

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 2012

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LIST OF OFFICERS

BOARD OF DIRECTORS

Mr. Kennis Thomas	-	President
Dr. Steve A. West	-	Vice-President
Ms Gail Hosein	-	Secretary
Ms Martha Arthur	-	Director
Mrs. Brenda Fraser	-	Director
Mr. Dorwin Manzano	-	Director
Mr. Kenrick Nobbee	-	Director
Ms Unika Omowale *	-	Director
Mrs. Marlene Saunders-Sobers *	-	Director

* replaced J. Ramnanan and K. Raghunandan-Mohammed (resigned April & June 2012)

SUPERVISORY COMMITTEE

Mrs. Deidre Francois	-	Chairman
Mr. Peter Yeates	-	Secretary
Ms. Charmaine Lord-Pope	-	Member
Mr. Don Isaac	-	1 st Alternate
Ms Jeanette Antoine	-	2 nd Alternate

CREDIT COMMITTEE

Mr. Akili Stephens	-	Chairperson
Mrs. Roxanne Ali-Hassan	-	Secretary
Ms Keisha Campbell	-	Member
Mr. Roger John	-	Member
Ms Tennille Persad	-	Member
Ms Jeni Embrack	-	1 st Alternate
Mr. Reynold Johnson Jnr.	-	2 nd Alternate

EDUCATION COMMITTEE

Mr. Kennis Thomas	-	Chairperson
Mrs. Naseem Chinnia	-	Secretary
Ms Martha Arthur	-	Member
Mrs. Toyline Deane	-	Member
Ms Unika Omowale	-	Member
Prof. Winston Mellowes	-	Member

STAFF

Mrs. Donna Rosales Gray	-	General Manager
Ms Stacia Durham	-	Administrative Officer
Ms Rachelle Churaman	-	Loan Officer
Mrs. Luticia Solomon	-	Loan Officer
Ms Dionne Peters	-	Data Entry Officer
Ms Janiele Campbell	-	Member Service Rep
Ms Tamika Guerra	-	Member Service Rep
Ms Krystel Thomas	-	Member Service Rep.

SERVICE PROVIDERS

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

NOTICE

Dear Member:

Notice is hereby given that the 47th Annual General Meeting of the U.W.I. Credit Union Co-operative Society Limited will be held on Saturday April 20, 2013 at the Learning Resource Centre (LRC), The University of the West Indies, St. Augustine Campus, commencing at 1:00 p.m.

AGENDA

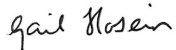
Credential Report
Standing Orders
Minutes of the 46th Annual General Meeting
Reports
Election of Officers
Resolutions
Any Other Business

PROGRAMME

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

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.**

PRESIDENT'S ADDRESS

My fellow Board Members, representatives of the Commissioner for Co-operative Development Division, specially invited guests, my fellow Credit Union Members, welcome to the 47th Annual General Meeting of the U.W.I. Credit Union Co-operative Society Ltd.

This is a humbling experience for me, as I greet you as President of an organisation that I love and cherish passionately. Today, I address you fully aware that our dearly beloved Mrs. Jill Thompson is looking down, waiting to see if I live up to her expectations of leading this Credit Union.

If I seem a bit nervous, it is because I am. While I am confident of doing what the job requires, the newness of it always creates jitters. But then, this is what the Credit Union Movement is all about: taking ordinary people like myself, Kennis Thomas, and transforming them into leaders of million dollar financial institutions. Do you see why I love the Credit Union Movement?

Fellow Members, the year 2012 was indeed a year of challenge. The challenge came from operating in an economic environment which has not stimulated sufficient business activity to foster increased income flows to our Members and their families. The challenge came from a low interest rate environment, where good investment opportunities are few and far between. It came from many of our Members being compensated at 2007 wage levels, when the cost of living was lower than what it is today. It came from legislation which demands that the Credit Union Movement trains its Officers and Staff and puts new systems in place to avoid money laundering, financing of terrorism and other white collar crime.

You may find that there may be more paperwork associated with some regular financial transactions, but I want to assure you that the U.W.I. Credit Union is committed to doing its part in the fight against the aforementioned criminal activity. Our first step was to conduct a compliance audit to identify what was required to ensure that we comply with these laws. Once these areas were identified, resources and attention were diverted from our Strategic Goals to the U.W.I. Credit Union becoming compliant. Today, fellow Members, I am pleased to say that today the U.W.I. Credit Union is more compliant than most Credit Unions in Trinidad and Tobago. Indeed your Credit Union has stood strong despite these challenges.

Our Total Assets have increased by 12.92% and total Shares by 14.79%. We have generated a surplus of \$12M and propose to pay a dividend of 6.75%

So we have done well.

At this juncture, I wish to thank and congratulate the Board, the Credit Committee, the Supervisory Committee, the Education Committee, all the other ad-hoc committees, the General Manager and the hardworking Staff for this accomplishment. Of course without you, the Membership, success is never possible, so I thank you too.

In the ensuing term, your Board will continue to be faithful and committed to our mission of providing superior services so that the lives of you, our Members, can be enhanced.

Special attention will be placed on the following areas:

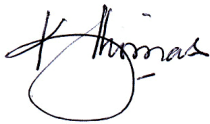
- Improved Member Care and Service Delivery – Yes, we will continue to provide Staff with the necessary tools and skills so that you will be spoilt with royal treatment.
- Increased Operational Efficiency – Our intention is to utilise the latest technology so that you can transact business with greater ease and speed.
- Intensified Market Consultations - We do not want to fall into the trap of taking Members for granted. In the upcoming year, through surveys, focus group meetings and the social

media, we will be encouraging Members to let us know of the services you need and what we can do, so that the U.W.I. Credit Union can realise the vision of becoming the first choice institution for superior financial and other services.

Today, we the Board of Directors and the various leadership committees have come to account to you on our stewardship for the past year. Through the democratic process, you empowered us to run the Credit Union and it is now our time to account to you. This is your right, for the authority we had to manage the Credit Union came from you. You have pooled your resources and have entrusted us to provide you with superior financial services, so that your lives can be enhanced.

The AGM today also provides you, the Membership, to point us in the way we must go. None of us must be left behind on our journey of collectively helping each other towards a better quality of life. On this journey, my brothers and sisters, we will sometimes disagree; and we will have to learn compromise. We do this, with the assurance that we care for each other and that, "None shall cross until all have crossed; (knowing too), that there are those that we will have to carry".

May God bless us with a productive Annual General Meeting!

A handwritten signature in black ink that reads "Kennis Thomas". The signature is written in a cursive style with a large, prominent initial "K".

Kennis Thomas (Mr.)
President

**MINUTES OF 46th ANNUAL GENERAL MEETING
OF U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
HELD ON SATURDAY, APRIL 21st, 2012
AT THE JFK AUDITORIUM, UWI, 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 in the singing of the National Anthem. Deacon Beverley Hoyte said an opening prayer and then led the General Meeting in the recitation of the Credit Union Prayer.

2.0 CREDENTIAL REPORT

- 2.1 A Credential Report, taken at 1:11 p.m., indicated that there were 189 Ordinary Members, 9 Board Members, 8 Members of Staff and 6 Guests present.

3.0 PRESIDENT'S ADDRESS

- 3.1 The President welcomed all Members and Guests. He noted that over the years, the Credit Union had grown from a small organisation to one with assets in excess of \$159 million.
- 3.2 He listed a number of persons to whom the U.W.I. Credit Union was indebted, among them the late Mrs. Jill Thompson, whose passing in July, 2011 had hit the entire organisation by surprise. He paid glowing tribute to her contribution over the years, noting that she had both preached and practised "cooperativism".
- 3.3 The President acknowledged that Mrs. Thompson was a hard worker; not only for U.W.I. Credit Union but for the wider Credit Union Movement and that she was well known and respected both locally and internationally for her strength and knowledge in credit union matters; and her forthrightness, gentleness, integrity, openness and honesty.
- 3.4 Adding that it was because of the late Jill Thompson that he became involved in the Credit Union Movement, he saluted her; and recognised that Mrs. Thompson's passing had left a void. Nonetheless, he expressed the hope the U.W.I. Credit Union family would build on the legacy that she had created. Consequently, he urged those present to encourage others to join the U.W.I. Credit Union and to take an active role in its development, growth and transformation, so that the organisation could remain relevant in the competitive environment.
- 3.5 His closing words were, "Jill, thank you very much for all you have done for the U.W.I. Credit Union, its Members and the U.W.I. community".

4.0 ACKNOWLEDGEMENTS

Mr. Ramnanan introduced the following Guests to the Meeting:

Ms. Natalie Philips	Cooperative Development Division
Mr. Randy Deyal	Cooperative Development Division
Mr. Yvan Mendoza	LinCU Limited
Mr. Ainsley Brown	First National Credit Union
Mr. Adonis Bernard	Community Care Credit Union

5.0 NOTICE OF MEETING

5.1 Director Gail Hosein, Secretary, read the Notice to convene the 46th Annual General Meeting.

6.0 FEATURE ADDRESS

6.1 Ms. Unika Omowale introduced the feature speaker, Dr. Steve A. West.

6.2 Dr. West noted that from its inception, the Credit Union Movement had always been people working together to achieve something that would be difficult or impossible to achieve as individuals. He, therefore, viewed the declaration of 2012 as the International Year of Cooperatives with its theme, *“Cooperative Enterprises Build a Better World”*, as a means of raising awareness of the invaluable contribution of the Cooperative Movement in reducing poverty, generating employment, improving food security, encouraging social inclusion and promoting the empowerment of people all over the world.

6.3 Further, he expressed the belief that the theme, *“Building People, Building the Future”*, was the Board’s way of getting members to refocus on the reason for being a Credit Union - which is to enrich people’s lives so they can enjoy a sustainable and long-lasting, fulfilling future. This, he summarised in the words: *“united we stand, divided we fall”*.

6.4 Referring to the Mission Statement of the organisation, *“Dedicated to providing superior services continuously to enhance the quality of life of its members while maintaining long term financial stability”*, he outlined the various ways in which the credit union was fulfilling its mandate:

- The performance of the credit union over the past year has been very good;
- The functioning of a very vibrant Education Committee;
- The existence of a social and cultural committee so that members are able to relax, come together and have an enjoyable time, and
- Spiritual development – all activities are started with prayer.

6.5 He ended by stating that the credit union was really in the business of building people; understanding that as we build people we will build a fulfilling, sustainable future.

6.6 The President gave the vote of thanks and Ms. Raven Ramnath presented Dr. West with a token of appreciation.

One minute of silence was observed for departed members.

7.0 STANDING ORDERS

7.1 Standing Orders for the conduct of the Meeting were adopted on a motion moved by Prof. Winston Mellowes and seconded by Mr. Mark Maundy.

8.0 ANNUAL REPORT

8.1 The following corrections to the Report were provided to the Meeting:

Page 24 Below 6.1 should read 6.2 instead of 1.2

Page 24 Item 5.3, third line – A ratio of less than 40% - insert “is”- generally.

- Page 31 Ms. Pamela De Silva of the Supervisory Committee and Mr. Keith Ferreira of the Credit Committee have withdrawn their names for urgent personal reasons.
- Page 38 Under “Members’ Equity” – “Reserve” in the third line should move up to the second line which would now read “Investment Re-measurement Reserve”; Education Fund-18; Common Good Fund-19 and Building Fund-20.
- Page 54 Bottom line should line up with dash and (292,428).
- Page 64 Salaries and Staff Benefits should be item 7 and not 6.
- Page 70 Two names added to SEA Awardees – Naomi Guischar and Avionne Herbert.
- Under 5th Year Grant Awardees – Renee Theroulde should read Renee M. Grimes.
- Page 71 Under 1st Year Grant, add Timothy Henry.

9.0 CREDENTIAL REPORT

- 9.1 A Credential Report, taken at 2:00 p.m., indicated that there were 270 Ordinary Members, 9 Board Members, 8 Members of Staff, 27 Children and 11 Guests present.

10.0 ANNUAL REPORT AND BROCHURE

- 10.1 The Annual Report and Brochure were taken as read on a motion moved by Ms. Tennille Persad and seconded by Ms. Pamela De Silva.

11.0 MINUTES – 45TH ANNUAL GENERAL MEETING

11.1 Confirmation of Minutes

- 11.1.1 The Minutes of the 45th Annual General Meeting were confirmed on a motion moved by Ms. Marlene Saunders-Sobers and seconded by Prof. Winston Mellowes.

11.2 Matters Arising

- 11.2.1 With respect to page 9, item 9.2, Prof. Mellowes enquired as to the position with respect to the introduction of asset shares based on length of membership. The President informed the meeting that Mr. Martin Lee John had agreed to come to the Board for further discussion on the matter but never did.
- 11.2.2 Mr. Lee John indicated that he was not aware that he was expected to visit the Credit Union with respect to his suggestion. He, however, noted that his suggestion was not based on length of membership but was simply a mathematical way to divide the assets by total number of shares. This, however, would require a yearly review of the assets.
- 11.2.3 The President again invited Mr. Lee John to come to the Credit Union for further talks.

12.0 WELCOME

- 12.1 The President welcomed Mr. David Greaves and Ms. Rachael Williams from the Cooperative Division

13.0 BOARD OF DIRECTORS REPORT

13.1 The President presented the Report of the Board of Directors.

13.1.1 He reported on the Strategic Planning and Team Building Retreat which was held at the end of April. The focus was to formulate a five-year strategic plan for the period 2011 to 2015. The following key goals were identified:

- Conducting a Membership Needs Survey;
- Revising on an on-going basis, the HR policy;
- Conducting a Staff Enneagram session, which has already resulted in change in members of staff;
- Developing a skills trade bank;
- Implementing a revised Loan Policy, and
- Introducing an OSH Policy.

13.1.2 With respect to the short term goals, the President advised that some have been completed and that the others were in progress.

13.1.3 Mrs. Marlene Saunders-Sobers expressed dissatisfaction with the Board Report and enquired whether there was anyone who would advise the Membership on both the long and short term progress of the strategic initiative. The President agreed that this would be undertaken in the future.

13.1.4 Referring to the IBIS programme, Mr. Martin Lee John urged the Board to meet with NEDCO. He was assured by the President that this would be considered.

13.2 The Report of the Board of Directors was accepted on a motion moved by Mr. Martin Lee John and seconded by Mrs. Merle Noel.

14.0 CREDIT COMMITTEE REPORT

14.1 Mr. Akili Stephens presented the Report of the Credit Committee, highlighting the following:

- A continuous expansion of the loan portfolio, both in terms of increases in the number of loans granted and in the value of loans;
- That “Loans Pending” referred to those loan applications where legal documents were still being processed at the lawyer’s office, and
- The close monitoring of loans granted to members employed on contractual basis; and the structuring of these loan repayments, to ensure that the loans are repaid within the contractual period of employment, so as to avoid members going into loan default.

14.2 The report of the Credit Committee was accepted on a motion moved by Ms Michelle Mellowes and seconded by Mr. Martin Lee John.

15.0 EDUCATION COMMITTEE REPORT

15.1 Mr. Kennis Thomas presented the Education Committee Report and noted the following:

- Plans for programmes for small business, which included developing a working relationship with NEDCO, and
- Declines in maintaining B+ average by SEA awardees. As a result, he urged parents to pay close attention to students’ performance.

15.2 The Report of the Education Committee was accepted on a motion moved by Deacon Beverley Hoyte and seconded by Ms. Marva Belfast.

16.0 ACKNOWLEDGEMENT

16.1 The President acknowledged the following Guests:

Mr. Virgil Patrick	GBest Consulting
Mr. Peter Phillip	Community Care Credit Union

17.0 SUPERVISORY COMMITTEE REPORT

17.1 Mr. Roger John presented the Report of the Supervisory Committee. He noted that the internal controls were in place for the collection of delinquency; and that according to the PEARLS ratio, the Credit Union was performing at the required standard.

17.2 The Report of the Supervisory Committee was accepted on a motion moved by Mrs. Marlene Huggins and seconded by Mr. Martin Lee John.

18.0 AUDITOR'S REPORT

18.1 Ms. Renee-Lisa Philip, representative of Pannell Kerr Forster, read the Auditor's Report.

18.2 The Auditor's Report was accepted on a motion moved by Ms. Cynthia Baptiste and seconded by Prof. Winston Mellowes.

19.0 FINANCIAL REPORT/BUDGET

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

19.1.1 Some highlights were:

- A net surplus of \$10.1 million;
- An increase in Members' loans by 10.26 per cent;
- A movement in total assets from \$147.6 million to \$169.4 million, which represented an increase of 14.75 per cent;
- An increase in current assets from \$19.5 million to \$29 million;
- An increase in non-current assets of 9.5 per cent;
- A marginal increase in delinquency, using the net exposure rather than the total exposure, from 2.2 percent to 2.37 per cent, and
- The reclassification of Members' shares from equity to liability based on International Financial Standards and the proposed Credit Union Bill

19.1.2 In response to a question on investment property, it was explained that this consists of land and building at Gordon Street.

19.1.3 It was agreed that the Investment Committee would seek alternative safe investment opportunities, in addition to those offered by the UTC.

19.2 The Financial Statements were accepted on a motion moved by Ms. Tennille Persad and seconded by Mrs. Toyline Deane.

19.3 *Budget 2012*

19.3.1 The 2012 Budget projections were:

- | | |
|--------------------------------|------------------------------------|
| ■ Income of \$17.3 million | ■ Expenditure \$6.3 million |
| ■ Net income of \$10.9 million | ■ Capital expenditure of \$520,388 |

19.4 The budget was accepted on a motion moved by Ms. Jeni Embrack and seconded by Mr. Martin Lee John.

19.5 The President asked the Membership to consider the Resolutions before the Elections. This was unanimously accepted.

20.0 **RESOLUTIONS**

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

- 4 per cent cash and 3 per cent credited to shares

20.1.1 The Resolution was carried unanimously, on a motion moved by Mr. Kennis Thomas on behalf of the Board of Directors and seconded by Mr. Martin Lee John.

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

20.2.1 The resolution was carried unanimously, on a motion moved by Mrs. Brenda Fraser on behalf of the Board of Directors and seconded by Prof. Winston Mellowes.

20.3 Be it resolved that \$100,000.00 of the Net Surplus be allocated as Honorarium for the year 2011.

20.3.1 The Resolution was carried unanimously, on a motion moved by Mr. Dorwin Manzano on behalf of the Board of Directors and seconded by Mr. Akili Stephens.

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

20.4.1 The Resolution was carried unanimously, on a motion moved by Mr. Kenrick Nobbee on behalf of the Board of Directors and seconded by Mrs. Valerie West.

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

20.5.1 The Resolution was carried unanimously on a motion moved by Ms. Unika Omowale on behalf of the Board of Directors and seconded by Ms. Jacqueline Williams.

20.6 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.”

- 20.6.1 The Resolution was carried unanimously, on a motion moved by Mrs. Koshina Raghunandan-Mohammed on behalf of the Board of Directors and seconded by Mrs. Marlene Saunders-Sobers.

21.0 CREDENTIAL REPORT

- 21.1 A Credential Report taken at 3:48 p.m. indicated that there were present 242 Ordinary Members, 9 Board Members and 8 Members of Staff.

22.0 ELECTIONS

22.1 Nominations Committee Report

- 22.1.1 Mrs. Merle King presented the Nominations Committee Report. She noted that Ms. Pamela De Silva had withdrawn from candidacy for the Supervisory Committee and Mr. Keith Ferreira from candidacy for the Credit Committee; both for personal reasons.

- 22.2 The elections were conducted by Mr. David Greaves of the Cooperative Development Division.

- 22.3 Ms. Jeanette Antoine was nominated for the Supervisory Committee from the floor on a motion moved by Mr. Akili Stephens and seconded by Mrs. Roxanne Ali-Hassan.

- 22.4 Nominations to the Supervisory Committee ceased on a motion moved by Mr. Martin Lee John and seconded by Mrs. Koshina Raghunandan-Mohammed.

- 22.5 Mr. Reynold Johnson was nominated for the Credit Committee from the floor on a motion moved by Mr. Akili Stephens and seconded by Mr. Roger John.

- 22.6 Mrs. Marlene Saunders-Sobers was nominated for the Board of Directors from the floor on a motion moved by Mr. Akili Stephens and seconded by Mrs. Brenda Fraser.

- 22.7 The nominees were introduced to the meeting.

- 22.8 Voting ceased on a motion moved by Mrs. Brenda Fraser and seconded by Mr. Martin Lee John.

23.0 PRIZES

- 23.1 Mrs. Brenda Fraser conducted the draw for door prizes. She was assisted by Ms. Raven Kennedy. Twenty-seven prizes were distributed.

24.0 OTHER BUSINESS

- 24.1 Mrs. Brenda Fraser offered special thanks to Mrs. Gray, the Manager, and Members of Staff who helped throughout the year.

- 24.2 It was agreed that the results of discussions initiated with CUNA would be communicated to the Membership.

25.0 REPORT ON ELECTIONS

- 25.1 Mr. Greaves provided the Meeting with the results of the Elections as follows:

Supervisory Committee

Mrs. Deidre Francois	143
Mr. Peter Yeates	138
Mrs. Charmaine Lord-Pope	132
Mr. Don Isaac	89 (1 st alternate)
Ms. Jeanette Antoine	37 (2 nd alternate)

Credit Committee

Mr. Roger John	170
Mrs. Roxanne Ali-Hassan	159
Mr. Akili Stephens	158
Ms. Keisha Campbell	141
Ms. Tennille Persad	102
Ms. Jeni Embrack	74 (1 st alternate)
Mr. Reynold Johnson	61 (2 nd alternate)

Board of Directors

Dr. Steve A. West	148
Mr. John Ramnanan	138
Mr. Kenrick Nobbee	106
Mrs. Marlene Saunders-Sobers	97 (1 st alternate)
Ms. Unika Omowale	74 (2 nd alternate)

25.2 A motion for the destruction of the ballots was moved by Mrs. Charmaine Lord-Pope and seconded by Mrs. Merle Noel.

25.3 The President thanked Mr. Greaves and his team for assisting in the conduct of the election.

26.0 CLOSURE

26.1 The President congratulated all Elected Members and thanked Members for taking the time and effort to attend the AGM.

26.2 There being no other business, the President brought the Meeting to a close at 5.23 p.m.

Gail Hosein

Gail Hosein (Ms)
Secretary

**REPORT OF THE BOARD OF DIRECTORS
OF THE U.W.I. CREDIT UNION FOR THE YEAR 2012/2013**

1.0 INTRODUCTION

1.1 The Board of Directors is pleased to present its Report on activities for the year 2012/2013. At its first meeting of the new term, the following Executive was elected:

President	-	Mr. Kennis Thomas
Vice-President	-	Dr. Steve West
Secretary	-	Ms. Gail Hosein

1.2 Since the downturn in the world's economy in 2008, the U.W.I. Credit Union has been operating in challenging but interesting times. The non settlement of the University's collective agreement for the past four years for ATS Staff has placed the Credit Union in the role of providing a financial buffer for its Members.

1.3 For the year under review we observed that there was steady growth on returns on our investments due to prudent management of our portfolio. The Board of Directors will continue to keep a watchful eye on the global environment and respond positively to any of the changes that affect the Credit Union. We plan to continue to manage its affairs with diligence and a renewed commitment to the Membership. We are happy to report that we have collected our entire investment in CLICO, inclusive of interest.

1.4 During the year, the laws of Trinidad and Tobago as they relate to Credit Unions became more stringent. The Anti Money Laundering Bill, The Proceeds of Crime Act, Financial Obligations Regulations and the Anti Terrorism Act, all which affect us, have meant that the Credit Union must become compliant with several new requirements.

2.0 PERFORMANCE

2.1 The U.W.I. Credit Union, in spite of the prevailing environmental conditions, recorded another successful year in 2012. At the start of the new term the following targets were set and the degree of achievement is detailed below:

	Growth	
	Targets	Actual
Shares	17 %	14.79%
Loans	5 %	2.60%
Assets	10 %	12.92%
Membership	6 %	3.88%
Net Income	5 %	17.94%
Delinquency	< 1 %	4.02%

Table 2.1 Outline of Target vs. Actual Growth

2.2 Institutional Capital

- 2.2.1 The recommended local standard for Institutional Capital has been provisionally set at 8 per cent whilst the international standard is 10 per cent. In accordance with the prudence concept the Board continues to maintain a minimum level of 11 per cent.

3.0 SHARES

- 3.1 Members' Share capital increased by \$17.7M, from \$120.2M in 2011 to \$137.9M in 2012. This is a positive sign and may have been driven by increased/continued confidence in the Credit Union, Members' expectations of a higher rate of return on shares and low deposit rates in the market.

4.0 LOANS

- 4.1 Members have continued to support the Credit Union's loan drive initiatives. This has resulted in an increase in the loan portfolio. The portfolio grew from \$108.8M in 2011 to \$111.6M in 2012, which represents an increase of \$2.8M or 2.6 per cent. The growth in the portfolio has also contributed to the growth in income on members' loan from \$14.3M in 2011 to \$16.2M in 2012. This represents a 13.04 per cent increase over the prior year.

- 4.2 The loan policy was revised during 2012.

5.0 DELINQUENCY

- 5.1 Delinquency increased from 3.33 per cent in 2011 to 4.02 per cent in 2012. There is a direct correlation with the increase in the loan portfolio of \$3.8M and the change in delinquency. The Credit Union will continue to monitor and follow up on delinquency with the intention of ensuring settlement of outstanding balances.

6.0 MEMBERSHIP

- 6.1 The Credit Union continues to see steady growth in its Membership with the approval of 151 new applications in 2012. Current Membership now stands at 4,413.

7.0 STAFFING

- 7.1 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.

- 7.2 Three Members of Staff resigned in 2012 and the Board wishes to thank these persons for their services to the Credit Union as they pursue their careers in other fields.

- 7.3 The Human Resource Policy document was updated.
- 7.4 The Board, in an effort to ensure the safety of Members and Staff, established a muster point on the grounds of the School of Accounting and Management and training was provided to Staff on the procedure for dealing with injury on the job.
- 7.5 The Board wishes to record 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.

8.0 STRATEGIC PLANNING AND TEAM BUILDING RETREAT

- 8.1 The Board of Directors, General Manager and Chairpersons of the Credit and Supervisory Committees, participated in a Strategic Planning Retreat in July 2012. At the retreat, the management team agreed and recommitted to the existing five year Strategic Plan developed in May 2010. The team identified the goals achieved during the last year and determined the way forward. In this regard, the U.W.I. Credit Union established a monitoring tool to track progress of plans to actual results. Short-term goals and strategies for 2012 were also identified.

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 fit and proper in order to hold office. This is in keeping with the requirements of the proposed new Credit Union Bill.

10.0 SOCIAL AND CULTURAL ACTIVITIES

- 10.1 The Credit Union organised various activities for the Membership during Credit Union Week, October 22 – 26, 2012. These were well received by all participants.
- 10.2 The Annual Children's Christmas Party was held on December 02, 2012 at the U.W.I. Staff Social Club. This event continues to be a success as children enjoyed an afternoon of fun activities.
- 10.3 The U.W.I. Credit Union's 23rd Annual Calypso competition was held on February 01, 2013 at the Dudley Huggins Building car park. Mr. Anson Brache won the Calypso Monarch, the Audience Vintage Competition and the Groovy Soca competition.
- 10.4 An annual Bursary in Co-operative studies in the name of Jill Thompson in the sum of \$5,000 was introduced.

11.0 WEBSITE

- 11.1 A new and more enhanced website will be introduced. The main features of the website include

the following:

- On-line Loan Applications
- On-line Membership Applications
- Access to Account and Loan Balances
- Information on Services offered

12.0 OUTLOOK FOR 2013

12.1 The U.W.I. Credit Union's Management continues to keep abreast of reports on the domestic, regional and international economic outlook and expects a small increase in growth in 2013. As a consequence, the Board has made a slight modification to the growth targets that were set in 2012 for the year 2013 as follows:

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

13.0 BOARD MEETINGS

13.1 During the period April 2012 to January 2013, the Board held nine (9) meetings. Attendance at these meetings was as follows:

NAME	POSSIBLE	PRESENT	EXCUSED	ABSENT
Kennis Thomas	9	9	-	-
Steve A. West	9	7	2	-
Gail Hosein	9	9	-	-
Martha Arthur	5	4	1	-
Brenda Fraser	9	7	2	-
Dorwin Manzano	9	6	3	-
Kenrick Nobbie	9	7	2	-
Unika Omowale	6	4	2	-
Marlene Saunders-Sobers	9	7	2	-
Koshina Raghunandan-Mohammed	2	1	1	-
John Ramnanan	1	1	-	-

Table 13.1: Board Meeting Attendance 2012/2013

13.2 With the resignations of Director Ramnanan and Director Raghunandan-Mohammed, Mrs. Saunders-Sobers, formerly first alternate to the Board and Ms. Omowale, formerly second alternate assumed the position of full Directors.

14.0 OUTGOING OFFICERS

14.1 The outgoing Officers are Martha Arthur, Brenda Fraser, Unika Omowale, Marlene Saunders-

Sobers and Kennis Thomas. The Board expresses its sincere thanks to these Officers for their outstanding performance and invaluable service during their term of office. These Officers, with the exception of Ms Omowale, are offering themselves again for service.

15.0 DEVELOPMENT

Three Officers and one Staff member attended the International Credit Union Development Educator Programmes to during the period April 22 to 29, 2012 (Roger John - Credit Officer) and and February 25 to March 1, 2013 (Directors Arthur and Hosein and Loan Officer Churaman) hosted by the World Council of Credit Unions. They will soon join director Dorwin Manzano as certified Credit Union Development Educators.

Officers and Staff also participated in training programmes hosted by the Trinidad and Tobago Deposit Insurance Fund, the Association of Co-operative Credit Union Presidents, the Central Finance Facility, APEX, and CUES during the 2012/2013 period. The areas covered included Compliance, Risk Management, Capital Markets and Accounting and Finance.

The mandatory Compliance Training programme was held on December 15, 2012 for all Officers and Staff.

16.0 OBITUARIES

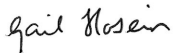
- 16.1 The Board extends its deepest condolences to the families of U.W.I. Credit Union co-operators who died during the year and to all Members who lost loved ones since the last Annual General Meeting. The Board extends its special condolences to the family of former Director and Secretary, Mrs. Kathleen Ramirez, who passed early this year.

17.0 ACKNOWLEDGEMENTS

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

18.0 CONCLUSION

- 18.1 The Board of Directors wishes to thank the Members for their continued confidence in the Credit Union. This contributed to another year of solid growth, enabling the organisation to reach its targeted 2012 milestones.
- 18.2 The Board remains committed to promoting the economic welfare of Members.
- 18.3 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

February 08, 2012

PEARLS RATIO

PEARLS RATIOS	Goals (Excellence)	31-Dec-12
PROTECTION		
Loan Loss Allowances / Delinq. >12 Mo.	100%	100.00%
Complete Loan Charge-Off of Delinquency > 12 Mo.	Yes	No
EFFECTIVE FINANCIAL STRUCTURE		
Net Loans / Total Assets	70-80%	58.40%
Institutional Capital / Total Assets	Min 10%	12.52%
ASSET QUALITY		
Total Delinquency / Gross Loan Portfolio	Max 5%	5.64%
Total Delinquency (net exposure) / Gross Loan Portfolio	Max 5%	4.02%
Non-Earning Assets / Total Assets	Max 5%	2.70%
RATES OF RETURN AND COSTS (ANNUALIZED)		
Fin Costs: Member Shares / Avg. Member Shares	Market Rates, > Inflation	
Operating Expenses / Average Assets	<5%	6.77%
Net Income / Avg. Inst. Cap (ROE)	> Inflation	3.20%
LIQUIDITY		
Liquid Investments + Liquid Assets - ST Payables / Total Deposits + Total Shares	Min 15%	27.48%
SIGNS OF GROWTH (Annualized Rates)		
Member Shares	^E7 =70 - 80%	14.79%
Membership	Min 15%	3.88%
Total Assets	> Inflation + 10%	12.92%

REPORT OF THE CREDIT COMMITTEE
For the Year ended December 31, 2012

1.0 INTRODUCTION

- 1.1 The Committee is pleased to present its report on activities for the year 2012.
- 1.2 The Elected Members met on Saturday 21st April, 2012 following the 46th Annual General Meeting to elect a Chairperson and Secretary. The composition of the Committee was as follows:-

Mr. Akili Stephens	-	Chairperson
Mrs. Roxanne Ali-Hassan	-	Secretary
Ms. Keisha Campbell	-	Member
Mr. Roger John	-	Member
Ms. Tenille Persad	-	Member
Ms. Jeni Embrack	-	1 st Alternate
Mr. Reynold Johnson	-	2 nd Alternate

2.0 MEETINGS

- 2.1 The Credit Committee held 50 meetings over the period 24th April, 2012 to 16th April, 2013. The following represents the attendance of Committee members at these meetings:

Name	Possible	Present	Excused	Absent
Akili Stephens	50	40	10	-
Keisha Campbell	50	45	5	-
Roger John	50	46	4	-
Roxanne Ali-Hassan	50	48	2	-
Tenille Persad	50	38	12	-
Jeni Embrack	11	10	1	-
Reynold Johnson		-	-	-

Table 2.1: Attendance of Credit Committee Members at 2012/2013 Meetings

- 2.2 Officers were trained in compliance with respect to the Financial Intelligence Unit stipulations during the period under review.

3.0 LOANS

- 3.1 The Committee and Loan Officers received a total of 3,725 loan applications valued at \$44.4M during the year 2012. This represented a decrease in the number of loan applications received by 439 when compared to 2011.

3.2 Table 3.1 below shows a comparison of the loan applications processed in 2011 and 2012.

Period	Value of Loans Approved	Applications Received	No. of Loans Approved	Withdrawn/ Cancelled	Not Approved	Pending/ Unprocessed
2011	\$39.4M	4,164	4,051	15	90	8
2012	\$36.6M	3,725	3,533	28	155	9

Table 3.1 Processed Loan Applications 2011 and 2012

3.3 The value of loans approved was \$36.6M in 2012. This represented a decrease of \$2.8M from the previous year. In the Strategic Plan, a five percent (5%) increase in the loan portfolio, was projected for 2012. However, the actual increase achieved for the financial year was 3.34%.

3.4 The year 2012 proved to be a challenging one for some members who applied and exhibited interest in accessing loans but were unable to, based on the following:

- Inability to repay based on their disposable incomes;
- High Debt Servicing ratios;
- Low Share to loan ratios, and
- High Exposure as applicants' employment contracts were significantly shorter than the time required for comfortably repaying the loan.

4.0 OBSERVATIONS

4.1 Table 4.1 below shows a comparative overview of the value of loans approved in the respective categories in 2011 and 2012.

Loan Category	Value Approved in 2011	Value Approved in 2012	Percentage Change
Business	\$1,036,243	\$787,200	-24.03%
Ceremonial	\$3,826,654	\$3,597,495	-5.99%
Domestic	\$4,371,764	\$3,264,326	-25.33%
Education	\$2,901,794	\$2,485,513	-14.35%
Housing	\$9,371,438	\$8,875,484	-5.29%
Investment	\$224,403	\$61,500	-72.59%
Legal Fees	\$255,460	\$310,996	21.74%
Medical	\$1,364,481	\$1,537,228	12.66%
Mortgage	\$1,659,757	\$3,033,826	82.79%
Utility/Debt	\$2,732,514	\$3,172,817	16.11%

Vacation	\$2,387,045	\$2,647,568	10.91%
Vehicle	\$9,271,167	\$6,840,039	-26.22%

Table 4.1: Value of Loans Approved in 2011 and 2012

5.0 COMMENTS

- 5.1 There was negative growth in most of the loan categories during the period under review. This could be attributed to the current global economic conditions and Administrative, Technical and Service/Daily Paid Members working on 2007 salaries. These groups represent the largest percentage of U.W.I. Credit Union Membership.
- 5.2 The increase in Mortgage Loans over the period is due primarily to an increase in property values across the island and the need of some Members to achieve home ownership. The number of mortgage applications was less in 2011 than in the reporting year 2012 but the value of the mortgage loans was higher.
- 5.3 The decrease in loan applications for vehicles can be attributed to the increase in its cost, making it less affordable for the Members.
- 5.4 Vacation loans increased due to the Intercampus Loan Sale held over the period June to August, 2012.
- 5.5 The high Debt Service Ratio (DSR) of some members continues to be a major concern of the Committee. A Debt Service Ratio (DSR) is that percentage of each dollar of net income, committed to short term debt payment every month. Having a ratio of less than 40% means that the potential borrower has an acceptable level of debt. Greater than 40% begins to indicate cash flow issues and a sign of possible financial problems. The Committee continues to recommend that Members approach the Credit Union as their first choice for financial assistance and guidance.
- 5.6 Members are also reminded that in assessing loans, the Committee takes into consideration, not only their share to loan ratio, but most importantly their ability and capacity to repay the loan, and their net disposable income (income after all monthly debt has been deducted).

6.0 RECOMMENDATIONS

- 6.1 The Committee recommends that, in spite of the global economic climate, Members strive to be prudent in their financial decisions. It is highly recommended that Members seek early financial counselling when difficulties are encountered.
- 6.2 All Members are encouraged to note the advice and recommendations of the Credit/Loan Officers, and to attend all Financial Management sessions offered by the Credit Union.

1.0 **ACKNOWLEDGEMENT**

- 1.1 The Credit Committee acknowledges the Creator for the strength and wisdom given in the performance of its duties during its tenure.
- 7.2 The Committee extends special thanks to the Board of Directors, Manager, Loans Officers and other Members of Staff for their support during the year.
- 1.3 The Committee appreciates the support of the Membership and for giving each Member the opportunity to serve.
- 7.4 The Committee wishes to extend their most sincere thanks to the entire Membership for their support, and the opportunity to serve.



Roxanne Ali-Hassan (Mrs.)
Secretary
on behalf of the Credit Committee
April 16, 2013

REPORT OF THE EDUCATION COMMITTEE FOR THE YEAR 2012/2013

1.0 INTRODUCTION

- 1.1 The Education Committee is pleased to present its report for the period April 2012 to March 2013.
- 1.2 The Board appointed the following persons to serve on the Education Committee:-

Mr. Kennis Thomas	-	Chairperson
Mrs. Naseem Chinnia	-	Secretary
Ms. Martha Arthur	-	Member
Mrs. Toyline Deane	-	Member
Ms. Unika Omowale	-	Member
Mr. Winston Mellows	-	Member

2.0 PROGRAMMES

- 2.1 The following programmes were completed during the period under review
- Soap and Candle Making
 - Home Gardening
 - Digital Photography
 - Furniture Construction and Upholstery
 - Wire Jewelry Making
- 2.2 The Committee was hampered in completing many of its courses which were scheduled, due to the unavailability of its normal training area. For this new term, a place has been sourced. Consequently, the UWI Credit Union, through its Education Committee will continue to provide courses and programmes which are beneficial to Members, in the ensuing term.

3.0 EDUCATION

- 3.1 Prospective Board and Committee Members participated in a training session, which apprised them of their Roles and Responsibilities, Fit & Proper Criteria for Credit Union Officers and other compliance issues affecting the Movement. In addition, elected Board and Committee members were exposed to local and overseas training which assisted them in performing their various roles in the credit union. All officers and staff were trained in Anti Money Laundering protocols as mandated by law. They also participated in programmes put on by external agencies on Risk Management.

4.0 UNIVERSITY BURSARIES

- 4.1 The Jerris Attzs Bursary for 2012/2013 has not yet been awarded.

5.0 BURSARIES AND AWARDS

5.1 The following persons were recipients of these awards:

Ms. Timika Elcock	-	Brenda Fraser Bursary
Mrs. Donna Martin	-	Claude Mc Eachrane Bursary
Ms. Lai Shan Sum	-	Vibert Medford Bursary
Mr. Andrew Sharpe	-	Jill Thompson Bursary

5.2 The Board agreed to include another Bursary in the name of Jill Thompson for deserving members registered for Co-operative Studies at the Cipriani Labour College. The first Bursary was awarded to Ms. Rachele Churaman.

6.0 AWARDS OF EXCELLENCE

6.1 No persons qualified to receive Awards of Excellence for excelling in scholastic, sporting and cultural activities during the 2012/2013 terms

7.0 RETIREES

7.1 On the 6th December, 2012 Retirees were treated to a fun-filled day at Asa Wright Nature Centre. They reminisced on the “ole time” days spent working on the Campus and participating in Social and Cultural activities held by the Credit Union. They enjoyed a Christmas Buffet, played cards, karaoke and participated in a Know Your Credit Union past and present quiz.

8.0 WEBSITE

8.1 The website is being developed but, due to activities identified for immediate attention by the compliance audit, focus and resources were redirected away from its full operationalisation. Nevertheless, the website will achieve full functionality by end of 2013.

9.0 DEPARTMENTAL REPRESENTATIVES

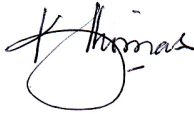
9.1 Departmental Representatives act as liaisons between the Credit Union and Members working in the various departments of the University. They are extremely effective in disseminating information about activities and issues affecting the Credit Union. There were three meetings held among them, for the year under review and the system continues to work quite well. As a result of many persons being transferred to other departments, resigning or retiring, the existing list of Departmental Representatives is being updated.

10.0 YOUTH RETREAT

10.1 An excursion to Tobago was organized for the youth members of the Credit Union on April 04th 2013 during the Easter vacation. The youths and their parents along with other members of the Credit Union travelled by air, then using maxis visited the sights of Tobago and spent a fun-filled day.

11.0 CONCLUSION

11.1 The Committee thanks the Creator for guidance; the Board of Directors for the opportunity to serve; the Estate Manager; Facilitators; and Members for their overwhelming support. The Committee will continue to provide programmes to develop Members' skills and facilitate educational sessions which place special emphasis on assisting Members to survive in the prevailing financial conditions.



Kennis Thomas (Mr.)
Chairman

April 15, 2013

REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2012/2013

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 2012/2013.
- 1.2 The Committee embraced the mandate assigned to it by the General Membership which was to safeguard their assets, by monitoring and reviewing the internal controls of the U.W.I. Credit Union.

2.0 STRUCTURE OF COMMITTEE

- 2.1 At the first meeting held by the Committee, the Chairman and Secretary were elected in accordance with Bye Law 40(c). The Committee was as follows:

Mrs. Deidre Francois	-	Chairman
Mr. Peter Yeates	-	Secretary
Mrs. Charmaine Lord-Pope	-	Member
Mr. Don Isaac	-	1 st Alternate
Ms. Jeanette Antoine	-	2 nd Alternate

3.0 WORK PLAN

- 3.1 During the past year, the Committee developed and implemented the following:
1. Annual Audit Plan – outlining the areas of the Credit Union’s operations to be examined.
 2. Audit Work Programmes – to provide the methodology for identifying operational best practices and compliance with Credit Union Policies and Bye Laws in all the areas audited.
- 3.2 The Committee prepared reports and presented these at Board Meetings. All the issues and findings were highlighted and suitable recommendations were made in relation to the Credit Union’s overall objectives.
- 3.3 The Committee identified the following areas of the Credit Union’s operations in which to focus its efforts:

3.3.1 LOANS

- 3.3.1.1 The major source of income for the U.W.I. Credit Union is derived from interest on loans. The Committee, therefore, reviewed loan applications for accuracy and completeness and submitted quarterly reports to highlight its findings. The Committee was generally satisfied that adequate internal controls were in place.

3.3.2 CASH

3.3.2.1 The Committee observed the cash reconciliation process to ensure compliance with established procedures. The Committee was satisfied that the Cash Reconciliation Statements were accurate and the procedure used was adequate.

3.3.3 BANK RECONCILIATION

3.3.3.1 The Committee also did a review of the Bank Reconciliation Statements to verify that the entries on the bank statements were consistent with those on the Credit Union's general ledger and found that the balances on both statements were in agreement and accurate.

3.3.4 FIXED ASSETS

3.3.4.1 The Fixed Asset Register was not reviewed during the 2012/2013 term.

3.3.5 FINANCIAL STATEMENTS

3.3.5.1 A review of the Financial Statements found that they present fairly the financial position of the Credit Union and the corresponding PEARLS ratios are within generally industry standards.

3.3.6 DELINQUENCY

3.3.6.1 The Committee is satisfied that the Credit Union is addressing the issue of delinquency and has kept the ratio below 4.02%, which is still within the PEARLS standard of 5% maximum.

3.3.7 INFORMATION SYSTEMS

3.3.7.1 The Committee has not had the opportunity to review the systems capabilities.

3.3.8 BOARD OF DIRECTORS

3.3.8.1 The Committee observed that Board meetings were carried out according to U.W.I. Credit Union's policies and procedures.

3.3.9 ADMINISTRATIVE SYSTEMS

3.3.9.1 The Committee reviewed administrative systems of the Credit Union which included the strategic plan, risk policy, staff appraisal system and disaster recovery. The Committee concludes that the administrative systems in place are very comprehensive and seem to be working in the Credit Union's best interest. It is hoped that a disaster recovery plan can be implemented in the shortest possible time frame.

4.0 SUPERVISORY COMMITTEE MEETINGS

4.1 As at February 25th 2013 the Committee recorded 33 meetings. Attendance is recorded in the following table:

NAME	POSSIBLE	PRESENT	EXCUSED	ABSENT
DEIDRE FRANCOIS	33	30	3	-
PETER YEATES	33	33	0	-
CHARMAINE LORD-POPE	33	23	10	-
DON ISAAC	1	1	0	-
JEANETTE ANTOINE	5	5	0	-

Table 4.1 Attendance at Supervisory Committee Meetings 2012/2013

5.0 CONCLUSION

5.1 We would like to express our sincerest appreciation to the Membership for the trust and opportunity granted to us to serve on the Supervisory Committee of the U.W.I. Credit Union Co-operative Society Limited. We, the outgoing Members of this Committee, take this opportunity to assure the Membership that their Credit Union is working hard to meet their needs.

5.2 The Committee is grateful for your continued confidence in our oversight role. The support and cooperation of the Board of Directors, Management, and employees has assisted us in the performance of our duties and is greatly appreciated.

5.3 The Committee thanks the Creator for the blessings, strength and guidance over the past year.



Deidre Francois (Mrs.)

Chairperson

On behalf of the Supervisory Committee

April 4, 2013

REPORT OF THE NOMINATING COMMITTEE

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

Ms. Merle King (Chairperson)
Mrs. Naseem Chinnia
Dr. David Dolly
Mr Elroy Prescott
Mrs. Sherma Quamina-Wong Kang

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 nineteen (19) persons were nominated for election. There was one withdrawal. The panel interviewed seventeen (17) nominees. The persons listed in nomination listing below have been deemed eligible (Bye-Law 27) by the Committee to be considered for election.

SUPERVISORY COMMITTEE

Mrs. Deidre Francois
Mr. Kenwyn Joseph
Mrs. Charmaine Lord-Pope
Ms Kalima Walters
Mr. Peter Yeates

BOARD OF DIRECTORS

Ms Martha Arthur
Ms Cheryl Carter
Mrs. Brenda Fraser
Mr. Roger John
Ms Marlene Saunders-Sobers
Mr. Kennis Thomas

CREDIT COMMITTEE

Mrs. Roxanne Ali-Hassan
Ms Jeni Embrack
Mr. Reynold Johnson Jnr.
Mr. Akili Stephens

Ms Keisha Campbell
Mr. Mc Colin Fontenelle
Ms Tennille Persad

A programme focusing on the roles and functions of members of the Board, Credit and Supervisory Committees and the various pieces of legislation affecting credit unions was organized for all nominees. Emphasis was placed on the "Fit and Proper Criteria" as outlined in the proposed Credit Union Act and therefore all serving Directors were also interviewed.



Merle King (Ms)
Chairperson
On behalf of the Nomination Committee

April 17, 2013

STATISTICAL DATA

	2012	2011
Members	4,413	4,248
Average share balance per member	\$31,263	\$28,292
Average loan balance per member	\$25,298	\$25,614

2012 + 2011

Total Income	+ 13.18%
Total Expenditure	+ 3.92%
Interest from Loans	+ 13.05%
Investment Income	+ 32.64%
Membership growth	+ 3.88%
Share withdrawals and transfers	+ 60.95%

Net Income and Loan Interest

Year	Net Income	Loan Interest	Total Income
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
2012	12,008,715	16,209,509	17,666,792

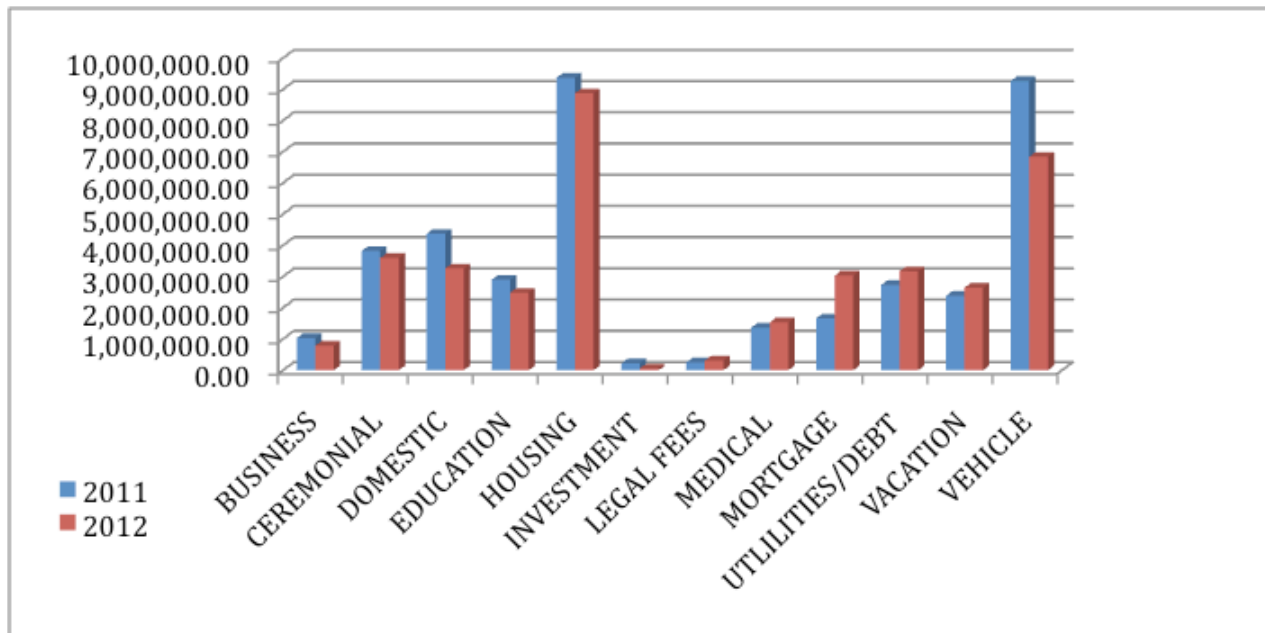
Growth of Shares and Loans

Year	Shares	Loans
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
2012	137,962,153	111,639,255

STATISTICAL DATA

LOAN TYPE	APPLICATIONS		APPROVED		NOT APPROVED		PENDING & UNPROCESSED		CANCELLED	
	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value
BUSINESS	54	1,972,200.00	48	787,200.00	4	1,129,000.00	1	50,000.00	1	6,000.00
CEREMONIAL	575	3,952,818.64	528	3,597,494.64	45	346,724.00	0	0.00	2	8,600.00
DOMESTIC	1011	3,387,226.02	988	3,264,326.02	16	74,900.00	0	0.00	7	48,000.00
EDUCATION	301	2,584,913.00	291	2,485,513.00	9	98,400.00	0	0.00	1	1,000.00
HOUSING	420	9,530,152.25	393	8,875,484.25	21	436,195.00	1	92,973.00	5	125,500.00
INVESTMENT	8	63,500.00	7	61,500.00	1	2,000.00	0	0.00	0	0.00
LEGAL FEES	36	367,215.25	32	310,996.25	3	46,219.00	0	0.00	1	10,000.00
MEDICAL	266	1,602,227.50	256	1,537,227.50	8	50,000.00	0	0.00	2	15,000.00
MORTGAGE	14	6,759,825.59	9	3,033,825.59	2	1,931,000.00	2	1,145,000.00	1	650,000.00
UTILITIES/DEBT	253	3,634,894.03	235	3,172,816.87	13	140,241.11	3	211,102.19	2	110,733.86
VACATION	288	2,779,016.97	274	2,647,567.97	11	61,449.00	1	3,000.00	2	67,000.00
VEHICLE	499	7,815,537.33	472	6,840,039.33	22	472,498.00	1	60,000.00	4	443,000.00
TOTALS	3725	44,449,526.58	3533	36,613,991.42	155	4,788,626.11	9	1,562,075.19	28	1,484,833.86

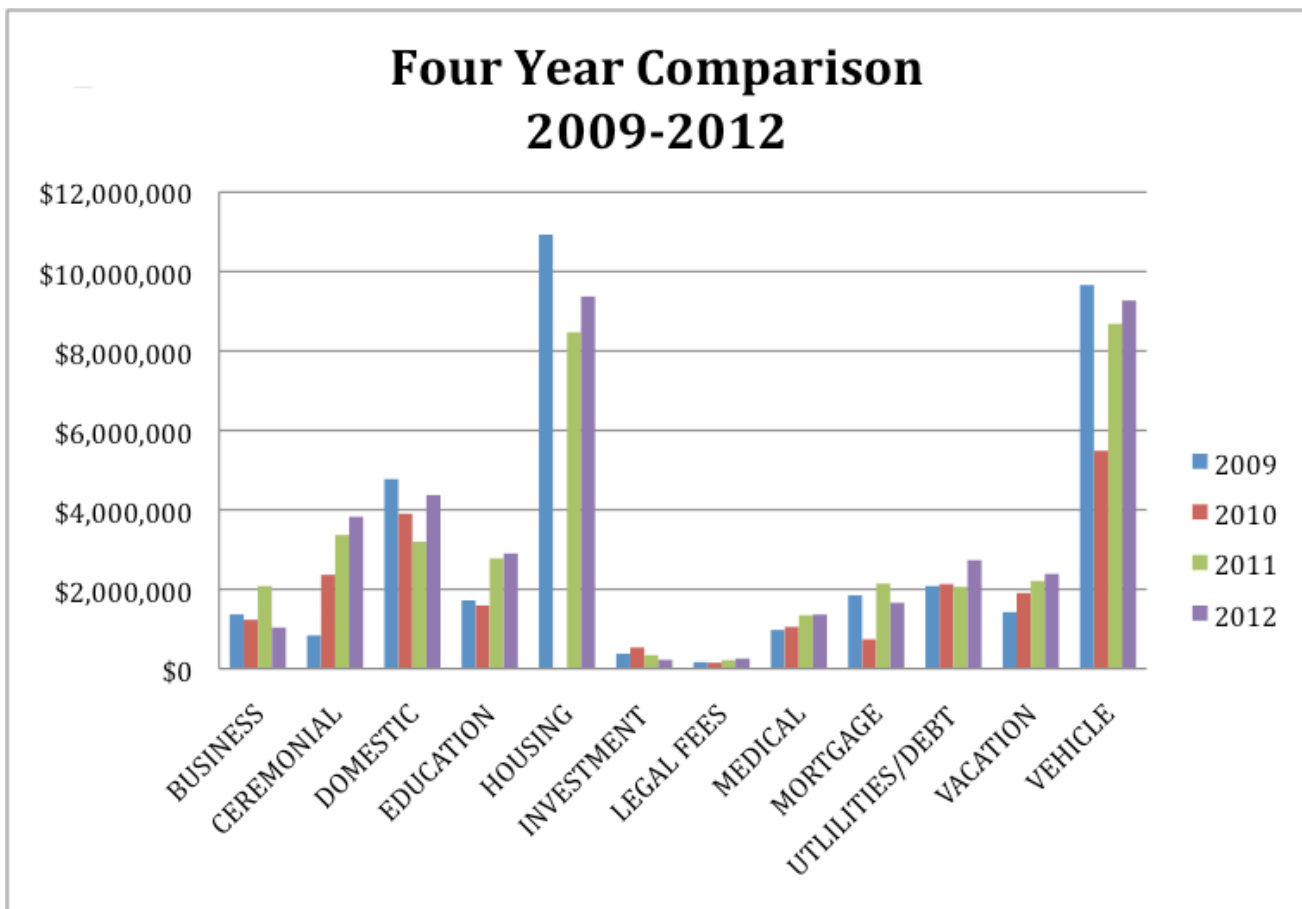
**Table 1: Loan Analysis
January 1st to December 31st, 2012**



**Figure 1: Loan Analysis
Comparison of 2011 and 2012**

LOAN CATERGORY	2009	2010	2011	2012
BUSINESS	1233699.00	2,080,362.00	1036242.50	787,200.00
CEREMONIAL	2,365,595.00	3,366,710.00	3,826,653.65	3,597,494.64
DOMESTIC	3902411.00	3,196,500.00	4371763.61	3,264,326.02
EDUCATION	1,593,236.00	2,777,901.00	2,901,794.37	2,485,513.00
HOUSING	9,096,96.00	8,472,547.00	9371437.57	8,875,484.25
INVESTMENT	533900.00	340500.00	224403.00	61,500.00
LEGAL FEES	149741.00	214640.00	255460.00	310,996.25
MEDICAL	1,054,147.00	1345703.00	1364480.63	1,537,227.50
MORTGAGE	740000.00	2144000.00	1659757.00	3,033,825.59
UTLILITIES/DEBT	2,130,979.00	2058572.00	2732513.58	3,172,816.87
VACATION	1,906,135.00	2211063.00	2387045.00	2,647,567.97
VEHICLE	5,487,827.00	8683698.00	9271166.99	6,840,039.33
TOTALS	30,194,634.00	36,892,196.00	39,402,717.90	36,613,991.42

**Table 2: Total Loans Approved 2012
Four-Year Comparison**



**Figure 2: Total Loans Approved 2012
Four-Year Comparison**



Chartered Accountants
& Business Advisors

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

FINANCIAL STATEMENTS

31 DECEMBER 2012



Chartered Accountants
& Business Advisors

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

I N D E X

Statement of Management Responsibilities

Independent Auditors' Report

Statement of Financial Position

Statement of Comprehensive Income

Statement of Changes in Members' Equity

Statement of Cash Flows

Notes to the Financial Statements

Schedules to the Financial Statements



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 Cooperative 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.

Kennis Thomas (Mr.)

Gail Hosein (Ms)

March 19, 2013

Audit Report



Chartered Accountants
& Business Advisors

INDEPENDENT AUDITORS' REPORT

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 2012 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 UWI Credit Union Co-operative Society Limited as of 31 December 2012, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

A handwritten signature of the auditor, 'PKF', in black ink.

**Port-of-Spain
19 March 2013**

Direct tel (868) 624-4569 | Direct fax (868) 624-4388

Email pkf-trinidad@trinidad.net

PKF | 245 Belmont Circular Road | PO Bag 250 | Belmont | Port-of-Spain | Trinidad | WI

Partners Ainsley A. Mark | Michael G. Toney | Renée-Lisa Philip | Mark K. Superville

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF FINANCIAL POSITION

<u>ASSETS</u>			
		31 December	
	<u>Notes</u>	<u>2012</u>	<u>2011</u>
Current Assets:			
Cash and cash equivalents	5	\$ 43,638,971	\$ 28,505,338
Accounts receivable and prepayments	6	<u>700,992</u>	<u>574,516</u>
Total Current Assets		44,339,963	29,079,854
Non-Current Assets:			
Available-for-sale investments	7	5,139,947	2,197,646
Held-to-maturity investments	8	25,085,380	24,080,512
Loans to members	9	111,639,255	108,806,898
Investment property	10	2,434,583	2,481,441
Fixed assets	11	<u>2,596,474</u>	<u>2,712,843</u>
Total Assets		<u>\$ 191,235,602</u>	<u>\$ 169,359,194</u>

LIABILITIES AND MEMBERS' EQUITY

Liabilities:			
Accounts payable and accruals	12	\$ 537,425	\$ 588,242
Members' deposits	13	13,914,887	14,699,719
Members' shares	14	137,962,153	120,184,443
Provision for severance		793,007	728,222
Provision for honoraria		<u>150,000</u>	<u>100,000</u>
Total Liabilities		<u>153,357,472</u>	<u>136,300,626</u>
Members' Equity:			
Reserve Fund	16	9,456,960	8,255,384
Investment Remeasurement Reserve	17	1,066,949	451,921
Education Fund	18	537,793	517,793
Common Good Fund	19	198,003	158,003
Building Fund	20	2,965,272	2,767,244
Retained Earnings		<u>23,653,153</u>	<u>20,908,223</u>
Total Members' Equity		<u>37,878,130</u>	<u>33,058,568</u>
Total Liabilities and Members' Equity		<u>\$ 191,235,602</u>	<u>\$ 169,359,194</u>

These financial statements were approved by the Board of Directors and authorised for issue on 19 March 2013 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>2012</u>	<u>2011</u>
Income:			
Interest on members' loans	1	\$ 16,209,509	\$ 14,338,644
Interest on investments	2	1,091,587	822,948
Rental income		198,028	186,747
Miscellaneous income		<u>167,668</u>	<u>261,280</u>
		<u>17,666,792</u>	<u>15,609,619</u>
Expenditure:			
Bank charges		11,482	11,073
Board and Committee expenses	3	244,252	181,794
CUNA insurance premium		619,684	603,618
Education expenses		118,751	163,885
Interest on members' deposits		292,033	395,335
Loss on foreign exchange		6,300	12,965
Office security and maintenance	4	334,017	318,643
Other administrative expenses	5	1,695,860	1,441,121
Professional fees	6	665,145	483,375
Salaries and staff benefits	7	1,453,360	1,581,550
Special events	8	<u>394,266</u>	<u>421,429</u>
		<u>5,835,150</u>	<u>5,614,788</u>
Operating surplus for the year		11,831,642	9,994,831
Investment income impairment adjustment		<u>177,073</u>	<u>187,573</u>
Net surplus for the year		12,008,715	10,182,404
Other Comprehensive Income:			
Gain on available for sale financial assets		<u>615,028</u>	<u>505,505</u>
Total Comprehensive Income for the year		<u>\$ 12,623,743</u>	<u>\$ 10,687,909</u>

(The accompanying notes form part of these financial statements)

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF CHANGES IN MEMBERS' EQUITY

31 DECEMBER 2012

	<u>Reserve Fund</u>	<u>Investment Remeasurement Reserve</u>	<u>Education Fund</u>	<u>Common Good Fund</u>	<u>Building Fund</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance as at 1 January 2012	\$ 8,255,384	\$ 451,921	\$ 517,793	\$ 158,003	\$ 2,767,244	\$ 20,908,223	\$ 33,058,568
Total Comprehensive Income		615,028				12,008,715	12,623,743
Less: Appropriations as follows:							
10% to Reserve Fund	1,200,871					(1,200,871)	-
Education Fund			138,751			(138,751)	-
Common Good Fund				40,000		(40,000)	-
Building Fund					198,028	(198,028)	-
Add/(less) adjustments as follows:							
Education expense						118,751	-
Dividends paid						(7,804,181)	(7,804,181)
Entrance fees	705					(705)	-
Balance as at 31 December 2012	<u>\$ 9,456,960</u>	<u>\$ 1,066,949</u>	<u>\$ 537,793</u>	<u>\$ 198,003</u>	<u>\$ 2,965,272</u>	<u>\$ 23,653,153</u>	<u>\$ 37,878,130</u>

(The accompanying notes form part of these financial statements)

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF CHANGES IN MEMBERS' EQUITY

31 DECEMBER 2012

	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)	-
Building Fund	-	-	183,885	-	-	(183,885)	-
Education Fund	-	-	-	-	<u>186,747</u>	<u>(186,747)</u>	-
	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	<u>1,090</u>	-	-	-	-	<u>(1,090)</u>	-
Balance as at 31 December 2011	<u>\$ 8,255,384</u>	<u>\$ 451,921</u>	<u>\$ 517,793</u>	<u>\$ 158,003</u>	<u>\$ 2,767,244</u>	<u>\$ 20,908,223</u>	<u>\$ 33,058,568</u>

(The accompanying notes form part of these financial statements)

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF CASH FLOWS

		31 December	
	<u>Schedules</u>	<u>2012</u>	<u>2011</u>
Operating Activities:			
Net surplus for the year		\$12,008,715	\$10,182,404
Adjustments for:-			
Severance benefits adjustment		91,785	161,021
Depreciation		269,831	269,919
Loan loss expense		965,197	583,887
Honoraria expense		<u>143,910</u>	<u>99,904</u>
Operating Profit before changes in Working Capital		13,479,438	11,297,135
Working Capital Changes	9	<u>(298,203)</u>	<u>(14,773)</u>
Net cash generated from Operating Activities		13,181,235	11,282,362
Investing Activities:			
Net cash used in Investing Activities	10	(7,236,299)	(12,576,365)
Finance Activities:			
Net cash generated from Financing Activities	11	<u>9,188,697</u>	<u>10,964,490</u>
Net change in cash and cash equivalents		15,133,633	9,670,487
Cash and cash equivalents, beginning of year		<u>28,505,338</u>	<u>18,834,851</u>
Cash and cash equivalents, end of year		<u>\$43,638,971</u>	<u>\$28,505,338</u>
Represented by:			
Cash and cash equivalents		<u>\$43,638,971</u>	<u>\$28,505,338</u>

(The accompanying notes form part of these financial statements)

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

1. Incorporation and Principal Activities:

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

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

2. Significant Accounting Policies:

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

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

b) **Use of estimates -**

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

c) **New Accounting Standards and Interpretations -**

i) The Society has not applied the following revised standard, which became effective during the current year, as it does not apply to the activities of the Society:

IAS 12 Income Taxes – Limited scope amendment (recovery of underlying assets)

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

2. Significant Accounting Policies (Cont'd):

c) New Accounting Standards and Interpretations (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 – Government Loans (effective for accounting periods beginning on or after 1 January 2013).

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).

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 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).

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

2. Significant Accounting Policies (Cont'd):

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

New or Amended Standards (cont'd)

- 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).
- IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine (effective for accounting periods beginning on or after 1 January 2013).

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

(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.

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

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

2. Significant Accounting Policies (Cont'd):

(d) Fixed assets (cont'd) -

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.

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.

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

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

2. Significant Accounting Policies (Cont'd):

(e) Financial instruments (cont'd) -

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.

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.

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

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

2. Significant Accounting Policies (Cont'd):

(e) Financial instruments (cont'd) -

iii) Classification (cont'd)

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 2012

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 2012

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.

Rental Income

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

(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

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

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

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

(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.

(j) **Investment property -**

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

3. **Financial Risk Management:**

Financial risk factors

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

Financial Instruments

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

	2012	
	<u>Carrying Value</u>	<u>Fair Value</u>
Financial Assets		
Cash in hand and at bank	\$ 26,938,261	\$ 26,938,261
Fixed deposits	16,700,710	16,700,710
Investment securities	30,225,327	30,225,327
Investment interest receivable	240,959	240,959
Loans to members	111,639,255	111,639,255
Financial Liabilities		
Members' deposits	13,914,887	13,914,887
Accrued interest payable	99,336	99,336

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

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

3. Financial Risk Management (Cont'd):

Financial Instruments (cont'd)	2011	
	<u>Carrying Value</u>	<u>Fair Value</u>
Financial Assets		
Cash in hand and at bank	\$ 10,944,075	\$ 10,944,075
Fixed deposits	17,561,263	17,561,263
Investment securities	26,278,158	26,278,158
Investment interest receivable	201,584	201,584
Loans to members	108,806,898	108,806,898
Financial Liabilities		
Members' deposits	14,699,719	14,699,719
Accrued interest payable	117,567	117,567

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

a) Interest rate risk -

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

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

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

i) Bonds

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

3. Financial Risk Management (Cont'd):

b) Credit risk -

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the 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 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 of the local economy.

c) Liquidity risk -

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

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

i) Risk management

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

3. Financial Risk Management (Cont'd):

c) Liquidity risk (cont'd) -

ii) Liquidity gap

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

	2012				
	<u>Up to 1 year</u>	<u>1 to 5 years</u>	<u>Over 5 years</u>	<u>Non- Interest Bearing</u>	<u>Total</u>
Financial Assets					
Cash in hand and at bank	\$ 26,938,261	\$ -	\$ -	\$ -	\$ 26,938,261
Fixed deposits	16,700,710	-	-	-	16,700,710
Investment securities	28,497,383	1,727,944	-	-	30,225,327
Loans to members	<u>939,805</u>	<u>48,279,841</u>	<u>62,256,719</u>	<u>162,890</u>	<u>111,639,255</u>
	<u>\$ 73,076,159</u>	<u>\$ 50,007,785</u>	<u>\$ 62,256,719</u>	<u>\$ 162,890</u>	<u>\$185,503,553</u>
Financial Liabilities					
Members' deposits	\$13,914,888	\$ -	\$ -	\$ -	\$ 13,914,888
Shares	-	-	137,962,153	-	137,962,153
Accrued interest payable	<u>99,336</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>99,336</u>
	<u>\$14,014,224</u>	<u>\$ -</u>	<u>\$137,962,153</u>	<u>\$ -</u>	<u>\$151,976,377</u>
	2011				
	<u>Up to 1 year</u>	<u>1 to 5 years</u>	<u>Over 5 years</u>	<u>Non- Interest Bearing</u>	<u>Total</u>
Financial Assets					
Cash in hand and at bank	\$10,904,075	\$ -	\$ -	\$ 40,000	\$ 10,944,075
Fixed deposits	17,561,263	-	-	-	17,561,263
Investment securities	25,173,158	1,105,000	-	-	26,278,158
Loans to members	<u>1,235,017</u>	<u>48,223,215</u>	<u>58,915,277</u>	<u>433,389</u>	<u>108,806,898</u>
	<u>\$ 54,873,513</u>	<u>\$ 49,328,215</u>	<u>\$ 58,915,277</u>	<u>\$ 473,389</u>	<u>\$163,590,394</u>
Financial Liabilities					
Members' deposits	\$14,699,719	\$ -	\$ -	\$ -	\$ 14,699,719
Shares	-	-	120,184,443	-	120,184,443
Accrued interest payable	<u>117,567</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>117,567</u>
	<u>\$14,817,286</u>	<u>\$ -</u>	<u>\$ 120,184,443</u>	<u>\$ -</u>	<u>\$135,001,729</u>

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

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

3. Financial Risk Management (Cont'd):

d) Currency risk -

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

e) Operational risk -

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

f) Compliance risk -

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

g) Reputation risk -

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

Fair value estimation

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

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

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

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:

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.

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

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

5. Cash and Cash Equivalents:

	31 December	
	<u>2012</u>	<u>2011</u>
Republic Bank Limited Savings Account	\$ 26,369,762	\$ 10,373,797
RBTT Bank Limited - US\$ Account	528,499	530,278
Trinidad and Tobago Unit Trust Corporation	16,700,710	17,561,263
Cash in hand	<u>40,000</u>	<u>40,000</u>
	<u>\$ 43,638,971</u>	<u>\$ 28,505,338</u>

6. Accounts Receivable and Prepayments:

	31 December	
	<u>2012</u>	<u>2011</u>
VAT receivable	\$ 63,122	\$ 55,717
Investment income receivable	238,390	205,497
Sundry debtors	<u>399,480</u>	<u>313,302</u>
	<u>\$ 700,992</u>	<u>\$ 574,516</u>

7. Available-for-Sale Investments:

	31 December	
	<u>2012</u>	<u>2011</u>
Colonial Life investment	\$ 47,757	\$ 1,044,956
Central Finance Facility investment	1,031,690	1,031,690
British American	60,500	121,000
Firstline Securities	<u>4,000,000</u>	<u>-</u>
	<u>\$ 5,139,947</u>	<u>\$ 2,197,646</u>

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

8. Held-to-Maturity Investments:

	31 December	
	<u>2012</u>	<u>2011</u>
ROYTRIN Mutual Funds	\$ 6,968,138	\$ 6,343,789
Guardian Asset Management	6,220,029	6,104,699
Trinidad and Tobago Unit Trust Corporation	3,497,602	3,160,080
Bourse Securities Limited	7,764,531	7,473,231
Scotia Trust – Barbados Government	<u>635,080</u>	<u>998,713</u>
	<u>\$ 25,085,380</u>	<u>\$ 24,080,512</u>

9. Loans to Members:

	31 December	
	<u>2012</u>	<u>2011</u>
Members' ordinary loans	\$ 104,299,376	\$ 101,276,130
Members' short-term loans	179,163	446,830
Members' mortgage loans	<u>11,838,426</u>	<u>10,827,095</u>
	116,316,965	112,550,055
Less: Provision for loan losses	<u>(4,677,710)</u>	<u>(3,743,157)</u>
	<u>\$ 111,639,255</u>	<u>\$ 108,806,898</u>
 <u>Provision for loan losses</u>		
Balance brought forward	3,743,157	3,159,271
Amounts written-off	(30,644)	-
Additional provision for loan losses	<u>965,197</u>	<u>583,886</u>
Balance carried forward	<u>\$ 4,677,710</u>	<u>\$ 3,743,157</u>

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

10. Investment Property:

	31 December	
	<u>2012</u>	<u>2011</u>
Cost:		
Land	\$ 1,310,000	\$ 1,310,000
Building	<u>1,588,208</u>	<u>1,588,208</u>
	2,898,208	2,898,208
Accumulated depreciation on building	<u>(463,625)</u>	<u>(416,767)</u>
Net Book Value	<u>\$ 2,434,583</u>	<u>\$ 2,481,441</u>

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

11. Fixed Assets:

Cost	Land and Building	Office Furniture	Office Equipment	Fixtures and Fittings	Office Machinery	Air Condition Unit	Total
Balance as at 1 January 2012	\$ 2,872,455	\$ 593,120	\$ 445,546	\$ 248,863	\$ 393,151	\$ 215,508	\$ 4,768,643
Additions	-	-	63,537	-	25,685	17,382	106,604
Disposals	-	(91,956)	(184,584)	(58,380)	(185,490)	(52,561)	(572,971)
Balance as at 31 December 2012	<u>2,872,455</u>	<u>501,164</u>	<u>324,499</u>	<u>190,483</u>	<u>233,346</u>	<u>180,329</u>	<u>4,302,276</u>
Accumulated Depreciation							
Balance as at 1 January 2012	673,609	363,564	349,171	146,373	346,568	176,515	2,055,800
Charge for the year	67,154	42,436	43,234	16,578	27,055	26,516	222,973
Disposals	-	(91,956)	(184,584)	(58,380)	(185,490)	(52,561)	(572,971)
Balance as at 31 December 2012	<u>740,763</u>	<u>314,044</u>	<u>207,821</u>	<u>104,571</u>	<u>188,133</u>	<u>150,470</u>	<u>1,705,802</u>
Net Book Value							
Balance as at 31 December 2012	<u>\$ 2,131,692</u>	<u>\$ 187,120</u>	<u>\$ 116,678</u>	<u>\$ 85,912</u>	<u>\$ 45,213</u>	<u>\$ 29,859</u>	<u>\$ 2,596,474</u>
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>

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

11. Fixed Assets (Cont'd):

Cost	Land and <u>Building</u>	Office <u>Furniture</u>	Office <u>Equipment</u>	Fixtures and <u>Fittings</u>	Office <u>Machinery</u>	Air Condition <u>Unit</u>	<u>Total</u>
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							
Charge for the year	604,307	323,392	306,941	130,191	317,288	152,099	1,834,218
Balance as at 31 December 2011	<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>
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>\$ 177,236</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 2012

12. Accounts Payable and Accruals:

	31 December	
	<u>2012</u>	<u>2011</u>
Audit fees	\$ 55,200	\$ 51,750
CUNA premiums	12,628	53,306
Interest on members' fixed deposits	99,336	117,567
Other	191,201	169,263
Stabilization Fund	84,964	83,829
Stale-dated cheques	30,327	28,563
Vacation leave payable	60,749	49,980
UTC Member transactions	<u>3,020</u>	<u>33,984</u>
	<u>\$ 537,425</u>	<u>\$ 588,242</u>

13. Members' Deposits:

	31 December	
	<u>2012</u>	<u>2011</u>
Members' fixed deposits	\$ 9,056,854	\$ 10,247,540
Target deposits	<u>4,858,033</u>	<u>4,452,179</u>
	<u>\$ 13,914,887</u>	<u>\$ 14,699,719</u>

14. Members' Shares:

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

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

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

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2012****15. Proposed Dividends:**

The Board of Directors has proposed a dividend of \$8,742,127 (6.75%) and an interest rebate on loans of \$432,819 (3.00%) for the year ended 31 December 2012. 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 2012 amounted to 8 (2011 - 8).

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

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

22. Related Party Transactions:

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

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

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

	31 December	
	<u>2012</u>	<u>2011</u>
Assets		
Loans to directors and key management personnel and related persons	\$ 1,502,139	\$ 1,600,933
Deposits and other liabilities		
Deposits held by directors and key management and related parties	\$ 96,534	\$ 107,172
Shares		
Shares held by directors and key management	\$ 1,183,437	\$ 1,513,992
Income		
Directors and key management personnel	\$ 223,215	\$ 210,314
Interest and other expenses		
Directors and key management personnel	\$ 62,314	\$ 96,618
Key management compensation	343,430	469,687

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

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

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.

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

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

24. Capital Risk Management:

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

25. Capital Commitment:

The society has no capital commitments for 2012 and beyond.

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

SCHEDULES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

1. Interest on Members' Loans

	31 December	
	<u>2012</u>	<u>2011</u>
Interest on ordinary loans	\$ 15,050,811	\$ 13,293,696
Interest on mortgage	<u>1,158,698</u>	<u>1,044,948</u>
	<u>\$ 16,209,509</u>	<u>\$ 14,338,644</u>

2. Interest on Investments

	31 December	
	<u>2012</u>	<u>2011</u>
Interest on savings account	\$ 17,456	\$ 10,956
Investment income	<u>1,074,131</u>	<u>811,992</u>
	<u>\$ 1,091,587</u>	<u>\$ 822,948</u>

3. Board and Committee Expenses

	31 December	
	<u>2012</u>	<u>2011</u>
Meeting	\$ 100,342	\$ 81,890
Honoraria	<u>143,910</u>	<u>99,904</u>
	<u>\$ 244,252</u>	<u>\$ 181,794</u>

4. Office Security and Maintenance

	31 December	
	<u>2012</u>	<u>2011</u>
Office expenses	\$ 81,974	\$ 89,806
Building maintenance	41,316	45,732
Security	180,498	143,033
Insurances	<u>30,229</u>	<u>40,072</u>
	<u>\$ 334,017</u>	<u>\$ 318,643</u>

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

SCHEDULES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

5. Other Administrative Expenses

	31 December	
	<u>2012</u>	<u>2011</u>
Advertising and promotion	\$ 13,241	\$ 49,802
Annual general meeting	115,745	110,210
Depreciation	269,831	269,919
Donations	93,041	61,450
League dues	-	3,000
Loan loss expense	965,197	583,886
Miscellaneous	5,820	62,711
Printing, postage and stationery	39,451	72,883
Stabilization Fund	84,965	83,830
Travelling and subsistence	9,630	37,440
Utilities	<u>98,939</u>	<u>105,990</u>
	<u>\$ 1,695,860</u>	<u>\$ 1,441,121</u>

6. Professional Fees

	31 December	
	<u>2012</u>	<u>2011</u>
Audit and accounting fees	\$ 95,450	\$ 51,750
Legal and professional fees	<u>569,695</u>	<u>431,625</u>
	<u>\$ 665,145</u>	<u>\$ 483,375</u>

7. Salaries and Staff Benefits

	31 December	
	<u>2012</u>	<u>2011</u>
Group Life and Health	\$ 29,663	\$ 30,409
National Insurance contributions	52,327	52,676
Salaries	985,344	1,132,339
Staff bonus and benefits	2,961	12,072
Pension payments	60,619	50,734
Training and development	207,786	124,014
Ex-Gratia payments	22,875	18,285
Severance benefit expense	<u>91,785</u>	<u>161,021</u>
	<u>\$ 1,453,360</u>	<u>\$ 1,581,550</u>

UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

SCHEDULES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

8. Special Events

	31 December	
	<u>2012</u>	<u>2011</u>
Bursaries and awards	\$ 72,500	\$ 67,000
Conventions and seminars	184,894	179,972
Credit Union Week	13,151	15,135
Social and cultural activities	118,721	159,322
Cooperatives activities	<u>5,000</u>	<u>-</u>
	<u>\$ 394,266</u>	<u>\$ 421,429</u>

9. Working Capital Changes

	31 December	
	<u>2012</u>	<u>2011</u>
Net change in accounts receivable and prepayments	\$ (126,476)	\$ 128,645
Net change in accounts payable and accruals	(50,817)	(43,514)
Honorarium paid	(93,910)	(99,904)
Severance benefit paid	<u>(27,000)</u>	<u>-</u>
	<u>\$ (298,203)</u>	<u>\$ (14,773)</u>

10. Net Cash Used in Investing Activities

	31 December	
	<u>2012</u>	<u>2011</u>
Additions to property, plant and equipment	\$ (106,604)	\$ (166,452)
Additions to investment property	-	(13,800)
Net change in held-to-maturity investments	(389,840)	(2,993,596)
Net change in loans to members	(3,797,554)	(10,392,096)
Change in available-for-sale investments	<u>(2,942,301)</u>	<u>989,579</u>
	<u>\$ (7,236,299)</u>	<u>\$ (12,576,365)</u>

11. Net Cash Generated from Financing Activities

	31 December	
	<u>2012</u>	<u>2011</u>
Increase in members' shares	\$ 17,777,710	\$ 16,626,565
Net change in members' deposits	(784,832)	139,419
Dividends paid on members' shares	<u>(7,804,181)</u>	<u>(5,801,494)</u>
	<u>\$ 9,188,697</u>	<u>\$ 10,964,490</u>

RESOLUTIONS

Be it resolved that a 6.75% (\$8,742,127.00) dividend be approved and that such dividend be disbursed as follows:

4.75% Cash and 2.0% Credited to Shares

And be it further resolved that an interest rebate of 3.0% be applied to all ordinary loans

Be it resolved that the firm PKF (Trinidad) be retained as Auditors for the 2013 term.

Be it resolved that \$150,000.00 of the Net Surplus be allocated as Honorarium for the year 2010

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.

PAYMENT OF DIVIDENDS

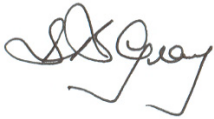
Dear Member

Please be advised that, subject to the approval of the resolution for dividend distribution at the Annual General Meeting, **dividends will be paid to Members via ACH on Thursday April 24, 2013**.

Members who **do NOT wish to have the cash portion** of their dividend sent to their bank accounts are asked to complete the form below and return it to the Credit Union office not later than Monday April 21, 2013.

Members without bank information will have their cash portion credited to their Special Deposit Account.

Withdrawals will be subject to compliance with the Know Your Customer requirements.



Donna Rosales Gray (Mrs.)
General Manager
April 15, 2013



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

Please allocate my 2012 dividend payment as indicated below:

- Option 1 [] All to Shares
- Option 2 [] All to Loan
- Option 3 [] 2.0 % Shares, 4.75 % Loan (Ordinary/Demand/Unsecured)
- Option 4 [] 4.75 % Target Deposit, 2.0 % Loan (Ordinary/Demand/Unsecured)
- Option 5 [] 2.0 % Shares, 4.75 % Target Deposit
- Option 6 [] 2.0 % Shares, 4.75 % LinCu Card (**Valid card holders only**)

Name in Block Letters

Signature

Appendix 1

Departmental Representatives/Contact Persons

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

Appendix 2

Services Offered by U.W.I. Credit Union

Awards for Excellence (in National, International Education & Sports)

Bursaries (5) – 1 Community, 4 Members

CAPE/A level Grants

Departmental Representatives for the Dissemination of Information

Direct bank transfers from credit union accounts

Dividend on Shares

Educational Programmes

Family 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

Che Marc Antoine	Amanda Bachansingh
Aruna Badal	Sharaz Boodoosingh
Gianni Charles	Femi Akilah Christopher
Zahra Khalia Eudoxie	Lashawn N. Farrier
Colin Fontenelle	Aniah Francis
Omari K. Grant	Kristin C. Hamilton
Kadeam A.J. Hayte-Ali	Seon Hernandez
Akiela Jacob	Antonio Josiah Khan
Myles David Mc Eachrane	Thaj Jade Nelson
Chidima E. Osuji	Akilah N. Otway
Vishal Ramlogan	Kerah-Lyn Ramsoobhag
Kosi Omatoyo C. Regis	Solange Salandy
Trent N. Sammy	Tsyann Selvon
Thea N. Vidale-Plaza	Aura Samantha Whittier
Christine Williams	Christoff Williams
Kuriesha Limber Wilson	Marcus Wilson
John K. Wright	

2nd Year Grant Awardees

Farrah Ali Shah	Timothy Caleb Gooding
J'Lani Grant	Safiya Lewis
Arun Mangra	Renee Theroulde

3rd Year Grant Awardees

Sabrina Commissiong	Reaganne Eddy
Michaela Fonrose	Meagan Garcia
Kavir Mangra	Isharah Panda
Raiven Ramnath	Arielle Sampson

4th Year Grant Awardees

Jean-Paul Gilkes	Jed Goodridge
Chevonne John	T'shai-Ann John
Clint Singh	

APPENDIX 4

A Level/Cape Grant Awardees

1st Year Grant

Andrea Clarke
Stephan Pustam

Renee Grimes

2nd Year Grant

Adele Dolabaille
Melissa Miller
Vinod Ramlogan
Nathaniel Taitt

Justine Dolabaille
Dean Nanton
Jason Renwick

3rd Year Grant

Sabrina Commissiong
Chante Matthews-Mohammed

Jameela Daniel

Notes