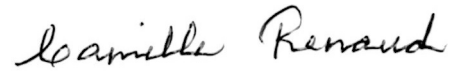
The proposed activities for 2017/ 2018 include:

- Orientation sessions for new Credit Union members
- Lunch-time Members' and Non-Members' Fora
- SEA and Entrepreneurial Workshops
- Award Ceremony for successful SEA candidates
- Short-course Offerings
- Retirees' Forum
- Financial Literacy Seminar
- Youth activities

14.0 CONCLUSION

The Education Committee successfully completed a number of its initiatives and thanks Almighty God for guidance, the Board of Directors for the opportunity to serve, Officers of U.W.I. Credit Union and UWI Departmental Representatives for their support, and workshop and seminar Facilitators for their service during its 2016/ 2017 term in office.

The Education Committee is dedicated to serving the needs of members in keeping with U.W.I. Credit Union's Mission statement.



Camille Renaud (Ms)
Secretary
February 9, 2017

REPORT OF THE SUPERVISORY COMMITTEE 2016/2017

INTRODUCTION

The Supervisory Committee is pleased to present its Report for the year 2016/2017. At the 50th Annual General Meeting the following members were elected to the Committee and served as follows:

Mr. Mark Maundy - Chairman
Mrs. Charmaine Lord-Pope - Secretary
Dr. Chaney St Martin - Member
Ms Camille Renaud - 1st Alternate
Mrs. Salisha Alladin-Moonsammy - 2nd Alternate

Mr. Maundy resigned as Chairman of the Supervisory Committee as a result of personal obligations and Dr. Chaney St. Martin assumed the role of Chairman of the Committee in October 2016. He also encountered some issues with his job since it entailed him travelling overseas on several occasions. Consequently Dr. St Martin resigned from the Committee and his vacancy was filled by Mrs. Salisha Alladin-Moonsammy, the 2nd Alternate in light of the unavailability of 1st Alternate, Ms Camille Renaud. Additionally, for the remainder of the period, Mrs. Charmaine Lord-Pope served as Chairman and Mrs. Salisha Alladin-Moonsammy served as Secretary.

MEETINGS

As at 9th March, 2017 the Committee recorded thirty five (35) meetings. Attendance at these meeting were as follows:

Names	Possible	Present	Excused
Salisha Alladin-Moonsammy	18	16	2
Charmaine Lord-Pope	40	37	3
Mark Maundy	40	39	1
Chaney St Martin	22	16	6

OVERVIEW OF SUPERVISION

The Supervisory Committee is charged with the responsibility to audit and examine the operations of the Credit Union, as well as to make recommendations where improvements are deemed necessary on behalf of the membership.

The following areas were examined:

Financial statements: The Financial Statements, which essentially reveal to the Members how the Credit Union is performing for a given period, were prepared in a timely manner and were accurate. The Committee reviewed the financial statements of the Credit Union and found that despite the economic climate prevailing, the Credit Union has been consistent in meeting its set targets.

Loan applications: The loan portfolio represents the backbone of this organization thus it is imperative that careful management of this portfolio be maintained in order to monitor and ensure that the overall risks to the Membership is kept at a minimum. Therefore the Committee frequently examined samples of loan applications to ensure that the applications were correctly completed, signed by the member and approved by the relevant person in accordance with the Credit Union's Loan Policy.

Source of Funds: The Committee made a comprehensive check on deposits above the required threshold and found that all members complied with the AML/CFT requirements. It should be noted that there has been a significant improvement from the previous years.

Bank Reconciliation Statements: The bank reconciliations were reviewed and were generally found to be properly reconciled, done in a timely manner and signed by the appropriate person.

Investments: The Committee compared the periodic statements from institutions where investments are held to the amounts included in the monthly financial statements and they were found to be accurately prepared.

Cash verification: The Credit Union's petty cash float was verified at the end of the year to ensure that the amount allocated for the float was accurate. The Committee also performed surprise cash counts and is pleased to report that no irregularities were discovered.

Officers and Staff Accounts: The Supervisory Committee reviewed the accounts and files of the Officers and Staff of the Credit Union to ensure compliance with existing policies and bye-laws. The audit revealed no discrepancies.

Share Withdrawals: Samples of withdrawals were periodically checked to ensure that they were properly authorized.

DELINQUENCY

Delinquency reflects a member's inability to service his/her loan commitment over a period of time. The Committee notes that a number of delinquent loans still exist and it commends the staff for their efforts in trying to reduce the delinquency figure.

The Committee would like to recommend that dedicated staff member(s) be assigned to this task as soon as possible in order to mitigate any future losses to the organisation.

The Committee notes with great concern the slow pace at which the issue of delinquency is being addressed. The Committee therefore urges the Board of Directors to consider these recommendations and take the necessary actions to alleviate the delinquency situation.

OBSERVATIONS

The Supervisory Committee wishes to express its concern with the high levels of Debt Service Ratio of some members as well as the elongated period for repayment of the loan that spreads out, past the retirement age of some members.

The Committee would like to recommend that financial advice be given to the membership on a regular basis.

The Supervisory Committee is generally satisfied that the Board of Directors continues to exhibit best practice in co-operative governance and continues to make prudent financial decisions which are always in the best interest of its members.

ACKNOWLEDGEMENT

In closing, the Committee Members offer their sincerest appreciation to the Membership of the U.W.I. Credit Union Co-operative Society Limited for the opportunity to serve on the Supervisory Committee for the period 2016-2017.

We wish to express our appreciation to the General Manager and Staff for their unwavering support and co-operation in the conduct of our duties over the period. The staff was courteous and never hesitated to answer any questions whenever they were called upon to so do. The staff should be commended for their good work especially working in cramped conditions during the renovation stage of the Credit Union, some of which is yet to be completed. The membership thanks you for your diligence and perseverance in performing your duties under these conditions.

We acknowledge the efforts of the Board of Directors for the initiation of all new policies and procedures, which will significantly improve the operational processes of the Credit Union. We also wish to acknowledge the continued interest and investment in the development and upgrade of the skills and competencies of Staff and Officers of the U.W.I. Credit Union.

The Committee sincerely wishes that the U.W.I. Credit Union continues to meet and surpass the expectations of the Membership in 2017 and beyond.

In closing, Committee Members offer their thanks to Almighty God for His blessings, strength, courage, wisdom and guidance over the past year.

A handwritten signature in black ink, appearing to read 'Lord-Pope', written in a cursive style.

Charmaine Lord-Pope (Mrs.)
Chairman
2nd February 2017

REPORT OF THE NOMINATING COMMITTEE

Dear Members

The Board of the U.W.I. Credit Union, in accordance with Bye Law (35a), approved the following persons to serve on the Nominating Committee for 2017:

Dr. David Dolly (Chairperson)
Ms Marlene Saunders
Mr. Elroy Prescott
Mr. Cicero Lallo
Mr. Kenrick Nobbee

The following members were screened and interviewed having indicated their intention to serve on the respective committees for 2017-2018:

SUPERVISORY COMMITTEE

Ms Deborah Isaac
Mrs. Salisha Alladin-Moonsammy
Ms Sophia Maria Persad
Mrs. Stacey Greene-Mc Neil
Ms Tenesha Charles

BOARD OF DIRECTORS

Mr. Kennis Thomas
Mr. Dorwin Manzano
Ms Debra Maloney
Ms Vidwatee Ramdhanie
Mr. Onyemauchekwu Osuji

CREDIT COMMITTEE

Mrs. Roxanne Ali-Hassan
Mr. Pooran Badal
Ms Keisha Campbell
Mr. Jessile Fraser
Mr. Dane Goodridge
Mr. Reynold Johnson Jr.
Ms Claudette Taylor

The Nominating Committee was pleased with the confidence and zeal which all interviewees displayed. Aspirants to the three committees were found to be compliant and in good financial standing and presented a high standard of certification and acumen in their respective professional fields. The nominees appear fit and proper for their respective and intended positions. The quality of these nominees augurs well for the continued leadership of the UWI Credit Union.

The Committee noted that a very useful and instructive orientation session was conducted for all nominees and that attendance at this event was 100 per cent. It was noted that the Board, during the 2016 term, had been more proactive in the use of alternates on the various committees and sub-committees of the Credit union; however the Committee wishes to recommend a more strategic approach to the issue of continuity and succession planning by (1) investing in more targeted training and (2) inclusion of the alternates on the committees to which they have applied in order to make them better equipped to serve. This is an urgent matter which the AGM should make an immediate decision about.

The Nominating Committee wishes to thank the U.W.I. Credit Union for the confidence it has placed in us to conduct this screening. We also appreciate the co-operation which the Credit Union provided while we completed this task.



David Dolly (Dr.)
Chairperson
April 4, 2017

STATISTICAL DATA

	2016	2015
Members	4,837	4,662
Average share balance per member	\$39,871	\$39,429
Average loan balance per member	\$28,936	\$27,272

2016 + 2015

Total Income	+ 7.93%
Total Expenditure	- 21.78%
Interest from Loans	+ 4.60%
Investment Income	+ 32.55%
Membership growth	+ 3.75%
Share withdrawals and transfers	+ 15.16%

Net Income and Loan Interest

Year	Net Income	Loan Interest	Total Income
2012	12,008,715	16,209,509	17,666,792
2013	12,165,065	16,031,214	17,633,346
2014	13,049,437	17,646,350	19,348,274
2015	12,320,400	17,798,604	19,928,240
2016	15,557,203	18,616,503	21,508,339

Growth of Shares and Loans

Year	Shares	Loans
2012	137,962,153	111,639,255
2013	154,260,806	122,183,602
2014	166,840,695	130,539,617
2015	183,820,025	127,142,226
2016	192,857,488	139,962,880

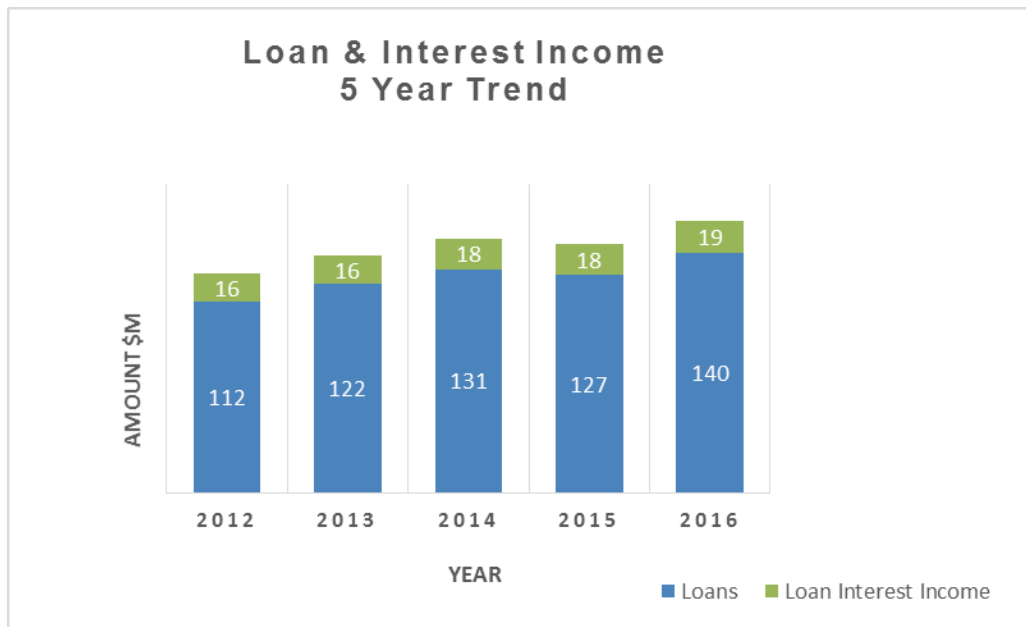


Figure 1

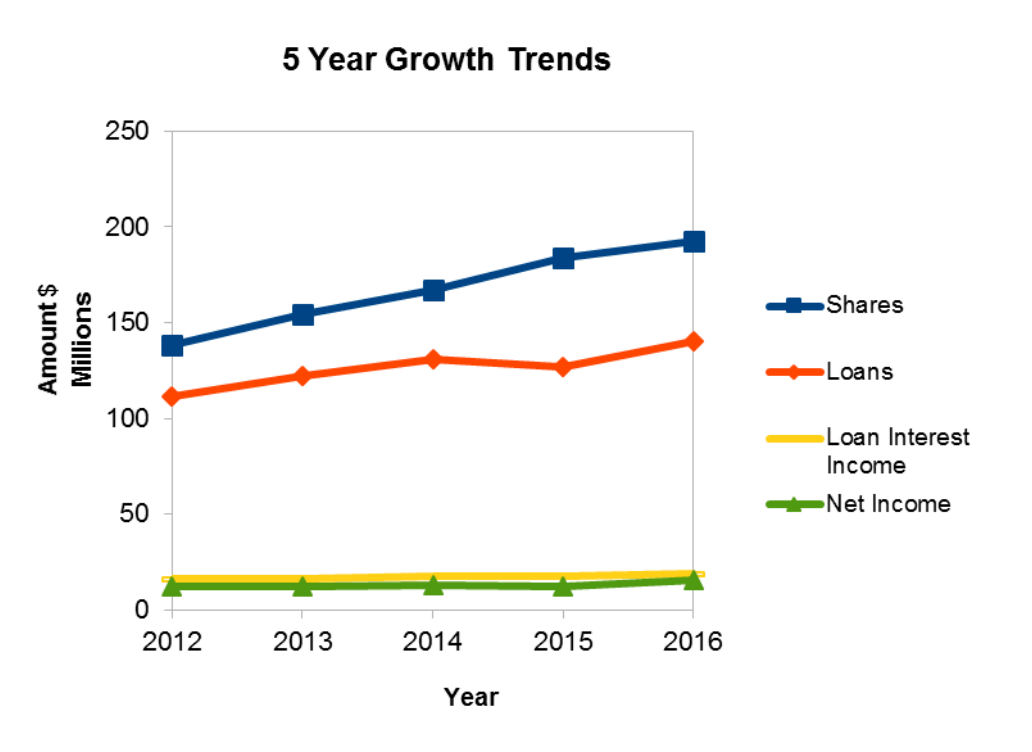


Figure 2

Loans Approved 2016					
CATEGORY	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total
Business	81,869	619,009	20,000	50,000	770,878
Ceremonial	157,000	228,000	139,500	4,209,439	4,733,939
Domestic	892,001	1,200,168	944,498	2,318,303	5,354,970
Education	279,788	567,851	1,138,580	149,700	2,135,919
Housing	1,980,424	1,697,689	1,068,865	1,675,380	6,422,358
Investment	1,000,000	133,400	44,500	30,000	1,207,900
Legal Fees	62,800	183,500	129,924	35,380	411,604
Medical	367,490	386,322	328,995	107,050	1,189,857
Mortgage	271,000	2,930,000	2,066,000	2,574,567	7,841,567
Utilities/Debt	1,279,456	4,806,730	537,063	1,022,054	7,645,302
Vacation	591,430	1,085,500	770,300	339,000	2,786,230
Vehicle	1,983,778	2,115,032	1,549,219	1,957,240	7,605,268
TOTAL	8,947,036	15,953,200	8,737,443	14,468,113	48,105,792

Table 1

Loans Approved 2016

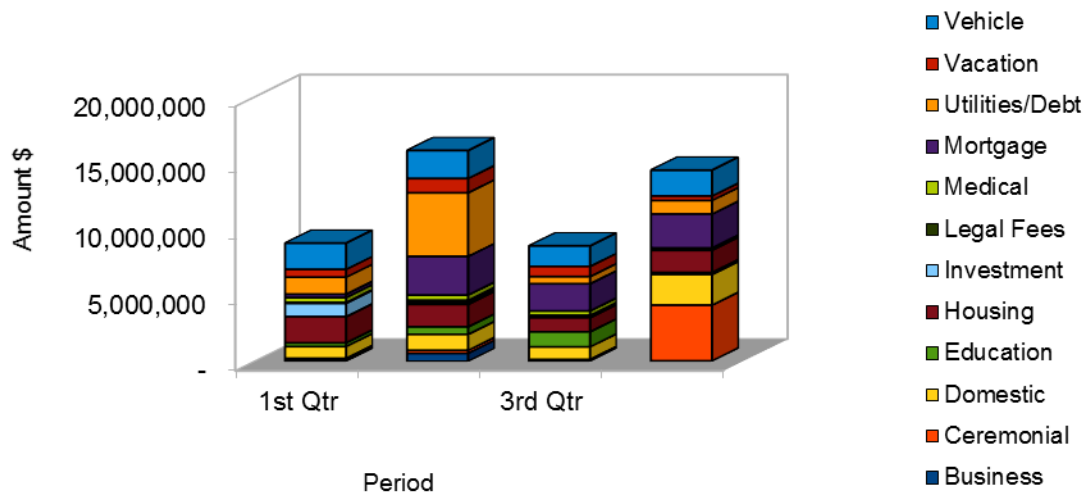


Figure 3

Total Loans Approved 2016				
Category	2013	2014	2015	2016
Business	2,733,150	3,424,827	780,450	770,878
Ceremonial	3,245,117	4,167,385	4,514,984	4,733,939
Domestic	3,442,426	4,537,189	3,922,254	5,354,970
Education	2,168,168	2,577,252	3,170,283	2,135,919
Housing	12,122,215	9,101,291	6,171,179	6,422,358
Investment	472,499	94,260	616,000	1,207,900
Legal Fees	251,200	251,720	360,825	411,604
Medical	1,580,691	1,779,572	1,393,030	1,189,857
Mortgage	2,877,200	1,915,000	1,139,000	7,841,567
Utilities/Debt	2,493,826	3,157,664	3,253,720	7,645,302
Vacation	2,266,703	2,013,362	1,852,142	2,786,230
Vehicle	10,362,253	8,416,850	8,459,867	7,605,268
Total	44,015,448	41,436,371	35,633,734	48,105,792

Table 2

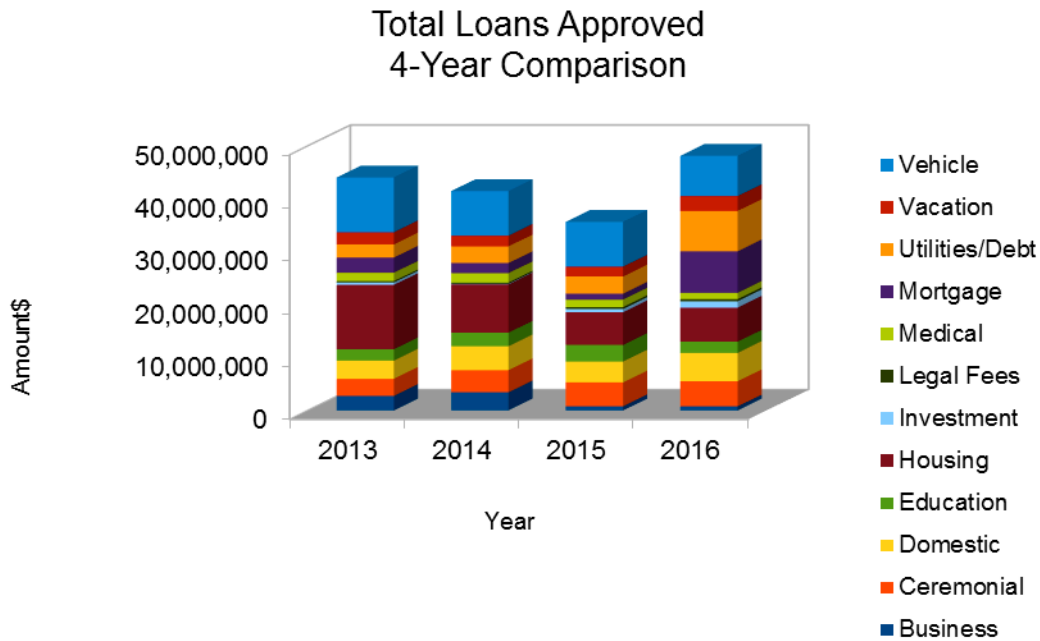


Figure 4



Chartered Accountants
& Business Advisors

**UWI CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED**

FINANCIAL STATEMENTS

31 DECEMBER 2016



Chartered Accountants
& Business Advisors

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

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U.W.I. Credit Union Co-Operative Society Ltd.

118 Eastern Main Road, St. Augustine, Trinidad W I

Tel: (868) 662-2002 Ext. 3350/51 Tel/Fax: (868) 645-8526 E-mail: uwicu@cablet.net

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED


Management is responsible for the following:

- preparing and fairly presenting the accompanying financial statements of U.W.I. Credit Union Co-operative Society Limited, which comprise the statement of financial position as at 31 December 2016, the statements of comprehensive income, changes in members' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;
- ensuring that the Society keeps proper accounting records;
- selecting appropriate accounting policies and applying them in a consistent manner;
- implementing, monitoring and evaluating the system of internal control that assures security of the Society's assets, detection/prevention of fraud, and the achievement of Society operational efficiencies;
- ensuring that the system of internal control operated effectively during the reporting period;
- producing reliable financial reporting that comply with laws and regulations, including the Co-operative Societies Act; and
- using reasonable and prudent judgement in the determination of estimates.

In preparing these audited financial statements, management utilised the International Financial Reporting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where International Financial Reporting Standards presented alternative accounting treatments, management chose those considered most appropriate in the circumstances.

Nothing has come to the attention of management to indicate that the Society will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying financial statements have been authorised for issue, if later.

Management affirms that it has carried out its responsibilities as outlined above.


Signed

Date 04.13.2017


Signed

Date 04.13.2017



Chartered Accountants
& Business Advisors

INDEPENDENT AUDITORS' REPORT

The Members

UWI Credit Union Co-operative Society Limited

Opinion

We have audited the financial statements of UWI Credit Union Co-operative Society Limited, which comprise the statement of financial position as at 31 December 2016, the statements of comprehensive income, changes in members' equity and cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of UWI Credit Union Co-operative Society Limited as at 31 December 2016 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of UWI Credit Union Co-operative Society Limited in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information included in the Credit Union's 2016 Annual Report

Management is responsible for the other information. Other information consists of the information included in the Annual Report, other than the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we concluded that there is a material misstatement of this other information, we are required to communicate the matter to the Board of Directors.

Direct tel (868) 624-4569 | Direct fax (868) 624-4388
PKF | 90 Edward Street | Port-of-Spain | PO Bag 250 Belmont | Trinidad | WI

Partners: Renée-Lisa Philip | Mark K. Superville

INDEPENDENT AUDITORS' REPORT (Cont'd)

Responsibilities of Management and the Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible for overseeing the credit union's financial reporting process.

Auditors' 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment 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 credit union's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



Chartered Accountants
& Business Advisors

INDEPENDENT AUDITORS' REPORT (Cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)

- Conclude on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the credit union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the credit union to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Port of Spain,
TRINIDAD
13 April 2017

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF FINANCIAL POSITION

ASSETS

		31 December	
	<u>Notes</u>	<u>2016</u>	<u>2015</u>
Current Assets:			
Cash and cash equivalents	5	\$ 47,480,986	\$ 57,682,555
Accounts receivable and prepayments	6	<u>2,180,661</u>	<u>1,889,967</u>
Total Current Assets		49,661,647	59,572,522
Non-Current Assets:			
Available-for-sale investments	7	17,132,310	14,207,325
Held-to-maturity investments	8	52,689,354	42,714,873
Loans to members	9	139,962,880	127,142,225
Investment property	10	2,265,161	2,304,960
Fixed assets	11	<u>3,894,199</u>	<u>3,483,799</u>
Total Assets		<u>\$ 265,605,551</u>	<u>\$ 249,425,704</u>

LIABILITIES AND MEMBERS' EQUITY

Liabilities:			
Accounts payable and accruals	12	\$ 453,080	\$ 502,703
Members' deposits	13	15,940,199	15,546,115
Members' shares	14	192,857,488	183,820,025
Provision for severance		1,302,824	1,175,400
Provision for honoraria		<u>100,000</u>	<u>150,000</u>
Total Liabilities		<u>210,653,591</u>	<u>201,194,243</u>
Members' Equity:			
Reserve Fund	16	14,769,285	13,212,671
Investment Remeasurement Reserve	17	1,767,841	1,711,622
Education Fund	18	575,001	575,001
Common Good Fund	19	228,319	250,000
Building Fund	20	3,800,059	3,650,059
Retained Earnings		<u>33,811,455</u>	<u>28,832,108</u>
Total Members' Equity		<u>54,951,960</u>	<u>48,231,461</u>
Total Liabilities and Members' Equity		<u>\$ 265,605,551</u>	<u>\$ 249,425,704</u>

These financial statements were approved by the Board of Directors and authorised for issue on 13 April 2017 and signed on their behalf by:

Director:  Chairman, Supervisory Committee: 

(The accompanying notes form part of these financial statements)

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF COMPREHENSIVE INCOME

		For the year ended 31 December	
	<u>Notes</u>	<u>2016</u>	<u>2015</u>
Income:			
Interest on members' loans	26	\$ 18,616,503	\$ 17,798,603
Interest on investments	27	2,625,224	1,980,555
Gain on foreign exchange		121,904	17,929
Rental income		-	4,682
Miscellaneous income		<u>144,708</u>	<u>126,471</u>
		<u>21,508,339</u>	<u>19,928,240</u>
Expenditure:			
Bank charges		15,781	11,476
Board and Committee expenses	28	214,543	247,534
CUNA insurance premium		618,920	623,491
Education expenses		56,106	56,424
Interest on members' deposits		128,582	140,440
Loss on disposal of fixed assets		5,764	-
Loss on foreign exchange		4,232	-
Office security and maintenance	29	260,188	247,120
Other administrative expenses	30	772,904	1,987,442
Professional fees	31	541,101	750,469
Salaries and staff benefits	32	2,537,661	2,802,890
Special events	33	<u>795,421</u>	<u>740,554</u>
		<u>5,951,203</u>	<u>7,607,840</u>
Net surplus for the year		15,557,136	12,320,400
Other Comprehensive Income:			
<u>Items that may be reclassified subsequently to profit and loss</u>			
Gain/(loss) on available-for-sale financial assets		<u>56,219</u>	<u>(543,737)</u>
Total Comprehensive Income for the year		<u>\$ 15,613,355</u>	<u>\$ 11,776,663</u>

(The accompanying notes form part of these financial statements)

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF CHANGES IN MEMBERS' EQUITY

31 DECEMBER 2016

	<u>Reserve Fund</u>	<u>Investment Remeasurement Reserve</u>	<u>Education Fund</u>	<u>Common Good Fund</u>	<u>Building Fund</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance as at 1 January 2016	\$ 13,212,671	\$ 1,711,622	\$ 575,001	\$ 250,000	\$ 3,650,059	\$ 28,832,108	\$ 48,231,461
Total Comprehensive Income		56,219			-	15,557,136	15,613,355
Less: Appropriations as follows:							
10% to Reserve Fund	1,555,714	-	-	-	-	(1,555,714)	-
Education Fund		-	56,106	-	-	(56,106)	-
Common Good Fund		-	-	50,000	-	(50,000)	-
Building Fund					<u>150,000</u>	<u>(150,000)</u>	
	14,768,385	1,767,841	631,107	300,000	3,800,059	42,577,424	63,844,816
Add/(less) adjustments as follows:							
Donations	-	-	-	(71,681)	-	71,681	-
Education expense	-	-	(56,106)	-	-	56,106	-
Dividends paid	-	-	-	-	-	(8,892,856)	(8,892,856)
Entrance fees	<u>900</u>					<u>(900)</u>	
Balance as at 31 December 2016	<u>\$ 14,769,285</u>	<u>\$ 1,767,841</u>	<u>\$ 575,001</u>	<u>\$ 228,319</u>	<u>\$ 3,800,059</u>	<u>\$ 33,811,455</u>	<u>\$ 54,951,960</u>

(The accompanying notes form part of these financial statements)

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

**STATEMENT OF CHANGES IN MEMBERS' EQUITY
(CONTINUED)**

31 DECEMBER 2016

	Reserve Fund	Investment Remeasurement Reserve	Education Fund	Common Good Fund	Building Fund	Retained Earnings	Total
Balance as at 1 January 2015	\$ 11,979,771	\$ 2,255,359	\$ 575,001	\$ 250,000	\$ 3,526,855	\$ 27,677,951	\$ 46,264,937
Total Comprehensive Income		(543,737)				12,320,400	11,776,663
Less: Appropriations as follows:							
10% to Reserve Fund	1,232,040					(1,232,040)	
Education Fund			56,424			(56,424)	
Common Good Fund				57,980		(57,980)	
Building Fund					123,204	(123,204)	
	13,211,811	1,711,622	631,425	307,980	3,650,059	38,528,703	58,041,600
Add/(less) adjustments as follows:							
Donations				(57,980)		57,980	
Education expense			(56,424)			56,424	
Dividends paid						(9,810,139)	(9,810,139)
Entrance fees	860					(860)	
Balance as at 31 December 2015	<u>\$ 13,212,671</u>	<u>\$ 1,711,622</u>	<u>\$ 575,001</u>	<u>\$ 250,000</u>	<u>\$ 3,650,059</u>	<u>\$ 28,832,108</u>	<u>\$ 48,231,461</u>

(The accompanying notes form part of these financial statements)

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF CASH FLOWS

	<u>Notes</u>	31 December	
		<u>2016</u>	<u>2015</u>
Operating Activities:			
Net surplus for the year		\$15,557,136	\$ 12,320,400
Adjustments for:-			
Severance benefits adjustment		127,424	(7,284)
Depreciation		342,326	257,467
Honoraria expense		92,956	135,040
Loan loss expense		-	1,220,847
Loss on disposal of fixed asset		<u>5,764</u>	<u>-</u>
Operating Profit before changes in Working Capital		16,125,606	13,926,470
Working Capital Changes	34	<u>(483,273)</u>	<u>(737,700)</u>
Net cash generated from Operating Activities		15,642,333	13,188,770
Investing Activities:			
Net cash used in Investing Activities	35	(26,382,593)	(8,614,462)
Finance Activities:			
Net cash generated from Financing Activities	36	<u>538,691</u>	<u>8,881,379</u>
Net change in cash and cash equivalents		(10,201,569)	13,455,687
Cash and cash equivalents, beginning of year		<u>57,682,555</u>	<u>44,226,868</u>
Cash and cash equivalents, end of year		<u>\$47,480,986</u>	<u>\$57,682,555</u>
Represented by:			
Cash and cash equivalents		<u>\$47,480,986</u>	<u>\$57,682,555</u>

(The accompanying notes form part of these financial statements)

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

1. Incorporation and Principal Activities:

The Society is incorporated under the Co-operative Societies Act of the Republic of Trinidad and Tobago on 4th May 1966. Its registered office is situated at 118 Eastern Main Road, St. Augustine. It operates a Credit Union for the benefit of employees, staff of the University of the West Indies, its successors, subsidiaries, associated companies and institutions and persons who are closely connected with the bona fide employees, pensioners and contractors as stated above and such persons and personnel of companies and institutions approved by the Board of Directors.

The Credit Union is also an agent of CUNA Caribbean Insurance Society Limited and the Unit Trust Corporation of Trinidad and Tobago.

2. Significant Accounting Policies:

(a) **Basis of financial statements preparation -**

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), and are stated in Trinidad and Tobago dollars, rounded to the nearest dollar. These financial statements are stated on the historical cost basis, except for the measurement at fair value of available-for-sale investments.

(b) **Use of estimates -**

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires management to exercise its judgement in the process of applying the Society's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

(c) **Comparative information -**

Where necessary, comparative data has been adjusted to conform with changes in presentation in the current year.

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

2. Significant Accounting Policies (Cont'd):

(d) New Accounting Standards and Interpretations -

- i) The Society has not applied the following standards, revised standards and interpretations that have been issued because they are not yet effective or are not expected to have a material impact on its financial statements, except for IFRS 9 Financial Instruments:

IFRS 1	First-time Adoption of International Financial Reporting Standards - Amendments resulting from Annual Improvements 2014–2016 Cycle removing short-term exemptions (effective for annual periods beginning on or after 1 January 2018)
IFRS 2	Share-Based Payment - Amendments to clarify the classification and measurement of share-based payment transactions (effective for annual periods beginning on or after 1 January 2018)
IFRS 4	Insurance Contracts - Amendments regarding the interaction of IFRS 4 and IFRS 9 (using the deferral approach - effective for accounting periods beginning on or after 1 January 2018).
IFRS 9	Financial Instruments - Finalised version incorporating requirements for classification and measurement, impairment, general hedge accounting and derecognition (effective for accounting periods beginning on or after 1 January 2018).
IFRS 12	Disclosure of Interest in Other Entities - Amendments resulting from Annual Improvements 2014–2016 Cycle (clarifying scope) (effective for accounting periods beginning on or after 1 January 2017).
IFRS 15	Revenue from Contracts with Customers - Amendments to defer the effective date to 1 January 2018 (effective for accounting periods beginning on or after 1 January 2018).
IFRS 15	Revenue from Contracts with Customers Clarifications to IFRS 15 (effective for accounting periods beginning on or after 1 January 2018).
IFRS 16	Leases (effective for accounting periods beginning on or after 1 January 2019).
IAS 7	Statement of Cash Flows - Amendments resulting from disclosure initiative (effective for accounting periods beginning on or after 1 January 2017).

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

2. Significant Accounting Policies (Cont'd):

(d) **New Accounting Standards and Interpretations (cont'd) -**

- IAS 12 Income Taxes - Amendments resulting from recognition of deferred tax assets for unrealised losses (effective for accounting periods beginning on or after 1 January 2017).
 - IAS 28 Investment in Associates - Amendments resulting from Annual Improvements 2014–2016 Cycle (clarifying certain fair value measurements) (effective for accounting periods beginning on or after 1 January 2018).
 - IAS 40 Investment Property - Amendments to clarify transfers or property to, or from, investment property (effective for accounting periods beginning on or after 1 January 2018).
 - IFRIC 22 Foreign Currency Transactions and Advance Consideration (Annual periods beginning on or after 1 January 2018).
- ii) The Society has not applied the following standards, revised standards and interpretations that have been issued because they do not apply to the activities of the Society or have no material impact on its financial statements:
- IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations - Amendments resulting from September 2014 Annual Improvements to IFRSs (effective for accounting periods beginning on or after 1 January 2016).
 - IFRS 10 Consolidated Financial Statements - Amendments regarding the application of consolidation exception (effective for accounting periods beginning on or after 1 January 2016).
 - IFRS 11 Joint Arrangements - Amendments regarding the accounting for acquisitions of an interest in a joint operation (effective for accounting periods beginning on or after 1 January 2016).
 - IFRS 12 Disclosure of Interest in Other Entities - Amendments regarding the application of consolidation exception (effective for accounting periods beginning on or after 1 January 2016).
 - IFRS 14 Regulatory Deferral Accounts - (effective for accounting periods beginning on or after 1 January 2016).
 - IAS 16 Property, Plant and Equipment - Amendments bringing bearer plants into the scope of IAS 16 (effective for accounting periods beginning on or after 1 January 2016).

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

2. Significant Accounting Policies (Cont'd):

(d) New Accounting Standards and Interpretations (cont'd) -

- IAS 27 Separate Financial Statements - Amendments reinstalling the equity method as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements (effective for accounting periods beginning on or after 1 January 2016).
- IAS 28 Investment in Associates - Amendments regarding the application of consolidation exception (effective for accounting periods beginning on or after 1 January 2016).
- IAS 34 Interim Financial Reporting - Amendments resulting from September 2014 Annual Improvements to IFRSs (effective for accounting periods beginning on or after 1 January 2016).
- IAS 38 Intangible Assets - Amendments regarding the clarification of acceptable methods of depreciation and amortization (effective for accounting periods beginning on or after 1 January 2016).
- IAS 41 Agriculture - Amendments bringing bearer plants into the scope of IAS 16 (effective for accounting periods beginning on or after 1 January 2016).

(e) Fixed assets -

Fixed assets are stated at historical cost less accumulated depreciation. Depreciation is provided on the straight-line basis except for building, which is depreciated on the declining balance method.

The following rates considered appropriate to write-off the assets over their estimated useful lives are applied:

Office furniture	-	10%
Office equipment	-	20%
Fixtures and fittings	-	10%
Office machinery	-	33%
Air Condition units	-	20%
Building	-	4%

No depreciation is provided on freehold land or capital work-in-progress.

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

2. Significant Accounting Policies (Cont'd):

(f) Fixed assets (cont'd) -

The assets' residual values and useful lives are reviewed at each reporting date, and adjusted as appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within the "Gain /Loss on Disposal" account in the Statement of Comprehensive Income.

(f) Financial instruments -

Financial instruments carried on the Statement of Financial Position include cash resources, investments, loans, deposits and other liabilities. The standard treatment for recognition, de-recognition, classification and measurement of this Credit Union's financial instruments are noted in notes (i) – (iv), whilst additional information on specific categories of this Credit Union's financial instruments are disclosed in notes 5-8,10.

i) Recognition

The Credit Union initially recognizes loans, advances and deposits on the date that they are originated. All other financial assets and liabilities (including assets and liabilities designated at fair value through profit or loss) are initially recognized on the transaction date on which this Credit Union becomes a party to the contractual provision of the instrument.

ii) De-recognition

This Credit Union derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

iii) Classification

This Credit Union classifies its financial assets into the following categories: Cash and cash equivalents, financial assets at fair value through profit and loss; loans and receivables; held-to-maturity; and available-for sale assets. Management determines the classification of its investments at initial recognition.

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

2. Significant Accounting Policies (Cont'd):

(f) **Financial instruments (cont'd) -**

iii) **Classification (cont'd)**

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, deposits with banks and short term highly liquid investments with maturities of three months or less when purchased. These are shown at cost which approximates market value.

Financial assets at fair value through the profit and loss

This category includes financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when this Credit Union provides money directly to its members with no intention of trading the receivable. Loans to members are stated at principal amounts outstanding net of allowances for loan losses. Specific allowances are made for potential losses on non-performing loans on the basis of net realizable value. Periodic portfolio reviews are conducted during the course of each year to determine the adequacy of allowances. Loans are secured by various forms of collateral, including charges over tangible assets, certificates of deposit, and assignment of funds held with other financial institutions.

Held to maturity

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that this Credit Union's management has the positive intention and ability to hold to maturity. If this Credit Union were to sell other than an insignificant amount of held-to-maturity assets, the entire category would be compromised and re-classified as available-for-sale.

Available-for-sale

Available-for-sale investments are those intended to be held for an indefinite period of time, and may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices.

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

2. **Significant Accounting Policies (Cont'd):**

(f) **Financial instruments (cont'd) -**

iii) **Classification (cont'd)**

Members' deposits

Members' deposits are stated at the principal amounts invested by members together with any capitalised interest. Members' deposits bear interest at rates that are not significantly different from current market rates and are assumed to have discounted cash flow values which approximate carrying values.

Members' shares

Members' shares are stated at fair value.

iv) **Measurement**

Financial instruments are measured initially at cost, including transaction costs. Subsequent to initial recognition, all financial assets at fair value through profit and loss and available-for-sale assets are measured at fair value, based on their quoted market price, at the reporting date, without any deduction for transaction costs. Where the instrument is not actively traded or quoted on recognized exchanges, fair value is determined using discounted cash flow analysis.

Any available-for-sale asset that does not have a quoted market price in an active market and where fair value cannot be reliably measured is stated at cost, including transaction costs, less impairment losses. Gains and losses, both realized and unrealized, arising from the change in the financial assets at fair value through profit and loss are reported in other income.

All non-trading financial liabilities, originated loans and receivables and held-to-maturity assets are measured at amortised costs less impairment losses. Amortized cost is calculated on the effective interest method.

On disposal or on maturity of an investment, the difference between the net proceeds and the carrying amount is included in the Statement of Comprehensive Income. When available-for-sale assets are sold, converted or otherwise disposed of, the cumulative gain or loss recognized in equity is transferred to the Statement of Comprehensive Income.

v) **Impairment of financial assets**

The Credit Union assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired.

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

2. Significant Accounting Policies (Cont'd):

(f) Financial instruments (cont'd) –

v) Impairment of financial assets (cont'd)

A financial asset or group of financial assets is impaired and impairment losses are incurred if and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a “loss event”) and that event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Objective evidence that a financial asset or group of financial assets is impaired includes observable data that comes to the attention of the Credit Union about the following loss events:

- Significant financial difficulty of the issuer or obligor.
- A breach of contract, such as default or delinquency in interest or principal payments.
- It becoming probable that the borrower will enter in bankruptcy or other financial reorganization.
- The disappearance of an active market for that financial asset because of financial difficulties.
- Observable data indicating that there is a measurable decrease in the estimated cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with individual financial assets in the group, including adverse changes in the payment status of borrowers in the Credit Union or national or economic conditions that correlate with defaults on assets in the Credit Union.

(g) Revenue recognition -

Loan Interest

Interest charged on all loans to members is calculated at between 1% and 1.56% per month except for interest on mortgage loans, which is charged at 0.83% per month on the amount outstanding at the end of each month. In accordance with the practice in the Credit Union industry, interest income is only recognised when collected although it is accrued on the members' accounts.

Non-performing loans are amounts for which interest no longer continues to be accrued on the member's account on an ongoing basis because there is doubt as to the recoverability of the loans. Any income from loans recognised as non-performing is taken into income on a cash basis, but only after allowances for losses has been made. For non-performing loans, specific allowances are made for the unsecured portion of the loan.

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

2. Significant Accounting Policies (Cont'd):

(g) Revenue recognition (cont'd) -

Investment Income

Income from investments is accounted for on the accruals basis except for dividends, which are accounted for on a cash basis, consistent with International Accounting Standard #10.

Rental Income

Rental income is recognized on a straight line basis over the term of the lease.

(h) Dividends payable to members -

These dividends are computed on the basis of the average number of shares in issue throughout the year, the average being determined on the basis of the number of shares held at the end of each day.

(i) Comparative figures -

Where necessary, comparative data has been adjusted to conform to changes in the presentation of data in the current year. In particular, the comparative data has been adjusted to take into account the adoption of IAS #39. Certain changes in the presentation have been made during the year and comparative figures have been restated accordingly. These changes have no impact on the surplus reported for the previous year.

(j) Foreign currency -

Transactions in foreign currencies are translated at the rate of exchange ruling at the transaction date. Foreign monetary assets and liabilities denominated in foreign currencies are expressed in Trinidad and Tobago dollars at rates of exchange prevailing at the reporting date. Resulting translation differences and profits and losses from trading activities are included in the Statement of Comprehensive Income.

(k) Investment property -

Properties held for long-term rental yields and capital appreciation, which is not substantially occupied by the Society are classified as investment properties. Investment properties comprise land and buildings and are stated at historical cost less accumulated depreciation is provided on a straight line basis.

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

3. **Financial Risk Management:**

Financial risk factors

The Credit Union's activities are primarily related to the use of financial instruments. The Credit Union accepts funds from members and earns interest by investing in equity investments, government securities and on-lending to members at higher interest rates.

Financial Instruments

The following table summarizes the carrying amounts and fair values of the Society's financial assets and liabilities:

Financial Instruments	2016	
	<u>Carrying Value</u>	<u>Fair Value</u>
Financial Assets		
Cash in hand and at bank	\$ 19,331,343	\$ 19,331,343
Fixed deposits	28,149,643	28,149,643
Investment securities	69,821,664	69,821,664
Loans to members	139,962,880	139,962,880
Financial Liabilities		
Members' deposits	15,940,199	15,940,199
Financial Instruments	2015	
	<u>Carrying Value</u>	<u>Fair Value</u>
Financial Assets		
Cash in hand and at bank	\$ 25,337,567	\$ 25,337,567
Fixed deposits	32,344,988	32,344,988
Investment securities	56,922,198	56,922,198
Loans to members	127,142,225	127,142,225
Financial Liabilities		
Members' deposits	15,546,115	15,546,115

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

3. Financial Risk Management (Cont'd):

The Credit Union is exposed to interest rate risk, credit risk, liquidity risk, currency risk, operational risk, compliance risk and reputation risk arising from the financial instruments that it holds. The policies employed by the Credit Union to manage these risks are discussed below:

(a) Interest rate risk -

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Credit Union is exposed to interest rate risk through the effect of fluctuations in the prevailing levels of interest rates on interest bearing financial assets and liabilities, including investments in bonds, loans, customer deposits and other funding instruments.

The exposure is managed through the matching of funding products with financial services and monitoring market conditions and yields.

i) Bonds

The Society invests mainly in medium to long term bonds consisting of both floating rate and fixed rate instruments.

The market values of the fixed rate bonds are not very sensitive to changes in interest rates. The market values of the floating rate bonds are sensitive to changes in interest rates. The longer the maturity of the bonds, the greater is the sensitivity to changes in interest rates. Because these assets are being held to maturity and are not traded, any changes in market value will not impact the Statement of Comprehensive Income.

The Credit Union actively monitors bonds with maturities greater than ten years, as well as the interest rate policies of the Central Bank of Trinidad and Tobago.

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

3. Financial Risk Management (Cont'd):

(a) Interest rate risk (cont'd) -

ii) Loans

The Credit Union generally invests in fixed rate loans for terms not exceeding ten years. These are funded mainly from member deposits and shares.

iii) Interest rate sensitivity analysis

The Society's exposure to interest rate risk is summarized in the table below, which analyses assets and liabilities at their carrying amounts categorized according to their maturity dates.

		2016					
	<u>Effective Rate</u>	<u>Up to 1 year</u>	<u>1 to 5 years</u>	<u>Over 5 years</u>	<u>Non-Interest Bearing</u>	<u>Total</u>	
Financial Assets							
Cash in hand and at bank	0.01%	\$ 19,291,343	\$ -	\$ -	\$ 40,000	\$ 19,331,343	
Fixed deposits	1.33%	28,149,643	-	-	-	28,149,643	
Investment securities	2.82%	69,821,664	-	-	-	69,821,664	
Loans to members	13.76%	<u>3,184,302</u>	<u>40,751,029</u>	<u>95,972,786</u>	<u>54,763</u>	<u>139,962,880</u>	
		<u>\$120,446,952</u>	<u>\$ 40,751,029</u>	<u>\$ 95,972,786</u>	<u>\$ 94,763</u>	<u>\$257,265,530</u>	
Financial Liabilities							
Members' deposits	2.10%	<u>\$ 15,940,199</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,940,199</u>	

		2015					
	<u>Effective Rate</u>	<u>Up to 1 year</u>	<u>1 to 5 years</u>	<u>Over 5 years</u>	<u>Non-Interest Bearing</u>	<u>Total</u>	
Financial Assets							
Cash in hand and at bank	0.01%	\$ 25,297,567	\$ -	\$ -	\$ 40,000	\$ 25,337,567	
Fixed deposits	1.33%	32,344,988	-	-	-	32,344,988	
Investment securities	2.82%	56,922,198	-	-	-	56,922,198	
Loans to members	13.76%	<u>600,434</u>	<u>44,555,831</u>	<u>81,941,724</u>	<u>44,236</u>	<u>127,142,225</u>	
		<u>\$115,165,187</u>	<u>\$ 44,555,831</u>	<u>\$ 81,941,724</u>	<u>\$ 84,236</u>	<u>\$241,746,978</u>	
Financial Liabilities							
Members' deposits	2.10%	<u>\$ 15,546,115</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,546,115</u>	

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

3. Financial Risk Management (Cont'd):

(b) Credit risk -

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the reporting date. The Credit Union relies heavily on a written Loan Policy Manual, which sets out in detail the current policies governing the lending function and provides a comprehensive framework for prudent risk management of the credit function. Adherence to these guidelines is expected to communicate the Credit Union's lending philosophy; provide policy guidelines to team members involved in lending; establish minimum standards for credit analysis, documentation, decision making and post-disbursement administration; as well as create the foundation for a sound credit portfolio.

The Credit Union's loan portfolio is managed and consistently monitored by the Credit Committee and is adequately secured by collateral and where necessary, allowances have been established for potential credit losses on delinquent accounts.

Cash balances are held with high credit quality financial institutions and the Credit Union has policies to limit the amount of exposure to any single financial institution.

The Credit Union also actively monitors global economic developments and government policies that may affect the growth rate of the local economy.

(c) Liquidity risk -

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Credit Union has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

The Credit Union is exposed to daily calls on its available cash resources to settle financial and other liabilities.

i) Risk management

The matching and controlled mismatching of the maturities and interest rates of assets and liabilities are fundamental to the management of the Credit Union. The Credit Union employs various asset/liability techniques to manage liquidity gaps. Liquidity gaps are mitigated by the marketable nature of a substantial segment of the Credit Union's assets as well as generating sufficient cash from new and renewed members' deposits and shares.

To manage and reduce liquidity risk the Credit Union's management actively seeks to match cash inflows with liability requirements.

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

3. Financial Risk Management (Cont'd):

(c) Liquidity risk (cont'd) -

ii) Liquidity gap

The Credit Union's exposure to liquidity risk is summarized in the table below which analyses assets and liabilities based on the remaining period from the reporting date to the contractual maturity date.

	<u>2016</u>				
	<u>Up to 1 year</u>	<u>1 to 5 years</u>	<u>Over 5 years</u>	<u>Non- Interest Bearing</u>	<u>Total</u>
Financial Assets					
Cash in hand and at bank	\$ 19,291,343	\$ -	\$ -	\$ 40,000	\$ 19,331,343
Fixed deposits	28,149,643	-	-	-	28,149,643
Investment securities	69,821,664	-	-	-	69,821,664
Loans to members	<u>3,184,302</u>	<u>40,751,029</u>	<u>95,972,786</u>	<u>54,763</u>	<u>139,962,880</u>
	<u>\$120,446,952</u>	<u>\$ 40,751,029</u>	<u>\$ 95,972,786</u>	<u>\$ 94,763</u>	<u>\$257,265,530</u>
Financial Liabilities					
Members' deposits	<u>\$ 15,940,199</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,940,199</u>
	<u>\$ 15,940,199</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,940,199</u>

	<u>2015</u>				
	<u>Up to 1 year</u>	<u>1 to 5 years</u>	<u>Over 5 years</u>	<u>Non- Interest Bearing</u>	<u>Total</u>
Financial Assets					
Cash in hand and at bank	\$ 25,297,567	\$ -	\$ -	\$ 40,000	\$ 25,337,567
Fixed deposits	32,344,988	-	-	-	32,344,988
Investment securities	56,922,198	-	-	-	56,922,198
Loans to members	<u>600,434</u>	<u>44,555,831</u>	<u>81,941,724</u>	<u>44,236</u>	<u>127,142,225</u>
	<u>\$115,165,187</u>	<u>\$ 44,555,831</u>	<u>\$ 81,941,724</u>	<u>\$ 84,236</u>	<u>\$241,746,978</u>
Financial Liabilities					
Members' deposits	<u>\$ 15,546,115</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,546,115</u>
	<u>\$ 15,546,115</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,546,115</u>

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

3. Financial Risk Management (Cont'd):

(d) Currency risk -

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Credit Union's measurement currency. The Credit Union is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the United States Dollar. The Credit Union's management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

(e) Operational risk -

Operational risk is the risk that derives from deficiencies relating to the Credit Union's information technology and control systems, as well as the risk of human error and natural disasters. The Credit Union's systems are evaluated, maintained and upgraded continuously.

(f) Compliance risk -

Compliance risk is the risk of financial loss, including fines and other penalties, which arise from non-compliance with laws and regulations of the state. The risk is limited to a significant extent due to the supervision applied by the Inspector of Financial Institutions at the Central Bank of Trinidad and Tobago, as well as by the monitoring controls applied by the Credit Union.

(g) Reputation risk -

The risk of loss of reputation arising from the negative publicity relating to the Credit Union's operations (whether true or false) may result in a reduction of its clientele, reduction in revenue and legal cases against the Credit Union. The Credit Union applies procedures to minimise this risk.

Fair value estimation

The fair values of the Credit Union's financial assets and liabilities approximates to their carrying amounts at the reporting date.

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

4. Critical Accounting Estimates and Judgments:

The preparation of financial statements in accordance with International Financial Reporting Standards requires management to make judgments, estimates and assumptions in the process of applying the Credit Union's accounting policies. See **Note 2 (b)**.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events, which are believed to be reasonable under the circumstances. The Credit Union makes estimates and assumptions concerning the future. However, actual results could differ from those estimates as the resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Changes in accounting estimates are recognised in the Statement of Comprehensive Income in the period in which the estimate is changed, if the change affects that period only, or in the period of the change and future periods if the change affects both current and future periods.

The critical judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements, are as follows:

- i) Whether investments are classified as held to maturity investments, available for sale or loans and receivables.
- ii) Which depreciation method is used for fixed assets.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date (requiring management's most difficult, subjective or complex judgments) that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- i) Impairment of assets

Management assesses at each reporting date whether assets are impaired. An asset is impaired when the carrying value is greater than its recoverable amount and there is objective evidence of impairment. The recoverable amount is the present value of the future cash flows. Allowances are made for the excess of the carrying value over its recoverable amount.

- ii) Fixed assets

Management exercises judgment in determining whether future economic benefits can be derived from expenditure to be capitalised and in estimating the useful lives and residual values of these assets.

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

5. Cash and Cash Equivalents:

	31 December	
	<u>2016</u>	<u>2015</u>
Republic Bank Limited Savings Account	\$ 19,245,398	\$ 25,230,681
RBC Bank Limited - US\$ Account	45,945	66,886
Trinidad and Tobago Unit Trust Corporation	18,839,287	18,762,127
JMMB Investments	512,740	500,947
KCL Capital Market Brokers	8,797,616	13,081,914
Cash in hand	<u>40,000</u>	<u>40,000</u>
	<u>\$ 47,480,986</u>	<u>\$ 57,682,555</u>

6. Accounts Receivable and Prepayments:

	31 December	
	<u>2016</u>	<u>2015</u>
VAT receivable	\$ 292,163	\$ 277,894
CUNA Claims receivable	1,458	101,670
Investment income receivable	1,289,915	1,009,511
Sundry debtors	<u>597,125</u>	<u>500,892</u>
	<u>\$ 2,180,661</u>	<u>\$ 1,889,967</u>

7. Available-for-Sale Investments:

	31 December	
	<u>2016</u>	<u>2015</u>
Central Finance Facility investment	\$ 25,000	\$ 25,000
Firstline Securities	<u>17,107,310</u>	<u>14,182,325</u>
	<u>\$ 17,132,310</u>	<u>\$ 14,207,325</u>

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

8. Held-to-Maturity Investments:

	31 December	
	<u>2016</u>	<u>2015</u>
ROYTRIN Mutual Funds	\$ 8,437,539	\$ 7,748,014
Guardian Asset Management	10,834,556	10,640,576
Trinidad and Tobago Unit Trust Corporation	4,096,143	4,066,739
Bourse Securities Limited	14,083,481	12,020,629
First Citizens Bank Limited	2,237,635	2,238,915
KCL Giant Screen Entertainment	6,000,000	6,000,000
Sheppard Securities Limited	2,000,000	-
KCL Capital Market Brokers Limited	5,000,000	-
	<u>\$ 52,689,354</u>	<u>\$ 42,714,873</u>

9. Loans to Members:

	31 December	
	<u>2016</u>	<u>2015</u>
Members' ordinary loans	\$ 125,503,972	\$ 120,860,919
Members' short-term loans	66,300	52,447
Members' mortgage loans	<u>20,215,808</u>	<u>12,052,059</u>
	145,786,080	132,965,425
Less: Allowance for loan losses	<u>(5,823,200)</u>	<u>(5,823,200)</u>
	<u>\$ 139,962,880</u>	<u>\$ 127,142,225</u>
 <u>Allowance for loan losses</u>		
Balance brought forward	\$ 5,823,200	\$ 4,602,353
Amounts written-off	-	-
Additional allowance for loan losses	<u>-</u>	<u>1,220,847</u>
Balance carried forward	<u>\$ 5,823,200</u>	<u>\$ 5,823,200</u>

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

10. Investment Property:

	<u>Land</u>	<u>Building</u>	<u>Total</u>
Cost			
Balance as at 1 January 2016	\$ 1,310,000	\$ 1,588,208	\$ 2,898,208
Additions	<u>-</u>	<u>-</u>	<u>-</u>
Balance as at 31 December 2016	<u>1,310,000</u>	<u>1,588,208</u>	<u>2,898,208</u>
Accumulated Depreciation			
Balance as at 1 January 2016	-	593,248	593,248
Charge for the year	<u>-</u>	<u>39,799</u>	<u>39,799</u>
Balance as at 31 December 2016	<u>-</u>	<u>633,047</u>	<u>633,047</u>
Net Book Value			
Balance as at 31 December 2016	<u>\$ 1,310,000</u>	<u>\$ 955,161</u>	<u>\$ 2,265,161</u>
Balance as at 31 December 2015	<u>\$ 1,310,000</u>	<u>\$ 994,960</u>	<u>\$ 2,304,960</u>
	<u>Land</u>	<u>Building</u>	<u>Total</u>
Cost			
Balance as at 1 January 2015	\$ 1,310,000	\$ 1,588,208	\$ 2,898,208
Additions	<u>-</u>	<u>-</u>	<u>-</u>
Balance as at 31 December 2015	<u>1,310,000</u>	<u>1,588,208</u>	<u>2,898,208</u>
Accumulated Depreciation			
Balance as at 1 January 2015	-	551,792	551,792
Charge for the year	<u>-</u>	<u>41,456</u>	<u>41,456</u>
Balance as at 31 December 2015	<u>-</u>	<u>593,248</u>	<u>593,248</u>
Net Book Value			
Balance as at 31 December 2015	<u>\$ 1,310,000</u>	<u>\$ 994,960</u>	<u>\$ 2,304,960</u>
Balance as at 31 December 2014	<u>\$ 1,310,000</u>	<u>\$ 1,036,416</u>	<u>\$ 2,346,416</u>

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

11. Fixed Assets:

Cost	Land and Building	Office Furniture	Office Equipment	Fixtures and Fittings	Office Machinery	Air Condition Unit	WIP	Total
Balance as at 1 January 2016	\$ 3,414,483	\$ 607,709	\$ 497,751	\$ 647,133	\$ 376,960	\$ 253,416	-	\$ 5,797,452
Additions	-	-	47,539	8,719	71,125	-	599,850	727,233
Disposals	<u>(7,802)</u>	<u>(150,373)</u>	<u>(213,087)</u>	<u>(55,908)</u>	<u>(138,208)</u>	<u>(167,176)</u>	-	<u>(732,554)</u>
Balance as at 31 December 2016	<u>3,406,681</u>	<u>457,336</u>	<u>332,203</u>	<u>599,944</u>	<u>309,877</u>	<u>86,240</u>	<u>599,850</u>	<u>5,792,131</u>
Accumulated Depreciation								
Balance as at 1 January 2016	931,071	415,905	328,102	164,040	293,599	180,936	-	2,313,653
Charge for the year	78,494	39,021	55,813	60,182	51,435	17,582	-	302,527
Disposal	<u>(3,694)</u>	<u>(142,351)</u>	<u>(213,087)</u>	<u>(55,805)</u>	<u>(138,208)</u>	<u>(165,103)</u>	-	<u>(718,248)</u>
Balance as at 31 December 2016	<u>1,005,871</u>	<u>312,575</u>	<u>170,828</u>	<u>168,417</u>	<u>206,826</u>	<u>33,415</u>	-	<u>1,897,932</u>
Net Book Value								
Balance as at 31 December 2016	<u>\$ 2,400,810</u>	<u>\$ 144,761</u>	<u>\$ 161,375</u>	<u>\$ 431,527</u>	<u>\$ 103,051</u>	<u>\$ 52,825</u>	<u>\$ 599,850</u>	<u>\$ 3,894,199</u>
Balance as at 31 December 2015	<u>\$ 2,483,412</u>	<u>\$ 191,804</u>	<u>\$ 169,649</u>	<u>\$ 483,093</u>	<u>\$ 83,361</u>	<u>\$ 72,480</u>	-	<u>\$ 3,483,799</u>

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

11. Fixed Assets (Cont'd):

	<u>Land and Building</u>	<u>Office Furniture</u>	<u>Office Equipment</u>	<u>Fixtures and Fittings</u>	<u>Office Machinery</u>	<u>Air Condition Unit</u>	<u>WIP</u>	<u>Total</u>
Cost								
Balance as at 1 January 2015	\$ 2,872,455	\$ 501,164	\$ 377,164	\$ 242,978	\$ 313,042	\$ 184,780	\$ 770,807	\$ 5,262,390
Additions	15,171	5,600	44,998	101,235	20,328	-	347,730	535,062
Transfers	<u>526,857</u>	<u>100,945</u>	<u>75,589</u>	<u>302,920</u>	<u>43,590</u>	<u>68,636</u>	<u>(1,118,537)</u>	<u>-</u>
Balance as at 31 December 2015	<u>3,414,483</u>	<u>607,709</u>	<u>497,751</u>	<u>647,133</u>	<u>376,960</u>	<u>253,416</u>	<u>-</u>	<u>5,797,452</u>
Accumulated Depreciation								
Balance as at 1 January 2015	867,121	382,290	285,826	133,155	256,818	172,432	-	2,097,642
Charge for the year	<u>63,950</u>	<u>33,615</u>	<u>42,276</u>	<u>30,885</u>	<u>36,781</u>	<u>8,504</u>	<u>-</u>	<u>216,011</u>
Balance as at 31 December 2015	<u>931,071</u>	<u>415,905</u>	<u>328,102</u>	<u>164,040</u>	<u>293,599</u>	<u>180,936</u>	<u>-</u>	<u>2,313,653</u>
Net Book Value								
Balance as at 31 December 2015	<u>\$ 2,483,412</u>	<u>\$ 191,804</u>	<u>\$ 169,649</u>	<u>\$ 483,093</u>	<u>\$ 83,361</u>	<u>\$ 72,480</u>	<u>\$ -</u>	<u>\$ 3,483,799</u>
Balance as at 31 December 2014	<u>\$ 2,005,334</u>	<u>\$ 118,874</u>	<u>\$ 91,338</u>	<u>\$ 109,823</u>	<u>\$ 56,224</u>	<u>\$ 12,348</u>	<u>\$ 770,807</u>	<u>\$ 3,164,748</u>

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

12. Accounts Payable and Accruals:

	31 December	
	<u>2016</u>	<u>2015</u>
Audit fees	\$ 67,500	\$ 58,240
Interest on members' fixed deposits	66,196	73,383
Other	125,057	118,757
Stabilization Fund	47,158	93,457
Stale-dated cheques	37,374	46,774
Vacation leave payable	106,760	109,072
UTC Member transactions	<u>3,035</u>	<u>3,020</u>
	<u>\$ 453,080</u>	<u>\$ 502,703</u>

13. Members' Deposits:

	31 December	
	<u>2016</u>	<u>2015</u>
Members' fixed deposits	\$ 9,347,284	\$ 8,826,770
Target deposits	<u>6,592,915</u>	<u>6,719,345</u>
	<u>\$ 15,940,199</u>	<u>\$ 15,546,115</u>

14. Members' Shares:

The capital of the Credit Union consists of unlimited number of shares of **\$5.00** each.

Members' share balances are represented by members' share purchases and accumulated dividends, which are classified into shares of **\$5.00** each.

In accordance with International Financial Reporting Interpretation Committee (IFRIC) Interpretation #2, redeemable shares have been treated as liabilities.

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

15. Proposed Dividends:

The Board of Directors has proposed a dividend of **\$9,788,233 or 5%** for the year ended 31 December 2016 (**\$7,902,627 or 4.5%** in 2015) and an interest rebate on loans of **\$1,207,337 or 7%** for the year ended 31 December 2016 (**\$990,189 or 6.00%** in 2015). This dividend is subject to approval by the membership at the Annual General Meeting and has not been included as a liability in these financial statements in accordance with IAS #10.

16. Reserve Fund:

In accordance with the Co-operative Societies Act, Chapter 81:03, Section 47 (2) and Bye-Law 16 of the Credit Union, at least 10% of the net surplus for the year of the Credit Union is to be charged to the reserve fund.

17. Investment Re-measurement Reserve:

In accordance with Bye-Law 33 (x) and IAS #39, the Board of Directors has created an investment re-measurement reserve which includes unrealised gains/losses on available-for-sale investments.

18. Education Fund:

In accordance with Bye-Law 16 (a) of the Credit Union, an amount not exceeding 5% of the net surplus for the year, after making provision for the Reserve Fund, is transferred to an Education Fund. This fund is to be used for educational purposes, in accordance with the Bye-Laws.

19. Common Good Fund:

This reserve includes appropriations transferred from Retained Earnings, as considered necessary by the Board of Directors.

20. Building Fund:

This reserve includes appropriations transferred from Retained Earnings, as considered necessary by the Board of Directors.

21. Employees:

The number of employees in the Credit Union at 31 December 2016 amounted to 13 (2015 - 14).

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

22. Related Party Transactions:

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial decisions.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Society.

A number of transactions are entered into with related parties in the normal course of business. These transactions were carried out on commercial terms at market rates. Balances and transaction with related parties and key management personnel during the year were as follows:

	31 December	
	<u>2016</u>	<u>2015</u>
Assets		
Loans to directors and key management personnel and related persons	\$ 5,247,986	\$ 4,796,857
Deposits and other liabilities		
Deposits held by directors and key management and related parties	\$ 247,348	\$ 218,771
Shares		
Shares held by directors and key management	\$ 4,366,175	\$ 4,343,288
Income		
Directors and key management personnel	\$ 656,794	\$ 611,204
Interest and other expenses		
Directors and key management personnel	\$ 238,014	\$ 262,468
Key management compensation	335,588	331,125

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

23. **Fair Values:**

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. The existence of published price quotation in an active market is the best evidence of fair value. See Note 2 (e). Where market prices are not available, fair values are estimated using various valuation techniques, including using recent arm's length market transactions between knowledgeable, parties, if available, current fair value of another financial instrument that is substantially the same and discounted cash flow analysis. The following methods have been used to estimate the fair values of various classes of financial assets and liabilities:

(a) **Current assets and liabilities -**

The carrying amounts of current assets and liabilities are a reasonable approximation of the fair values because of their short-term nature.

(b) **Members' Loans -**

Loans are net of general allowances for losses as follows:

<u>Arrears</u>	<u>Rate</u>
3 - 6 months	33.0%
6 - 9 months	66.6%
9 - 12 months	100.0%

Specific allowances are also made when loans are recognised as impaired. These assets result from transactions conducted under typical market conditions and their values are not adversely affected by unusual terms. The rate of interest in the portfolio approximate market conditions and yield discounted cash flow values which are substantially in accordance with financial statement amounts.

(c) **Investments -**

The fair values of investments are determined on the basis of quoted market prices.

(d) **Members' deposits -**

Members' deposits bear interest at rates that are not significantly different from current rates and are assumed to have discounted cash flow values which approximate carrying values.

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

24. Capital Risk Management:

The Society manages its capital to ensure that it will be able to continue as a going concern while maximising the return to members, and providing value to its members by offering loan and savings facilities. The Society's overall strategy remains unchanged from previous years. The capital structure of the Society consists of equity attributable to members, and comprises members' shares, reserves and retained earnings.

25. Capital Commitment:

The Society has no capital commitments for 2017 and beyond.

26. Interest on Members' Loans:

	31 December	
	<u>2016</u>	<u>2015</u>
Interest on ordinary loans	\$ 17,275,256	\$ 16,523,660
Interest on mortgage	<u>1,341,247</u>	<u>1,274,943</u>
	<u>\$ 18,616,503</u>	<u>\$ 17,798,603</u>

27. Interest on Investments:

	31 December	
	<u>2016</u>	<u>2015</u>
Interest on savings account	\$ 30,053	\$ 21,820
Investment income	<u>2,595,171</u>	<u>1,958,735</u>
	<u>\$ 2,625,224</u>	<u>\$ 1,980,555</u>

28. Board and Committee Expenses:

	31 December	
	<u>2016</u>	<u>2015</u>
Meeting	\$ 121,587	\$ 112,494
Honoraria	<u>92,956</u>	<u>135,040</u>
	<u>\$ 214,543</u>	<u>\$ 247,534</u>

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

29. Office Security and Maintenance:

	31 December	
	<u>2016</u>	<u>2015</u>
Office expenses	\$ 144,146	\$ 129,731
Building maintenance	58,081	64,185
Security	15,074	10,460
Insurances	<u>42,887</u>	<u>42,744</u>
	<u>\$ 260,188</u>	<u>\$ 247,120</u>

30. Other Administrative Expenses:

	31 December	
	<u>2016</u>	<u>2015</u>
Advertising and promotion	\$ 14,854	\$ 22,402
Annual general meeting	124,758	132,250
Depreciation	342,326	256,467
Donations	71,681	57,980
League dues	5,000	5,000
Loan loss expense	-	1,220,847
Miscellaneous	9,572	23,685
Printing, postage and stationery	42,263	67,081
Stabilization Fund	47,158	93,457
Travelling and subsistence	4,618	5,403
Utilities	<u>110,674</u>	<u>101,870</u>
	<u>\$ 772,904</u>	<u>\$ 1,987,442</u>

31. Professional Fees:

	31 December	
	<u>2016</u>	<u>2015</u>
Audit fees	\$ 90,260	\$ 58,240
Legal and professional fees	<u>450,841</u>	<u>692,229</u>
	<u>\$ 541,101</u>	<u>\$ 750,469</u>

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

32. Salaries and Staff Benefits:

	31 December	
	<u>2016</u>	<u>2015</u>
Group Life and Health	\$ 39,200	\$ 35,208
National Insurance contributions	110,022	109,901
Salaries	1,944,793	2,009,747
Staff bonus and benefits	12,688	26,417
Pension payments	120,882	138,787
Training and development	136,752	298,843
Ex-gratia payments	-	5,299
Severance benefit expense	<u>173,324</u>	<u>178,688</u>
	<u>\$ 2,537,661</u>	<u>\$ 2,802,890</u>

33. Special Events:

	31 December	
	<u>2016</u>	<u>2015</u>
Bursaries and awards	\$ 51,807	\$ 56,838
Conventions and seminars	173,774	302,875
Credit Union Week	50,531	48,026
Social and cultural activities	<u>519,309</u>	<u>332,815</u>
	<u>\$ 795,421</u>	<u>\$ 740,554</u>

34. Working Capital Changes:

	31 December	
	<u>2016</u>	<u>2015</u>
Net change in accounts receivable and prepayments	\$ (290,694)	\$ (739,162)
Net change in accounts payable and accruals	(49,623)	136,502
Honorarium paid	<u>(142,956)</u>	<u>(135,040)</u>
	<u>\$ (483,273)</u>	<u>\$ (737,700)</u>

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

35. Net Cash Used in Investing Activities:

	31 December	
	<u>2016</u>	<u>2015</u>
Additions to property, plant and equipment	\$ (727,233)	\$ (535,062)
Proceeds from the disposal of fixed assets	8,542	-
Net change in held-to-maturity investments	(9,974,481)	(6,373,620)
Net change in loans to members	(12,820,655)	2,176,545
Change in available-for-sale investments	<u>(2,868,766)</u>	<u>(3,882,325)</u>
	<u>\$(26,382,593)</u>	<u>\$ (8,614,462)</u>

36. Net Cash Generated from Financing Activities:

	31 December	
	<u>2016</u>	<u>2015</u>
Increase in members' shares	\$ 9,037,463	\$ 16,979,330
Net change in members' deposits	394,084	1,712,188
Dividends paid on members' shares	<u>(8,892,856)</u>	<u>(9,810,139)</u>
	<u>\$ 538,691</u>	<u>\$ 8,881,379</u>

RESOLUTIONS

Be it resolved that a 5.00% (\$9,788,233) dividend be approved and that such dividend be disbursed as follows:

5.00% cash

And be it further resolved that an interest rebate of 7.00% (\$1,207,337) be applied to all ordinary loans.

Be it resolved that the firm PKF (Trinidad) be retained as Auditors for the 2017 term.

Be it resolved that \$100,000.00 of the Net Surplus be allocated as Honorarium for the year 2016.

Be it resolved that \$56,106.00 of the Net Surplus of the Society be allocated to the Education Fund.

Be it resolved that \$50,000.00 of the Net Surplus of the Society be allocated to the Common Good Fund.

Be it resolved that \$150,000.00 of the Net Surplus of the Society be allocated to the Building Fund.

Be it resolved that the Maximum Liability of the Society be increased from \$10M to \$20M.


PAYMENT OF DIVIDENDS

Dear Member

Please be advised that, subject to the approval of the resolution for dividend distribution at the Annual General Meeting, ALL dividends will be paid to Members via ACH on Friday April 28, 2017.

Members who DO NOT wish to have ALL dividends sent to their bank accounts are asked to complete the form below and return it to the Credit Union office not later than Monday April 24, 2017.

Members without bank information will have their Dividend credited to their Special Deposit Account. Withdrawals will be subject to compliance with the Know Your Customer requirements.



Donna Rosales Gray (Mrs.)
General Manager
March 8, 2017

To : The General Manager, U.W.I. C.U.

Please allocate my 2016 dividend payment as indicated below:

Option 1 [] All to Loan (Ordinary/Demand/Unsecured)

Option 2 [] -----
Please specify clearly

Name in Block Letters

Signature

Credit Union Account Number -----

APPENDIX 1

Services Offered by U.W.I. Credit Union

- Awards for Excellence (in National, International Education & Sports)
- Bursaries (5) – 1 Community, 4 Members
- CAPE/A level Grants
- Departmental Representatives for the Dissemination of Information
- Direct bank transfers from credit union accounts
- Dividend on Shares
- Educational Programmes
- Family Indemnity via CUNA Mutual Group (Death Benefit)
- Financial Counselling
- Financial Planning
- Financial Plans for Retirees
- Fixed Deposits
- Insurance on Loans up to \$100,000.00
- Legal Advice
- Linx acceptance
- Loans (Ordinary, Home Improvement, Mortgage, Small Business) at Competitive Rates
- Personal Pension Plan via CUNA Mutual and UTC
- Secondary Entrance Assessment Grants
- Social, Cultural and Sporting Programmes
- Special Programmes for Youth and Retired Members
- Target Deposit (Savings) Account
- Telephone Enquiry (24-Hour) on Account via CUTES 663-8032
- Online statements and internal account transfers

Notes