



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 2011

TRIBUTE TO

Jill Thompson



*Past President and Director Jill Thompson
Mentor, Colleague, Wife, Mother, Sister, Friend
“Credit Union Mother”*

THE U.W.I. CREDIT UNION mourns the passing of its main stalwart, Mrs. Jill Thompson.

Mrs. Thompson was the bedrock of the U.W.I. Credit Union. She took a personal interest in the growth and development of each member that she met during her service to the credit union movement and provided a nurturing environment for all to flourish.

The membership of U.W.I. Credit Union and the local and regional credit union movements are deeply indebted to Mrs. Thompson for her commitment and lifelong dedication to the principles of co-operativism.

“None have crossed until all have crossed, and some we will have to carry.”

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LIST OF OFFICERS

BOARD OF DIRECTORS

Mr. John Ramnanan	-	President
Mr. Kennis Thomas	-	Vice-President
Ms Gail Hosein	-	Secretary
Ms Martha Arthur	-	Director
Mrs. Brenda Fraser	-	Director
Mr. Dorwin Manzano	-	Director
Mr. Kenrick Nobbee *	-	Director
Mrs. Koshina Raghunandan-Mohammed	-	Director
Dr. Steve A. West	-	Director
Ms Unika Omowale	-	1 st Alternate

* Replaced Jill Thompson (deceased) July 2011

SUPERVISORY COMMITTEE

Mr. Roger John	-	Chairman
Ms Pamela De Silva	-	Secretary
Mr. Peter Yeates	-	Member
Mrs. Charmaine Lord-Pope	-	1 st Alternate
Mr. Anthony Reyes	-	2 nd Alternate

CREDIT COMMITTEE

Mr. Akili Stephens	-	Chairman
Mrs. Kathleen Holland-Andrews	-	Secretary
Mrs. Roxanne Ali-Hassan	-	Member
Ms Keisha Campbell	-	Member
Mr. Keith Ferreira	-	Member
Ms Tennille Persad	-	1 st Alternate
Ms Jeni Embrack	-	2 nd Alternate

STAFF

Mrs. Donna Rosales Gray	-	General Manager
Ms Stacia Durham	-	Administrative Officer
Ms Florancia Garcia	-	Data Entry Officer
Ms Rachelle Churaman	-	Loan Officer
Mrs. Luticia Solomon	-	Loan Officer
Ms Janiele Campbell	-	Member Service Representative
Mrs. Karen Lara-Augustine	-	Member Service Representative

SERVICE PROVIDERS

Mrs. Charlotte Clarke-Albert	-	Record Management
Mr. Rolph Pollard	-	Accountancy
Mrs. Yvonne Romano	-	Accountancy
Mrs. Hyacinth Simms	-	Accountancy

NOTICE

Dear Member

Notice is hereby given that the 46th Annual General Meeting of the U.W.I. Credit Union Co-operative Society Limited will be held on Saturday April 21, 2012 at the J.F.K. Auditorium, The University of the West Indies, St. Augustine Campus, commencing at 1:00 p.m.

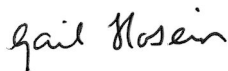
AGENDA

Credential Report
Standing Orders
Minutes of the 45th Annual General Meeting
Reports
Election of Officers
Resolutions
Any Other Business

PROGRAMME

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

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



Gail Hosein (Ms)
Secretary

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 45TH ANNUAL GENERAL MEETING
OF THE U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LTD.
HELD ON SATURDAY, APRIL 09, 2011
AT THE DAAGA AUDITORIUM
THE UNIVERSITY OF THE WEST INDIES, ST. AUGUSTINE CAMPUS**

1.0 COMMENCEMENT

- 1.1 The President, Mr. John Ramnanan, called the Meeting to order at 1:15 p.m.
- 1.2 Mrs. Brenda Fraser led the singing of the National Anthem. Mrs. Joycelin Jackson delivered the Invocation, which was followed by the reciting of the Credit Union Prayer.

2.0 CREDENTIAL REPORT

- 2.1 A Credential Report taken at 1:12 p.m. indicated that there were present 223 Ordinary Members, 9 Directors, 7 Staff Members, 1 Service Provider and 9 Guests.
- 2.2 The President apologized for the late start. He advised that Members were still being registered and that they were awaiting the arrival of a few invited Guests.

One minute of silence was observed for departed Members.

3.0 PRESIDENT'S ADDRESS

- 3.1 The President warmly welcomed all present to the 45th Annual General Meeting. He stated that the credit union movement was operating in a volatile environment, facing many challenges, uncertainties, competition and little opportunity for good returns on investments. He noted that the Credit Union performed well in 2010 despite the volatile environment.
- 3.2 He further noted that the Credit Union embraced the many challenges facing its Members and intends to use these challenges as insulation for the transformation of real change which requires new ways of thinking and behaving. He urged the Membership of the need to continuously monitor its affairs in the context of the strategic plan, the state of the economy and what is happening globally.
- 3.3 He concluded by saying that with the help and commitment of the Membership, the leadership would be able to continue to fulfill its mandate and build a robust, sustainable and financially sound Credit Union.

4.0 GREETINGS

- 4.1 Mr. Ramnanan introduced the following Guests to the Meeting:

Ms Darcel Corbin	Pannell Kerr Foster
Mr. Yvan Mendoza	LinCU Limited
Mr. Mark Aggerholm	LinCU Limited
Mrs. Marsha Sankar-Phagoo	Co-operative Development Division
Mr. Randy Deyal	Co-operative Development Division
Mrs. Kathy-Ann George	Co-operative Development Division
Mrs. Mary Tang Yew	Co-operative Development Division

5.0 NOTICE OF MEETING

5.1 Mrs. Koshina Raghunandan-Mohammed, Secretary, read the Notice to convene the 45th Annual General Meeting.

5.2 Members agreed to continue with the business of the Meeting until the arrival of the Feature Speaker.

6.0 STANDING ORDERS

6.1 Standing Orders for the conduct of the Meeting were adopted on a motion moved by Mrs. Merle Noel and seconded by Mrs. Marlene Saunders-Sobers.

7.0 ANNUAL REPORT

7.1 The Annual Report was taken as read on a motion moved by Mrs. Victoria Phillips-Marine and seconded by Ms Joycelin Jackson. The following corrections to the Report were provided to the Meeting:

Page 4 – Credit Committee List of Officers: Ms Tennielle Persad should read Ms Tennille Persad. This correction should be made throughout the report.

Page 18 – Item 2.3: There should be a full stop instead of a comma at the end of the second sentence

Page 21 – Item 16.0 should read CONCLUSION

8.0 MINUTES – 44TH AGM

8.1 Confirmation of Minutes

8.1.1 The Minutes of the 44th Annual General Meeting were confirmed on a motion moved by Mrs. Marva Belfast and seconded by Mrs. Deborah Crichlow.

8.2 Matters Arising

8.2.1 In response to a query from Mrs. Annette Knight on item 5.2, the correction was made with respect to the Credit Union being 45 years in existence and not its 45th anniversary.

9.0 REPORTS – Board of Directors

9.1 The President, Mr. John Ramnanan, presented the Report.

9.2 A suggestion was put forward by Mr. Martin Lee John for the introduction of asset shares based on length of membership in the Credit Union. The President noted the suggestion and advised that any such change would have to be discussed in broader circles.

9.3 In response to a statement on the reduction in dividend payment, the President expressed the view that the Credit Union had done very well to distribute 6% given the prevailing economic climate.

- 9.4 Prof. Mellowes inquired whether all Members would receive a 6% dividend. The President explained that the Credit Union did not operate a two or three-tiered system as some other credit unions; hence the 6% would be distributed to all Members.
- 9.5 The President noted the discrepancy in the delinquency figures on pages 16 and 18 as pointed out by Mr. Marlon Sampson and agreed to correct same.
- 9.6 In response to a request from Mr. Marlon Sampson, the President advised that the amended loan policy was completed and is available at the Credit Union office.
- 9.7 Responding to a request from Mr. Martin Lee John for information on the Strategic Planning and Team Building Retreat, the President informed the Membership that any such information could be viewed at the Credit Union's office.
- 9.8 The Report was accepted on a motion moved by Mrs. Toyline Deane and seconded by Prof. Winston Mellowes.

10.0 FEATURE ADDRESS

- 10.1 Ms Gail Hosein introduced the Feature Speaker, Father Clyde Harvey.
- 10.2 Father Harvey noted that there was a need for clarity and deep concern about the role of credit unions as financial institutions in the society. In keeping with the theme "Transforming Challenges Through Inspiration", Father Harvey listed five challenges he felt credit unions faced:
- Functioning in an Environment of Delinquency where people are finding themselves in very difficult financial situations and can just barely survive
 - Customer Service where the level of customer service leaves a lot to be desired
 - Investment Environment where there are no significant returns on investments
 - Quality of Management which requires people skills
 - Internal Politics
- 10.3 He articulated that aspirations and challenges made people join a credit union and for members to meet their challenges through inspiration, self-knowledge and strong personal character were required. He urged those members called to serve to lead without being elitist and to realize that genuine inspiration always moves beyond mere ideology.
- 10.4 He invited Members to dare to dream beyond the credit union and to understand the local context in which they operated since there exists a general concern about these established institutions. Father Harvey noted that while new financial systems are necessary to meet the needs of the future, the Credit Union must redefine itself to meet the changing needs of the new world. Members must dream the dream for themselves. He concluded by sharing a few words which he said always inspire him:
- No matter how difficult life may be;
No matter how beaten down one may feel at times
There is always hope.*
- 10.5 Mr. Kenrick Nobbee gave the vote of thanks and Ms Chevonne John presented Father Harvey with a token of appreciation.

11.0 CREDENTIAL REPORT

11.1 A Credential Report taken at 2:00 p.m. indicated that there were 324 Ordinary Members, 9 Board Members, 7 Staff Members, 3 Service Providers and 15 Guests.

12.0 REPORTS (continued)

12.1 Credit Committee

12.1.1 The Meeting considered the Report of the Credit Committee.

12.1.2 Mrs. Victoria Phillips-Marine inquired about the breakdown of loans not approved, pending/unprocessed and category changes indicated on page 23. She also noted that it would be beneficial to see what percentage of each loan category was not approved. The President noted the comment and agreed to look at it.

12.1.3 Mr. Marlon Sampson enquired whether the Christmas Loan Sale promotion should not be considered year round in light of its success. The President indicated that this would be assessed by the Credit Committee.

12.1.4 The Report was accepted on a motion moved by Mr. Marlon Sampson and seconded by Mrs. Victoria Phillips-Marine.

12.2 Education Committee

12.2.1 The Meeting considered the Report of the Education Committee.

12.2.2 The Report was accepted on a motion moved by Prof. Winston Mellowes and seconded by Ms Tennille Persad.

12.2.3 Mrs. Jill Thompson, Education Committee Chairperson, reminded Members that 2010/2011 is the Year of the Youth and the Credit Union continues to celebrate its children. Ms Unika Omowale then outlined the upcoming activities as well as those already undertaken in celebration of the Year of the Youth. Ms Renee Theroulde recited the poem "I CAN".

12.3 Supervisory Committee

12.3.1 The Meeting considered the Report of the Supervisory Committee.

12.3.2 The Report was accepted on a motion moved by Mrs. Merle King and seconded by Mrs. Patricia Tang.

13.0 2010 FINANCIAL REPORTS AND BUDGET 2011

13.1 Auditor's Report

13.1.1 Ms Darcel Corbin, representative of Pannell Kerr Forster, read the Auditor's Report.

13.1.2 The Report was accepted on a motion moved by Mr. Martin Lee John and seconded by Mrs. Glenda Ottley.

(The President acknowledged the presence of Ms Faye Husbands and Mr. Kester Husbands from Aero Services Credit Union; Mr. Wayne Estrada from CUNA Mutual Group/CUNA Caribbean Insurance Society Ltd; Mr. Keith Matthews from Hand Arnold Credit Union and Mr. Andrew Julien, the past auditor.)

13.2 2010 Financial Statements

13.2.1 Directors Koshina Raghunandan-Mohammed and Gail Hosein presented the Financial Statements.

13.2.2 Some highlights of the Financial Statements for the year 2010 were:

- 5.46% increase in net surplus from \$8,819,022 in 2009 to \$9,300,633
- 6.8% increase in interest on members' loans of \$827,104
- Total expenditure as a percentage of revenue decreased from 37.8% to 35.4%
- 11.34% increase in total assets from \$132.6 million to \$147.6 million
- 9.1% increase in members' loans from \$90.7 million to \$99 million
- Reduction in delinquency from 2.54% to 2.22%
- 14.6% increase in members' shares from \$90.4 million to \$103.6 million
- Institutional capital increased from 12% to 13%.

13.2.3 In response to a query on foreign exchange, it was explained that it was necessary to revalue foreign investments using the exchange rate as at the balance sheet date.

13.2.4 In response to a query on inconsistent Membership figures in the brochure, Director Raghunandan-Mohammed stated that the figure indicated in the Board Report was at the end of February 2011 whilst the figure in the statistical data represented Membership at the end of 2010. A correction was made in item 6.1 of the Board Report: Current membership now stands at 4,108 instead of 4,021.

13.2.5 The 2010 Financial Report was accepted on a motion moved by Mrs. Toyline Deane and seconded by Ms Jacqueline Williams.

13.3 Budget 2011

13.3.1 The 2011 Budget projections were:

- Income of \$15.7 million
- Surplus of \$9.8 million
- Expenditure of \$5.9 million
- Capital expenditure of \$275,000

13.3.2 Director Raghunandan-Mohammed noted Mr. Martin Lee John's concerns in favour of asset shares and invited him to discuss the matter in greater detail outside of the Annual General Meeting.

13.3.3 In response to Mr. Marlon Sampson's request for the budget to be circulated along with the Annual Report, Director Raghunandan-Mohammed noted that in the future this would be available online and Members could feel free to come in to the Credit Union after the Annual General Meeting to discuss any further queries.

13.3.4 In response to a further query on the absence of certain items in the budget statement, Mr. Marlon Sampson was directed to where these items could be found in the Report.

13.3.5 With respect to the projected decrease in rental income, raised by Mrs. Stacy Green-McNeil, it was explained that only one tenant was included in the 2011 budget as the other tenants held short term occupancy.

13.3.6 The Manager explained the difference between staff benefits and staff bonus on a clarification sought by Mrs. Victoria Phillips-Marine and, on the Member's suggestion, invited her assistance in extending the 360-degree staff performance evaluation to include customers.

- 13.3.7 Mrs. Victoria Phillips-Marine commented that depreciation expense was classified differently in the 2010 statement of comprehensive income and the 2011 budget which made the comparison confusing. Director Raghunandan-Mohammed noted this and agreed to keep the classification consistent in the future.
- 13.3.8 In response to a query on league dues, Director Raghunandan-Mohammed explained that the Credit Union was now affiliated with the Association of Co-operative Credit Union Presidents of Trinidad & Tobago (ACCUPTT) and that these dues were related to that organization. She further agreed to change the term 'league dues' to 'dues to umbrella body'.
- 13.3.9 The Budget was accepted on a motion moved by Mr. Akili Stephens and seconded by Mr. Marlon Sampson.
- 13.3.10 In response to a question about the benefits of the ACCUPTT, the President informed the Meeting that the benefits were similar to those of the League.

14.0 ELECTIONS

14.1 Nominations Committee's Report

- 14.2 Mrs. Jill Thompson presented the Nominations Committee Report. She noted that Mr. Anthony Reyes had been inadvertently omitted from the list of nominees for the Supervisory Committee.
- 14.3 The nominees, as presented by the Committee, were introduced to the Meeting. Communication received from nominees Mrs. Charmaine Lord-Pope and Mr. Anthony Reyes, who were unavoidably absent, were read to the Membership.
- 14.4 The Report was accepted on a motion moved by Mrs. Merle Noel and seconded by Mrs. Nola David-Benn.
- 14.5 The elections were conducted by Mrs. Mary Tang Yew of the Co-operative Development Division.
- 14.6 There were no nominations from the floor for the Supervisory Committee. Nominations ceased on a motion moved by Mrs. Marlene Saunders-Sobers and seconded by Mrs. Merle Noel.
- 14.7 There were no nominations from the floor for the Credit Committee. Nominations ceased on a motion moved by Ms Jacqueline Williams and seconded by Mrs. Victoria Phillips-Marine.
- 14.8 Mr. Dorwin Manzano was nominated for the Board of Directors from the floor on a motion moved by Mr. Elroy Prescott and seconded by Mrs. Brenda Fraser. Nominations ceased on a motion moved by Prof. Winston Mellowes and seconded by Ms Jacqueline Williams.

15.0 PRESENTATIONS

- 15.1 Tokens of appreciation were presented to the following persons: Mrs. Merle King, founding Member of the Credit Union; Mr. Kennis Thomas, Youth Director and Canon Steve A. West, past President, who recently retired from Parish Ministry.

16.0 PRIZES

- 16.1 Ms Faye Husbands conducted the draw for door prizes which included a special prize of two tickets donated by Ms La Shaun Prescott to her "Elle" production at NAPA. She was assisted by Mr. Roger John. Thirteen (13) prizes were drawn and the winners were: Kathleen Bristol-

Baptiste, Terrence De Souza, Stacia Durham, Camille Dyette, Shairon Ghany-Ramcharan, Muriel Hazzard, Lyris Hazzard-Wilson, Russell Joseph, Carolin Maraj, Glenda Ottley, Kelvin Rampaul, Theresa Thompson and Roland Williams. The President thanked Ms Husbands for her assistance.

17.0 RESOLUTIONS

17.1 *Be it resolved that a 6.00% (\$5,801,492.00) dividend be approved and that such dividend be disbursed as follows:*

3.5% Cash and 2.5% Credited to Shares

17.1.1 The Resolution was carried on a motion moved by Mr. Kennis Thomas on behalf of the Board of Directors and seconded by Ms Pamela De Silva.

17.2 *Be it resolved that the firm PKF (Trinidad) be retained as Auditors for the 2011 term.*

17.2.1 The Resolution was carried on a motion moved by Ms Martha Arthur on behalf of the Board of Directors and seconded by Mrs. Toyline Deane.

17.3 *Be it resolved that \$100,000.00 of the Net Surplus be allocated as Honorarium for the year 2010.*

17.3.1 The Resolution was carried on a motion moved by Mrs. Brenda Fraser on behalf of the Board of Directors and seconded by Mrs. Marlene Saunders-Sobers.

17.4 *Be it resolved that \$140,000.00 of the Net Surplus of the Society be allocated to the Education Fund.*

17.4.1 The Resolution was carried on a motion moved by Canon Steve A. West on behalf of the Board of Directors and seconded by Ms Jacqueline Williams.

17.5 *Be it resolved that \$262,049.00 of the Net Surplus of the Society be allocated to the Building Fund.*

17.5.1 The Resolution was carried on a motion moved by Mr. Kenrick Nobbie on behalf of the Board of Directors and seconded by Mrs. Victoria Phillips-Marine.

17.6 *Be it resolved that the Maximum Liability of the Society be increased from \$15m to \$20m.*

17.6.1 The Resolution was carried on a motion moved by Ms Gail Hosein on behalf of the Board of Directors and seconded by Ms Jacqueline Williams.

18.0 OTHER BUSINESS

18.1 Marlon Sampson inquired about the rationale for increasing the Society's maximum liability. Director Hosein explained that a requirement of the Co-operative Societies Act is that a maximum be established for the total of Members' deposits and external credit. She noted that the total of Members' deposits and external credit currently stood at \$16.6M, which is above the Credit Union's existing maximum liability. She further indicated that the move from \$15M to \$20M was necessary because increasing it to the exact amount of total deposits and external credit leaves little room for Members wishing to deposit additional sums.

- 18.2 Mr. Marlon Sampson also suggested that no member of the Board should sit on the Nominations Committee as it could be seen as a conflict of interest. This concern was noted by the President.
- 18.3 Mrs. Brenda Fraser made an announcement with respect to the availability of a Rustic View Studio Apartment in Tobago which a former board member was operating. She urged Members to support the venture.

19.0 REPORT ON ELECTIONS

- 19.1 Mrs. Tang Yew provided the Meeting with the results of the Election as follows:

Supervisory Committee

Mr. Roger John	-	156
Ms Pamela De Silva	-	155
Mr. Peter Yeates	-	130
Mrs. Charmaine Lord-Pope	-	119 (1 st Alternate)
Mr. Anthony Reyes	-	60 (2 nd Alternate)

Credit Committee

Mr. Akili Stephens	-	185
Mrs. Roxanne Ali-Hassan	-	183
Mr. Keith Ferreira	-	169
Ms Keisha Campbell	-	164
Mrs. Kathleen Holland-Andrews	-	151
Ms Tennille Persad	-	75 (1 st Alternate)
Ms Jeni Embrack	-	75 (2 nd Alternate)

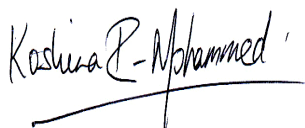
Board of Directors

Mrs. Koshina Raghunandan-Mohammed	-	152
Ms Gail Hosein	-	134
Mr. Dorwin Manzano	-	132
Mr. Kenrick Nobbee	-	110 (1 st Alternate)
Ms Unika Omowale	-	104 (2 nd Alternate)

- 19.2 A motion for the destruction of the ballots was moved by Mrs. Merle Noel and seconded by Mr. Marlon Sampson.
- 19.3 President Ramnanan thanked Mrs. Tang Yew and her team for assisting in the conduct of the elections.

20.0 CLOSURE

- 20.1 The President thanked members for taking the time to come out to support their Credit Union.
- 20.2 There being no further business, the President brought the Meeting to a close at 5:00 p.m.



Koshina Raghunandan-Mohammed (Mrs.)
Secretary
Board of Directors, U.W.I. Credit Union
April 10, 2011

REPORT OF THE BOARD OF DIRECTORS OF THE U.W.I. CREDIT UNION FOR THE YEAR 2011/2012

1.0 INTRODUCTION

1.1 The Board of Directors is pleased to present its Report on activities for the year 2011/2012. At its first meeting of the new term the following Executive was elected:

President	-	Mr. John Ramnanan
Vice-President	-	Mr. Kennis Thomas
Secretary	-	Ms Gail Hosein

1.2 In 2011, the U.W.I. Credit Union once again operated in a challenging environment where there was excess liquidity, high inflation, industrial action and the non-settlement of collective agreements. In certain instances, the Credit Union had to assist some of its Members in financial difficulties.

1.3 The excess liquidity negatively impacted on the returns on the Credit Union's investments. However, despite these challenges, the Credit Union was able to stay on course and serve the needs of its Members. The Board of Directors continues to keep a watchful eye on the global financial environment and manage the affairs of the Credit Union with prudence.

1.4 During the last financial year, the Government of Trinidad and Tobago, in its effort to bring a resolution to the CLICO issue, introduced a bail-out plan to rescue the company and settle outstanding amounts owed to investors. The U.W.I. Credit Union grasped the opportunity and took the necessary steps to recover its investments. To date, we were able to recover approximately 25% of those investments.

2.0 PERFORMANCE

2.1 The U.W.I. Credit Union, in spite of the prevailing environmental conditions, recorded another successful year in 2011. At the start of the new term the following targets were set and the degree of achievement is detailed below:

	Growth	
	Targets	Actual
Shares	15 %	16.06%
Loans	5 %	9.91%
Assets	10 %	14.75%
Membership	5 %	4.42%
Net Income	5 %	8.49%
Delinquency	< 1 %	2.37%

2.2 INSTITUTIONAL CAPITAL

The recommended local standard for Institutional Capital has been provisionally set at 8% by the Central Bank of Trinidad and Tobago whilst the international standard is 10%. In accordance with the prudence concept the Board continues to maintain an adequate level of 11%.

3.0 SHARES

3.1 Members' Share capital increased by \$16.6M, from \$103.6M in 2010 to \$120.2M in 2011. This is a positive sign and may have been driven by confidence in the Credit Union, Members' expectation of a higher rate of return on shares and continued low deposit rates in the market.

4.0 LOANS

4.1 Members have continued to support the Credit Union's loan drive initiatives. These have resulted in an increase in the loan portfolio which grew from \$99.0M in 2010 to \$108.8M in 2011, an increase of \$9.8M or 9.9%. This has contributed to an increased level of income from Members' loans, from \$13.0M in 2010 to \$14.3M in 2011, representing a 10% increase over the prior year.

5.0 DELINQUENCY

5.1 Delinquency increased from 2.22% in 2010 to 2.37% in 2011. However, the Credit Union will continue to monitor and follow up on these loans with the intention of getting closer to the recommended best practice of less than 1%.

6.0 MEMBERSHIP

6.1 The Credit Union continues to see steady growth in its Membership with the approval of two hundred and twenty (220) new applications in 2011. Current membership as at March 28 2012 now stands at 4,302.

7.0 STAFFING

7.1 During 2011, the Board continued its commitment to providing the best quality of service to Members and thus continues to review and assess the complement and quality of Staff required to meet the expectations and needs of the Membership and other stakeholders. An Enneagram program, which is a self assessment tool, was introduced and conducted with Staff members in an effort to develop their full potential.

7.2 Two members of Staff, namely Mr. Kenrick Persad and Ms Stacy-Ann Ramcharan, resigned in December 2011. One new staff member, Mrs. Karen Lara-Augustine, joined in December 2011.

7.3 The Human Resource Policy of the Credit Union is currently being revised as agreed at the last Retreat.

8.0 STRATEGIC PLANNING AND TEAM BUILDING RETREAT

8.1 The Board of Directors, General Manager, Chairpersons of the Credit and Supervisory Committees and the Operations Supervisor, participated in a Strategic Planning Retreat in April 2011. The focus of the retreat was to:

- Formulate a five-year strategic plan for the period 2011 to 2016.
- Identify short-term goals and strategies for 2011.

Some of the key goals discussed were:

- Membership needs survey.
- Revision of the human resource policy.
- Staff Enneagram session.
- New education programmes.

- Development of a skills trade bank.
- Review of the loan policy.
- Increase in the net assets of the Credit Union.
- Development of an OSHA policy for the Credit Union.

8.2 The targets established for the year 2011, as shown in the performance indicator, were not changed during the year but new strategies, including revisions to the existing Loan Policy to improve the delivery of credit to Members were formulated and implemented. A draft Health and Safety Policy has been circulated to Officers and will be finalized in 2012.

9.0 GOVERNANCE

9.1 Officers of U.W.I. Credit Union continue to observe the Code of Business Conduct and Ethics and are required to meet the minimum qualifying criteria, including being fit and proper in order to hold office. This is in keeping with the requirements of the proposed Credit Union Bill.

9.2 The proposed Credit Union Bill is currently in circulation for comments from all credit unions and these comments must be submitted by May 31, 2012. The proposed Bill suggests a departure from the philosophy and operating practices of credit unions and proposed penalties for non-compliance are onerous. The Credit Union Movement continues to lobby for better terms and conditions under the proposed Bill and in the meantime the U.W.I. Credit Union continues to adopt the key elements of the proposed legislation and integrate them into its governance structure.

10.0 SOCIAL AND CULTURAL ACTIVITIES

10.1 The Social and Cultural Committee hosted its first Joint Sports & Family Day on Saturday 24th September, 2011 on the grounds of the U.W.I. Sport and Physical Education Centre. Three of our sister credit unions, AERO Services, Community Care and Public Services participated in the event. Members came out in large numbers to support their respective credit union and the event was very successful.

10.2 The Credit Union organized various activities for the Membership during Credit Union Week, October 17 – 21, 2011. These were well received by all participants.

10.3 The Annual Children's Christmas Party was held on December 04, 2011 at the U.W.I. Staff Social Club. This event continues to be a success as children enjoyed an afternoon of fun-filled activities.

10.4 The U.W.I. Credit Union 22nd Annual Calypso competition was held on February 10, 2012 at the Dudley Huggins Building car park. Mr Clarence Harvey was crowned the Calypso Monarch and Mr. Marlon Edmund won the Audience Vintage category. This year a change was made to the format of the competition by eliminating the Ole Mas competition and replacing it with a new category for Groovy Soca. Ms Camille Renaud was the winner of this new category.

11.0 OUTLOOK FOR 2012

11.1 U.W.I. Credit Union has signed an agreement for the designing and commissioning of a new website. This is expected to be completed in the next two months and Members would be advised of the launch date. The website is expected to increase the level of service to the Membership by offering easy access to on-line loan and membership applications, account balances, new communication and other services. The old website is no longer accessible.

11.2 With the new initiative outlined above and the uncertainty within the economy, we expect a small increase in growth in 2012. The targets for the year 2012 are as follows:

- Shares - 17%
- Loans - 5%
- Assets - 10%
- Membership - 6%
- Net Income - 5%
- Delinquency - <1%

11.3 During the year 2011/2012, CUNA Caribbean Insurance Society Limited, on behalf of members units of the CUNA Policy Advisory Council, conducted a Membership Survey in order to determine the needs of the membership, identify areas which need to be improved upon and any gaps in the services offered by the units. A draft report was received and the Board will be making careful assessment of the results.

12.0 BOARD MEETINGS

12.1 During the period April 2011 to March 2012, the Board held ten (10) meetings. Attendance at these meetings was as follows:

NAME	POSSIBLE	PRESENT	EXCUSED	ABSENT
John Ramnanan	10	10	-	-
Kennis Thomas	10	10	-	-
Gail Hosein	10	10	-	-
Martha Arthur	10	7	3	-
Brenda Fraser	10	10	-	-
Dorwin Manzano	10	9	1	-
Kenrick Nobbee	9	8	1	-
Koshina Raghunandan-Mohammed	10	7	3	-
Jill Thompson (deceased)	3	2	1	-
Steve A. West	10	8	2	-
Unika Omowale (Alternate)	7	7	-	-

12.2 Mr. Kenrick Nobbee, formerly first alternate to the Board, assumed the position of full Director after the death of former Director Jill Thompson. Ms Unika Omowale, formerly second alternate, assumed the position of first alternate.

13.0 OUTGOING OFFICERS

13.1 The outgoing Officers are Mr. John Ramnanan, Dr. Steve A. West and Mr. Kenrick Nobbee. The Board expresses its sincere thanks to these Officers for their outstanding performance and invaluable service during their term of office. These Officers are all offering themselves again for service.

14.0 OBITUARIES

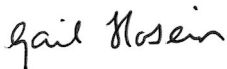
- 14.1 The Board extends its deepest condolences to the families of U.W.I. Credit Union co-operators who died during the year and to all Members who lost loved ones since the last Annual General Meeting.
- 14.2 The Board also wishes to extend condolences to the family of the late Mrs. Jill Thompson, one of the longest serving Members of the U.W.I. Credit Union and a fellow Director, who passed away in July 2011. The passing of Mrs. Thompson was a significant loss not only to the U.W.I. Credit Union but also to the wider credit union community. She was well known and recognized for her knowledge, strength, forthrightness, honesty, integrity, commitment, dedication to credit unionism and the sterling contribution she made to the credit union movement.

15.0 ACKNOWLEDGEMENTS

- 15.1 The Board acknowledges the kind assistance, sincere encouragement and ready co-operation given by:
- The U.W.I. Administration
 - Trinidad & Tobago Credit Union Deposit Insurance Fund Co-operative Society Ltd.
 - The Commissioner for Co-operative Development and his Staff
 - CUNA Mutual Group/CUNA Caribbean Insurance Society Limited
 - The Division of Facilities Management
 - The Faculty of Science and Agriculture
 - The Institute of International Relations
 - The U.W.I. Security
 - The General Manager and Staff of the U.W.I. Credit Union
 - All Members of the U.W.I. Credit Union

16.0 CONCLUSION

- 16.1 The Board of Directors thanks Members for their continued confidence in the Credit Union. This contributed to another year of solid growth, enabling the organisation to reach its targeted 2011 milestones.
- 16.2 The Board records its sincere thanks to all Members of Staff for their continued loyalty, commitment and dedication to the service of the Membership and extends best wishes to those who have left the organisation.
- 16.3 The Board remains committed to promoting the economic welfare of Members.
- 16.4 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 (Ms)
Secretary
Board of Directors, U.W.I. Credit Union

March 15, 2012

PEARLS RATIO

PEARLS RATIOS	Goals (Excellence)	31-Dec-09	31-Dec-10	31-Dec-11	Comments
PROTECTION					
Loan Loss Allowances / Delinq. >12 Mo.	100%	100.00%	100.00%	100.00%	Excellent
Complete Loan Charge-Off of Delinquency > 12 Mo.	Yes	No	No		Not up to benchmark but consistent with policy of No providing for net exposure
EFFECTIVE FINANCIAL STRUCTURE					
Net Loans / Total Assets	70-80%	68.56%	67.08%	64.25%	Below benchmark but decline consistent with conditions in the local environment
Institutional Capital / Total Assets	Min 10%	11.97%	12.97%	12.61%	Excellent
ASSET QUALITY					
Total Delinquency / Gross Loan Portfolio	Max 5%	6.25%	5.96%	5.76%	Trending downwards toward benchmark
Total Delinquency (net exposure) / Gross Loan Portfolio	Max 5%	2.54%	2.22%	2.37%	Slight increase (consistent with policy of providing for net exposure); measures instituted to deal with increase
Non-Earning Assets / Total Assets	Max 5%	2.98%	2.74%	2.28%	Excellent
RATES OF RETURN AND COSTS (ANNUALIZED)					
Fin Costs: Member Shares / Avg. Member Shares	Market Rates, > Inflation	6.46%	8.81%	6.98%	Excellent (dividend payout - 7%)
Operating Expenses / Average Assets	<5%	2.61%	2.31%	3.59%	Slight increase but within benchmark
Net Income / Avg. Inst. Cap (ROE)	> Inflation	19.43%	13.57%	11.66%	Excellent; decline explained by higher dividend distribution
LIQUIDITY					
Liquid Investments + Liquid Assets - ST Payables / Total Deposits + Total Shares	Min 15%	13.30%	15.48%	20.70%	In line with benchmark but also indicating excess liquidity which is consistent with conditions in the local environment
SIGNS OF GROWTH (Annualized Rates)					
Member Shares	^E7 =70 - 80%	12.86%	14.59%	16.06%	Above approved target; Excellent
Membership	Min 15%	5.37%	3.05%	4.42%	Below approved target; Good
Total Assets	> Inflation + 10%	11.66%	11.44%	14.75%	Exceeds approved target; Excellent

REPORT OF THE CREDIT COMMITTEE

For the Year ended December 31, 2011

1.0 INTRODUCTION

- 1.1 The Committee is pleased to present its report on activities for the year 2011.
- 1.2 The elected members met on Monday April 12, 2011 following the Annual General Meeting to elect a Chairperson and Secretary. The composition of the Committee was as follows:

Mr. Akili Stephens	-	Chairperson
Mrs. Kathleen Holland-Andrews	-	Secretary
Mrs. Roxanne Ali-Hassan	-	Member
Ms Keisha Campbell	-	Member
Mr. Keith Ferreira	-	Member
Ms Tennille Persad	-	1 st Alternate
Ms Jeni Embrack	-	2 nd Alternate

- 1.3 Committee Members attended training in Credit Risk and Loan Pricing on the May 14, 2011, facilitated by GBest Trading Company.

2.0 MEETINGS

- 2.1 The Credit Committee held 51 meetings over the period April 13, 2011 to April 10, 2012. The following represents the attendance of Committee members at these meetings:

Name	Possible	Present	Excused	Absent
Akili Stephens	51	34	17	-
Keisha Campbell	51	50	1	-
Keith Ferreira	51	45	6	-
Roxanne Ali-Hassan	51	44	7	-
Kathleen Holland-Andrews	51	47	4	-
Tennille Persad	13	13	-	-
Jeni Embrack	3	3	-	-

3.0 LOANS

- 3.1 The Committee and Loan Officers received a total of four thousand one hundred and sixty-four (4,164) loan applications valued at \$43.2M during the year 2011. This represented an increase in the number of loan applications received by two hundred and seventy one (271) when compared to 2010.
- 3.2 Table 1 below shows a comparison of the loan applications processed in 2010 and 2011.

Year	Number Received	Number Approved	Value Approved	Number Withdrawn /Cancelled	Number Not Approved	Number Pending/ Unprocessed
2011	4,164	4,051	\$39.4M	15	90	8
2010	3,893	3,769	\$36.8M	33	85	6

Table 1

- 3.3 The value of loans approved increased by \$2.6M in 2011 which represents a 7% increase from the previous year.
- 3.4 The Committee, in an effort to reduce the Credit Union's exposure, continued to closely monitor loans requested by Members on short-term appointment contracts. In such cases, attempts were made to structure loan payments within their contracted period.

4.0 OBSERVATIONS

The table below shows a comparative overview of the value of loans approved in the respective categories in 2010 and 2011:

Loan Category	Value Approved in 2011	Value Approved in 2010	Category % Change
Business	\$1,036,243	\$2,080,362	-50.19%
Ceremonial	\$3,826,654	\$3,366,710	13.66%
Domestic	\$4,371,764	\$3,196,500	36.77%
Education	\$2,901,794	\$2,777,901	4.46%
Housing	\$9,371,438	\$8,472,547	10.61%
Investment	\$224,403	\$340,500	-34.10%
Legal Fees	\$255,460	\$214,640	19.02%
Medical	\$1,364,481	\$1,345,703	1.40%
Mortgage	\$1,659,757	\$2,144,000	-22.59%
Utility/Debt	\$2,732,514	\$2,058,572	32.74%
Vacation	\$2,387,045	\$2,211,063	7.96%
Vehicle	\$9,271,167	\$8,683,698	6.77%

Table 2

5.0 COMMENTS

- 5.1 The Committee has noted an increase in borrowing for Domestic purposes (36.77%) and Utility/Debt (32.74%). This may be due to continued increases in the cost of living and stagnation in Members' salaries.
- 5.2 The figures in Table 2 above reveal an average positive increase of 14.82%. Noticeable, however, are significant decreases in three areas: Business, Investment and Mortgage loans (-50.19%, -34.10% and -22.59%) respectively. The Committee will continue its periodical review of all business loans to ascertain their continued viability.
- 5.3 The high Debt Service Ratio (DSR) of some Members continues to be a major concern to the Committee. Debt Service Ratio is a measure of the percentage of each dollar of net income that is committed to loan payments every month. A ratio of less than 40% generally considered acceptable. The Committee continues to recommend that Members approach the Credit Union as their first choice for financial assistance and guidance.

6.0 RECOMMENDATIONS

- 6.1 The Credit Union's philosophy emphasizes the importance of thrift. Members are therefore advised to borrow wisely while continuing to save on a regular basis.
- 1.2 All Members are encouraged to note the advice and recommendations of the Credit Committee/Loan Officers, and to attend all financial management sessions offered by the Credit Union.

7.0 ACKNOWLEDGEMENTS

- 7.1 The Credit Committee acknowledges the Creator for the prudence and wisdom to perform its duties, fairly and efficiently during its period in office.
- 7.2 The Committee expresses its gratitude to the Board of Directors, General Manager, Loan Officers and other members of Staff for their support during the year.
- 7.3 The Committee would like to acknowledge the Management and Staff of GBest Trading Company for facilitating training during the year.
- 7.4 Committee Members wish to extend their most sincere thanks to the entire Membership for their support, and the opportunity to serve.
- 7.5 The Committee expresses deep appreciation for the support and guidance given by the late Mrs. Jill Thompson over the years and extends condolences to her family and the Credit Union fraternity on her passing.



Kathleen Holland-Andrews (Mrs.)
Secretary
on behalf of the Credit Committee
April 11, 2012

REPORT OF THE EDUCATION COMMITTEE FOR THE YEAR 2011/2012

1.0 INTRODUCTION

1.1 The Education Committee is pleased to present its report for the period April 2011 to March 2012.

1.2 The Board appointed the following persons to serve on the Education Committee:-

Mrs. Jill Thompson	-	Chairperson (deceased)
Mrs. Naseem Chinnia	-	Secretary
Ms Martha Arthur	-	Member
Mrs. Toyline Deane	-	Member
Ms Unika Omowale	-	Member
Mr. Kennis Thomas	-	Member

1.3 Due to the untimely passing of Mrs. Jill Thompson in July 2011 the Board appointed Mr. Kennis Thomas to serve as Chairperson for the remaining period.

2.0 PROGRAMMES

2.1 The following programmes were completed during the period under review:

- Bread, Cakes & Pastries
- Christmas Cooking
- Digital Photography
- East Indian Cooking
- Furniture Construction and Upholstery
- Home Gardening
- Masonry & Tiling
- Wire Jewelry Making

2.2 The Committee will continue to offer most of these courses during the year, and hopes that Members will make full use of them.

2.3 There will be a re-introduction of courses in the Small Business area, since the Committee has recognized that members who have completed the Short Skills Programmes embark on ventures of operating small businesses. These programmes would also assist members who are already operating small businesses, but lack knowledge of proper record keeping and risk management.

3.0 EDUCATION

3.1 Orientation training was arranged for prospective officers covering the topics "Leadership Roles and Responsibilities", the "New Credit Union Bill 2011", "Fit & Proper Criteria" and relevant issues affecting the Movement. Internal and external training sessions were provided to the Credit Committee in the areas of "Credit Risk Assessment", "Risk Analysis" and "Loan Pricing". The Supervisory Committee was provided with training in "Understanding Financial Statements", "Report Writing", "Money Laundering" and "Risk Management". Seminars including the "I Can" series were also conducted for SEA and Cape students providing them with techniques for writing exams.

4.0 BURSARIES AND AWARDS

4.1 The Jerris Attzs Bursary for 2011/2012 was awarded to Ms Tynika M. James, year III student in the Faculty of Social Sciences.

4.2 The following persons were recipients of the awards listed below:-

Mr. Christophe Persad	-	Brenda Fraser Bursary
Ms Shelly Slater	-	Claude Mc Eachrane Bursary
Mrs. Neisha Samlal-Goodridge	-	Vibert Medford Bursary
Mr. Marcus George	-	Jill Thompson Bursary

4.3 Twenty-five (25) Youth Members received SEA Grants based on their placement in secondary schools for the year 2011. The Committee congratulated Miss Renee Theroulde for placing in the top SEA 100. Twelve (12) Youth Members were awarded second year grants, seven (7), third year grants and two (2), fifth year grants. They all maintained a B+ or 65% average in the academic year 2010/2011. **(Appendix 3)**

4.4 The Committee is concerned about the declining number of students maintaining the required B+ average and would like to encourage parents to monitor their child's progress and seek assistance where necessary.

4.5 Eight (8) Members received A Level/Cape Grants and seven (7) were awarded second year grants. **(Appendix 4)**

5.0 AWARDS OF EXCELLENCE

5.1 The following persons received Awards of Excellence in scholastic, sporting and cultural activities:

Ricardo John – (Football)	Dean Nanton – (Sea Scouts)
Simone Maundy – (Swimming)	Troy Sammy – (Sea Scouts)

6.0 CRUISE

6.1 Twenty-Five (25) persons vacationed on a 12 night Scandinavia & Russia Cruise from 2nd August – 14th August, 2011. They sailed from port to port visiting places like Amsterdam, Holland; Berlin, Germany; Stockholm, Sweden; Helsinki, Finland; St. Petersburg, Russia; Tallin, Estonia and Copenhagen, Denmark.

7.0 RETIREES

7.1 On the 17th November, 2011 sixty-two (62) Retirees were treated to a fun-filled day at D' Coconut Cove Holiday Beach Resort in Manzanilla, where they relaxed, played games and reminisced about the "Good Ole Days" at the University. They particularly enjoyed the "Know Your Credit Union" quiz which brought back pleasant memories. The Retirees can look forward to their next outing which is expected to be in Tobago.

8.0 WEBSITE

- 8.1 The Credit Union's website was allowed to expire in March 2012 while a new and interactive site is being developed by a different service provider. Phase one of the new site is expected to be launched in June, 2012 and will include online access to statements and Member feedback fora. Members can look forward to new ways of doing business with the Credit Union in the near future.

9.0 YOUTH

- 9.1 A Retreat was organized for the Youth Members of the Credit Union during the Easter vacation. Thirty (30) young Members and their parents visited La Vega and the Caroni Bird Sanctuary. They were taken on a hike along the Nature Trails and enjoyed the inflatable water-slides, paddle boats and fishing. The annual July vacation camp was again a great success, with the campers being exposed to various capacity building sessions such as etiquette, motivation and public speaking. They ended their week with a field trip to the San Fernando Hills, the Pitch Lake and the Wild Fowl Trust.

10.0 CONCLUSION

- 10.1 The Education Committee pays a special and heartfelt tribute to its past Chairperson, Mrs. Jill Thompson for her vision, dedication, insightful contributions and commitment to the education of U.W.I. Credit Union Membership. She will always be lovingly remembered.
- 10.2 The Committee thanks the Creator for guidance, The Board of Directors for the opportunity to serve, the Director of the Division of Facilities Management, Facilitators, the Administrative Officer and Members for their overwhelming support. The Committee will continue to provide programmes to develop Members' skills, with special emphasis on assisting them to adequately cope with the current financial situation.



Naseem Chinnia (Mrs.)
Secretary, Education Committee
March 16, 2012

REPORT OF THE SUPERVISORY COMMITTEE 2011–2012

1.0 INTRODUCTION

- 1.1 The Supervisory Committee hereby presents to the Annual General Meeting, its Report on the affairs of the U.W.I. Credit Union Co-operative Society Limited for the period 2011-2012.
- 1.2 During the year under review, the Committee examined the financial affairs of the Credit Union and paid special attention to the organization's internal controls.

2.0 STRUCTURE OF THE COMMITTEE

- 2.1 The first meeting of the Committee was held on April 14th, 2011 and the Chairman and Secretary were elected in accordance with Bye-law 40(c). The Committee was as follows:
- | | | |
|--------------------------|---|---------------------------|
| Mr. Roger John | - | Chairman |
| Ms. Pamela De Silva | - | Secretary |
| Mr. Peter Yeates | - | Member |
| Mrs. Charmaine Lord Pope | - | 1 st Alternate |
| Mr. Anthony Reyes | - | 2 nd Alternate |

3.0 WORK PLAN

- 3.1 During the past year, the Committee developed and implemented the following:
- Annual Audit Plan – outlining the areas of the Credit Union's operations to be examined
 - Audit Work Programs – to provide the methodology for the examination of the identified areas.
- 3.2 Several reports were prepared and presented at Board meetings. The issues and findings were highlighted and discussed, with recommendations made in relation to the Credit Union's overall objectives. These recommendations were accepted and implemented, thus improving the Credit Union's internal controls, efficiency and effectiveness and reducing its overall risks.
- 3.3 Over the past year, the Committee liaised with the Board, the General Manager and Staff in the execution of its Audit Plan for the fiscal year 2011-2012.
- 3.4 A summary of the six (6) areas examined were as follows:

3.4.1 LOANS

- 3.4.1.1 The loan portfolio represents the largest single source of income for the U.W.I. Credit Union, therefore its careful management is imperative in order to ensure the overall risks to Members are kept at a minimum. The Committee dedicated significant time in auditing loan applications and submitted quarterly reports on its findings to the Board of Directors. The Committee was generally satisfied that the policies and procedures were adhered to and internal controls were maintained.

3.4.2 CASH RECONCILIATION

- 3.4.2.1 The Committee conducted Cash Reconciliation exercises to ensure the accuracy of recording of

receipts and payments, in compliance with the established accounting procedures. The Committee also inspected the systems in place to minimize any potential risk associated with the accounting for and safeguarding of cash.

3.4.2.2 During the year under review, the Committee observed the implementation of a revised system, using Excel Spreadsheets, for the reconciling of daily cash receipts, payments and consolidation of all teller receipts with the database reports. The Committee was satisfied with this revision.

3.4.3 BANK RECONCILIATION

3.4.3.1 The Committee examined the Bank Reconciliation statements of the Credit Union and the cash and bank balances as shown on the bank statements. Reconciliations were prepared in a timely manner and were properly signed and approved. The preparer was not responsible for the custody of cash and the figures checked were accurate. All reconciling items were accounted for.

3.4.4 FINANCIAL STATEMENTS

3.4.4.1 Financial Statements essentially reveal to the Members how the Credit Union is performing at the end of the reporting period. The information therefore must be relevant, accurate and complete and must present fairly in all material aspects the financial position of the Credit Union. A review of the financial statements found that they present fairly the financial position of the Credit Union and that corresponding PEARLS ratios are within Industry Standards.

3.4.5 INFORMATION SYSTEMS

3.4.5.1 The Information System is a critical part of the Credit Union's business as it relates to the input, processing and output of data. The Committee used the system on a regular basis and found the information generated to be reliable, timely, accurate and relevant for the Credit Union's daily operations.

3.4.6 DELINQUENCY

3.4.6.1 Delinquency reflects a Member's inability to service his/her loan commitment. The Committee acknowledges that high delinquency results in a negative impact on the Credit Union's performance. The Committee is satisfied that the Credit Union is vigorously addressing the delinquency issue and has kept it to 2.37% which is within the PEARLS required standard of 5% maximum.

4.0 SUPERVISORY COMMITTEE MEETINGS

4.1 As of March 29th, 2012 the Committee recorded forty-three (43) meetings. Attendance was as follows:

NAME	POSSIBLE	PRESENT	EXCUSED	ABSENT
Roger John	43	42	1	-
Pamela De Silva	43	37	6	-
Peter Yeates	43	39	4	-
Charmaine Lord-Pope	10	10	-	-
Anthony Reyes	1	1	-	-

5.0 CONCLUSION

- 5.1 In closing, 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 2011-2012 terms.
- 5.2 The Committee sincerely thanks the General Manager, Loan Officers and Staff for their co-operation in providing the necessary information required to conduct the various audits.
- 5.3 The Committee acknowledges the passing of Director Jill Thompson during our term in office. She was a founding member of the U.W.I. Credit Union and the Committee expresses sincere condolences to her family.
- 5.4 Committee Members offer their thanks to Almighty God, for His blessings, strength, wisdom and guidance that enabled them to carry out their functions during the past year.



Roger John (Mr.)
Chairman, on behalf of the Supervisory Committee
March 29, 2012

REPORT OF THE NOMINATING COMMITTEE

The Board of Directors of the U.W.I. Credit Union appointed the following persons to serve on the Nominating Committee in accordance with Bye- Laws 35(a):

Mrs. Merle King (Chairperson)
Mrs. Naseem Chinnia
Mrs. Sherma Quamina-Wong Kang
Mrs. Hyacinth Simms

The duty of the Committee was the selection of qualified members who were duly nominated to be considered for election to the Board, Supervisory or Credit Committee by the Annual General Meeting.

A total of sixteen (16) persons were nominated for election. The panel interviewed all sixteen (16) persons. The persons listed below have been deemed eligible (Bye-Law 27) by the Committee to be considered for election.

SUPERVISORY COMMITTEE

Ms Pamela De Silva
Mrs. Deidre Francois
Mr. Don Isaac
Mrs. Charmaine Lord-Pope
Mr. Peter Yeates

BOARD OF DIRECTORS

Mr. Kenrick Nobbee
Ms Unika Omowale
Mr. John Ramnanan
Dr. Steve A. West

CREDIT COMMITTEE

Mrs. Roxanne Ali-Hassan
Ms Jeni Embrack
Mr. Roger John
Mr. Akili Stephens
Ms Keisha Campbell
Mr. Keith Ferreira
Ms Tennille Persad

A programme focusing on the roles and functions of members of the Board, Credit and Supervisory Committees was organized for all nominees. Emphasis was placed on the "Fit and Proper Criteria" as outlined in the proposed Credit Union Act.



Merle King (Mrs.)
Chairperson
On behalf of the Nominating Committee

April 17, 2012

STATISTICAL DATA

	2011	2010
Members	4,248	4,068
Average share balance per member	\$28,292	\$25,457
Average loan balance per member	\$25,614	\$24,336

2011 ± 2010

Total Income	+ 8.49%
Total Expenditure	+ 17.08%
Interest from Loans	+ 10.26%
Investment Income	- 4.53%
Membership growth	+ 4.42%
Share withdrawals and transfers	+ 2.15%

Net Income and Loan Interest

Year	Net Income	Loan Interest	Total Income
2007	6,770,809	9,278,356	11,210,312
2008	7,910,143	11,187,581	13,281,033
2009	8,819,022	12,177,437	14,180,630
2010	9,300,633	13,004,541	14,388,646
2011	10,182,404	14,338,644	15,609,619

Growth of Shares and Loans

Year	Shares	Loans
2007	68,684,660	74,837,056
2008	80,076,553	86,515,148
2009	90,375,765	90,744,747
2010	103,557,878	98,998,688
2011	120,184,443	108,806,898

**Table 1
LOAN ANALYSIS
January 1st to December 31st, 2011**

LOAN TYPE	APPLICATIONS		APPROVED		NOT APPROVED		PENDING & UNPROCESSED		CANCELLED	
	No.	Value	No.	Value	No.	Value	No.	Value	No.	Value
BUSINESS	53	1,083,243	50	1,036,243	2	18,000	-	-	1	29,000
CEREMONIAL	676	3,937,341	658	3,826,654	17	103,087	-	-	1	7,600
DOMESTIC	1,287	4,435,964	1,272	4,371,764	13	52,200	2	12,000	-	-
EDUCATION	333	3,704,482	325	2,901,794	6	699,688	-	-	2	103,000
HOUSING	463	10,571,082	443	9,371,438	11	333,744	5	657,500	4	208,400
INVESTMENT	20	237,403	18	224,403	2	13,000	-	-	-	-
LEGAL FEES	47	357,460	45	255,460	2	102,000	-	-	-	-
MEDICAL	270	1,379,481	269	1,364,481	1	15,000	-	-	-	-
MORTGAGE	6	2,230,757	4	1,659,757	-	-	1	500,000	1	71,000
UTILITIES/DE	244	2,957,473	230	2,732,514	13	204,242	-	-	1	20,717
VACATION	241	2,434,045	236	2,387,045	4	23,000	-	-	1	24,000
VEHICLE	524	9,930,417	501	9,271,167	19	486,250	-	-	4	173,000
TOTALS	4,164	43,259,146	4,051	39,402,718	90	2,050,211	8	1,169,500	15	636,717

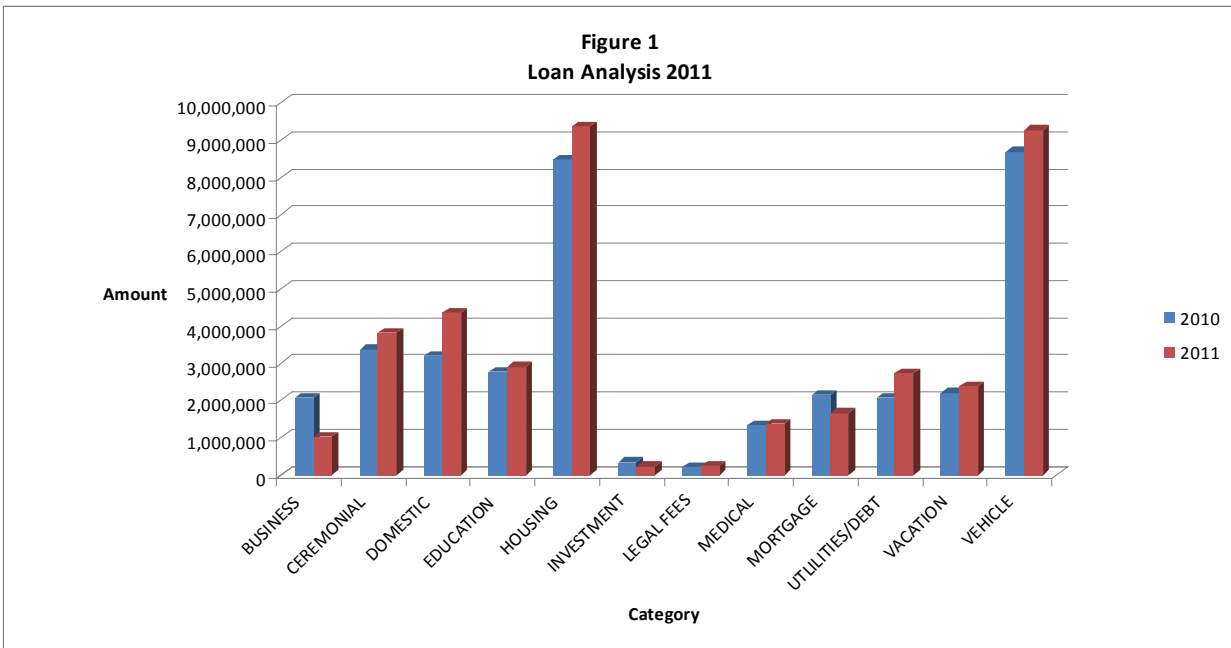
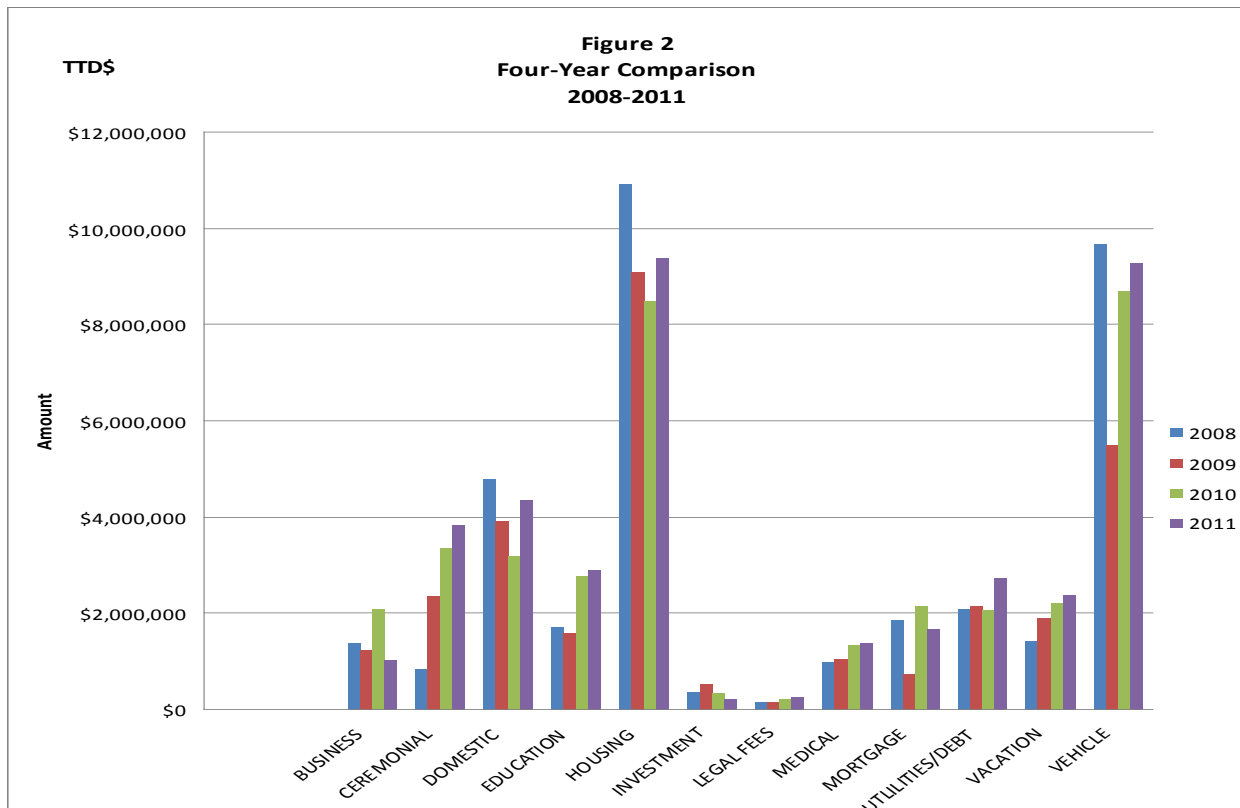


Table 2
Total Loans Approved 2011
Four-Year Comparison

LOAN CATEGORY	2008	2009	2010	2011
BUSINESS	1,369,100	1,233,699	2,080,362	1,036,243
CEREMONIAL	837,800	2,365,595	3,366,710	3,826,654
DOMESTIC	4,774,327	3,902,411	3,196,500	4,371,764
EDUCATION	1,721,028	1,593,236	2,777,901	2,901,794
HOUSING	10,928,857	9,096,965	8,472,547	9,371,438
INVESTMENT	377,800	533,900	340,500	224,403
LEGAL FEES	164,132	149,741	214,640	255,460
MEDICAL	976,902	1,054,147	1,345,703	1,364,481
MORTGAGE	1,848,502	740,000	2,144,000	1,659,757
UTILITIES/DEBT	2,081,830	2,130,979	2,058,572	2,732,514
VACATION	1,425,660	1,906,135	2,211,063	2,387,045
VEHICLE	9,661,039	5,487,827	8,683,698	9,271,167
TOTALS	36,166,976	30,194,634	36,892,196	39,402,718



STATEMENT OF MANAGEMENT RESPONSIBILITIES



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@cablenett.net

UWI Credit Union Co-operative Society Limited

Statement of Management Responsibilities

It is the responsibility of management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Credit Union as at the end of the financial year and of the operating results of the Credit Union for the year. It is also management's responsibility to ensure that the Credit Union keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Credit Union. They are also responsible for safeguarding the assets of the Credit Union.

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Management accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards. Management are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Credit Union and of its operating results. Management further accepts responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of Management to indicate that the Credit Union will not remain a going concern for at least the next twelve months from the date of this statement.



John Ramnanan (Mr.)
President



Gail Hosein (Ms)
Secretary

March 26, 2012

**UWI CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 2011**

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

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INDEPENDENT AUDITORS' REPORT



Chartered Accountants
& Business Advisors

The Members **UWI Credit Union Co-operative Society Limited**

We have audited the accompanying financial statements of UWI Credit Union Co-operative Society Limited, which comprise the statement of financial position as at 31 December 2011 the statements of comprehensive income, changes members' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of U.W.I. Credit Union Co-operative Society Limited as of 31 December 2011, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

A stylized, handwritten-style signature of the letters 'PKF'.

Port-of-Spain
26 March 2012

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
STATEMENT OF FINANCIAL POSITION

ASSETS


31 December

	<u>Notes</u>	<u>2011</u>	<u>2010</u>
Current Assets:			
Cash and cash equivalents	5	\$ 28,505,338	\$ 18,834,851
Accounts receivable and prepayments	6	<u>574,516</u>	<u>703,161</u>
Total Current Assets		29,079,854	19,538,012
Non-Current Assets:			
Available-for-sale investments	7	2,197,646	3,187,225
Held-to-maturity investments	8	24,080,512	20,581,411
Loans to members	9	108,806,898	98,998,688
Investment property	10	2,481,441	2,515,978
Fixed assets	11	<u>2,712,843</u>	<u>2,767,973</u>
Total Assets		<u>\$ 169,359,194</u>	<u>\$147,589,287</u>

LIABILITIES AND MEMBERS' EQUITY

Liabilities:			
Accounts payable and accruals	12	\$ 588,242	\$ 631,756
Members' deposits	13	14,699,719	14,560,300
Members' shares	14	120,184,443	103,557,878
Provision for severance		728,222	567,200
Provision for honoraria		<u>100,000</u>	<u>100,000</u>
Total Liabilities		<u>136,300,626</u>	<u>119,417,134</u>
Members' Equity:			
Reserve Fund	16	8,255,384	7,236,054
Investment Remeasurement	17	451,921	(53,584)
Reserve	18	517,793	497,793
Education Fund	19	158,003	158,003
Common Good Fund	20	2,767,244	2,580,497
Building Fund		<u>20,908,223</u>	<u>17,753,390</u>
Retained Earnings		<u>33,058,568</u>	<u>28,172,153</u>
Total Members' Equity		<u>33,058,568</u>	<u>28,172,153</u>
Total Liabilities and Members' Equity		<u>\$ 169,359,194</u>	<u>\$147,589,287</u>

These financial statements were approved by the Board of Directors and authorised for issue on 26 March 2012 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>Schedules</u>	<u>2011</u>	<u>2010</u>	<u>2010</u>
Income:			
Interest on members' loans	1	\$ 14,338,644	\$ 13,004,541
Interest on investments	2	822,948	862,034
Rental income		186,747	262,049
Gain on foreign exchange		-	28,798
Miscellaneous income		261,280	231,224
		15,609,619	14,388,646
Expenditure:			
Bank charges		11,073	9,873
Board and Committee expenses	3	181,794	172,778
CUNA insurance premium		603,618	519,225
Education expenses		163,885	210,735
Interest on members' deposits		395,335	574,983
Loss on foreign exchange		12,965	-
Office security and maintenance	4	318,643	145,566
Other administrative expenses	5	1,441,121	1,079,669
Professional fees	6	483,375	427,977
Salaries and staff benefits	7	1,581,550	1,352,762
Special events	8	421,429	302,017
		5,614,788	4,795,585
Operating surplus for the year		9,994,831	9,593,061
Impairment of investment income		-	(292,428)
Investment income impairment adjustment		187,573	-
Net surplus for the year		10,182,404	9,300,633
Other Comprehensive Income:			
Gain on available for sale financial assets		505,505	216,168
Total Comprehensive Income for the year		\$ 10,687,909	\$ 9,516,801

(The accompanying notes form part of these financial statements)

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
STATEMENT OF CHANGES IN MEMBERS' EQUITY
31 DECEMBER 2011

	Reserve Fund	Investment Remeasurement Reserve	Education Fund	Common Good Fund	Building Fund	Retained Earnings	Total
Balance as at 1 January 2011	\$ 7,236,054	\$ (53,584)	\$ 497,793	\$ 158,003	\$ 2,580,497	\$ 17,753,390	\$ 28,172,153
Total Comprehensive Income	-	505,505	-	-	-	10,182,404	10,687,909
Less: Appropriations as follows:							
10% to Reserve Fund	1,018,240	-	-	-	-	(1,018,240)	-
Education Fund	-	-	183,885	-	-	(183,885)	-
Building Fund	-	-	-	-	186,747	(186,747)	-
	8,254,294	451,921	681,678	158,003	2,767,244	26,546,922	38,860,062
Add/(less) adjustments as follows:							
Education expense	-	-	(163,885)	-	-	163,885	-
Donation expense	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	(5,801,494)	(5,801,494)
Entrance fees	1,090	-	-	-	-	(1,090)	-
Balance as at 31 December 2011	\$ 8,255,384	\$ 451,921	\$ 517,793	\$ 158,003	\$ 2,767,244	\$ 20,908,223	\$ 33,058,568

(The accompanying notes form part of these financial statements)

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
STATEMENT OF CHANGES IN MEMBERS' EQUITY
31 DECEMBER 2010

	Reserve Fund	Investment Remeasurement Reserve	Education Fund	Common Good Fund	Building Fund	Retained Earnings	Total
Balance as at 1 January 2010	\$ 6,304,901	\$ (269,752)	\$ 568,528	\$ 158,003	\$ 2,318,448	\$ 15,078,018	\$ 24,158,146
Total Comprehensive Income	-	216,168	-	-	-	9,300,633	9,516,801
Less: Appropriations as follows:							
10% to Reserve Fund	930,063	-	-	-	-	(930,063)	-
Building Fund	-	-	-	-	262,049	(262,049)	-
Education Fund	-	-	140,000	-	-	(140,000)	-
	<u>7,234,964</u>	<u>(53,584)</u>	<u>708,528</u>	<u>158,003</u>	<u>2,580,497</u>	<u>23,046,539</u>	<u>33,674,947</u>
Add/(less) adjustments as follows:							
Share purchase net of withdrawals	-	-	-	-	-	-	-
Education expense	-	-	(210,735)	-	-	210,735	-
Dividends paid	-	-	-	-	-	(5,502,794)	(5,502,794)
Entrance fees	1,090	-	-	-	-	(1,090)	-
Balance as at 31 December 2010	<u>\$ 7,236,054</u>	<u>\$ (53,584)</u>	<u>\$ 497,793</u>	<u>\$ 158,003</u>	<u>\$ 2,580,497</u>	<u>\$ 17,753,390</u>	<u>\$ 28,172,153</u>

(The accompanying notes form part of these financial statements)

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
STATEMENT OF CASH FLOWS

	<u>Schedules</u>	31 December	
		<u>2011</u>	<u>2010</u>
Operating Activities:			
Net surplus for the year		\$10,182,404	\$ 9,300,633
Adjustments for:-			
Severance benefits adjustment		161,021	76,480
Depreciation		269,919	266,930
Loan loss expense		583,887	400,455
Honoraria expense		99,904	95,837
Impairment of investment income		<u> -</u>	<u>292,428</u>
Operating Profit before changes in Working Capital		11,297,135	10,432,763
Working Capital Changes	9	<u>(14,773)</u>	<u>(371,245)</u>
Net cash generated from Operating Activities		11,282,362	10,061,518
Investing Activities:			
Net cash used in Investing Activities	10	(12,576,365)	(11,714,690)
Finance Activities:			
Net cash generated from Financing Activities	11	<u>10,964,490</u>	<u>5,629,903</u>
Net change in cash and cash equivalents		9,670,487	3,976,731
Cash and cash equivalents, beginning of year		<u>18,834,851</u>	<u>14,858,120</u>
Cash and cash equivalents, end of year		<u>\$28,505,338</u>	<u>\$18,834,851</u>
Represented by:			
Cash and cash equivalents		<u>\$28,505,338</u>	<u>\$18,834,851</u>

(The accompanying notes form part of these financial statements)

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

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. These financial statements are stated on the historical cost basis, except for the measurements at fair value of available-for-sale investments and certain other financial instruments.

(b) Use of estimates -

The preparation of financial statements in conformity with International Financial Reporting Standards 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 amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of the income and expenditure 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) New Accounting Standards and Interpretations -

The Society has not applied the following new or amended standards and interpretations which were issued but not yet effective for the year under review because either (i) the Society has not opted for early adoption; (ii) they do not apply to the activities of the Society; or (iii) their application has no material impact of these financial statements:

New or Amended Standards

- i) The Society has not applied the following IFRIC interpretations that became effective during the current year, as they do not apply to the activities of the Society:

IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine.

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

2. Significant Accounting Policies (Cont'd):

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

New or Amended Standards (cont'd)

ii) The Society has not applied the following standards, revised standards and interpretations that have been issued but are not yet effective as they either do not apply to the activities of the Society or have no material impact on its financial statements, except for IFRS 9 Financial Instruments:

IFRS 1	First-time Adoption of International Financial Reporting Standards – Replacement of “fixed dates” for certain exceptions with “the date of transition to IFRSs’ (effective for accounting periods beginning on or after 1 July 2011).
IFRS 1	First-time Adoption of International Financial Reporting Standards – Additional exemption for entities ceasing to suffer from hyperinflation (effective for accounting periods beginning on or after 1 July 2011).
IFRS 7	Financial Instruments: Disclosure – Amendments enhancing disclosure about transfers of financial assets (effective for accounting periods beginning on or after 1 July 2011).
IFRS 9	Financial Instruments: Classification and Measurement (effective for accounting periods beginning on or after 1 January 2015).
IFRS 9	Financial Instruments: Accounting for Financial Liabilities and Derecognition (effective for accounting periods beginning on or after 1 January 2015).
IFRS 10	Consolidated Financial Statements (effective for accounting periods beginning on or after 1 January 2013).
IFRS 11	Joint Arrangements (effective for accounting periods beginning on or after 1 January 2013).
IFRS 12	Disclosure of Interest in Other Entities (effective for accounting periods beginning on or after 1 January 2013).
IFRS 13	Fair Value Measurement (effective for accounting periods beginning on or after 1 January 2013).

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

2. Significant Accounting Policies (Cont'd):

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

New or Amended Standards (cont'd)

IAS 1	Presentation of Financial Statements – Amendments to revise the way other comprehensive income is presented (effective for accounting periods beginning on or after 1 July 2012).
IAS 12	Income Taxes – Limited scope amendment - recovery of underlying assets (effective for accounting periods beginning on or after 1 January 2012).
IAS 19	Employee Benefits – Amended standard resulting from the Post-Employment Benefits and Termination Benefits projects (effective for accounting periods beginning on or after 1 January 2013).
IAS 27	Consolidated and Separate Financial Statements – Reissued as IAS 27 Separate Financial Statements (effective for accounting periods beginning on or after 1 January 2013).
IAS 28	Investments in Associates – Reissued as IAS 28 Investments in Associates and Joint Ventures (effective for accounting periods beginning on or after 1 January 2013).
IAS 32	Financial Instruments; Presentation – Amendments to application guidance on the offsetting of financial assets and financial liabilities (effective for accounting periods beginning on or after 1 January 2014).
IAS 34	Interim Financial Reporting – Amendments resulting from May 2010 Annual Improvements to IFRSs (effective for accounting periods beginning on or after 1 January 2011).

The adoption of IFRS 9 Financial Instruments may result in significant changes in the Society's classification and presentation of financial instruments.

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

2. Significant Accounting Policies (Cont'd):

(d) 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.

The assets' residual values and useful lives are reviewed at each Statement of Financial Position 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.

(e) 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.

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

2. Significant Accounting Policies (Cont'd):

(e) Financial instruments (cont'd) -

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.

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 provisions 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 provisions. 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.

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

2. Significant Accounting Policies (Cont'd):

(e) Financial instruments (cont'd) -

iii) Classification (cont'd)

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.

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 Statement of Financial Position 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.

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

2. Significant Accounting Policies (Cont'd):

(e) Financial instruments (cont'd) -

iv) Measurement (cont'd)

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 Statement of Financial Position date whether there is objective evidence that a financial asset or group of financial assets is impaired.

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.

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

2. Significant Accounting Policies (Cont'd):

(f) 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 provisions for losses has been made. For non-performing loans, specific provisions are made for the unsecured portion of the loan.

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.

(g) 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.

(h) 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

(i) 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 Statement of Financial Position date. Resulting translation differences and profits and losses from trading activities are included in the Statement of Comprehensive Income.

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

3. Financial Risk Management:

Financial risk factors

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 fixed deposits, loans, mutual funds, short-term government securities, member deposits and other funding instruments. The exposure is managed through the matching of funding products with financial services and monitoring market conditions and yields.

(b) Credit risk -

Credit risk arises when a failure by counterparties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the Statement of Financial Position 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, Management and the Board of Directors and is adequately secured by collateral and where necessary, provisions 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 and general health of the local economy.

(c) Liquidity risk -

Liquidity risk is the risk that arises when the maturity dates of assets and liabilities do 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 minimizing such losses such as maintaining sufficient cash and other highly liquid current assets to meet cash requirements.

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

3. Financial Risk Management (Cont'd):

(c) Liquidity risk (cont'd) -

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

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.

(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 minimal foreign exchange risk arising from various currency exposures primarily with respect to the US 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 derived 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. Supervisory controls are installed to minimize human error. Additionally, staff are trained on an on-going basis.

(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 expected to be limited to a significant extent as a result of 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. The Credit Union has a Supervisory Committee which does routine reviews on compliance.

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

3. Financial Risk Management (Cont'd):

(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 consistently applies progressive human resources and member relations policies and engages in public social endeavours to engender trust and minimize this risk.

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 Statement of Financial Position 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:

U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

4. Critical Accounting Estimates and Judgments (Cont'd):

i) Impairment of assets

Management assesses at each Statement of Financial Position 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. Provisions 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.

5. Cash and Cash Equivalents:

	31 December	
	<u>2011</u>	<u>2010</u>
Republic Bank Limited Savings Account	\$ 10,373,797	\$ 6,367,560
RBTT Bank Limited - US\$ Account	530,278	530,074
Trinidad and Tobago Unit Trust Corporation	17,561,263	11,897,217
Cash in hand	<u>40,000</u>	<u>40,000</u>
	<u>\$ 28,505,338</u>	<u>\$ 18,834,851</u>

6. Accounts Receivable and Prepayments:

	31 December	
	<u>2011</u>	<u>2010</u>
VAT receivable	\$ 55,717	\$ 60,729
Investment income receivable	205,497	506,260
Sundry debtors	<u>313,302</u>	<u>428,600</u>
Provision for impairment of investment income	574,516	995,589
	<u>-</u>	<u>(292,428)</u>
	<u>\$ 574,516</u>	<u>\$ 703,161</u>

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

6. Accounts Receivable and Prepayments (Cont'd):

On January 30, 2009 the Ministry of Finance (MOF) and the Central Bank of Trinidad and Tobago announced that the Government of the Republic of Trinidad and Tobago (GORTT) had reached an agreement with the CL Financial Limited Group for the provision of a package of financial support for the Group's financial services companies. These companies included Colonial Life Insurance Company Limited (CLICO), Caribbean Money Market Brokers Limited (CMMB) and British American Insurance Company (Trinidad) Limited (BAT).

Subsequent to this, the Minister of Finance stated that GORTT would repay local investors of Short Term Investment Products (STIPS) in CLICO and BAT, their principal balances, that is, the capital sum as at the issue date or last renewal date, minus any capital withdrawals or loans made prior to 8 September 2010. A similar guarantee was not made for interest accrued on the principal balances.

In light of the foregoing, UWI Credit Union Cooperative Society Limited has opted to impair all accrued interest on its CLICO investments. This is in accordance with International Accounting Standard #39 Financial Instruments: Recognition and Measurement.

7. Available-for-Sale Investments:

	<u>2011</u>	31 December <u>2010</u>
Colonial Life investment	\$ 1,044,956	\$ 2,034,535
Central Finance Facility investment	1,031,690	1,031,690
British American	<u>121,000</u>	<u>121,000</u>
	<u>\$ 2,197,646</u>	<u>\$ 3,187,225</u>

8. Held-to-Maturity Investments:

	<u>2011</u>	31 December <u>2010</u>
ROYTRIN Mutual Funds	\$ 6,343,789	\$ 5,929,731
Guardian Asset Management	6,104,699	2,059,443
Trinidad and Tobago Unit Trust Corporation	3,160,080	2,928,918
Bourse Securities Limited	7,473,231	7,186,755
Caribbean Money Market Brokers Limited	-	1,190,484
Scotia Trust – Barbados Government	<u>998,713</u>	<u>1,286,080</u>
	<u>\$ 24,080,512</u>	<u>\$ 20,581,411</u>

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

9. Loans to Members:

	<u>2011</u>	31 December <u>2010</u>
Members' ordinary loans	\$ 101,276,130	\$ 92,095,195
Members' short-term loans	446,830	408,603
Members' mortgage loans	<u>10,827,095</u>	<u>9,654,161</u>
	112,550,055	102,157,959
Less: Provision for loan losses	<u>(3,743,157)</u>	<u>(3,159,271)</u>
	<u>\$ 108,806,898</u>	<u>\$ 98,998,688</u>
 <u>Provision for loan losses</u>		
Balance brought forward	3,159,271	2,758,816
Additional provision for loan losses	<u>583,886</u>	<u>400,455</u>
Balance carried forward	<u>\$ 3,743,157</u>	<u>\$ 3,159,271</u>

10. Investment Property:

	<u>2011</u>	31 December <u>2010</u>
Cost:		
Land	\$ 1,310,000	\$ 1,310,000
Building	<u>1,588,208</u>	<u>1,574,408</u>
	2,898,208	2,884,408
Accumulated depreciation on building	<u>(416,767)</u>	<u>(368,430)</u>
Net Book Value	<u>\$ 2,481,441</u>	<u>\$ 2,515,978</u>

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

11. <u>Fixed Assets:</u>	Land and Building	Office Furniture	Office Equipment	Fixtures and Fittings	Office Machinery	Air Condition Unit	Total
Cost							
Balance as at 1 January 2011	\$ 2,830,209	\$ 537,948	\$ 434,177	\$ 219,287	\$ 370,517	\$ 210,053	\$ 4,602,191
Additions for the year	<u>42,246</u>	<u>55,172</u>	<u>11,369</u>	<u>29,576</u>	<u>22,634</u>	<u>5,455</u>	<u>166,452</u>
Balance as at 31 December 2011	<u>2,872,455</u>	<u>593,120</u>	<u>445,546</u>	<u>248,863</u>	<u>393,151</u>	<u>215,508</u>	<u>4,768,643</u>
Accumulated Depreciation							
Balance as at 1 January 2011	604,307	323,392	306,941	130,191	317,288	152,099	1,834,218
Charge for the year	<u>69,302</u>	<u>40,172</u>	<u>42,230</u>	<u>16,182</u>	<u>29,280</u>	<u>24,416</u>	<u>221,582</u>
Balance as at 31 December 2011	<u>673,609</u>	<u>363,564</u>	<u>349,171</u>	<u>146,373</u>	<u>346,568</u>	<u>176,515</u>	<u>2,055,800</u>
Net Book Value							
Balance as at 31 December 2011	<u>\$ 2,198,846</u>	<u>\$ 229,556</u>	<u>\$ 96,375</u>	<u>\$ 102,490</u>	<u>\$ 46,583</u>	<u>\$ 38,993</u>	<u>\$ 2,712,843</u>
Balance as at 31 December 2010	<u>\$ 2,225,902</u>	<u>\$ 214,556</u>	<u>\$ 127,236</u>	<u>\$ 89,096</u>	<u>\$ 53,229</u>	<u>\$ 57,954</u>	<u>\$ 2,767,973</u>

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

11. Fixed Assets (Cont'd):

Cost	Land and Building	Office Furniture	Office Equipment	Fixtures and Fittings	Office Machinery	Air Condition Unit	Total
Balance as at 1 January 2010	\$ 2,830,209	\$ 522,423	\$ 383,377	\$ 213,420	\$ 323,177	\$ 210,053	\$ 4,482,659
Additions for the year	<u>-</u>	<u>15,525</u>	<u>50,800</u>	<u>5,867</u>	<u>47,340</u>	<u>-</u>	<u>119,532</u>
Balance as at 31 December 2010	<u>2,830,209</u>	<u>537,948</u>	<u>434,177</u>	<u>219,287</u>	<u>370,517</u>	<u>210,053</u>	<u>4,602,191</u>
Accumulated Depreciation							
Balance as at 1 January 2010	532,636	283,499	267,615	116,279	288,219	128,695	1,616,943
Charge for the year	<u>71,671</u>	<u>39,893</u>	<u>39,326</u>	<u>13,912</u>	<u>29,069</u>	<u>23,404</u>	<u>217,275</u>
Balance as at 31 December 2010	<u>604,307</u>	<u>323,392</u>	<u>306,941</u>	<u>130,191</u>	<u>317,288</u>	<u>152,099</u>	<u>1,834,218</u>
Net Book Value							
Balance as at 31 December 2010	<u>\$ 2,225,902</u>	<u>\$ 214,556</u>	<u>\$ 127,236</u>	<u>\$ 89,096</u>	<u>\$ 53,229</u>	<u>\$ 57,954</u>	<u>\$ 2,767,973</u>
Balance as at 31 December 2009	<u>\$ 2,297,573</u>	<u>\$ 238,924</u>	<u>\$ 115,762</u>	<u>\$ 97,141</u>	<u>\$ 34,958</u>	<u>\$ 81,358</u>	<u>\$ 2,865,716</u>

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

12. Accounts Payable and Accruals:

	31 December	
	<u>2011</u>	<u>2010</u>
Audit fees	\$ 51,750	\$ 46,000
CUNA premiums	53,306	14,399
Interest on members' fixed deposits	117,567	147,492
Other	169,263	169,412
Stabilization Fund	83,829	152,021
Stale-dated cheques	28,563	18,056
Vacation leave payable	49,980	48,427
UTC Member transactions	33,984	35,949
	\$ 588,242	\$ 631,756

13. Members' Deposits:

	31 December	
	<u>2011</u>	<u>2010</u>
Members' fixed deposits	\$ 10,247,540	\$ 10,726,689
Target deposits	4,452,179	3,833,611
	\$ 14,699,719	\$ 14,560,300

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 2011

15. Proposed Dividends:

The Board of Directors has proposed a dividend of **\$7,804,181 (7%)** for the year ended 31 December 2011. 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 2011 amounted to 8 (2010 - 8).

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
SCHEDULES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

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:

	<u>2011</u>	<u>31 December</u> <u>2010</u>
Assets		
Loans to directors and key management personnel and related persons	\$ 1,600,933	\$ 1,467,373
Deposits and other liabilities		
Deposits held by directors and key management and related parties	\$ 107,172	\$ 93,911
Shares		
Shares held by directors and key management	\$ 1,513,992	\$ 1,137,091
Income		
Directors and key management personnel	\$ 210,314	\$ 161,748
Interest and other expenses		
Directors and key management personnel	\$ 96,618	\$ 89,016
Key management compensation	469,687	352,611

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
SCHEDULES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

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 provisions 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 provisions 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.

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.

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
SCHEDULES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

1. Interest on Members' Loans

	31 December	
	2011	2010
Interest on ordinary loans	\$ 13,293,696	\$ 12,132,451
Interest on mortgage	1,044,948	872,090
	\$ 14,338,644	\$ 13,004,541

2. Interest on Investments

	31 December	
	2011	2010
Interest on savings account	\$ 10,956	\$ 22,052
Investment income	811,992	839,982
	\$ 822,948	\$ 862,034

3. Board and Committee Expenses

	31 December	
	2011	2010
Meeting	\$ 81,890	\$ 76,941
Honoraria	99,904	95,837
	\$ 181,794	\$ 172,778

4. Office Security and Maintenance

	31 December	
	2011	2010
Office expenses	\$ 89,806	\$ 71,839
Building maintenance	45,732	22,173
Security	143,033	13,979
Insurances	40,072	37,575
	\$ 318,643	\$ 145,566

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
SCHEDULES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

5. Other Administrative Expenses

	31 December	
	<u>2011</u>	<u>2010</u>
Advertising and promotion	\$ 49,802	\$ 10,441
Annual general meeting	110,210	98,497
Depreciation	269,919	266,931
Donations	61,450	52,885
League dues	3,000	3,000
Loan loss expense	583,886	400,455
Miscellaneous	62,711	7,732
Printing, postage and stationery	72,883	62,581
Stabilization Fund	83,830	55,663
Travelling and subsistence	37,440	25,237
Utilities	<u>105,990</u>	<u>96,247</u>
	<u>\$ 1,441,121</u>	<u>\$ 1,079,669</u>

6. Professional Fees

	31 December	
	<u>2011</u>	<u>2010</u>
Audit and accounting fees	\$ 51,750	\$ 46,000
Legal and professional fees	<u>431,625</u>	<u>381,977</u>
	<u>\$ 483,375</u>	<u>\$ 427,977</u>

6. Salaries and Staff Benefits

	31 December	
	<u>2011</u>	<u>2010</u>
Group Life and Health	\$ 30,409	\$ 41,801
National Insurance contributions	52,676	52,440
Salaries	1,132,339	911,522
Staff bonus and benefits	12,072	81,436
Pension payments	50,734	46,620
Training and development	124,014	112,528
Ex-Gratia payments	18,285	29,935
Severance benefit expense	<u>161,021</u>	<u>76,480</u>
	<u>\$ 1,581,550</u>	<u>\$ 1,352,762</u>

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
SCHEDULES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

8. Special Events

	31 December	
	2011	2010
Bursaries and awards	\$ 67,000	\$ 69,750
Conventions and seminars	179,972	79,377
Credit Union Week	15,135	13,594
Social and cultural activities	159,322	139,296
	\$ 421,429	\$ 302,017

9. Working Capital Changes

	31 December	
	2011	2010
Net change in accts receivable and prepayments	\$ 128,645	\$ (279,813)
Net change in accts payable and accruals	(43,514)	4,405
Honorarium paid	(99,904)	(95,837)
	\$ (14,773)	\$ (371,245)

10. Net Cash Used in Investing Activities

	31 December	
	2011	2010
Additions to property, plant and equipment	\$ (166,452)	\$ (119,532)
Additions to investment property	(13,800)	-
Net change in held-to-maturity investments	(2,993,596)	(2,940,762)
Net change in loans to members	(10,392,096)	(8,654,396)
Change in available-for-sale investments	989,579	-
	\$(12,576,365)	\$ (11,714,690)

11. Net Cash Generated from Financing Activities

	31 December	
	2011	2010
Increase in members' shares	\$ 16,626,565	\$ 13,182,113
Net change in members' deposits	139,419	(2,049,416)
Dividends paid on members' shares	(5,801,494)	(5,502,794)
	\$ 10,964,490	\$ 5,629,903

RESOLUTIONS

Be it resolved that a 7.00% (\$7,804,181.00) dividend be approved and that such dividend be disbursed as follows:

4% Cash and 3% Credited to Shares

Be it resolved that the firm PKF (Trinidad) be retained as Auditors for the 2012 term.

Be it resolved that \$100,000.00 of the Net Surplus be allocated as Honorarium for the year 2012

Be it resolved that \$183,885.00 of the Net Surplus of the Society be allocated to the Education Fund.

Be it resolved that \$186,747.00 of the Net Surplus of the Society be allocated to the Building Fund.

Be it resolved that the revision to Bye-Law 35(a), Nominating Committee, as approved by the Reconvened Special General Meeting of February 22, 2010 and omitted from the record of the minutes to the Annual General Meeting of April 10, 2010 be accepted and submitted to the Commissioner of Co-operatives for approval.

*“The Board **shall** appoint a Nominating Committee comprising not more than five (5) members of the Society whose duty shall be the selection of qualified members who are willing to be considered for election to the Board, Supervisory or Credit Committee by the Annual General Meeting.”*

PAYMENT OF DIVIDENDS

Dear Member

Please be advised that, subject to the approval of the resolution for dividend distribution at the Annual General Meeting, **dividend cheques will be paid to Members during the period Thursday April 26 to Wednesday May 2, 2012** at the Credit Union Board Room between our normal business hours of 8:00 a.m. and **2:00 p.m.**

Members who **do NOT wish to collect the cash portion** of their dividend are asked to **complete the form below and return it** to the Credit Union office not later than **Monday April 23, 2012.**

Uncollected Dividend Cheques will be credited to Special Deposit on May 31, 2012.



Donna Rosales Gray (Mrs.)
Manager
April 12, 2012

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

Please allocate my 2011 dividend payment as indicated below:

- Option 1 [] All to Shares
- Option 2 [] All to Loan
- Option 3 [] 3 % Shares, 4 % Loan (Ordinary/Demand/Unsecured/STL)
- Option 4 [] 4 % Target Deposit, 3 % Loan (Ordinary/Demand/Unsecured/STL)
- Option 5 [] 3 % Shares, 4 % Target Deposit
- Option 6 [] 3 % Shares, 4 % LinCu Card (**Valid card holders only**)
- Option 7 [] 3 % Shares, 4 % Direct Bank Transfer (**Bank info. required**)

Name in Block Letters

Signature

Appendix 1

Departmental Representatives/Contact Persons

<i>Department</i>	<i>Representatives/Contact Persons</i>
<i>Administration</i>	<i>Vincente Holt, Clive Licorish</i>
<i>Agriculture</i>	<i>Dane Goodridge, Lyris Hazzard-Wilson</i>
<i>Arts</i>	<i>Adeltrude Bain</i>
<i>Bookshop</i>	<i>Dawn Smith-Layne</i>
<i>Bursary</i>	<i>Kalima Walters</i>
<i>Campus Communications Centre</i>	<i>Marion Almandoz-Khan</i>
<i>Campus IT Services</i>	<i>Jacqueline Williams</i>
<i>Campus Projects Office</i>	<i>Susan Cordner</i>
<i>CARDI</i>	<i>Margaret Cobb-Redhead</i>
<i>Distance Education</i>	<i>Keisha Campbell</i>
<i>Division of Facilities Management</i>	<i>Victoria Phillips-Marine, Naseem Chinnia</i>
<i>Education</i>	<i>Suzanne Fonrose, Theresa Thompson</i>
<i>Engineering (Central Services)</i>	<i>Reynold Johnson Jr.</i>
<i>Engineering (Chemical)</i>	<i>Larry Bachansingh</i>
<i>Engineering (Civil)</i>	<i>Cornelius Stowe</i>
<i>Engineering (Electrical & Computer)</i>	<i>Camille Renaud, Julie Kublalsingh</i>
<i>Engineering (Food Production)</i>	<i>Brian Forde</i>
<i>Festival Centre for Creative Arts</i>	<i>Yvette Simmonds-Barrimond</i>
<i>Health Service Unit</i>	<i>Beverly Villafana-Jordon</i>
<i>Hugh Wooding Law School</i>	<i>Karris Nella Marin-Mc Letchie</i>
<i>Institute of International Relations</i>	<i>Lucia Williams-Legall</i>
<i>Learning Resource Centre</i>	<i>Bernice Thomas</i>
<i>Library (Main)</i>	<i>Martha Arthur</i>
<i>Library (Medical Sciences)</i>	<i>Marlon Sampson, Peter Yeates</i>
<i>Medical Sciences</i>	<i>Keith Ferreira, Akili Stephens</i>
<i>Natural Sciences (Chemistry)</i>	<i>Roxanne Ali-Hassan</i>
<i>Office of Sports & Physical Education</i>	<i>Danielle Hernandez</i>
<i>Office of the Deputy Principal</i>	<i>Glenda Ottley</i>
<i>Open Campus</i>	<i>Jeni Embrack, Charlton Ali</i>
<i>Personnel & Industrial Relations</i>	<i>Gail Burgen-Roberts</i>
<i>Planning & Development</i>	<i>Carol Grant-Francique</i>
<i>SALIES (formerly ISER)</i>	<i>Neville Joseph</i>
<i>Security</i>	<i>Eva Johnson-Gervais</i>
<i>Seismic Research Unit</i>	<i>Nolan Ali</i>
<i>Social Sciences</i>	<i>Michylle Arthur</i>
<i>Student Activity Centre</i>	<i>Anson Brache</i>
<i>Student Advisory Services</i>	<i>Marva Belfast</i>
<i>University Field Station</i>	<i>Indar Ramroop</i>

Appendix 2

Services Offered by U.W.I. Credit Union

Awards for Excellence (in National, International, Educational & 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 Counselling

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 (Free)

LinCU Card Service

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 Incentives on Savings

Special Programmes for Youth and Retired Members

Target Deposit (Savings) Account

Telephone Enquiry (24-Hour) on Account via CUTES 663-8032

Appendix 3

Secondary Entrance Assessment Awardees

Shabir Ali
Ariel Baptiste
Jonathan Craigg
Kerry Francois
J'Lani Grant
Brandon Gabriel Jardine
Safiya Lewis
Arun Mangra
Daniel Nedd
Narin Ramnehal
Rachel Ross
Renee Theroulde

Farrah Ali Shah
Darrion Biggart
Tara Des Vignes
Timothy Caleb Gooding
Nathaniel Guerra
Nicola P. Joseph
Camera Mandeville
Jabari Manmohan
Adrian Phillip
Sher-Miya Robain
Amrika Sookwah

2nd Year Grant Awardees

Sabrina Commissiong
Lorenzo Durant
Michaela Fonrose
Rochard Harricharan
Isharah Panda
Arielle Sampson

Vijyantie Dookhoo
Reaganne Eddy
Meagan Garcia
Avery Herbert
Raiven Ramnath
Megan Sampson

3rd Year Grant Awardees

Vandanna Benny
Jed Goodridge
T'shai-Ann John
Clint Singh

Jean-Paul Gilkes
Chevonne John
Tarcia Licorish

5th Year Grant Awardees

Ariel Bristol

Renee Theroulde

Appendix 4

A Level/Cape Grant Awardees

1st Year Grant

Adele Dolabaille
Dean Nanton
Jason Renwick
Nathaniel Taitt

Justine Dolabaille
Vinod Ramlogan
Troy Sammy
Shadelle Thomas

2nd Year Grant

Adrian Castillo
Ariana Herbert
Melissa Persad
Andrew Wright

Jameila Daniel
Chante Matthews-Mohammed
Simone Renwick

NOTES

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