

# 2019



## ANNUAL REPORT

*The way forward... Digital Transformation*



## FOCUS ON YOUTH:

# WINNER OF UWICU ART COMPETITION 2019

*Libraries Transform Poverty*



## JADYN AVISHA BHAGAT

Is a young artist and a form 2 student of Bishop Anstey High School East. She regularly participates in art competitions and has been in the winner's row many times.

Her artistic credits include:

- 1<sup>st</sup> place 2018 Presbyfest Art Competition (over 9 category),
- 2<sup>nd</sup> place (twice) Art segment of the Scotiabank sponsored Kiddy Cricket Programme -2015, 2016,
- 2<sup>nd</sup> place 2015 Toyota Trinidad Ltd Primary School's Art Competition (2<sup>nd</sup> place).

Currently, her artwork is displayed on Powergen's prestigious Wrightson Road Port-of-Spain mural, having been a grand finalist of the 2018 PowerGen's Schools Art Competition.

Jadyn loves art and experiments with a different media. She is currently involved as an illustrator for a children's book and is also a young entrepreneur of her own work. Her career path decisions are strongly influenced by her talent.

### YOUTH ARTIST WINNER'S DESCRIPTION OF HER PIECE: (DISPLAYED ON COVER)

**"Libraries have the power to change lives. Not only do they offer books, they offer online electronic services and programs, free of charge that help to educate people and teach new skills. This learning in Libraries takes place through digital transformation and has the power to enrich minds, attitudes and reduce poverty.**

Design and Layout by: Multimedia Production Centre, UWI Campus ©cmd

## **FOCUS ON YOUTH: UWICU YOUTH SPONSORSHIP**



## **NATHEN MARTIN**

Nathen Martin is 13 years old and currently a member of The Trinidad and Tobago National Junior Tennis Development Program. Over the years he has represented Trinidad and Tobago at local, regional and International Tournaments, proudly flying our nation's flag.

Most recently he participated at the World Junior Tennis Tournament held in January 2020 in the Dominican Republic where the team placed sixth out of fourteen countries.

**U.W.I. Credit Union Co-operative Society Limited sponsored Nathen on a one week training programme at Sanchez Casal Tennis Academy based in Florida in preparation for his 2020 Tournament circuit.**

**Our Youth is our wealth as we believe that we are creating wealth for both present and future generations. This wealth begins with a mindset of striving for excellence.**

**LET US ENCOURAGE OUR YOUTHS TO STRIVE FOR EXCELLENCE**

# Annual Report 2019

## **The National Anthem**

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

## **The Credit Union Prayer**

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

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

## **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.

## **Our Core Values**

Integrity  
Proactivity  
Mutual Respect  
Commitment  
Confidence  
Achievement  
Family

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# LIST OF OFFICERS

## BOARD OF DIRECTORS

Mr. Dorwin Manzano	- President
Mr. Marlon Caesar	- Vice-President
Ms. Debra Maloney	- Secretary
Ms. Patricia Brown	- Director
Ms. Natasha Grant	- Director
Mrs. Kathy Ann Hogan	- Director
Ms. Unika Omowale	- Director
Ms. Marlene Saunders	- Director
Mr. Kennis Thomas	- Director
Dr. Steve A. West	- 1st Alternate
Ms. Meagan Sylvester	- 2nd Alternate

## SUPERVISORY COMMITTEE

Ms. Deborah Isaac	- Chairman
Ms. Sophia Persad	- Secretary
Ms. Tenesha Charles	- Member
Mr. Keilon Campbell	- 1st Alternate
Ms. Judith Wright	- 2nd Alternate

## CREDIT COMMITTEE

Mr. Reynold Johnson Jnr.	- Chairman
Mr. Dane Goodridge	- Secretary
Mrs. Roxanne Ali-Hassan	- Member
Ms. Akilah Telesford	- Member
Mr. Jesille Fraser	- Member
Mr. Pooran Badal	- 1st Alternate

## STAFF

Mrs. Heather Thurab-Schulz	– General Manager
Mrs. Cathrina Becessar-Sookram	– Finance and Accounting Manager
Mr. Leon Grey	– Credit Supervisor
Ms. Rachelle Churaman	– Operations Supervisor
Ms. Samantha Rodrigues	– Executive Assistant to the GM
Mrs. Luticia Solomon	– Accounting Officer Ag.
Ms. Fayola Jones	– Marketing Officer
Ms. Dianah Peters	– Credit Officer
Ms. Krystel Thomas	– Credit Officer
Mrs. Tameka Guerra-Clarke	– Accounting Assistant II
Ms. Janiele Campbell	– Accounting Assistant I
Mr. Jerard Archbald	– Records Officer
Ms. Maryann Sebalac	– Member Service Rep.
Ms. Felicia John	– Member Service Rep.
Mr. Kerwin John	– Security Officer
Mr. Dillon Logan	– Security Officer

# STANDING ORDERS FOR ONLINE MEETING

1. Members shall keep their microphones muted and video cameras off for the duration of the meeting, except for when making contributions for the meeting. A member shall use the "Raise his/her hand" function on the Zoom Platform, wait to be recognised by the Chairman before unmuting your microphone and identify him or herself when addressing the Chairman.
2. Speeches shall be clear and relevant to the subject before the meeting
3. A member shall only address the meeting when called upon by the Chairman to do so, when invited to make a contribution, click the microphone icon in the bottom left corner to unmute your microphone. If you speak while your microphone is muted a notification will pop-up, prompting you to unmute same.
4. All Members are asked to keep all cell phones silent. The vibrate setting can also cause disruptions. If you must take urgent calls, please once again ensure your microphone is muted.
5. All Members are asked to utilise the chat box to share any issues you are having so that the team can troubleshoot during the session with minimal interruptions.
6. All Members are reminded to conduct themselves in a professional manner. Please refrain from sharing any explicit, violent or inappropriate content.
7. No member shall address the meeting except through the Chairman.
8. 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 Chairman)
9. The mover of a "procedural motion" (adjournment, lay on the table, motion to postpone) shall have no right to reply
10. No speeches shall be made after the "question" has been put and carried or negated.
11. 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")
  - (a) A member shall not "call" another member "to order" - but draw the attention of the Chairman to a "breach of order".
  - (b) In no event shall a member "call" the Chairman "to order"
12. 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.
13. Only one amendment shall be before the meeting at one and the same time.
14. When a motion is withdrawn, any amendment to it falls.
15. The Chairman shall have the right to a "casting vote".
16. If there is equality of voting on an amendment, and if the Chairman does not exercise his "casting vote", the amendment is lost.
17. Provision shall be made for protection of the Chairman from vilification (personal abuse).
18. No member shall impute improper motives against another member.

# YOUR RIGHTS AND RESPONSIBILITIES AT YOUR ANNUAL GENERAL MEETING

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

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

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

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

## REMEMBER:

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



**MINUTES OF THE 53<sup>RD</sup> ANNUAL GENERAL MEETING OF U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED HELD ON SATURDAY, APRIL 06, 2019, AT THE JFK AUDITORIUM, THE UNIVERSITY OF THE WEST INDIES, ST. AUGUSTINE CAMPUS**

**1.0 COMMENCEMENT**

The President, Mr. Dorwin Manzano, called the Meeting to order at 9.40 a.m. Mrs. Brenda Fraser led the singing of the National Anthem. Father Steve A. West delivered the Invocation, which was followed by the reciting of the Credit Union Prayer.

*One-minute of silence was observed for departed members.*

**2.0 1<sup>ST</sup> CREDENTIAL REPORT**

A Credential Report taken at 9.30 a.m. indicated that one hundred and one (101) members and eight (8) guests were present; the meeting was therefore duly constituted.

**3.0 NOTICE OF MEETING**

The Secretary, Ms. Debra Maloney, read the Notice and Agenda of the meeting.

**4.0 PRESIDENT'S ADDRESS**

The President, Mr. Dorwin Manzano, welcomed everyone to the 53<sup>rd</sup> Annual General Meeting (AGM) of the U.W.I. Credit Union. He informed members that after booking the Auditorium, the Board was advised that a Human Rights Meeting, with entertainment, was scheduled to begin at 1.00 p.m. next to the auditorium. The AGM would seek to conclude its Meeting before the start of the Human Rights Meeting.

The President stated that despite a number of challenges, the Society achieved a profit/surplus of Twelve Million, and Four Hundred Thousand Dollars (\$12,400,000.00) for the period ended 31<sup>st</sup> December, 2018. One of the benefits of a credit union business model is that the profit is shared with its members since they contributed to the surplus. In other financial institutions, the

surplus is distributed elsewhere and to a selected few.

He recalled that at the 2018 AGM, there were discussions regarding the new accounting standard, IFRS 9. The President was pleased to report that the U.W.I. Credit Union satisfactorily completed its audited accounts, in compliance with IFRS 9. In that regard, Mr. Manzano commended the Management team and the staff as well as all those who participated in the exercise.

He noted that the Society had a year of preparation resulting in successful implementation of the standard, but he knew of other credit unions which were still battling with the exercise. The U.W.I. Credit Union worked together as a team and participated in that co-operative business exercise. He observed that when there is teamwork and the pooling of resources, members strengthen themselves.

Some Directors and Officers attended the CaribDE programme and they have been faithful to the Credit Union and will continue to serve the membership and to grow the Society. In those circumstances, he called on members to continue to trust the process of the credit union business model.

Mr. Manzano recalled that in October 2018, there was a national disaster and U.W.I. Credit Union reached out to one hundred (100) members who were affected and extended a grant valued One Hundred and Twenty Thousand Dollars (\$120,000) to those members. Some credit unions offered loans to members, but the U.W.I. Credit Union offered grants which is in accordance with its social responsibility.

The President implored members to let their Credit Union be their first choice when they need financial services, because they will be helping themselves as well as others.

He made a clarion call for the Board, Management, and members to work together in the interest of the Credit Union and wished God's Blessings be bestowed upon the Society in going forward.

#### 5.0 **STANDING ORDERS**

The Standing Orders were unanimously adopted by the meeting, on a motion moved by Professor Winston Mellowes and seconded by Mrs. Brenda Fraser.

#### 6.0 **ACKNOWLEDGEMENT OF GUESTS**

The Chairman acknowledged the presence of the following guests:

- Mrs. Paula Labarrie-Mitchell of the Co-operative Division, Ministry of Labour and Small Enterprise Development.
- Ms. Lisa Duberry of the Co-operative Division, Ministry of Labour and Small Enterprise Development.
- Ms. Genevieve Browne of CUNA Insurance Society Limited.
- Ms. Michelle Abbott of CUNA Insurance Society Limited.
- Mr. Brian Matthews of Aero Services Credit Union.
- Mrs. Faye Husbands of Aero Services Credit Union.
- Mrs. Colliss Holder-Craig of CLICO Credit Union.
- Mr. Ashford Duncan of CLICO Credit Union.
- Mr. Keith Matthews of Hand Arnold Credit Union.
- Mr. David Rocke of Community Care Credit Union.
- Mrs. Natalie Rocke of Community Care Credit Union.
- Ms. Jenine Felicien of Pannel Kerr Forster.
- Mr. Keith Wood of Axis Financial Systems Limited.
- Ms. Margaret Edwards, Attorney-at-Law.

- Mr. Cole Patrick of Firstline Securities Ltd.
- Mrs. Catherine La Croix-Hernandez, Minute-Taker.

#### 7.0 **MINUTES OF THE 52<sup>ND</sup> ANNUAL GENERAL MEETING—APRIL 07, 2018**

The President drew members' attention to the Minutes of the 52<sup>nd</sup> Annual General Meeting as stated on pages 26 to 29 of the Annual Report/Brochure and invited comments/questions.

##### **Confirmation**

The Minutes were confirmed on a motion moved by Mr. Marlon Sampson, seconded by Ms. Marva Belfast and accepted by the meeting.

##### **Matters Arising out of the Minutes**

Ms. Kay Parkinson observed that not everyone has access to an electronic copy, thus, there should be some printed copies for those members.

In response, the President indicated that it was the third year since hard copies of the Full Annual Report/Brochure had not been printed, instead hard copies of the Financials only were distributed at the AGM, but he noted the comment.

Dr. Glenroy Taitt was of the view that there should be more copies of the Financials available to members.

#### 8.0 **MINUTES OF SPECIAL GENERAL MEETING—FEBRUARY 13, 2019**

The President drew members' attention to the Minutes of the Special General Meeting as stated on pages 26 to 29 of the Annual Report/Brochure and invited comments/questions.

##### **Confirmation**

The Minutes were confirmed on a motion moved by Mrs. Brenda Fraser, seconded by Ms. Lenore Callender and accepted by the meeting.

##### **Matters Arising out of the Minutes**

There were no matters arising out of the Minutes.

## 9.0 REPORTS

### 9.1 Board of Directors

The President, Mr. Dorwin Manzano, presented the Report as stated on pages 16 to 20 of the Annual Report/Brochure.

Some highlights of the Society's achievements during the period under review:

- Earned revenue of Twenty-Two Million, Six Hundred Thousand Dollars (\$22,600,000.00) less operating expenditure of Ten Million, Two Hundred Thousand Dollars (\$10,200,000.00) in 2018.
- Loan Portfolio before provision for loan loss increased from One Hundred and Forty-Eight Million, Two Hundred Thousand Dollars (\$148,200,000.00) to One Hundred and Forty-Nine Million Five Hundred Thousand Dollars (\$149,500,000.00).
- Four (4) Road Show promotions generated Six Million Dollars (\$6,000,000) in business for the Credit Union.
- Members' shares increased from Two Hundred and One Million, Eight Hundred Thousand Dollars (\$201,800,000.00) to Two Hundred and Eight Million Dollars (\$208,000,000.00).
- Total membership as at December 31<sup>st</sup>, 2018, stood at Five Thousand, Two Hundred and Fifteen (5,215).
- Twenty-five (25) students received SEA grants.
- Four (4) students received Bursaries.
- Twenty-two (22) youth members received Continuing Education grants.

The outlook for 2019:

▪ Shares	—	3%
▪ Loans	—	5%
▪ Assets	—	8%
▪ Membership	—	5%
▪ Net Income	—	8%
▪ Delinquency	—	under 5%

In closing, the President thanked The University of the West Indies (UWI) for its support, all the

Officers who served, whether voluntary and otherwise, the Co-operative Division, Ministry of Labour and Small Enterprise Development, Central Finance Facility, Association of Credit Union Presidents, all its stakeholders, and its service providers who contributed to the U.W.I. Credit Union's success.

### Matters Arising

There were no matters arising out of the Report.

### Acceptance

The report was accepted on a motion moved by Ms. Marva Belfast, seconded by Ms. Christine Henry and accepted by the meeting.

### 9.2 Credit Committee

The meeting considered the Report of the Credit Committee as presented by the Chairman, Mr. Reynold Johnson.

During the period under review, the Committee approved Two Thousand, Three Hundred and Ninety (2,390) loans valued Thirty-Eight Million, Forty-Seven Thousand, and Eight Hundred and Fifty Dollars (\$38,047,850.00).

The delinquency ratio increased from 4.54% to 7.36%. A dedicated staff member has been assigned to ensure the ratio is controlled and reduced.

### Matter Arising

It was suggested that there should be a cap on the amounts regarding mortgage loans.

### Acceptance

The report was accepted by the meeting, on a motion moved by Ms. Marva Belfast and seconded by Ms. Christine Henry.

### 9.3 Supervisory Committee

The meeting considered the Report of the Supervisory Committee as presented by the Chairman, Ms. Deborah Isaac.

On behalf of the Committee, Ms. Isaac reported as follows:

- The Credit Committee started providing information on loan forms explaining the rationale for approval.

- Cash verification exercises were carried out and no issues were found regarding the holding and recording of cash.
- In keeping with the requirements of the Occupational Safety and Health Act, the Committee recommended the following:
  - Escape routes and emergency exits be clearly laid out and cleared of all obstructions.
  - A schedule be developed for regular inspection of fire extinguishers.
  - Training for staff in emergency and safety procedures.
  - Review of the Workplace Incident Policy to incorporate missing requirements and obligations as specified in the Occupational Health and Safety Act (OSH Act), and implementation of the unaddressed policy requirements. Action was taken to address aspects of the issue raised with the emergency exits.
- Bank reconciliation statements were completed in a timely manner.
- The Education Committee has already implemented the Supervisory Committee's recommendation for improvements in treating with Bursaries and has developed an assessment template.
- ACH transactions were adequately supported.
- Guidelines be established to be used by all cheque signatories.
- There should be a reconciliation process to account for all expenditure on activities of the Social and Cultural Committee.
- The Committee was satisfied that there was transparency in the process and proper procedures were carried in treating with human resource issues.
- Of the thirty-eight (38) recommendations made by the previous year's Supervisory Committee, eleven (11) have been actioned, three (3) have been partially actioned, actions relating to six (6) are in progress, and eighteen (18) are still outstanding.

### **Matters Arising**

The Chairman gave the assurance that the Board values the recommendations and it will continue to implement them. Some of them are beyond the Board's control, but its aim and focus is to implement those recommendations.

### **Acceptance**

The report was accepted by the meeting, on a motion moved by Ms. Marva Belfast and seconded by Ms. Christine Henry.

### **10.0 CREDENTIAL REPORT**

A Credential Report taken at 10.30 a.m. indicated that there were registered two hundred and ten (210) Ordinary Members and sixteen (16) Guests.

### **11.0 FINANCIAL REPORTS**

#### **11.1 Auditors' Report**

Mrs. Jenine Felicien-Romain, representative of Pannell Kerr Forster, read the Auditors' Report.

The report was accepted by the meeting, on a motion moved by Ms. Marva Belfast and seconded by Ms. Christine Henry.

#### **11.2 Financial Statements**

The Vice President, Mr. Marlon Caesar, led members through the Financial Statements as stated on pages 57 to 101. He explained the difference between IAS39 and the new accounting standard, IFRS 9, to the meeting. It was noted that there was an increase in the loan loss

provision as well as for investments as a result of the new accounting standard.

Some highlights of the Financial Statements for the period under review:

- Increase in total Assets from Two Hundred and Eighty-One Million, Two Hundred Thousand Dollars (\$281,600,000.00) to Two Hundred and Ninety-Three Million, One Hundred Thousand Dollars (\$293,100,000.00);
- Increase in members' shares from Two Hundred and One Million, Seven Hundred Thousand Dollars (\$201,700,000.00) to Two Hundred and Eight Million Dollars (\$208,000,000.00); and
- Net Surplus decreased from Fifteen Million, Six Hundred Thousand Dollars (\$15,600,000.00) to Twelve Million, Seven Hundred Thousand Dollars (\$12,700,000.00) (impact of IFRS9).

#### **Matters Arising:**

Members made the following observations/comments:

- Have financial counseling for delinquent members;
- Members should make their credit union their premier financial institution; and
- No other financial institution gives Interest Rebate.

In response to questions, comments, suggestions, the meeting was apprised as follows:

- With respect to reserves, the Credit Union is well above (15.5%) the industry's standard (10%).
- It is the intention of the Credit Union to build on the property at Wilson Street, but it will be utilized as parking space in the meantime.
- The plans for the property at No.

5 Mc Carthy Street were discussed at the Special General Meeting.

- There is a plan to increase special mortgage loans by numbers or by the percentage of the membership.
- The Credit Union absorbs the cost of insurance for loans. This cost is not passed to the members, as is the case with the banks.
- The Society is about protecting members' funds so U.W.I. Credit Union is ensuring that it holds proper collateral. Members who are in default, will have their assets put up for sale.
- The Credit Union has a more stringent process for granting loans and will be seeking redress from delinquent members.
- After counseling for delinquent members by Officers of the Credit Union, follow-up services will be provided by Axis Financial Systems Limited an Agent for COLFIRE.
- Shares [up to One Hundred and Twenty-Five Thousand Dollars (\$125,000)] and Deposits are insured with the Trinidad and Tobago Credit Union Deposit Insurance Fund (TTCUDIF).

#### **Acceptance**

The Financial Statements were accepted by the meeting on a motion moved by Ms. Marva Belfast and seconded by Ms. Christine Henry.

#### **12.0 BUDGET FOR 2019**

Mr. Marlon Caesar presented the Budget for 2019 to the meeting.

Some highlights of the budget for 2019 were as follows:

- Total Income of Twenty-Four Million, One Hundred and Forty



- Thousand, Six Hundred and Twenty-two Dollars (\$24,140,622);
- Total Expenses of Ten Million, Three Hundred and Seventy-Three Thousand, Two Hundred and Sixty-Three Dollars (\$10,373,263); and
- Net Income of Thirteen Million, Seven Hundred and Sixty-Seven Thousand, and Three Hundred and Fifty-Eight Dollars (\$13,767,358).

### **Matters Arising**

- The President informed members that there is a plan to increase special mortgage loans.

### **Acceptance**

The budget for 2019 was accepted by the meeting on a motion moved by Ms. Marva Belfast and seconded by Ms. Christine Henry.

## **13.0 ELECTION OF OFFICERS**

### **13.1 Nominations Committee's Report**

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

The nominees, as presented by the Committee for election to the Board and statutory committees, were introduced to the meeting as follows:

#### **Board of Directors**

Mrs. Stacey Greene-Mc Neil  
Mrs. Kathy Ann Hogan  
Ms. Unika Omowale  
Ms. Meagan Sylvester  
Dr. Steve A. West  
Mr. Marlon Caesar

#### **Supervisory Committee**

Ms. Tenesha Charles  
Ms. Deborah Isaac  
Ms. Sophia Maria Persad  
Ms. Judith Wright  
Mr. Keilon Campbell

### **Credit Committee**

Ms. Roxanne Ali-Hassan  
Ms. Akilah Telesford  
Mr. Pooran Badal  
Mr. Jesille Fraser  
Mr. Dane Goodridge  
Mr. Reynold Johnson Jr

The report was accepted by the meeting on a motion moved by Ms. Marva Belfast and seconded by Ms. Christine Henry.

## **14.0 CREDENTIAL REPORT**

A Credential Report taken at 11.00 a.m. indicated that there were registered two hundred and forty-three (243) Ordinary Members, and sixteen (16) Guests.

## **15.0 REPORT ON ELECTIONS**

Mr. Collin Bartholomew, Returning Officer, and his team from the Cipriani College of Labour and Cooperative Studies conducted the elections.

The Returning Officer declared three (3) seats on the Board of Directors and all on the Supervisory and Credit Committees, vacant. He then invited nominations from the floor for the Board and Statutory Committees but there was none.

Mr. Bartholomew explained the voting process and members voted accordingly.

## **15.1 Election Results**

The Returning Officer provided the Meeting with the results of the Elections as follows:

### **Supervisory Committee**

Ms. Deborah Isaac	- 188
Ms. Sophia Maria Persad	- 143
Ms. Tenesha Charles	- 123
Mr. Keilon Campbell	- 84
(1 <sup>st</sup> Alternate)	
Ms. Judith Wright	- 66
(2 <sup>nd</sup> Alternate)	

Two hundred and eleven (211) ballots were cast and two (2) were spoilt.



### **Board of Directors**

Mr. Marlon Caesar	- 165
Ms. Unika Omowale	- 108
Ms. Kathy Ann Hogan	- 95
Fr. Steve A. West	- 94
(1 <sup>st</sup> Alternate)	
Mrs. Stacey Greene-Mc Neil	- 70
(2 <sup>nd</sup> Alternate)	
Ms. Meghan Sylvester	- 59

### **Credit Committee**

Mr. Dane Goodridge	- 181
Mr. Reynold Johnson Jnr	- 165
Mr. Jesille Fraser	- 161
Mrs. Roxanne Ali-Hassan	- 159
Ms. Akilah Telesford	- 133
Mr. Pooran Badal	- 122
(1 <sup>st</sup> Alternate)	

### **16.0 DESTRUCTION OF BALLOTS**

A motion for the destruction of the ballots was moved by Mr. Dorwin Manzano, seconded by Ms. Marlene Saunders, and accepted by the meeting.

President Manzano thanked Mr. Collin Bartholomew and his team for their assistance in the conduct of the elections.

### **17.0 ACKNOWLEDGEMENTS**

Mr. Nathen Martin who won an award in the field of Sports and Ms. Ayola Karla Jack whose artwork was used on the cover of the Annual Report/Brochure, were acknowledged and recognized for their achievements by the meeting.

### **18.0 RESOLUTIONS**

#### **18.1 Reserve Fund**

On behalf of the Board, Director Kennis Thomas moved the following resolution:

Be it resolved that an allocation of One Million, Two Hundred and Seventy-Five Thousand, and Eight Hundred and Fifty-Seven Dollars (\$1,275,857) representing 10% of the Net Surplus for the year ended 31<sup>st</sup> December 2018 be credited to the Reserve Fund.

The resolution was seconded by Ms. Desiree Francois and unanimously accepted by the meeting.

#### **18.2 Education Fund**

On behalf of the Board, Director Kennis Thomas moved the following resolution:

Be it resolved that an allocation of One Hundred and Fifty-Six Thousand, Nine Hundred and Seventy-Three Dollars (\$156,973) of the Net Surplus for the year ended 31<sup>st</sup> December 2018 be credited to the Education Fund.

The resolution was seconded by Professor Winston Mellowes and unanimously accepted by the meeting.

#### **18.3 Common Good Fund**

On behalf of the Board, Director Kennis Thomas moved the following resolution:

Be it resolved that an allocation of One Hundred and Twenty-Two Thousand, Five Hundred Dollars (\$122,500) of the Net Surplus for the year ended 31<sup>st</sup> December 2018 be credited to the Common Good Fund.

The resolution was seconded by Ms. Deidre Francois and unanimously accepted by the meeting.

#### **18.4 Building Fund**

On behalf of the Board, Director Kennis Thomas moved the following resolution:

Be it resolved that an allocation of One Hundred and Fifty Thousand Dollars (\$150,000) of the Net Surplus for the year ended 31<sup>st</sup> December 2018 be credited to the Building Fund.

The resolution was seconded by Mr. Aldwin Davis and unanimously accepted by the meeting.

#### **18.5 Dividend**

On behalf of the Board, Director Kennis Thomas moved the following resolution:

Be it resolved that a Dividend of 3.5% valued at Six Million, Seven Hundred and Forty Thousand, Three Hundred and Sixty-Three dollars and Fifty-One Cents (\$6,740,363.51) on Shares be approved and that same be distributed in cash to members in good financial standing.

The resolution was seconded by Mrs. Brenda Fraser and unanimously accepted by the meeting.

#### 18.6 **Interest Rebate**

On behalf of the Board, Director Kennis Thomas moved the following resolution:

Be it resolved that an Interest Rebate with respect to loans be approved and applied in the following manner:

- (1) 4.5% [Six Hundred and Eighty-Nine Thousand, Three Hundred and Seventy-Seven Dollars and Sixty-Four Cents (689,377.64)] in respect of Ordinary Loans; and
- (2) 5.5% [Eighty-One Thousand, Two Hundred and Eighteen Dollars and Sixty-Nine Cents (\$81,218.69)] in respect of Unsecure/Demand Loans.

The resolution was seconded by Ms. Cassandra Lai Leung and unanimously accepted by the meeting.

#### 18.7 **Honoraria**

On behalf of the Board, Director Kennis Thomas moved the following resolution:

Be it resolved that an allocation of 2.5% of the Net Surplus for the year ended 31<sup>st</sup> December 2018, be approved and paid as Honorarium for 2018.

The resolution was seconded by Ms. Antoinette Sankar and accepted by the meeting by majority vote. One (1) member voted in the negative.

#### 18.8 **Appointment of Auditors**

On behalf of the Board, Director Kennis Thomas moved the following resolution:

Be it resolved that the firm PKF (Trinidad) be retained as Auditors for the Financial Year ending 31<sup>st</sup> December, 2019.

The resolution was seconded by Ms. Marlene Saunders and unanimously accepted by the meeting.

#### 19.0 **DOOR PRIZES**

The following persons won door prizes donated by:

##### U.W.I. Credit Union:

- Shairoon Ramcharan

##### COLFIRE

- Dexter Baird

##### CUNA Insurance Society Limited:

- Shelly Matthews (Early Bird)
- Merle Noel

#### 20.0 **OTHER BUSINESS**

##### 20.1 **Retirees**

On behalf of the retirees, Mrs. Brenda Fraser thanked the General Manager and her Staff for the Retirees Christmas Luncheon, which was held at the Hilton Hotel in November 2018.

##### **Dance Classes**

Mr. Eugene Joseph offered his services to the retirees to teach a range of dances. Interested parties can give their names to Mrs. Fraser immediately after the AGM to decide on the days.

##### **Cruise**

Mrs. Fraser indicated that persons were asking about a cruise but that is a long-term plan so, hopefully, next year that may come to fruition. She called on members to save their money in order to be able to offset costs for the trip.

### **Upcoming Events**

Mrs. Fraser informed the meeting that a Karaoke Evening and a Bingo Competition were two (2) upcoming events which will be hosted by the retirees and they looked forward to their Christmas Party in November, 2019.

### **Retirees Association**

A group of retirees got together and formed a Retirees Association but since it is still in the embryo stage, it is not yet registered.

#### **21.0 VOTE OF THANKS**

The President informed the meeting of some exciting loan promotions which will come on stream: Road Show, Vacation, Back to School, and Christmas Loan.

He thanked members for their attendance, specially invited guests, Officers, service providers, the Returning Officer; all who contributed to making the Annual General Meeting a success. He then congratulated the newly elected Directors/Officers.

#### **22.0 CLOSURE**

There being no further business, the President brought the Meeting to a close at 1.34 p.m.



Debra Maloney (Ms.)  
Secretary

**MINUTES OF THE SPECIAL GENERAL MEETING OF THE U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED HELD ON WEDNESDAY, JANUARY 08, 2020, AT LECTURE ROOMS 2 AND 3, INSTITUTE OF CRITICAL THINKING, THE UNIVERSITY OF THE WEST INDIES, ST. AUGUSTINE CAMPUS**

**1.0 CALL TO ORDER**

The meeting was called to order by Mr. Dorwin Manzano, Chairman, at 5.15 p.m. A recorded Security Briefing was played for the attention of members present. The Chairman welcomed all to the meeting and thanked members for their attendance. He then offered best wishes to all for 2020.

**2.0 NATIONAL ANTHEM**

The National Anthem was sung by all present.

**3.0 INVOCATION**

The Chairman, Mr. Manzano offered a prayer, after which all present recited the Credit Union Prayer.

**4.0 NOTICE OF MEETING**

The Notice convening the Special General Meeting was read by Ms. Debra Maloney, Secretary to the Board of Directors.

**5.0 CREDENTIAL REPORT**

The Chairman reported that there were forty-one (41) members present and declared the meeting duly constituted to conduct the order of business, in accordance with the Bye-Laws.

**6.0 PROPOSALS FOR AMENDMENTS TO BYE-LAWS**

6.1 The Chairman informed members that the proposed amendments to the Bye-laws were considered by the Board, upon submission by the Board Committee, and noted that as a precursor to the Special General Meeting, the proposed amendments were also discussed with Officers from the Commissioner for Co-operative Development Division.

6.2 Apologies were offered by the Chairman for the absence of Ms. Charmaine McMillian, Co-operative Officer, who was unwell, and for the absence of the Officer from the Co-operative Development Division assigned to the U.W.I. Credit Union, who was currently on leave.

**7.0 CREDENTIAL REPORT**

The Chairman reported that currently there were forty-three (43) members present.

**8.0 AMENDMENTS TO BYE-LAWS**

**8.1 Clause 1(a)**

(iv) "Meeting of the Society" means any General Meeting or any meeting of the Board, or of the Credit, Supervisory or Education Committee;

Proposed amendment:

(iv) Substitute "Education Committee" with "other Committees appointed by the Board of Directors".

Proposed amended Bye-Law 1(a)

(iv) "Meeting of the Society" means any General Meeting or any meeting of the Board, or of the Credit, Supervisory or other Committees appointed by the Board of Directors.

**Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 1(a)(iv) was moved by Ms. Lenore Callender, seconded by Mr. Roger John, and unanimously accepted by the meeting.

**8.2 Bye-Law 1(a)**

(v) "The Act" means the Co-operative Societies Act, Chapter 81:03.

### **Proposed Amendment**

(v) After “Chapter 81:03” add “any amendments thereto”.

The Chairman explained that the proposed amendment would eliminate the need for the Credit Union to convene a meeting to adopt any amendments made to the Act by Parliament.

Proposed amended Bye-law 1(a)

(v) “The Act” means the Co-operative Societies Act, Chapter 81:03 and any amendments thereto.

### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 1(a)(v) was moved by Mr. Marlon Caesar, seconded by Ms. Adeltrude Bain, and unanimously accepted by the meeting.

## **8.3 Bye-Law 1(a)**

(vi) “The Regulations” means the Co-operative Societies Regulations, 1971.

Proposed amendment

(vi) After “1971” add “any amendments thereto”

Proposed amended Bye-law 1(a)

(vi) “The Regulations” means the Co-operative Societies Regulations, 1971, and any amendments thereto.

### **Acceptance**

A motion for the acceptance of the proposed amended By-Law 1(a)(vi) was moved by Mrs. Brenda Fraser, seconded by Mr. Reynold Johnson, and unanimously accepted by the meeting.

## **8.4 Bye-Law 1(a)**

Proposed new sub-clause

(xiv) A “Substitute” (alternate) is a Member who did not attain sufficient votes at the General Meeting to fill a vacancy.

The Chairman expounded that currently there was no provision in the Bye-Laws for “Substitute” and noted that it will be prudent to clearly define the role and function of a Substitute to keep the Bye-laws in alignment with the Regulations.

### **Acceptance**

A motion for the acceptance of the proposed new sub-clause 1(a)(xiv) was moved by Mrs. Donna Rosales-Gray, seconded by Mrs. Petula Bernard-Craigg, and unanimously accepted by the meeting.

## **8.5 Proposed New Sub-clause**

(xv) A “Term” means a period of three (3) years, two (2) years, one (1) year or less, depending on the number of votes the nominee received at the General Meeting at which he was elected. Where a Member was elected or a Substitute was appointed to fill a vacancy for the unexpired term of a Member, that period shall be deemed a term, notwithstanding it being less than one (1) year.

The Chairman explained that the Board opted to accept the recommendation of the Commissioner for Co-operative Development for the new sub-clause which would provide for the first two of the five elected members of the Credit Committee with the highest number of votes at the Annual General Meeting to serve for two years, and the remaining three elected members to serve for one year which would be rotated on an election basis. This, he noted, would provide members with an opportunity to gain a deeper understand of the works of the committees and allow for continuity.

### **Acceptance**

A motion for the acceptance of the proposed new sub-clause 1(a)(xv) was moved by Mrs. Donna Rosales-Gray, seconded by Mr. Kennis Thomas, and unanimously accepted by the meeting.

## 8.6 **Bye-Law 1(b)**

These Bye-Laws are supplementary to the provisions of the Act and the Regulations and the Society shall be guided by the Act, the Regulations, and the Bye-Laws read together.

### Proposed amendment

These Bye-Laws are supplementary to the provision of the Co-operative Societies' Act and Regulations, and any other Legislation and Regulations applicable to Credit Unions in Trinidad and Tobago inclusive of, but not limited to, the Financial Intelligence Unit of Trinidad and Tobago Act, Anti-Terrorism Act, Proceeds of Crime Act, and the Financial Obligations Regulations.

The Chairman pointed out that the Credit Union was obligated, by law, to comply with the requirements of the Financial Intelligence Unit Act, the Anti-Terrorism Act, the Proceeds of Crime Act, and the Financial Obligations Regulations, but informed that this compliance requirement was not enshrined in the Bye-Laws. He noted that the proposed amendment corrected this anomaly and would provide for any future legislation which may be enacted.

Mr. Marlon Sampson proposed that the words "but not limited to" be inserted after the words "inclusive of" which was agreed to by members.

### Proposed amended sub-clause 1(b)

These Bye-Laws are supplementary to the provision of the Co-operative Societies' Act and Regulations and any other Legislation and Regulations applicable to Credit Unions in Trinidad and Tobago inclusive of, but not limited to, the Financial Intelligence Unit of Trinidad and Tobago Act, Anti-Terrorism Act, Proceeds of Crime Act, and the Financial Obligations Regulations.

### **Acceptance**

A motion for the acceptance of the proposed amended sub-clause 1(b) was moved by Ms. Debra Maloney, seconded

by Ms. Hyacinth Simms, and unanimously accepted by the meeting.

## 8.7 **2—Name and Address**

The Society shall be called the "U.W.I. Credit Union Co-operative Society Limited."

The Registered address of the Society shall be at 118 Eastern Main Road, St. Augustine or at such other place as may from time to time be decided by the Board. In the event of any change to the registered address, notice of such change shall be sent within thirty (30) days thereafter to the Commissioner.

### Proposed amendment

### NAME, REGISTERED ADDRESS AND AREA OF OPERATIONS

- (a) No change.
- (b) No change.
- (c) The area of operations of the Society shall be The Republic of Trinidad and Tobago.

The Chairman highlighted that this proposed amendment specifically defined that the Credit Union may conduct its operations within the jurisdiction of Trinidad and Tobago. After discussion, it was clarified that this did not preclude a member from conducting business with the Credit Union whilst out of the jurisdiction of Trinidad and Tobago.

### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 2 was moved by Mrs. Donna Rosales-Gray, seconded by Ms. Natasha Grant, and unanimously accepted by the meeting.

## 8.8 **3—Objects**

The objective of the Society shall be –

- (a)(ii) Providing loans to members upon such terms and conditions as agreed by the Board for provident



and productive purposes including loans on mortgage of freehold or leasehold property;

Proposed amendment

- (a)(ii) After the words “the Board” add “and contained in the Credit Policy of the Society”.

This proposed amendment, the Chairman explained, would enhance clarity as to the function of the Credit Policy.

Proposed amended sub-clause

- (a)(ii) Providing loans to members upon such terms and conditions as agreed by the Board and contained in the Credit Policy of the Society for provident and productive purposes including loans on mortgage of freehold or leasehold property;

#### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 3(a)(ii) was moved by Mr. Marlon Caesar, seconded by Ms. Adeltrude Bain, and unanimously accepted by the meeting.

### **8.9 4.1 Qualification**

Membership shall be open to -

- (a) All persons of good character age Sixteen (16) years and over who work or associate with The UWI St. Augustine Campus.

Proposed amendment

- (a) All persons of good character age 16 years and over who work or affiliate with The UWI St. Augustine Campus.

Proposed amended sub-clause 4.1(a)

- (a) All persons of good character age Sixteen (16) years and over who work or affiliate with The UWI St. Augustine Campus

#### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 4.1(a) was

moved by Mr. Randolph Cadiz, seconded by Ms. Angela Mills, and unanimously accepted by the meeting.

### **8.10 Sub-clause (b):**

- (a) The spouses and children of bona fide members of the Credit Union providing that the children are not older than eighteen (18) years of age.

Proposed amendment

- (b) The spouses, children, grandchildren, brothers, sisters of bona fide members of the Society.

A question was raised by a member regarding parents and common-law relatives of bona fide members becoming members. At the end of the discussion, it was agreed that notwithstanding that provision ought to be made to control the permeation of the bond of membership, consideration be given to the inclusion of children who are under the guardianship of bona fide members.

Proposed amended sub-clause 4.1(b)

- (b) The spouses, children, grandchildren, brothers, sisters, wards, and parents of bona fide members of the Society.

#### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 4.1(c) was moved by Ms. Antoinette Sankar, seconded by Mrs. Charmaine Lord-Pope, and unanimously accepted by the meeting.

### **8.11 4.1—Qualification**

- (c) Permanent employees of the Society who are Sixteen (16) years of age and over; and

Proposed amendment

- (c) Employees of the Society who are Sixteen (16) years of age and over, employees, students, and graduates of Institutions of Higher Learning Accredited by the

Accreditation Council of Trinidad and Tobago.

A member suggested that for clarity “Employees”, should stand alone as a sub-clause, to which members present agreed.

Mr. Marlon Sampson proposed that the phrase “by the duly accredited body” replace the name of the accreditation council to avoid further amendments to the Bye-Laws should the council be reconstituted. After discussion, this proposal was accepted by the membership.

Proposed amended sub-clause 4.1

- (c) Employees of the Society who are Sixteen (16) years of age and over;
- (d) Employees, students, and graduates of higher education institutions accredited by the legally recognized accreditation body of Trinidad and Tobago.
- (e) Other registered Co-operative Societies in Trinidad and Tobago
- (f) Persons who were granted membership under Bye-Laws 4.1 (a), (c) and (d) above, and have ceased to work or be affiliated with the U.W.I. St. Augustine Campus of the Society, shall continue to be members and enjoy membership at the discretion of the Board.

#### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 4.1(c) was moved by Mr. Kennis Thomas, seconded by Mr. Glenroy Taitt, and unanimously accepted by the meeting.

#### **8.12 4.2—Admission**

- (a) Application for membership shall be made to the Secretary on the prescribed form and shall only be entertained where the applicant is recommended by a member. All

applications shall be decided on by the Board. The negative votes of three (3) members of the Board shall disqualify any applicant from membership.

Proposed amendment

- (i) Add preamble, “Subject to the requirements of the FIU Act and Regulations, applications for...”
- (ii) (ii) Line 3—after the words “recommended by” delete the words “a member” and insert the words “an active member in good financial standing”

The Chairman stressed that the proposed amendment sought to ensure that members seeking and recommending persons for membership, are in compliance with the relevant laws that are applicable to credit unions.

Amended proposed sub-clause (a)

- (a) Subject to the requirements of the Financial Intelligence Unit (FIU) Act and Regulations, applications for membership shall be made to the Secretary on the prescribed form and shall only be entertained where the applicant is recommended by an active member in good financial standing. All applications shall be decided on by the Board. The negative votes of three (3) members of the Board shall disqualify any applicant from membership.

#### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 4.2(a) was moved by Mrs. Petula Bernard-Craig, seconded by Ms. Adeltrude Bain, and unanimously accepted by the meeting.

#### **8.13 Sub-clause (b)**

- (b) Membership shall commence from the date of approval by the Board subject to payment of a nonrefundable entrance fee and

the purchase of one (1) full share.  
All entrance fees shall be credited  
to the Reserve Fund.

Proposed amendment

- (b) Line 1—before the “commence” insert the words, “be subject to satisfaction of the Society’s obligations prescribed under the Financial Intelligence Unit Act, the Co-operative Societies Act and all other legal obligations to which the Society must comply”.

Mr. Marlon Sampson expressed the view that this proposed amendment was redundant as the preceding amendment already stated that applications for membership were subjected to the requirements of the FIU Act and other regulations.

After discussion a vote on going forward with the proposed amendment or leaving the Bye-Law was taken.

At this point a count was taken, and forty-one (41) members were found to be present:

- Thirty-Five (35) members voted in favour of leaving the Bye-Law as is; and
- Six (6) members voted against.

#### 8.14 Sub-clause (c)

- (c) A first copy of these Bye-Laws shall be given free of charge to each person admitted to membership. Any additional copies required by the member will be supplied as a cost to be determined by the Board of Directors.

Proposed amendment

Delete the words” A first copy of these Bye-Laws shall be given free of charge” and replace with “A copy of these Bye-laws shall be made available”.

Proposed amended sub-clause (c)

- (c) A copy of these Bye-Laws shall be made available to each person admitted to membership. Any additional copies required by the member will be supplied as a cost to be determined by the Board of Directors.

#### Acceptance

A motion for the acceptance of the proposed Bye-Law 4.2(c) was moved by Mrs. Stacey Greene-Mc Neil, seconded by Mr. Dane Goodridge, and unanimously accepted by the meeting.

#### 8.15 4.3—Termination

- (a) Membership shall be terminated by the death or insanity of a member, by written resignation or by expulsion or by loss of qualification as approved by these Bye-Laws.

Proposed amended sub-clause

- (a) Membership shall be terminated by the death or insanity of a member (certified by a licensed Psychiatrist) by written resignation or by expulsion or by loss of qualification as approved by these Bye-Laws.

#### Acceptance

A motion for the acceptance of the proposed amended sub-clause 4.3(a) was moved by Ms. Hyacinth Simms, seconded by Mr. Jesille Fraser, and unanimously accepted by the meeting.

#### 8.16 4.4—Expulsion

- (a) If any member violates these Bye-Laws or otherwise acts in a manner prejudicial or inimical to the good repute or interest of the Society, the Board may, by a two-thirds (2/3) majority vote of its members present at a meeting convened for the purpose, expel the member from the Society. A concise statement in writing of the grounds alleged for such expulsion must first have been served upon the

member and he must have been given a reasonable opportunity of defending himself/herself. The member shall also be entitled to be represented at any hearing by a person of his choice.

**Proposed amendment**

After the sentence, "The member shall also be entitled to be represented at any hearing by a person of his choice" add clause

"(b) and shall be at liberty to call witnesses in his defence".

**Proposed amended sub-clause**

(a) If any member violates these Bye-Laws or otherwise acts in a manner prejudicial or inimical to the good repute or interest of the Society, the Board may, by a two-thirds (2/3) majority vote of its members present at a meeting convened for the purpose, expel the member from the Society. A concise statement in writing of the grounds alleged for such expulsion must first have been served upon the member and he must have been given a reasonable opportunity of being heard in his own defence. The member shall also be entitled to be represented at any hearing by a person of his choice and shall be at liberty to call witnesses in his defence.

**Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 4.4(a) was moved by Mr. Roger John, seconded by Ms. Antoinette Sankar, and unanimously accepted by the meeting.

**8.17 Sub-clause (b)**

(a) The member shall be at liberty to call witnesses in his defence.

**Proposed amendment**

Delete and moved to incorporate in clause (a) above.

The Chairman pointed out that this sub-clause should be deleted as it was now included in the preceding sub-clause (a).

**Acceptance**

A motion for the deletion of existing sub-clause 4.4(b) was moved by Mrs. Brenda Fraser, seconded by Ms. Antoinette Sankar, and unanimously accepted by the meeting.

**8.18 5—Unclaimed Shares/Dividends**

(b) The Board may entertain claims made in respect of any sums transferred to the Unclaimed Share Account or Reserve Fund upon the production of such proof, as it may be deemed satisfactory.

**Proposed amendment**

Delete the word "Reserve Fund"

After discussion on this proposed amendment, a suggestion was made that the words "with the approval of the Commissioner for Co-operatives" be inserted after the word "satisfactory". Members present agreed to this further amendment.

**Proposed amended sub-clause 5(b)**

(b) The Board may entertain claims made in respect of any sums transferred to the Unclaimed Share Account upon the production of such proof, as it may deem satisfactory.

**Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 5(b) was moved by Mr. Marlon Sampson, seconded by Mr. Marlon Caesar, and unanimously accepted by the meeting.

## 8.19 **7—Nomination of Beneficiaries**

### (c) Intestacy

If a member dies intestate, without having made any nomination, the Board may, without a Grant of Letters of Administration, pay a sum, not exceeding the amount specified in the Act, to such person(s) as may appear to it, on sufficient evidence, to be entitled to receive the same within one (1) year. If such member is not survived by mother, spouse, or lawful issue, or any person under the provisions of the Matrimonial and Property Act 1972 is entitled to the said sum, the Board shall deal with it as the Administrator General may direct.

#### Proposed amendment

To amend the latter sentence as follows:

“If such member is not survived by mother, spouse or lawful issue, or any person under the provisions of the Distributions of Estates, 2000, the Succession Act and the Administration of Estates Act is entitled to the said sum, the Board shall deal with it as the Administrator General may direct.”

Mr. Marlon Sampson suggested that “father” be inserted after the word “mother”. After discussion, it was agreed by members that the word “mother” be replaced with the word “parents”.

#### Proposed amended sub-clause 7(f)

If a member dies intestate, without having made any nomination, the Board may, without a Grant of Letters of Administration, pay a sum, not exceeding the amount specified in the Act, to such person(s) as may appear to it, on sufficient evidence, to be entitled to receive the same within one (1) year. If such member is not survived by parents, spouse or lawful issue, or any person under the provisions of the Distributions of Estates, 2000, the Succession Act and the Administration of

Estates Act is entitled to the said sum, the Board shall deal with it as the Administrator General may direct.

### **Acceptance**

A motion for the acceptance of the amended Bye-Law 7(f) was moved by Mr. Marlon Sampson, seconded by Mr. Reynold Johnson, and unanimously accepted by the meeting.

## 8.20 **10—Transfer of Shares**

- (a) No transfer of a share shall be valid and effective unless and until such transfer has been registered on the direction of the Board.

#### Proposed Amendment

Delete the words, “and until such transfer has been registered on the direction of the Board” and replace with “approved by the General Manager”.

The Chairman explained that section 46 of the regulation was clear that the Board authority couldn't be delegated in the particular circumstance. As such the proposal was withdrawn.

## 8.21 **12—Deposits**

- (1) A member may deposit money into his account with the Credit Union, subject to the terms and conditions approved by the Board for the making of such deposits.

#### Proposed amendment

To add:

- (2) The Board may require a member to give written notice of not less than thirty (30) days of his intention to withdraw the whole or any part of his deposit, not pledged to the Credit Union.

After discussion and the sharing of views regarding the thirty (30)-day notice, the Chairman reiterated that this provision was not mandatory, but to allow for an option should the Credit Union be in a challenging

position to facilitate the request for deposit by a member.

Proposed amended sub-clause 12

(1) A member may deposit money into his account with the Credit Union, subject to the terms and conditions approved by the Board for the making of such deposits.

(2) The Board may require a member to give written notice of not less than thirty (30) days of his intention to withdraw the whole or any part of his deposit, not pledged to the Credit Union.

#### **Acceptance**

A motion for the acceptance of the proposed amended Bye-law 12(1) was moved by Mr. Roger John, seconded by Ms. Stacey Green-McNeil, and agreed to by the majority of the meeting.

#### **8.22 16—Distribution of Surplus**

(e) an honorarium to any non-salaried officer; and

Proposed amendment

To add “as approved by the membership at General Meetings of the Credit Union”.

#### **Acceptance**

A motion for the acceptance of proposed amended Bye-Law 16(e) was moved by Mr. Marlon Sampson, seconded by Ms. Brenda Fraser, and unanimously accepted by the meeting

#### **8.23 17—Provision for Public, Co-Operative or Charitable Purpose**

(a) at any time utilize that sum in contributing to any public, co-operative or charitable purpose.

Proposed amendment

To amend to read, “the Board at any time thereafter can utilize...”

The Chairman explained that this proposed amendment gives the board the permission to utilize the funds as it sees fit for the purposes outlined in Bye-Law 17.

8.24 At 7.08 p.m. the Chairman informed members that the meeting must be adjourned as a result of the lack of a quorum. He indicated that the meeting shall reconvene on a date to be announced. He also urged members to access a copy of the proposed amendments on the Credit Union’s website and submit their comments to [general\\_manager@uwicu.tt](mailto:general_manager@uwicu.tt) for consideration.



Ms. Debra Maloney  
Secretary



# **MINUTES OF THE RECONVENED SPECIAL GENERAL MEETING OF THE U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED HELD ON TUESDAY, JANUARY 28, 2020, AT LECTURE ROOMS 2 AND 3, INSTITUTE OF CRITICAL THINKING, THE UNIVERSITY OF THE WEST INDIES, ST. AUGUSTINE CAMPUS**

## **1.0 CALL TO ORDER**

The meeting was called to order by Mr. Dorwin Manzano, President and Chairman, at 5.10 p.m.

The Chairman welcomed all to the meeting and thanked members for their attendance at the reconvened Special General Meeting. He then introduced Mrs. McMillian and Mrs. Grymes-Persad, Co-operative Officers from the Ministry of Labour and Small Enterprise Development.

## **2.0 CREDENTIAL REPORT**

The President, Mr. Manzano, reported that at 5.05 p.m. there were 40 members present, which rendered the meeting duly constituted to conduct the order of business, in accordance with the Bye-Laws.

The Chairman then reminded members that at the meeting on January 08, 2020, Bye-Law 17(b) was under consideration, which required a motion for the acceptance of the proposed amendment.

## **3.0 17 PROVISION FOR PUBLIC, CO-OPERATIVE OR CHARITABLE PURPOSE continued**

Proposed amended Bye-Law 17(b)

- (b) The Board at any time thereafter can utilize that sum in contributing to any public, co-operative, or charitable purpose.

### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 17(b) was moved by Mr. Reynold Johnson, and seconded by Mr. Dane Goodridge. The motion was accepted by a three-fourths majority of the meeting.

## **4.0 21 GENERAL MEETING**

- (b) The Annual General Meeting shall be convened by the Board not later than one (1) month after the report on the audit of the accounts of the Society is received by the Board. At least fourteen (14) days' notice shall be given to all members. The notice shall state the date, time, and venue of the meeting and the business to be transacted thereat.

### **Proposed amendment**

Delete the words "fourteen (14) days" and insert the words "seven (7) days" The Chairman pointed out that the proposed amendment to Bye-Laws 21(b) would align the Bye-Laws of the Credit Union with Regulation 18 of the Co-operative Societies Act which speaks of seven days.

### **Proposed amended Bye-laws 21**

- (b) The Annual General Meeting shall be convened by the Board not later than one (1) month after the report on the audit of the accounts of the Society is received by the Board. At least seven (7) days' notice shall be given to all members. The notice shall state the date, time, and venue of the meeting and the business to be transacted thereat.

### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 21(b) was moved by Mr. Lenore Callender, seconded by Ms. Debra Maloney, and unanimously accepted by the meeting.

## **5.0 22 NOTICE OF MEETINGS**

- (a) All members shall be given at least fourteen (14) days' notice of any general meeting. The notice shall

state the date, time, and venue of the meeting and the business to be transacted thereat.

**Proposed amendment**

All members shall be given at least seven (7) days' notice of any general meeting. The notice shall state the date, time, and venue of the meeting and the business to be transacted thereat.

The Chairman advised again that the amendment would align the Bye-Laws of the Credit Union with Regulation 18 of the Co-operative Societies Act which speaks of seven days.

**Proposed amended Bye-Law 22(a)**

(a) All members shall be given at least seven (7) days' notice of any general meeting. The notice shall state the date, time, and venue of the meeting and the business to be transacted thereat.

**Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 22(a) was moved by Ms. Marlene Saunders, seconded by Mrs. Charlotte Albert, and unanimously accepted by the meeting.

**5.1 Clause 22(c)**

(c) Notwithstanding anything herein contained to the contrary, notice of the annual general or any special general meeting shall be deemed to have been given or served upon every member of the Society if a notification thereof be posted in a conspicuous place at the registered office or place of business of the Society for at least fourteen (14) days prior to such meeting, and in addition, if notice thereof be published once a week in two (2) daily newspapers circulating in Trinidad and Tobago, during at least fourteen (14) days prior to such general meeting.

**Proposed amendment**

Replace "fourteen (14)" with "seven (7)" wherever it appears; and replace "two (2)" with "one (1)".

**Proposed amended Bye-law 22(c)**

Notwithstanding anything herein contained to the contrary, notice of the annual general or any special general meeting shall be deemed to have been given or served upon every member of the Society if a notification thereof be posted in a conspicuous place at the registered office or place of business of the Society for at least seven (7) days prior to such meeting, and in addition, if the notice thereof be published once a week in one (1) daily newspaper circulating in Trinidad and Tobago, during at least seven (7) days prior to such general meeting.

**Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 22(c) was moved by Mr. Marlon Sampson, seconded by Ms. Natasha Grant, and unanimously accepted by the meeting.

**6.0**

**25 POWERS AND DUTIES OF ANNUAL GENERAL MEETING**

(a) To consider the accounts and reports presented by the Board and Committees for the preceding year together with any comments thereon made by the Auditor and/or the Commissioner.

**Proposed amendment**

Insert the word "statutory" before the word "Committees"

**Proposed amended Bye-Law 25(a)**

(a) To consider the accounts and reports presented by the Board and statutory Committees for the preceding year together with any comments thereon made by the Auditor and/or the Commissioner.

### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 25(a) was moved by Ms. Sophia Persad, seconded by Mrs. Charmaine Lord-Pope, and unanimously accepted by the meeting.

#### **6.1 Clause 25(g)**

(g) To elect two (2) alternates each for the Board and Credit and Supervisory Committees for a term of one (1) year. The alternates shall take office on the Board or any committee in respect of vacancies arising during the year.

#### **Proposed amendment**

Replace the words “two (2) alternates” with the words “at least one (1) Substitute”

A discussion ensued after Dr. David Dolly expressed his concern about substitutes not being involved in meetings. The Chairman informed the meeting that the practice was that substitutes would be invited to attend meetings once a quarter at the discretion of the Chairman of the Committee/Board, in an effort to have them involved. As the discussion ensued, Mrs. McMillian, Cooperative Officer, echoed the expression of the Chairman and noted that substitutes were not allowed to vote in the decision-making process. Dr. Dolly suggested that this discretion be reflected in a Bye-Law. The Chairman stressed that the role and function of substitutes should be clearly understood and noted that any expansion of this role could impact upon what is stated in the Co-operative Societies Act.

Mr. Kenrick Nobbee voiced his concern about the proposed shift to one substitute and supported the call for alternates to attend meetings. He also indicated that he felt there was a lack of training offered to officers to which the Chairman responded by stating that substitutes were exposed to training alongside committee members in preparation for them taking up office.

At the end of the discussion, the following amendment was proposed by the Chairman:

Insert the words “The substitute may be invited to meetings at the discretion of the Chairman of the Board, Credit, or Supervisory Committees” after the words “during the year”.

The members voted by show of hands as follows:

17–Ayes  
8–Nays  
27–Abstained

The Chairman noted that the suggested variation of the proposed amendment failed.

#### **Proposed amended Bye-Law 27**

(g) To elect one (1) substitute each for the Board and the Credit and Supervisory Committees for a term of one (1) year. The alternates shall take office on the Board or any committee in respect of vacancies arising during the year

### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 25(g) was moved by Marlon Caesar and seconded by Debra Maloney

By a show of hands, 27 members voted in favour of the amendment. The proposed amendment to Bye-Law 27(g) failed.

#### **7.0**

### **26 PROCEDURE AT ANNUAL GENERAL MEETING**

- h. Presentation/Acceptance of Reports
  - a. Board of Directors
  - b. Committees - Credit, Education, Supervisory
  - c. Auditor’s Report
  - d. Financial Statements

#### **Proposed amendment**

Delete the word “Education” and replace with “and”.

- Proposed amended Bye-Law 26(h)
- h. Presentation/Acceptance of Reports
  - a. Board of Directors
  - b. Committees—Credit and Supervisory
  - c. Auditor's Report
  - d. Financial Statements

#### **Acceptance**

A motion for the acceptance of the proposed amended Bye-law 26(h) was moved by Ms. Marlene Saunders, seconded by Ms. Lenore Callender, and unanimously accepted by the meeting.

### **8.0 27 ELIGIBILITY TO HOLD OFFICE**

- (b) Becomes of unsound mind;

#### **Proposed amendment**

Insert the words "as certified by a licensed Psychiatrist" after the word "mind".

#### **Proposed amended Bye-law 27**

- (b) Becomes of unsound mind as certified by a licensed Psychiatrist;

#### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Laws 27(b) was moved by Mr. Marlon Sampson, seconded by Mr. Roger John, and unanimously accepted by the meeting.

### **8.1 Proposed new clause (g)**

- (g) who fails to satisfy the fit and proper criteria set out by the Central Bank of Trinidad and Tobago Limited or any appointed regulatory body for Credit Unions.

#### **Acceptance**

A motion for the acceptance of the proposed new Bye-Law 27(g) was moved by Mr. Marlon Sampson, seconded by Mr. Roger John, and unanimously accepted by the meeting.

### **9.0 28 BOARD OF DIRECTORS**

#### **Proposed amendment**

Add new clause

- (f) After a period of three (3) consecutive terms, a director is not eligible for nomination for a period of at least one (1) year.

In response to a query by a member, the Chairman explained that the Central Bank has left the definition of term limits to be established by individual credit unions within their respective bye-laws. He noted that in the event of any new legislation, this Bye-Law could be revisited accordingly.

#### **Acceptance**

A motion for the acceptance of the proposed new Bye-Law 28(f) was moved by Mr. Marlon Sampson, seconded by Mr. Reynold Johnson, and accepted by a three-fourths majority of the meeting.

### **10.0 29 DISQUALIFICATION OF BOARD OR COMMITTEE MEMBER**

- (d) Becomes of unsound mind;

#### **Proposed amendment**

Add the following words "as certified by a licensed Psychiatrist"

#### **Proposed amended Bye-Law 29(d)**

- (d) Becomes of unsound mind as certified by a licensed Psychiatrist;

#### **Acceptance**

A motion for the acceptance of the proposed amended Bye-law 29(d) was moved by Mr. Marlon Caesar, seconded by Ms. Marlene Saunders, and accepted by a three-fourths majority of the meeting.

### **10.1 New clause 29(h)**

- (h) ceases to maintain the fit and proper criteria. set out by the Central Bank of Trinidad and Tobago Ltd. or any appointed regulatory body for Credit Unions.

#### **Acceptance**

A motion for the acceptance of the proposed new Bye-Law 29(h) was moved by Mr. Marlon Sampson, seconded by Mr.

Roger John, and accepted by a three-fourths majority of the meeting.

#### 11.0 **30 LEAVE OF ABSENCE**

A Board or Committee member shall take leave of absence if he/she:

- (a) Is charged with any offence involving dishonesty or criminal activity;
- (b) Is required to be away from the Credit Union for more than three (3) months.

Leave of Absence shall not exceed twelve (12) months

Proposed amendment

Delete the words "twelve (12) months" and replace with the words "six (6) months".

Proposed amended Bye-law 30

- (a) A Board or Committee member shall take leave of absence if he/she:
  - (i) Is charged with any offence involving dishonesty or criminal activity;
  - (ii) Is required to be away from the Credit Union for more than three (3) months.
- (b) Leave of Absence shall not exceed six (6) months.

##### **Acceptance**

A motion for the acceptance of the proposed Bye-Law 30 was moved by Dr. David Dolly, seconded by Ms. Debra Maloney, and accepted by a three-fourths majority of the meeting.

#### 12.0 **33 POWERS AND DUTIES OF THE BOARD**

- (k) To review annually the Bye-Laws and, if necessary, propose amendments to the Annual General Meeting, or any Special General Meeting.

Proposed amendment

Delete the words "annually the Bye-laws and if" and replace with the words "the Bye-Laws at least three (3) years, or earlier and where".

Proposed amended Bye-Law 33(k)

- (k) To review the Bye-Laws at least three (3) years or earlier and where necessary, propose amendments to the annual general meeting, or any Special General Meeting

##### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 33(k) was moved by Ms. Debra Maloney, seconded by Mr. Dane Goodridge, and accepted by a three-fourths majority of the meeting.

#### 12.1 **Bye-Law 33(w)**

- (w) To delegate such authority as may, from time to time, be found necessary for the efficient operation of the Society.

Proposed amendment

Insert after the word "authority" the words "including, but not limited to, the signing of cheques".

Proposed amended Bye-Law 33(w)

- (w) To delegate such authority including, but not limited to, the signing of cheques as may, from time to time, be found necessary for the efficient operation of the Society.

##### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 33(w) was moved by Ms. Debra Maloney, seconded by Ms. Marlene Saunders, and accepted by a three-fourths majority of the meeting.

#### 13.0 **35 NOMINATING COMMITTEE**

- (a) The Board may 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.



Proposed amendment

In the first line, after the word “Board” delete the word “may” and insert the word “shall”

Proposed amended Bye-Law 35

- (a) 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.

#### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 35(a) was moved by Mr. Roger John, seconded by Ms. Patricia Brown, and accepted by a three-fourths majority of the meeting.

#### **13.1 Bye-Law 35(b)**

- (b) Notwithstanding the recommendations of the Nominating Committee, any member shall have the right to nominate other members for election to the Board, Supervisory or Credit Committee at the annual general meeting.

Proposed amendment

Delete the existing clause (b) and insert”

- (b) A member shall have the right to nominate a member for election to the Board, Supervisory or Credit Committee at the annual general meeting only if the Nominating Committee was unable to recommend sufficient nominees to fill the vacancies.

The Chairman indicated that this amendment allowed for the Nomination Committee to accept nominations from the floor in circumstances where there were insufficient nominees presented for election.

Proposed amended Bye-Law 35

- (b) A member shall have the right to

nominate a member for election to the Board, Supervisory or Credit Committee at the Annual General Meeting only if the Nominating Committee was unable to recommend sufficient nominees to fill the vacancies.

#### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 35(b) was moved by Mrs. Brenda Fraser, seconded by Mrs. Stacey Greene-Mc Neil, and accepted by a three-fourths majority of the meeting.

#### **14.0 NEW 38A EXECUTIVE COMMITTEE**

- (a) The Board shall at its first meeting, which shall be held no later than fourteen (14) days following the annual general meeting, and elect an Executive Committee comprising of at least the President, Vice President, and Secretary.
- (b) The Executive Committee shall meet as often as the business of the Society requires and shall be responsible for prompt execution of Board decisions and ensure that all matters are properly placed before the Board.
- (c) The Executive Committee shall be responsible for the business of the Society between board meetings and decisions taken during such period, shall be submitted for ratification by the Board at the next board meeting.

The Chairman explained that this new clause was to formalize the currently existing Executive Committee and have it codified in the Bye-Laws. An in-depth discussion followed whereby members’ expressed concerns and support for the proposed new clause.

Ms. Debra Maloney proposed that in clause (c) the words “subject to its terms of reference” be inserted after the word “Committee”.



Proposed new clause 38A

- (a) The Board shall at its first meeting, which shall be held no later than fourteen (14) days following the Annual General Meeting, and elect an Executive Committee comprising of at least the President, Vice President, and Secretary.
- (b) The Executive Committee shall meet as often as the business of the Society requires and shall be responsible for prompt execution of Board decisions and ensure that all matters are properly placed before the Board.
- (c) The Executive Committee, subject to its terms of reference, shall be responsible for the business of the Society between board meetings and decisions taken during such period, shall be submitted for ratification by the Board at the next board meeting following.

#### **Acceptance**

A motion for the acceptance of the amended proposed new Bye-Law 38A was moved by Ms. Felicia John, seconded by Ms. Charlotte Albert, and accepted by a three-fourths majority of the meeting.

#### **15.0 38B DUTIES OF OFFICERS**

President

- (b) He shall together with other officers specified in these Bye-Laws sign all cheques, instruments, and other documents on behalf of the Society.

Proposed amendment

Delete the words “specified in these Bye-Laws”.

Proposed Bye-Law 38B(b)

- (b) The President shall together with other officers appointed by the Board, sign all cheques, instruments, and other documents on behalf of the Society.

#### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 38B(b) was moved by Mr. Marlon Sampson, seconded by Mrs. Brenda Fraser, and accepted by a three-fourths majority of the meeting.

#### **16.0 39 DUTIES OF MANAGER**

- (a) The Manager shall be responsible for conducting the day to day affairs of the Society and shall in all cases act in the discharge of his duties under the direction and control of the Board.

Proposed amendment

Insert the word “General” before the word “Manager” wherever it appears.

Proposed amended Bye-law 3

Duties of General Manager

- (a) The General Manager shall be responsible for conducting the day to day affairs of the Society and shall in all cases act in the discharge of his duties under the direction and control of the Board.

#### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 39(a) was moved by Mr. Dane Goodridge, seconded by Mrs. Stacey Greene-Mc Neil, and unanimously accepted by the meeting.

#### **17.0 40 SUPERVISORY COMMITTEE**

- (a) The Supervisory Committee shall consist of three (3) members to be elected annually by the members at each annual general meeting, none of whom shall be eligible for service on the Board or the Credit Committee or any other Committee of the Society.

Proposed amendment

Insert the words “for a term on a rotation basis” after the word “elected”.

Proposed amended Bye-Law 40

- (a) The Supervisory Committee shall

consist of three (3) members to be elected for a term on a rotation basis by the members at each annual general meeting, none of whom shall be eligible for service on the Board or the Credit Committee or any other Committee of the Society.

#### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 40(a) was moved by Ms. Deborah Isaac, seconded by Ms. Debra Maloney, and unanimously accepted by the meeting.

#### **17.1 Proposed new clauses and change the existing clause (e) to (f)**

(g) The Supervisory Committee shall at least submit monthly reports to the Board of Directors

(h) At the first General Meeting after the approval of this Bye-Law, elections to the Supervisory Committee shall be to fill the three (3) vacancies by candidates who would have received the three (3) highest number of votes in descending order:

(a) The candidate receiving the highest number of votes will serve for a term of three (3) years;

(b) The candidate receiving the second highest number of votes will serve for a term of two (2) years; and

(c) The third candidate will serve for a term of one (1) year.

(d) Thereafter, elections to the Supervisory Committee will normally follow the said rotation on an annual basis.

#### **Acceptance**

A motion for the acceptance of the proposed new Bye-Law 40(g) and (h) and change the existing clause (e) to (f) was

moved by Ms. Sophia Persad, seconded by Ms. Deborah Isaac, and accepted by a three-fourths majority of the meeting.

#### **18.0 41 CREDIT COMMITTEE**

(b) The Committee shall consist of five (5) members elected by the members at each annual general meeting. A Chairman and a Secretary shall be chosen by, and from, the members of the Committee at their first meeting to be held within seven (7) days after each annual general meeting. The Secretary shall prepare and keep a full and correct record of all decisions taken by the Committee.

#### **Proposed amendment**

After the word "elected" insert the words "to rotate annually".

#### **Proposed amended Bye-Law 41**

(b) The Committee shall consist of five (5) members elected by the members, to rotate annually, at each annual general meeting. A Chairman and a Secretary shall be chosen by, and from, the members of the Committee at their first meeting to be held within seven (7) days after each annual general meeting. The Secretary shall prepare and keep a full and correct record of all decisions taken by the Committee.

#### **18.1 New clauses (g), (h), and (i)**

(g) The Credit Committee shall submit at least monthly reports to the Board of Directors.

(h) No member of the Credit Committee shall serve for more than three (3) consecutive terms.

(i) At the first general meeting after the approval of this Bye-Law, elections to the Credit Committee shall be to fill the five (5) vacancies, by candidates who would have received the five (5) highest number of votes in descending order:

- (i) The two (2) candidates receiving the highest number of votes will each serve for a term of two (2) years; and
- (ii) The next three (3) candidates receiving the 3rd, 4<sup>th</sup>, and 5th highest number of votes, will serve for a term of one (1) year.
- (iii) Thereafter, elections to the Credit Committee will normally follow the said rotation on an annual basis.

#### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 41(b) and new clauses 41(g), (h) and (i) was moved by Mr. Marlon Sampson, seconded by Ms. Deborah Isaac and accepted by a three-fourths majority of the meeting.

### **18.2 42 Education Committee**

- (b) The Chairman and Secretary shall be chosen by and from among the members of the Committee at its first meeting after its appointment. The Committee shall be empowered to co-opt persons to be members who shall take part in all discussions, but shall not have the right to vote.

#### **Proposed amendment**

Delete the words “chosen by and from among the members of the Committee at its first meeting after its appointment” and insert “appointed by the Board of Directors”

#### **Proposed amended Bye-Law 42(b)**

- (b) The Chairman and Secretary shall be appointed by the Board of Directors. The Committee shall be empowered to co-opt persons to be members who shall take part in all discussions, but shall not have the right to vote.

#### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 42(b) was moved by Ms. Charlotte Albert, seconded

by Ms. Marlene Saunders and accepted by a three-fourths majority of the meeting.

### **18.3 Clause 42**

- (e) The Committee shall submit an annual report of its activities to the Board for presentation to the annual general meeting.

#### **Proposed amendment**

Delete the current clause 42(e) and replace with

“The Committee shall submit quarterly reports to the Board of Directors.”

### **18.4 New clause 42(f)**

- (e) Three (3) members shall constitute a quorum for meetings of the Committee.

#### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 42(e) and new clause 42(f) was moved by Mr. Kenrick Nobbee, seconded by Ms. Marlene Saunders, and accepted by a three-fourths majority of the meeting.

### **19.0 43 LOANS**

- (d) The Board may appoint Loan Officers and specify the limits of their authority. Loans to Officers of the Society shall be outside of such Loan Officer’s authority.

#### **Proposed amendment**

Insert the words “beyond their shares, deposit and/or accumulated dividends and interest,” after the word “Society”. Insert the word “approval” after the word “Officer’s”.

#### **Proposed amended Bye-Law 43**

- (d) The Board may appoint Loan Officers and specify the limits of their authority. Loans to Officers of the Society beyond their shares, deposit, and/or accumulated dividends and interest, shall be outside of such Loan Officer’s approval authority.

### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Laws 43(d) was moved by Mr. Reynold Johnson, seconded by Mr. Marlon Caesar, and accepted by a three-fourths majority of the meeting.

#### **20.0 48 MEMBERS' ACCOUNTS**

A quarterly statement of accounts shall be issued to each member containing all his financial transactions with the Society including the balances on each account contained therein.

#### **Proposed amendment**

Delete the existing clause 48 and insert:

"Members shall have access to their accounts and balances via online services and upon request will be provided with an electronic or printed copy thereof."

### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 48 was moved by Ms. Natasha Grant, seconded by Ms. Charlotte Albert, and unanimously accepted by the meeting.

#### **21.0 50 AMENDMENTS**

- (a) A resolution to amend the Bye-Laws of this Society in accordance with Section 20 of the Act shall not be valid unless it was passed by a majority of not less than three-fourths of the members present at the general meeting at which the resolution was proposed.

#### **Proposed amendment**

Delete "20" and insert "21".

#### **Proposed amended Bye-Law 50(a)**

- (a) A resolution to amend the Bye-Laws of this Society in accordance with Section 21 of the Act shall not be valid unless it was passed by a majority of not less than three-fourths of the members present at the general meeting at which the resolution was proposed.

### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 50(a) was moved by Mrs. Brenda Fraser, seconded by Mr. Roger John, and unanimously accepted by the meeting.

#### **22.0 52 CONFIDENTIALITY**

All transactions of the Society with its members and all information respecting their personal affairs shall be held in the strictest confidence by all members of the Board and Committees, and employees of the Society.

#### **Proposed amendment**

Insert the words "Subject to the statutory obligations of the Society" at the beginning of the clause.

#### **Proposed amended Bye-Law 52**

Subject to the statutory obligations of the Society, all transactions of the Society with its members and all information in respect of their personal affairs shall be held in the strictest confidence by all members of the Board and Committees and employees of the Society.

### **Acceptance**

A motion for the acceptance of the proposed amended Bye-Law 52 was moved by Mr. Dane Goodridge, seconded by Ms. Marlene Saunders, and unanimously accepted by the meeting.

#### **23.0 NEW 56A FOR THE PROTECTION OF OFFICERS**

- (a) Every Officer of the Society shall, in exercising his/her powers and discharging his/her duties:

- (i) Act honestly and in good faith in the best interests of the Society.
- (ii) Exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

- (b) In determining what are the best interests of the Society, a Director

- or Officer shall have regard to the interests of the Society's employees in general as well as to the interest of the members.
- (c) The duty imposed by subsection (a) above on the Directors and Officers of the Society is owed by them to the Society alone; and the duty is enforceable in the same way, as any other fiduciary duty owed to a company by its directors and officers.
  - (d) No information about the business or affairs of the Society shall be disclosed by a Director or Officer of the Society except:
    - a. For the purposes of the exercise or performance of his function as a Director or Officer;
    - b. For the purposes of any legal proceedings;
    - c. Pursuant to the requirements of any written law; or
    - d. When authorized by the Society
  - (e) Each Director and Officer of the Society shall comply with the Bye-Laws of the Society.
  - (f) A Director or Officer who is present at a meeting of the Board or of a committee of Directors is deemed to have consented to any resolution passed or action taken at that meeting, unless:
    - (i) He/she requests that his dissent be or his/her dissent is entered in the minutes of the meeting.
    - (ii) He sends his written dissent to the Secretary before the meeting is adjourned; or
    - (iii) He sends his dissent by registered post or delivers it to the registered office of the Society immediately after the meeting is adjourned.
  - (g) A Director or Officer who votes for a resolution may not dissent under section (f) above.
  - (h) A Director or Officer who was not present at a meeting at which a resolution was passed or action taken is presumed to have consented thereto unless, within twenty-one (21) days after he becomes aware of the resolution, he:
    - (i) Causes his dissent to be placed with the minutes of the meeting.
    - (ii) Sends his dissent by registered post or delivers it to the registered office of the Society. Provided that, where a Director or Officer fails to comply with provision of this Bye-Law within the specified time, he may apply to the Court for relief, and the Court, if satisfied that failure to comply was accidental or due to inadvertence or that it is just and equitable to grant relief, may make an order extending the time for complying with the provision as the Court may think fit.
  - (i) A Director or Officer is not liable if he relies in good faith upon:
    - (i) The Financial statements of the Society represented to him by an Officer of the Society; or
    - (ii) A report of an Attorney-at-Law, Accountant, Engineer, Appraiser, or other person whose profession lends credibility to a statement made by him.
  - (j) A Director or Officer who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Society shall declare the nature of his interest at a meeting of the Board of Directors.
  - (k) A Director or Officer shall not vote in respect of any contract or arrangement in which he is



interested, and if he shall do so, his vote shall not be counted, nor shall he be counted in the quorum present at the meeting.

### 23.1 **New 57b Directors and Officers Liability**

- (a) A Director or Officer of the Society shall not be liable to the Society for:
  - (i) The acts, receipts, neglects or defaults of any other Director or Officer or employees or for joining in any receipt or act for conformity;
  - (ii) Any loss, damage or expense incurred by the Society through the insufficiency or deficiency of title to any property acquired by the Society or for or on behalf of the Society;
  - (iii) The insufficiency or deficiency of any security in or upon which any of the monies belonging to the Society shall be placed or invested;
  - (iv) Any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, including any person with whom any monies, securities or effects shall be lodged or deposited;
  - (v) Any loss, conversion, misapplication or misappropriation of, or any damage resulting from any dealings with any monies, securities or other assets belonging to the Society;
  - (vi) Any other loss, damage or misfortune which may happen in the execution of the duties of his respective office or trust or in relation thereto.
- (b) Unless the same happens by, or through, his failure to exercise the powers and to discharge the duties of his office honestly and in good faith, with a view to the best interests of the Society and in connection therewith to exercise the care, diligence and

skill that a reasonably prudent person would exercise in comparable circumstances.

### 23.2 **New 58c Indemnities**

Except in respect of an action by or on behalf of a company or body corporate to obtain a judgement in its favour, the Society may indemnify:

- (i) A Director or Officer of the Society;
- (ii) A former Director or Officer of the Society; or
- (iii) A person who acts or acted at the Society's request as a Director or Officer of the Society; or
- (iv) A body corporate or which the Society is or was a shareholder or creditor; or
- (v) His personal representatives against all costs, charges, and expenses (including an amount paid to settle an action or satisfy a judgement) reasonably incurred by him in respect of any civil, criminal or administrative action or proceeding to which he is made a party by or reason of being, or having been, a Director or Officer of the Society;

58(b) Section 56a, above does not apply unless the Director or Officer to be so indemnified acted honestly and in good faith with a view to the best interests of the Society; and in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, had reasonable grounds for believing that his conduct was lawful.

58c The Society may with the approval of the Court indemnify a person referred to in this section in respect of an action:

- (i) By or on behalf of the Society to obtain a judgement in



its favour, and to which he is made a party by reason of being or having been a Director or an Officer of the Society;

- (ii) Against all costs, charges and expenses reasonably incurred by him in connection with the action, if he fulfils the pre-conditions set out in these Bye-Laws.

58d Notwithstanding anything in this section, a person described in herein is entitled to indemnity from the Society in respect of all costs, charges and expenses reasonably incurred by him in connection with the defense of any civil, criminal or administrative action or proceedings to which he is made a party by reason of being or having been, a Director or Officer of the Society, if the person seeking indemnity:

- (i) Was substantially successful on the merits in his defence of the action or proceeding; or
- (ii) Fulfils the conditions set out in Section 58 (b) and is fairly and or reasonably entitled to indemnity.

58(e) The Society may purchase and maintain insurance for the benefit of any person referred to in these Bye-laws against any liability incurred by him:

- (i) In his capacity as a Director or Officer of the Society, except where the liability relates to his failure to act honestly and in good faith with a view to the best interest of the Society; or
- (ii) In his capacity as a Director or Officer of another body corporate where he acts or acted in that capacity at the Society's request, except where the liability relates

to his failure to act honestly and in good faith with a view to the best interests of the Society.

58(f) The Society or person referred to in Bye-Laws 56(a)–(k), 57(a)–(b), and 58(a)–(e) may apply to the Court for an order approving an indemnity and the Court may so order and make any further order it thinks fit.

## 23.4 **New 59 Conflict of Interest**

No Officer shall be present or participate in any decision in which he has a direct or indirect interest.

The Chairman stressed that these provisions are in the interest of protecting the Credit Union as well as the Officers who volunteer to serve the Credit Union in the capacity of Director or Committee members.

### **Acceptance**

A motion for the acceptance of the proposed new Bye-Laws 56, 57, 58 and 59 was moved by Mr. Marlon Sampson, seconded by Mrs. Brenda Fraser, and unanimously accepted by the meeting.

A motion to accept all the above amendments and accompanying renumbering of Bye-Laws inclusive of the existing Bye-Law 56 to Bye-Law 60 was moved by Mr. Roger John, seconded by Mr. Marlon Sampson, and unanimously accepted by the meeting.

## 24.0 **Closure**

There being no further business, the meeting ended at 7.41 p.m.



Debra Maloney  
Secretary

# REPORT OF THE BOARD OF DIRECTORS U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED FOR THE YEAR 2019/2020

## INTRODUCTION

The Board of Directors is pleased to present its Report on activities for the year 2019/2020. Following the Inaugural Meeting of the Board of Directors for the 2019/2020 term, the Board was reconstituted as follows:

Mr. Dorwin Manzano, President  
Mr. Marlon Caesar, Vice-President  
Ms. Debra Maloney, Secretary  
Ms. Patricia Brown, Director  
Ms. Natasha Grant, Director  
Mrs. Kathy Ann Hogan, Director  
Ms. Unika Omowale, Director  
Ms. Marlene Saunders, Director  
Mr. Kennis Thomas, Director

## OVERVIEW

The U.W.I. Credit Union Co-operative Society Limited (UWICU) earned a profit of eighteen million, one hundred thousand dollars (\$18,100,000) for the year ended 31<sup>st</sup> December, 2019, which was achieved in the continued challenging economic environment in Trinidad and Tobago. The components of that figure are twenty-three million, dollars (\$23,000,000) in revenue less operating expenditure of eight million, three hundred thousand dollars (\$8,300,000)

The financial results showed a fifty percent (50%) increase in profit from twelve million, one hundred thousand dollars (\$12,100,000) in 2018 to eighteen million, one hundred thousand dollars (\$18,100,000) in 2019, driven by a two percent (2%) increase in revenue and a fourteen percent (14%) decrease in operating expenditure. Our total revenue increased slightly from twenty-two million, five hundred thousand dollars (\$22,500,000) in 2018 to twenty-three million dollars (\$23,000,000) in 2019 with other comprehensive revenues showing a significant increase from a deficit position of six hundred thousand dollars (\$600,000) in 2018 to a realised income of three million, four hundred thousand dollars (\$3,400,000) in 2019.

Other comprehensive income of three million, four hundred thousand dollars (\$3,400,000) was achieved through the gains made on some financial assets and the revaluation of the Wilson Street property. As we emphasised last year, the implementation of the new International Financial Reporting Standard–IFRS 9 Financial Instruments will directly impact our bottom line. For 2019, this was a positive impact, as a gain was realised on the Expected Credit Loss (ECL) provision of one million, two hundred thousand dollars (\$1,200,000). This was achieved by efficiently managing the risk of our loan portfolio and by the prudent measures taken by the Board and Management to ensure sufficient provisions were made for the ECL in 2018, thereby reducing the need for additional provisions to be charged. With the challenging loans market, the Board also focused on reducing its operating expenditure in order to maximise profits. Operating expenditure decreased from nine million, seven hundred thousand dollars (\$9,700,000) in 2018 to eight million, nine hundred thousand dollars (\$8,300,000) in 2019. The Board of Directors remains committed and dedicated to delivering improved financial and business performance while enhancing the quality of life of our members in line with the UWICU's Mission. We will continue with the implementation of our Strategic Plan with 2020 focusing on institutional strengthening, which has become more significant during these difficult times.

## PERFORMANCE TARGETS

The Board of Directors, UWICU, had set performance targets for 2019. The Table below shows the actual versus the targets that were set.

Description	Targets	Actual
	2019	2019
Shares	3%	3%
Loans	5%	1%
Assets	8%	6%
Membership	5%	2.57%
Net Income	7%	15.23%
Delinquency	< 3%	8.02%

## **SHARES**

Members' Share Capital increased from two hundred and eight million dollars (\$208,000,000) to two hundred and fourteen million, two hundred thousand dollars (\$214,200,000) a total increase of six million, two hundred thousand dollars (\$6,200,000) or three percent (3%) for the financial year ended 31<sup>st</sup> December, 2019.

## **LOANS**

The loan portfolio for the period moved from one hundred and forty-four million dollars (\$144,000,000) to one hundred and forty-six million dollars (\$146,000,000), a total increase of two million dollars (\$2,000,000) or one point four percent (1.4%). The Board had set a target of five percent (5%) increase in the portfolio, however, there was a shortfall of approximately three point six percent (3.6%). This can be attributed to a reduction in the number of members who took loans as well as the value of the loans. Additionally, the increased competitive economic environment also contributed to the reduction. We continue to encourage members to utilize UWICU as the first choice for financial services and not to be enticed and swayed by the "loan sharks" who are not concerned about the cooperative philosophy and principles, but only about accessing their life savings and hard earned cash. Members, should not be discouraged but stay the course. Members are assured that the Board will continue to place emphasis on increasing loans, with new initiatives and promotions being pursued alongside increased advertising and promotion of the Credit Union's products and services.

## **DELINQUENCY**

As at 31<sup>st</sup> December, 2019, delinquency stood at eight point nought-two percent (8.02%) in contrast with seven point three-six percent (7.36%) as at 31<sup>st</sup> December, 2018 (actual). This increase is largely due to three (3) mortgage loans which are actively receiving the attention of the Credit Union's attorneys. A Recoveries Officer has recently been recruited and is mandated to aggressively pursue delinquent loans. The Board is confident that this additional resource will leverage tangible results in the loan portfolio and will continue to provide oversight and critical support as needed, to ensure that delinquency is kept at bay.

## **MEMBERSHIP**

There was an increase of one hundred and thirty four (134) new members for 2019 and as at 31<sup>st</sup> December, 2019, our membership stood at five thousand, three hundred and forty-nine (5349), an increase of (2.57%).

## **INSTITUTIONAL CAPITAL**

The recommended local standard for Institutional Capital has been provisionally set at eight percent (8%) by the Central Bank of Trinidad and Tobago whilst the international standard is ten percent (10%). The Board having due regard to prudence and the best interest of its members continues to maintain an adequate institutional capital of twenty-one point zero nine percent (20.98%) in 2019, up from nineteen point nine percent (19.90%) in 2018.

## **COMPLIANCE**

The Board, in keeping with its fiduciary duty, ensured that UWICU's business and operations, over the period, were conducted in accordance with applicable laws and regulations. It should be noted that for yet another consecutive year, UWICU's internal and external audits were successfully completed and in both instances, the results were favourable. Additionally, in fulfilment of the FIU and FACTA regulations, Officers and Members of Staff participated in mandatory annual compliance training.

## **STRATEGIC PLAN**

The Year 2020 marks the commencement of Year three (3) of our three-year Strategic Plan, which focuses on the creation of generational wealth. Our 2018 goal was forging new opportunities, and for 2019, it was digital transformation. These formed the critical mass of our foundation for the creation of generational wealth. As we press forward into 2020, we will continue to seize every opportunity to leverage new opportunities for our members. We have begun digital transformation and have expanded members' online access. Members can now carry out the following transactions online:

- (1) Transfer funds from their Target Account into their Personal Bank Account;
- (2) Process On-Line Loan Applications;
- (3) Transfer funds to other Banks online;

- (4) Transfer online from other banks into our Republic Bank Account; and
- (5) Access downloadable forms directly from the website (save time coming into the Credit Union Office to collect a copy of these forms).

We are pleased to note that during the COVID-19 period, we were able to seamlessly switch to remote working by staff and successfully service the needs of our members, beyond the normal eight-hour period.

### **TRAINING AND DEVELOPMENT INITIATIVES**

During the period, members of the Board and Statutory Committees as well as Staff participated in several leadership and development and/or training programmes. They included:

- AML/CFT and Compliance Training, by Financial Intelligence Unit;
- Corporate Secretarial Practice (Arthur Lok Jack);
- The Caribbean Development Education Programme (CaribDE);
- Dispute Resolution/ Arbitration Training (Arthur Lok Jack);
- National Consultation on the Co-operative Societies Act;
- Customer Service Excellence (Arthur Lok Jack);
- Governance & Leadership Workshops (CFF and TTCUDIF);
- HR Policies and related matters (ECA);
- Credit Analysis and Proposal Writing (IB&F);
- Effective Credit Management (NEM);
- Fire and Safety Training, OSHA Compliance and Responsibilities (The Safety Council of T&T);
- AML Training, by the Institute of Banking & Finance of T&T;
- Annual Compliance Training for Officers and Staff, by UWICU's AML/CFT Consultant; and
- World Credit Union Conference (WOCCU).

### **BYE-LAWS**

After many years of discussions on amending our Bye-Laws, we were finally able to make this a reality during the period at a Special General

Meeting held in two (2) sessions, the first being 8<sup>th</sup> January, 2020, and the second on 28<sup>th</sup> January, 2020. The next step is for the Minutes to be confirmed and submitted to the Office of the Commissioner for Co-operative Development, along with supporting documentation, for approval. Once the amendments have been approved, they can be implemented.

### **BOARD SUB-COMMITTEES**

In keeping with our Mission to provide superior financial and other services to our members, the Board of Directors was able to accomplish the following through its various Sub-Committees:

#### **Education Committee**

The Education Committee performs a critical role within UWICU membership and for the period under review, the Committee under the Board's oversight carried out the following activities:

- On April 2<sup>nd</sup> 2019, the Committee hosted its first annual Recognition Ceremony for Caribbean Secondary Examination Council (CSEC), Caribbean Advanced Proficiency Examination (CAPE) candidates, and Bursary Awardees.
- On April 17<sup>th</sup>, May 15<sup>th</sup> and July 5<sup>th</sup> 2019, Mrs. Christine Greenidge facilitated individual How U Thinking (HUT) sessions with UWICU's staff members at the Eric Williams Medical Sciences Complex, Open Campus, and The Alma Jordan Library, respectively. This initiative encouraged positive thinking among participants and gave them the opportunity to incorporate the concept into their daily lives.

The 4<sup>th</sup> Annual Budget Forum which was centered on the Government of Trinidad and Tobago's October 2019 budget presentation, was held on October 14<sup>th</sup> 2019, and for the first time, it was televised. Dr. Marlene Attzs, Senior Lecturer at The University of the West Indies, St. Augustine Campus' Department of Economics, moderated the forum which attracted thirty (30) participants who contributed to the informative and insightful discussions.



- The re-designed Secondary Entrance Assessment (SEA) Workshop was launched on 30<sup>th</sup> November, 2019, by its Main Facilitator Mrs. Christine Greenidge. The January to March 2020 four-part workshop series was tailored to better equip participants to cope with the preparation, execution, and outcome

of the SEA examination. The Workshop, which engaged the services of Assistant Facilitator, Mr. Wendell Thomas, separately, and collectively, addressed candidates as well as their parents/guardians.

- The following Short Courses were offered over the period:

COURSE	FACILITATOR	DATES OFFERED	NUMBER OF PARTICIPANTS
Introd. to Computer Literacy SEA (students)	Ms. Sophia Persad	Aug. 5 <sup>th</sup> and 6 <sup>th</sup> 2019 (2-day workshop)	10
Introd. Make-Up Artistry	Ms. Dedra Ruiz-Richards	(Sept. 2 <sup>nd</sup> to Oct. 28 <sup>th</sup> 2019) (Sept. 6 <sup>th</sup> to Nov. 1 <sup>st</sup> 2019) (2 separate 8-week courses)	10 10
Advanced Jewellery Making	Mrs. Jolando Marshall	Sept. 4 <sup>th</sup> to Oct. 30 <sup>th</sup> 2019 (9-week course)	11
Soap and Candle Making	Ms. Dianne Cummings	Sept. 26 <sup>th</sup> to Nov. 21 <sup>st</sup> 2019 (9-week course)	7
Auto Mechanics	Mr. Nicholas Manmohan	Mar. 5 <sup>th</sup> to Apr. 23 <sup>rd</sup> 2020 (8-week course)	15

- *Continuing Education Grants* were awarded to thirty-five (35) U.W.I. Credit Union youth members who maintained a B+ or sixty-five percent (65%) average at their secondary schools;
- *Secondary Entrance Assessment Grants* were awarded to twenty-two (22) U.W.I. Credit Union youth members who successfully completed the Secondary Entrance Assessment (SEA) examination;
- A total of eleven (11) *Caribbean Secondary Education Certificate (CSEC)* and *Caribbean Advanced Proficiency Examinations (CAPE)* grants were awarded to first and second-year candidates who successfully completed the examinations;
- *The Jill Thompson Award for Excellence in the Associate Degree in Cooperative Studies at Cipriani College of Labour and Co-operative Studies' (CCLCS')* was

presented by the U.W.I. Credit Union's President at the 2019 graduation ceremony and was awarded to Ms. Rachel Briggs, a member of the Trinidad and Tobago Police Credit Union Co-operative Society Limited;

- The 2019–2020 *Jerris Attzs Bursary* was awarded to first-year tertiary-level University entrant, Mr. Adam Mohammed, on the recommendation of the Financial Advising Services Unit of the Division of Student Services and Development of the University of the West Indies.
- U.W.I. Credit Union Bursaries were also awarded to the following second and third-year continuing tertiary-level students:
  - Mr. Shabir Ali  
-The Jill Thompson Bursary
  - Ms. Whitney Katwaroo  
-The Vibert Medford Bursary

- Mrs. Teppany Skinner-Augillera  
-The Brenda Fraser Bursary
  - Ms. Ishara Panda  
-The Claude McEachrane Bursary
- The second annual Youth Art Competition and exhibition for youth members, ages 5 to 19 years, on the theme “The Way Forward—Digital Transformation” was held from September to December, 2019. Ms. Jadya Bhagat was the overall winner with her presentation of Libraries Transform Poverty, and her winning presentation is proudly displayed on the front cover of the 2019 Annual Report, in keeping with the position taken last year. The winners of the age 5 to 10 and 16 to 19 year-old categories were Ms. Maycee Meade and Ms. Sydney Alexander, respectively.
- Plans are ongoing to replace the Departmental Representatives System with a Brand Ambassadors Programme. This will be done in collaboration with the Marketing Committee and seeks to enhance and enlarge the link between UWICU and its members in a tangible manner, as well as give members a more direct or rapid means of accessing certain services and benefits.

Special thanks to the members of the Education Committee which was comprised as follows:

Ms. Marlene Saunders (Chairman)  
 Ms. Camille Renaud (Secretary)  
 Mrs. Stacey Greene-Mc Neil (Assistant Secretary)  
 Ms. Lenore Callender (Member)  
 Ms. Natasha Grant (Member)  
 Mr. Aaron George (Co-opted)  
 Ms. Unika Omowale (Co-opted) and  
 Ms. Fayola Jones (Ex-Officio)

### **Social and Cultural Committee**

The UWICU is committed to enhancing the personal development of all members, both socially and culturally. The Board through its Social and Cultural Committee successfully mounted the following activities:

- Annual Joint All Fours Competition: The 2019 annual Joint All Fours Competition was held during Credit Union month with full participation from: Aero Services, Community Care, TECU, and UWI Credit Unions who competed against each other for bragging rights in the 2019 Competition. The UWICU and Community Care Credit Union were the finalists, and once again UWICU team proved that they are the masters of the competition, claiming the coveted challenge trophy for the 2019 competition.
- Retirees' Function: The annual Retirees' function normally hosted by the Education Committee was reassigned to the Social and Cultural Committee in 2019, and took the form of a day of entertainment held at the Green Meadows Ranch in Santa Cruz. The theme was “Aloha” and participants were all decked in their festive Hawaiian outfits to add impact to the event. Participants indicated that it was a grand day. November, 20<sup>th</sup> 2020, has been fixed for the 2020 event and the theme of “Are You Ready To Go Back In Time” has been selected.
- Annual Children's Christmas Party: The Annual Children's Christmas Party was held on Sunday, December 01, 2019, at the St. Augustine Tennis Club located at Mc Cathy Street, St. Augustine. The children were treated to live entertainment, bouncy castles, and games. It was another successful event dedicated to our children and the next generation.
- Annual Calypso and Ole Mas Competition: The annual calypso and ole mass competition is a legacy event of UWICU and on 14<sup>th</sup> February, 2020, we celebrated the 30<sup>th</sup> consecutive year of staging a very successful show. The 2020 show was an inclusive event under the theme “We Love You And We're Not Afraid To Shout It”. Nadia Batson and her Band and Swappie were the featured guest performers. The winners of the various categories were as follows:



- First Place Calypso—Helen Jones
- Second Place Calypso—Anson Branche
- Third Place Calypso—Jael Grant
- First Place Audience Vintage Calypso—Candice Scott
- Best Ole Mas band—Faculty of Science & Technology
- Best Individual Female Ole Mas— “De Pastor”
- Best Portrayal—Credit Union— “When Yuh in de Credit Union Yuh get Through”
- Best Portrayal—Social “Labour Pains”
- Biggest Flag— “No Habla Espanol”
- Biggest Posse— (identified by uniform) - “Spanish Posse”.

Special thanks to the Social and Cultural Committee which was comprised as follows:

Mr. Kennis Thomas (Chairman)  
 Ms. Rachel D’Arceuil (Secretary)  
 Mr. Bert Martin (Member)  
 Mr. Roger John (Member)  
 Ms. Kathy Ann Hogan (Member)  
 Ms. Fayola Jones (Co-opted).

### **Marketing Committee**

Over the period, the Marketing Committee was focused on expanding UWICU’s presence on social media and generally, putting policies and procedures in place to ensure that UWICU’s image and brand are enhanced. The Facebook Page is ready to be launched after a period of testing offline and other platforms are in the pipeline for activation. The Committee in collaboration with Management, branded the Bus Stop on the Priority Bus Route in the vicinity of St Augustine. In addition UWICU had a pronounced presence at the 2019 UWI Guild Fest and UWI Graduation for the first time.

Special thanks to the Marketing Committee which was comprised as follows:

Ms. Unika Omowale (Chairman)  
 Ms. Dionne Spears-Frontin (Secretary)  
 Ms. Keisha Campbell (Member)  
 Ms. Judith Wright (Member)  
 Ms. Natasha Grant (Member)  
 Mr. Joseph Drayton (Member)  
 Ms. Fayola Jones (Co-opted)  
 Ms. Samantha Rodrigues (Co-opted)

### **Buildings Committee**

The Buildings Committee has been closely monitoring the progress of renovation works underway at the No. 5 Mc Carthy Street property, which is nearing completion. Ninety percent (90%) of the works have been completed as at 20<sup>th</sup> March, 2020. Unfortunately, works were suspended on 27<sup>th</sup> March, 2020, owing to the “Stay at Home” Advisory issued by the Government of Trinidad and Tobago, in its national efforts to reduce the spread of the Coronavirus (COVID-19) Pandemic.

With respect to the Wilson Street property, a proposal was made by Elijah Centre for a short term lease of the premises to carry out an outreach programme for its membership, with the view to constructing its Headquarters on the adjacent property during the period, and relocating the operations of the outreach programme into their headquarters at the end of the period. The Board saw this as an excellent opportunity to leverage on the strategic intent, and more so, while the architecture works are being finalized for UWICU’s Multi-Purpose Facility, in which some revenue can be gained in the process. The option was felt to be more prudent over the establishment of a temporary car park. The building was therefore refurbished at no expense to UWICU and was leased to Elijah Centre for an initial period of three (3) years.

Special thanks to the Buildings Committee which was comprised as follows:

Mr. Kennis Thomas (Chairman)  
 Ms. Megan Sylvester (Member)  
 Dr. Steve West (Member)  
 Ms. Samantha Rodrigues (Secretary/  
 Co-opted)  
 Mrs. Heather Thurab-Schulz (General  
 Manager/Co-opted).

### **Human Resource Committee**

The Human Resource Committee over the period, closely monitored the Human Resource and staffing issues within the organization. Confirmation letters were issued to staff who had been acting in the following positions: Operations Supervisor, Accounting Assistant I, and Accounting Assistant II. The post of Records Officer was filled. An additional Security Officer was hired to supplement this critical area within the operations of the Credit union.

Special thanks to the Human Resources Committee which was comprised as follows:

Ms. Patricia Brown (Chairman)  
Mr. Dorwin Manzano (Secretary)  
Ms. Marlene Saunders (Member)  
Dr. Steve West (Member)  
Ms. Judith Mc Gillvery (Member)  
Mrs. Heather Thurab-Schulz (General Manager/ Co-opted).

#### **Governance Risk and Compliance Committee**

The GRCC has oversight of all governance matters within the confines of UWICU and monitors all statutory compliance relating to UWICU's business operations including FIU, POCA, and the Co-operative Societies Act. Over the period, the GRCC reviewed the Compliance Manual as well as the Compliance Audit Report, the Credit Policy, and other Compliance related matters to ensure that UWICU had satisfied all the relevant requirements.

Special thanks to the Governance Risk and Compliance Committee which was comprised as follows:

Mr. Dorwin Manzano (Chairman)  
Mr. Marlon Caesar (Secretary)  
Ms. Patricia Brown (Member)  
Mrs. Kathy-Ann Hogan (Member)  
Mrs. Heather Thurab-Schulz  
(General Manager /Co-opted)

#### **Finance and Investment Committee**

The Finance and Investment Committee monitors all financials and investments and policy related matters for, and on behalf of, the Board, and where and when necessary, makes appropriate recommendations for consideration of the Board of Directors. In 2019, the Committee focused on minimising the risk of the loan portfolio by introducing a scoring system to determine approval of loans. The Committee also updated the investment policy in line with the prevailing investment climate and is currently updating the credit policy with an expected completion of May 2020.

Special thanks to the Finance Committee which was comprised as follows:

Mr. Marlon Caesar (Chairman)

Mr. Dorwin Manzano (Secretary)  
Mr. Kennis Thomas (Member)  
Mr. Jesille Fraser (Member)  
Ms. Debra Maloney (Member)  
Mrs. Heather Thurab-Schulz (General Manager /Co-opted)  
Mrs. Cathrina Sookram-Becessar (Finance Manager /Co-opted)

#### **BOARD MEETINGS**

During the period April 2018 to February 2019, the Board held eleven (11) meetings. Attendance at these meetings was as follows:

NAME	POSSIBLE	PRESENT	EXCUSED
Mr. Dorwin Manzano	14	14	0
Mr. Marlon Caesar	14	14	0
Ms. Debra Maloney	14	11	3
Ms. Patricia Brown	14	13	1
Ms. Natasha Grant	14	12	2
Mrs. Kathy Ann Hogan	14	10	4
Ms. Unika Omowale	14	14	0
Ms. Marlene Saunders	14	10	4
Mr. Kennis Thomas	14	13	1

#### **OUTGOING OFFICERS**

The outgoing Officers are Mr. Dorwin Manzano, Ms. Debra Maloney, and Mr. Kennis Thomas. The Board expresses its sincere thanks to these Officers for their outstanding performance and invaluable service during their term of office. Mr. Dorwin Manzano will not be offering himself for re-election at this Annual General Meeting in keeping with the principled position taken by the Board over the past for (4) years, that in the absence of a term limit for Directors being included in the Bye-laws, the longest serving Director (with the longest tenure) will not offer himself/herself for election annually. Additionally, Ms. Debra Maloney will not be offering herself for re-election, owing to her imminent emigration.

#### **DECEASED MEMEBRS**

During the period, Management received notification of the passing of eleven (11) members. To this end, the Board hereby extends sincere condolences to the families of the eleven (11) deceased members.

## ACKNOWLEDGEMENTS

The Board acknowledges the kind assistance, sincere encouragement, and ready cooperation given by:

- The UWI Administration;
- The Commissioner for Co-operative Development and Staff;
- The Central Finance Facility Co-operative Society Limited;
- CUNA Mutual Group/CUNA Caribbean Insurance Society Limited;
- Trinidad and Tobago Credit Union Deposit Insurance Fund Co-operative Society Limited (TTCUDIF);
- The Division of Facilities Management, The UWI;
- The Faculty of Science and Technology, The UWI;
- The Faculty of Food & Agriculture, The UWI;
- The Faculty of Medical Sciences, The UWI;
- The Institute of Critical Thinking, The UWI;
- The UWI Security Services, The UWI;

- The Alma Jordan Library, The UWI;
- The Hugh Wooding Law School;
- The Management and Staff of the U.W.I. Credit Union Co-operative Society Limited;
- Departmental Representatives;
- All Members of the U.W.I. Credit Union.

## CONCLUSION

The Board of Directors wishes to express its deepest gratitude and thanks to all Members of the Statutory Committees, Management, Staff, and the membership for your dedication, commitment, and fulfilment of the Cooperative Principles and Philosophy and for your understanding and co-operation during the period and in particular during the Coronavirus (COVID-19) Pandemic period. May God Bless us all.



Debra Maloney (Ms.)  
Secretary  
Board of Directors, U.W.I. Credit Union  
20<sup>th</sup> March, 2020

## **U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED CREDIT COMMITTEE REPORT FOR THE YEAR 2019**

### **INTRODUCTION**

The Credit Committee thanks the members of the U.W.I. Credit Union for the trust and confidence placed in the Committee over the past year. We take this opportunity to report on the Credit Committee's performance for the period January to December 2019.

The year 2019 has been challenging for the Credit Union. There was a decrease in demand for loans in all categories except for Vacation, Travel, and Christmas loans with a marked increase in Debt Consolidation loans, moving from 16 loans in 2018 to 60 loans in 2019, a 275% increase. Despite the increase in Debt Consolidation loans, there was an increase in the level of delinquency of 8.96% between 2018 and 2019 (7.36% in 2018 to 8.02% in 2019). This attributed primarily to financial constraints experienced by members as a result of the contracting national economy and a lack of increase in salaries since 2011. Currently, 53% of the membership of the Credit Union is employed at The University of the West Indies and 47% of the members in other industries.

U.W.I. Credit Union Cooperative Society Ltd. is committed to satisfying the loan demands of its members. However, during 2019, in order to reduce the level of risk to the organization, the Credit Department along with the Finance Committee formulated a risk assessment document to minimize the risk of members defaulting on loans, by introducing a credit scoring sheet to assist in improving the quality of approved loans.

The mandate of the Credit Committee according to the Bye-Laws, is to manage the loan portfolio through provision of products and services for members. Due to the competitive interest rates

on the market, some members did not qualify for some of the loan offerings. As such, the Committee thought it necessary to implement a number of measures to allow for members to increase their disposable income and avail themselves of some of the loan offerings. Some of the measures implemented were debt consolidation, share withdrawal, and liquidation of shares to loan. In some instances, the Committee sought the Board's permission to reduce interest rates, extend loan duration, and meet with those members who were experiencing financial difficulties.

The Credit Committee would like to thank all the members who continue to make U.W.I. Credit Union Cooperative Society Limited their first choice for financial and other services. The Committee would like to encourage its members to practice prudent borrowing and timely repayment, while increasing their savings and investment with the Credit Union in 2020.

The elected members met following the Annual General Meeting, to elect a Chairperson and Secretary. The composition of the Committee was as follows:-

Mr. Reynold Johnson	- Chairperson
Mr. Dane Goodridge	- Secretary
Mrs. Roxanne Ali-Hassan	- Member
Mr. Jesille Fraser	- Member
Ms. Akilah Telesford	- Member
Mr. Pooran Badal	- 1 <sup>st</sup> Alternate

The Credit Committee held fifty-one (51) meetings during the period under review.

The following chart demonstrates the distributions of loans in the various categories

## LOANS

LOAN CATEGORY	APPROVED		
	Number	Value	Percent of Approved Loans
BUSINESS	14	396,000.00	1%
CEREMONIAL	268	4,662,700.00	12%
DOMESTIC	589	4,232,692.00	11%
EDUCATION	159	1,664,256.57	4%
HOUSING	80	4,378,200.00	12%
INSURANCE	8	70,514.83	12%
INVESTMENT	6	307,000.00	1%
LEGAL FEES	19	231,600.00	1%
MEDICAL	114	1,691,718.53	5%
MORTGAGE	3	395,000.00	1%
PURCHASED LAND	2	155,000.00	0%
DEBT & UTILITIES/DEBT	76	1,581,102.75	4%
DEBT CONSOLIDATION	60	3,305,121.10	9%
VACATION & TRAVEL	159	2,782,610.00	7%
VEHICLE	215	5,496,410.07	15%
ROAD SHOW	79	2,124,100.00	6%
XMAS DREAMS	199	2,119,761.00	6%
XMAS LIFE SWEETER	94	1,959,793.00	5%
<b>TOTAL</b>	<b>2144</b>	<b>37,553,579.85</b>	

Loan applications processed numbered Two Thousand Three Hundred and Seventy (2,370) for the period January to December, 2019. This represents a decrease of approximately 12.7% when compared to 2018.

A total of two thousand, one hundred and forty-four (2,144) applications were approved valued at Thirty-Seven Million, Five Hundred and Fifty-Three Thousand, Five Hundred and Seventy-Nine Dollars, and Eighty-Five Cents (\$37,553,579.85). This represented a decrease in the number of loans by Two Hundred and Forty-Five (245) and a decrease in the value of loans of Four Hundred and Eighty-Nine Thousand, Two Hundred and Seventy Dollars, and Sixty-One Cents (\$489,270.61).

Thirty-Two (32) were canceled, One Hundred and Eighty-One (181) were not approved, and Seventeen (17) were unprocessed.

The largest loan categories were Vehicle 14%, followed by: Ceremonial, 13%; Housing and Insurance, 12%; Domestic, 11%; Debt Consolidation, 9%; Vacation & Travel 7%; Medical, 5%; Debt & Utilities and Education, 4%; and Legal Fees, Business and Investment, 1%; of the loans disbursed.

### NEW MEMBER LOANS

An initiative to increase the membership generated Six Hundred and Ninety-Three Thousand, One Hundred and Thirty-Three Dollars, and Sixty-One cents (\$693,133.61) in new member loans.



## COMPARISON OF LOANS BY YEAR

LOAN CATEGORY	APPLICATIONS APPROVED					
	2017	Value in 2017	2018	Value in 2018	2019	Value in 2019
BUSINESS	33	3,920,600.00	20	395,300.00	14	396,000.00
CEREMONIAL	547	4,581,370.96	343	2,798,814.00	268	4,662,700.00
DOMESTIC	882	5,199,490.35	694	3,802,545.50	589	4,232,692.00
EDUCATION	219	2,459,709.00	186	1,896,778.10	159	1,664,256.57
HOUSING	166	7,008,296.22	126	5,370,773.39	80	4,378,200.00
INSURANCE	12	69,975.30	10	32,762.48	8	70,514.83
INVESTMENT	16	4,043,000.00	5	640,000.00	6	307,000.00
LEGAL FEES	21	347,660.00	21	291,700.00	19	231,600.00
MEDICAL	137	1,197,207.19	120	972,543.50	114	1,691,718.53
MORTGAGE	2	1,300,000.00	4	4,641,000.00	3	395,000.00
PURCHASED LAND	1	517,500.00	1	150,000.00	2	155,000.00
DEBT & UTILITIES/DEBT	127	1,922,907.96	83	1,413,227.89	76	1,581,102.75
DEBT CONSOLIDATION	24	1,376,896.39	16	865,140.38	60	3,305,121.10
VACATION & TRAVEL	166	2,300,000.00	128	1,630,772.79	159	2,782,610.00
VEHICLE	336	9,353,053.49	250	5,126,492.43	215	5,496,410.07
ROAD SHOW	0	0.00	201	4,704,500.00	79	2,124,100.00
XMAS DREAMS	0	0.00	34	448,500.00	199	2,119,761.00
XMAS LIFE SWEETER	0	0.00	147	2,862,000.00	94	1,959,793.00
<b>TOTALS</b>	<b>2689</b>	<b>45,597,666.86</b>	<b>2389</b>	<b>38,042,850.46</b>	<b>2144</b>	<b>37,553,579.85</b>

## DELINQUENCY ANALYSIS

The gross delinquency stands at 8.02% as at December 31<sup>st</sup>, 2019.

	Ratio
2018	7.36%
2019	8.02%

During the period under review, the Credit Union made efforts to communicate with members in order to reduce the delinquency. Although these efforts did not reduce the delinquency ratio, they had the positive effect of controlling the delinquency for 2019. There was a 8.96% increase in the delinquency ratio from 7.36% in 2018 to 8.02% in 2019.

In order to reduce the delinquency ratio, the Board of Directors felt it prudent to assign a dedicated resource to the Collections Section along with more stringent measures in the continued efforts to reduce the Credit Unions delinquency ratio.

## RECOMMENDATION

The Committee recommend that members on reaching age fifty (50) be identified, and their financial situation reviewed, in preparation for retirement. Financial planning will be provided for all members in 2020 to allow members to make better long-term financial decisions

## ACKNOWLEDGEMENT

The Committee wishes to thank Almighty God, all Elected Officers, the General Manager, and our diligent staff for their dedication and commitment to the Organization.

We thank all our members for allowing us the opportunity to serve, and for which we express our heartfelt gratitude.



Dane Goodridge  
Secretary



# REPORT OF THE CREDIT UNION SUPERVISORY COMMITTEE FOR THE 54<sup>TH</sup> ANNUAL GENERAL MEETING (AGM)

The Supervisory Committee is pleased to present its report for the period April 2018 to March 2019.

## COMPOSITION OF THE SUPERVISORY COMMITTEE

Subsequent to the election at the AGM, the Committee members met to select the Chairperson and the Secretary of the Committee. The selection exercise resulted in the following positions:

NAME	POSITION
Ms. Deborah Isaac	Chairperson
Ms. Sophia Persad	Secretary
Ms. Tenesha Charles	Member
Mr. Keilon Campbell	1 <sup>st</sup> Alternate
Ms. Judith Wright	2 <sup>nd</sup> Alternate

Effective December 1, 2019, Ms. Tenesha Charles (Member), resigned from the Supervisory Committee. The 1<sup>st</sup> Alternate, Mr. Keilon Campbell, replaced Ms. Charles in the position of Member.

## WORK PLAN

The following areas were completed from the Annual Work Plan:

1. Loans Review
2. Cash Verification
3. Review of Dividends Paid
4. Bank Reconciliation Statements
5. Source of Funds
6. Compliance Process
7. (Governance Risk and Compliance) GRC Committee
8. Investments
9. General Ledger Account Transactions
10. Review of Selected Operational Processes
11. Follow-up on Prior-year Supervisory Committee Recommendations

## MEETINGS AND OFFICERS ATTENDANCE

A total of 55 meetings/visits were made as follows:

NAME	POSSIBLE	PRESENT	EXCUSED	ABSENT
Ms. D. Isaac	55	48	7	0
Ms. S. Persad	55	47	8	0
Ms. T. Charles	42 (Apr-Nov)	24	21	0
Mr. K. Campbell	6 (Feb-Mar)	5	1	0
Ms. J. Wright	n/a	n/a	n/a	n/a

## DETAILS OF REVIEWS

### Loans Review

We identified a few issues related to the approval of loans and the administration of financial advice for members. These were raised with the Management and the Board and are being followed up.

Additionally, we noticed during the year that there was significant improvement in the procedure for granting loans since it became more objective than subjective, and followed a risk-based approach to improve the quality of loans granted in order to reduce delinquency. The system that was established introduced the convention of assessment of persons using the 5Cs—Character, Capacity to repay, Capital, Credit condition, and Collateral/co-Makers/Commitment. While there was some delay in the updating of the Credit Policy in response to the International Financial Reporting Standard (IFRS) 9 requirements, and the need to streamline credit processes when implemented, there should be even more objectivity in the approach to approving loans.

### Cash Verification

Cash verification exercises were carried out throughout the year. We found no issues regarding the holdings and recording of cash.

## **Review of Dividends Paid**

The dividends paid to members in April 2019 were reviewed with a focus on the procedure followed in determining the amounts to be paid; supporting documents regarding the amount to be allocated across members' accounts; and the procedure to ensure accuracy of payments due towards loans arrears and other arrears. We were satisfied that the computer software was adequately configured to calculate the due dividends. However, some manual processes still needed strengthening in determining the deductions for member loans and other arrears, as well as the relevant supporting documentation for these activities. Additionally, the process was not documented. We made recommendations to address the deficiencies identified.

## **Bank Reconciliation Statements**

The Bank Reconciliation Statements for the Current Account and the Savings Account were reviewed. The Statements were completed in a timely manner; balancing items were properly reflected; transactions were posted in the correct period based; totals tallied; and there was evidence of review.

## **Compliance Process/Source of Funds**

The Committee reviewed the procedures followed by the Credit Union in fulfilment of Compliance requirements as stipulated by the Central Bank of Trinidad and Tobago. The Central Bank's guidelines on Anti Money Laundering/Counter Financing of Terrorism (AML/CFT) requires certain 'Know Your Customer' (KYC) practices to be followed. We looked at the Governance of the Compliance process through the work carried out by the Governance Risk and Compliance (GRC) sub-Committee of the Board; operational aspects of the process in relation to the compliance activities performed and the supporting tools to manage and monitor compliance; and Source of Funds verification, since that activity represents a key aspect of the compliance process at the transactional level. We were satisfied that established procedures had been developed by the GRC Committee and were being followed. However, we highlighted a few weaknesses relating to source of funds documentation, site

visits, AML/CFT training for staff and the GRC Committee's follow-up on issues identified during the annual external review of compliance. We made recommendations to strengthen the compliance process.

## **GRC Committee**

The activities of the Board's Committee were reviewed. We were satisfied that the GRC Committee was focusing on governance issues and managing compliance. However, we noted that the development of the Risk Register which would help with monitoring of the risks facing the Credit Union and facilitate strategies to minimise those risks, had stalled since 2017. We recommended an approach to re-developing the Risk Register.

## **Investment Committee**

The Committee reviewed the activities of the Investment Committee in relation to how investment decisions were being made, how the investments were being monitored, and the extent of the Board's involvement in the ratification of investment decisions. Overall, the Investment Committee is operating in compliance with the Committee's Terms of Reference and the Investment Policy. Decisions taken by the Committee were appropriately documented in the Committee Minutes and subsequently presented to the Board for ratification as reflected in the Board Minutes. Investments were consistent with the Investment Policy and are satisfactorily recorded and tracked.

## **General Ledger Account Transactions**

We reviewed transactions processed through the general ledger and selected three categories for further examination, namely, expenditure incurred for events held, Journal entries, and Imprest payments. We identified some issues relating to documentation and record keeping and made recommendations for improvement in these areas. Review of Selected Operational processes. We looked at the administration of blank cheques and the management of the UWICU Credit cards. We were satisfied that these areas were being adequately managed, but recommended the documentation of particular procedures.

**General—Membership e-mail**

Based on an anomaly discovered with respect to a terminated member receiving e-mail notices, we spotlighted the inaccuracy of the e-mail list for members. We recommended a review of the list as current members may not be receiving Credit Union e-mails.

**Follow-up on Previous-year Supervisory Committee Recommendations**

The process to address the previous and current recommendations made by the Supervisory Committee is ongoing. Management was able to implement a number of these during the year.

**Other Penetration testing**

Following on from our outsourced exercise for Ernst & Young to perform a Penetration Testing and Vulnerability Assessment exercise on the Credit Union, we wish to formally acknowledge Management's decision to have Ernst & Young carry out a follow-up exercise to identify cybersecurity vulnerabilities facing the Credit Union.

**Supervision of 'Spin to Win' Loan Promotion**

The Committee supervised the weekly draws and the final draw of the 'Spin to Win' loan promotion to ensure that the draws were random, fair, and honest.

**Closing Remarks**

The Committee wishes to thank the Board and the General Manager for the interest in, and willingness to, address the weaknesses identified from our reviews, and the overall support provided by the General Manager and other members of staff who facilitated our requests for information for the exercises carried out.



Ms. Deborah Isaac  
Chair, Supervisory Committee

## **REPORT OF THE NOMINATION COMMITTEE OF THE U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED FOR THE YEAR 2019/2020**

Dear Members,

By letter dated February 20<sup>th</sup> 2020, the Board of the UWI Credit Union in accordance with By-law (35a), appointed the following persons to serve on the Nominating Committee for 2020:

Dr. David Dolly (Chairperson)  
Mr. Dorwin Manzano (Member)  
Ms. Marlene Sobers (Member)  
Mrs. Brenda Fraser (Member)  
Father Steve West (Member)

Accompanying the letter were the relevant terms of reference and the expiration date of the appointment: April 4<sup>th</sup> 2020. The Board extended the life of the Nomination Committee because of the prevailing situation in the country.

The six Credit Union Members who were interviewed for the Board of Directors, were:

Mr. Joseph Drayton  
Ms. Deborah Isaac  
Mr. Roger John  
Ms. Sophia Persad  
Ms. Meagan Sylvester  
Mr. Kennis Thomas

The seven Credit Union Members who were interviewed for the Credit Committee were:

Mrs. Roxanne Ali Hassan  
Mr. Dane Goodridge  
Mr. Jesille Fraser  
Mr. Reynold Johnson Jnr.  
Ms. Julie Kublalsingh  
Ms. Akilah Telesford  
Ms. Earla Sylvester

One other member could not be accepted since the person was found to be non-compliant.

The four Credit Union Members who were interviewed for the Supervisory Committee were:

Mr. Keilon Campbell  
Mrs. Stacey Greene-Mc Neil  
Ms. Wenda Rocke  
Ms. Judith Wright.

One other member withdrew from the interview process due to illness.

All potential candidates showed confidence and much passion to serve on their respective Committees. They all possessed a high level of certification and acumen in their respective professional fields. Indeed, the Nominating Committee can recommend all nominees as fit and proper for their respective committees.

Not all members attended the Orientation Session. This was reflected in the interviewees' lack of in-depth knowledge of the operations of a Credit Union in Trinidad and Tobago. It is still the Committee's recommendation that all nominees should attend this Session. Further, both the seasoned and new nominees would benefit from this critical discourse.

Some Alternates were used during the 2019–2020 Term in various other in-house committees of the organization. However, some Alternates still felt that they are not seen as part of the fabric of these committees, and this could affect their eventual role as a committee member if called upon to become one.

It was good to learn that a new set of Bye-Laws are expected to be ratified at this year's Annual General Meeting (AGM). The U.W.I. Credit Union had held earlier special meetings to incooperate these new Bye-Laws. This is very commendable and the Nominating Committee looks forward to an enactment of the new set of Bye-Laws.

It is recommended that the Nomination Committee be appointed in a timely manner in order to help identify persons who are suitable for joining the relevant committees.

The Nominating Committee wishes to thank the U.W.I. Credit Union for the confidence placed in them to conduct these interviews. The cooperation provided by the Board, Management, and the nominees themselves, were appreciated while these interviews were being conducted. This was

especially important since the Committee and Interviewees had to change to a virtual mode during the course of the interviewing process, given the present situation with the dreaded COVID-19 virus pandemic.

A handwritten signature in dark ink, appearing to read 'David Dolly', with a stylized flourish at the end.

Dr. David Dolly  
Chairperson,  
15<sup>th</sup> April 2020.



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

**STATISTICAL DATA**

**U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED**  
**STATISTICAL DATA**  
**(2015 – 2019)**

**2019 + 2018 (Comparative)**

<b>Total Income</b>	<b>+2.29%</b>
<b>Total Expenditure</b>	<b>-14.68%</b>
<b>Interest from Loans</b>	<b>- 4.49%</b>
<b>Investment Income</b>	<b>+44.08%</b>
<b>Membership Growth</b>	<b>+2.57%</b>
<b>Share Withdrawals and Transfers</b>	<b>-3.92%</b>

**Net Income and Loan Interest**

<b>Year</b>	<b>Net Income</b>	<b>Loan Interest</b>	<b>Total Income</b>
<b>2015</b>	<b>12,320,400</b>	<b>17,798,604</b>	<b>19,928,240</b>
<b>2016</b>	<b>15,557,136</b>	<b>18,616,503</b>	<b>21,508,339</b>
<b>2017</b>	<b>15,620,795</b>	<b>19,660,169</b>	<b>23,349,654</b>
<b>2018</b>	<b>12,758,573</b>	<b>18,951,300</b>	<b>22,490,285</b>
<b>2019</b>	<b>14,701,475</b>	<b>18,100,990</b>	<b>23,004,501</b>

**Growth of Shares and Loans**

<b>Year</b>	<b>Shares</b>	<b>Loans</b>
<b>2015</b>	<b>183,820,025</b>	<b>127,142,226</b>
<b>2016</b>	<b>192,857,488</b>	<b>139,962,879</b>
<b>2017</b>	<b>201,754,258</b>	<b>144,551,375</b>
<b>2018</b>	<b>208,034,630</b>	<b>144,135,473</b>
<b>2019</b>	<b>214,231,180</b>	<b>146,040,402</b>

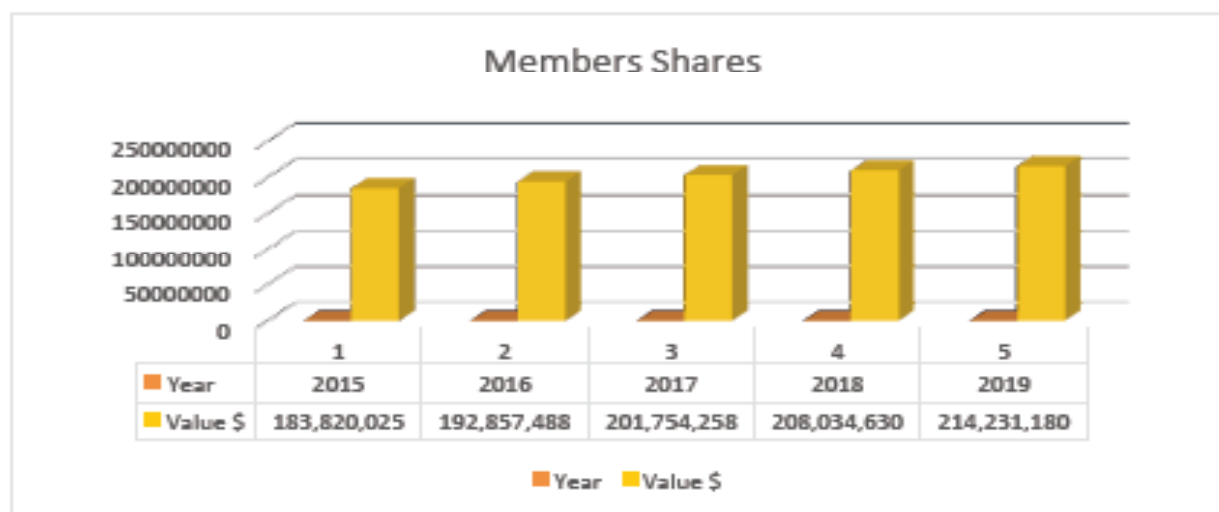
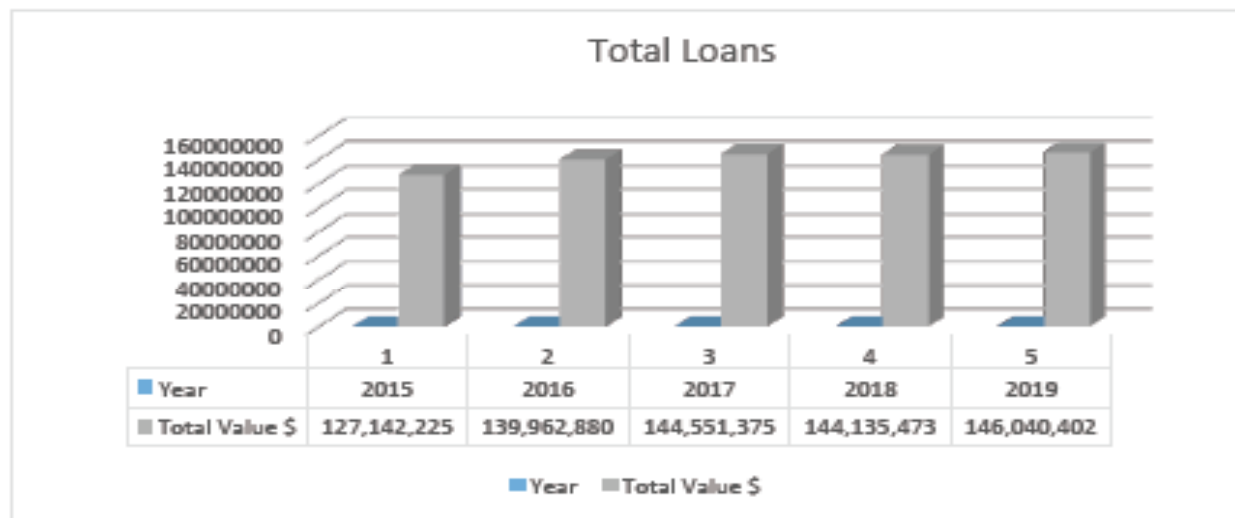
**MEMBERSHIP DATA**  
**(2017-2019)**

	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>Members</b>	<b>5,349</b>	<b>5,215</b>	<b>5,098</b>
<b>Average Share Balance per Member</b>	<b>\$40,051</b>	<b>\$39,892</b>	<b>\$39,575</b>
<b>Average Loan Balance per Member</b>	<b>\$27,302</b>	<b>\$27,639</b>	<b>\$27,754</b>

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

## STATISTICAL DATA

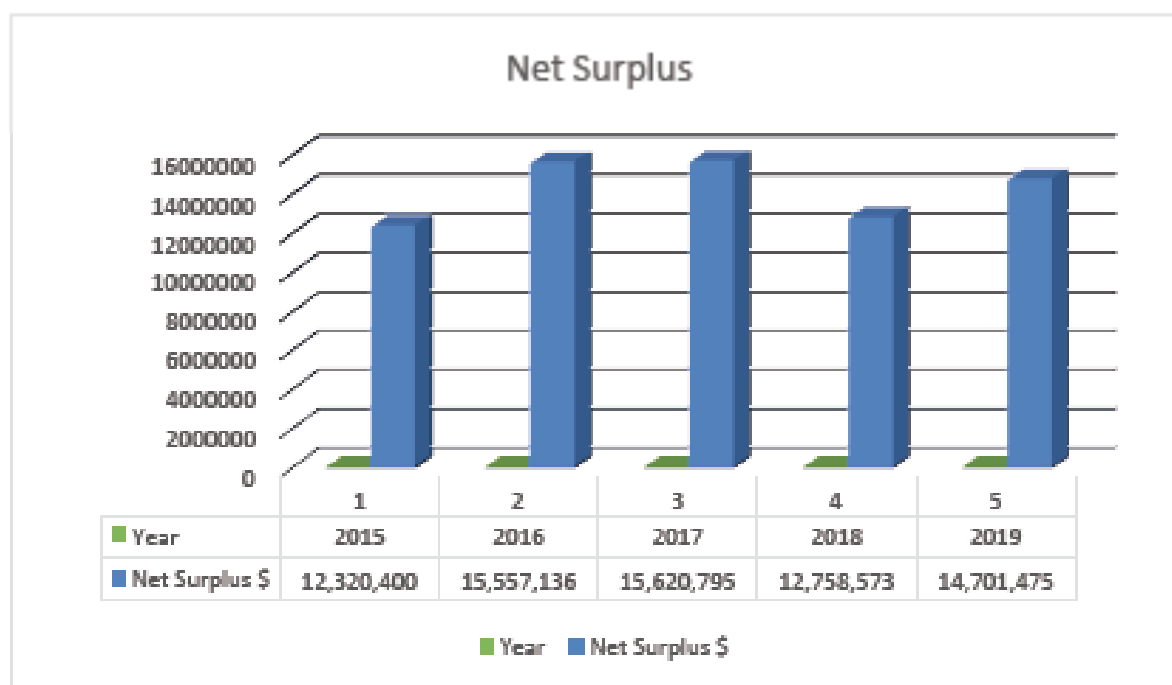
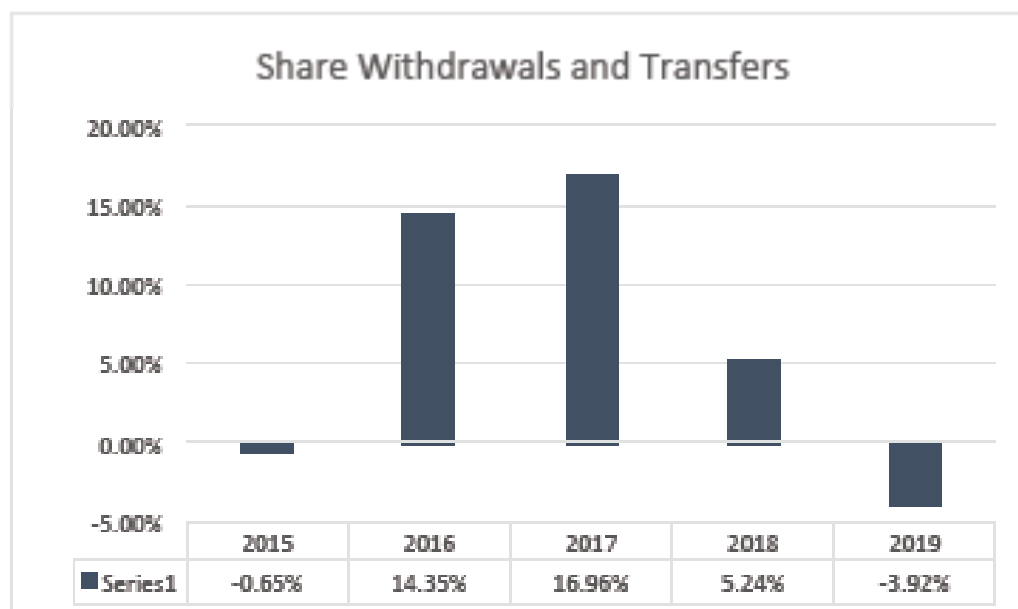
### (2015 – 2019)



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

## STATISTICAL DATA

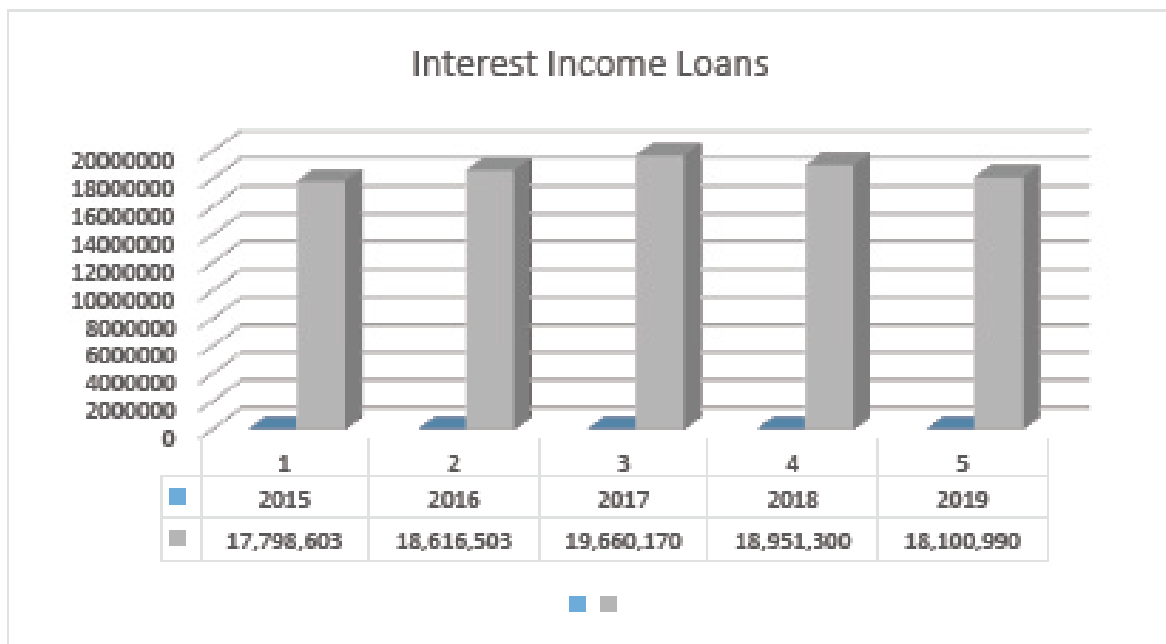
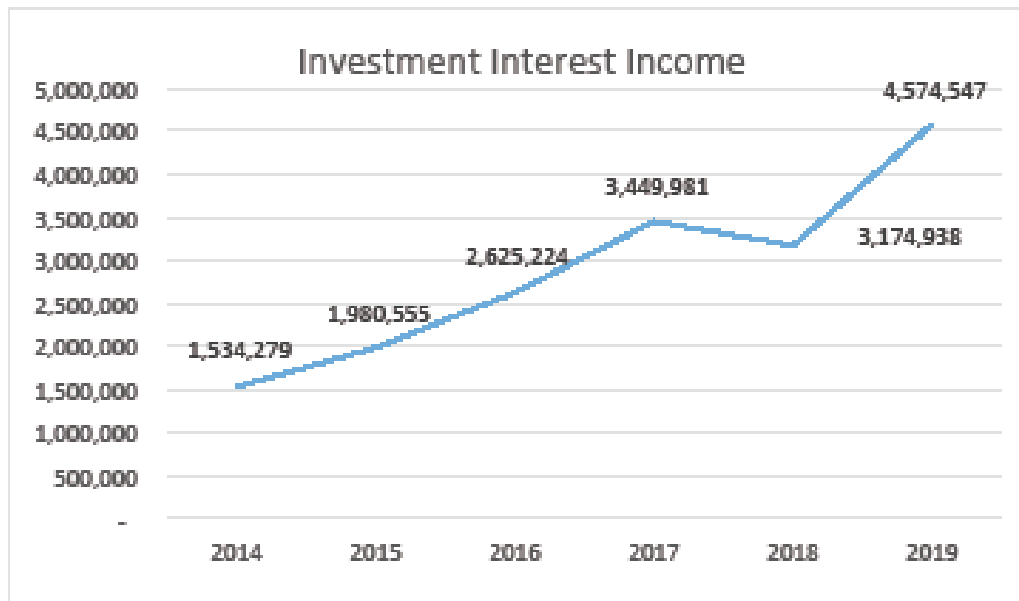
(2015 – 2019)



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

## STATISTICAL DATA

### (2015 – 2019)

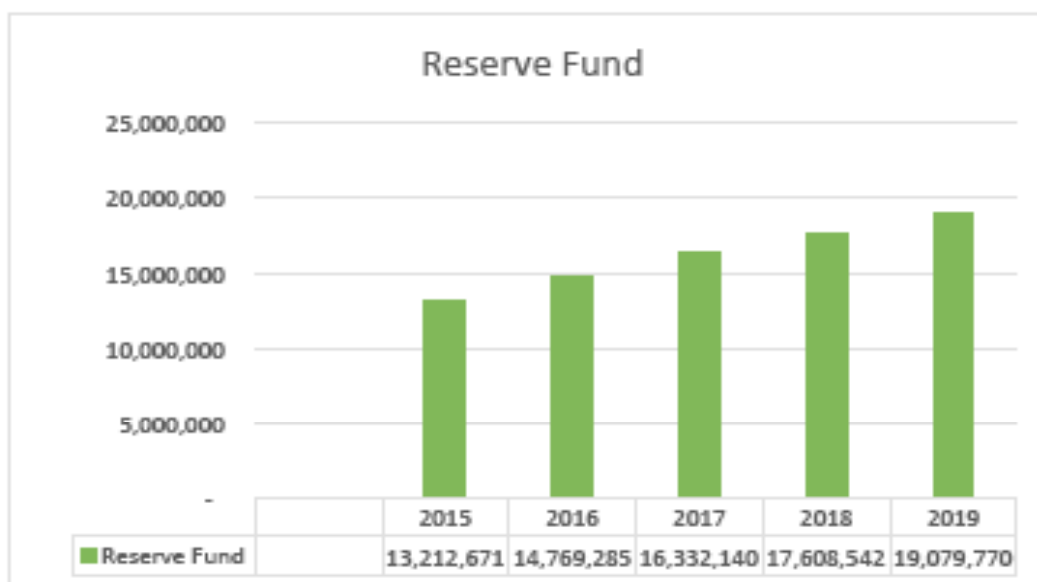
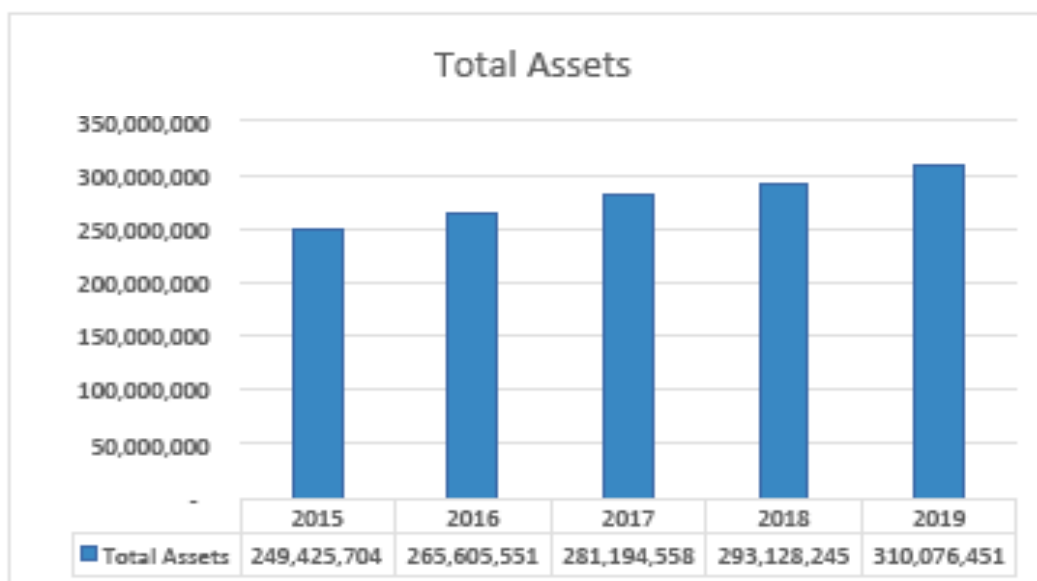




# U.W.I. CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

## STATISTICAL DATA

### (2015 – 2019)





Chartered Accountants  
& Business Advisors

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

**FINANCIAL STATEMENTS**

**31 DECEMBER 2019**



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



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

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

Tel: 1-868-645-8526, 1-868-645-8780 Fax: 1-868-645-8526 Website: [www.uwicu.tt](http://www.uwicu.tt) Email: [info@uwicu.tt](mailto:info@uwicu.tt)

Management is responsible for the following:

- preparing and fairly presenting the accompanying financial statements of UWI Credit Union Co-operative Society Limited, which comprise the statement of financial position as at 31 December 2019, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;
- ensuring that the company keeps proper accounting records;
- selecting appropriate accounting policies and applying them in a consistent manner;
- implementing, monitoring and evaluating the system of internal control that assures security of the company's assets, detection/prevention of fraud, and the achievement of society operational efficiencies;
- ensuring that the system of internal control operated effectively during the reporting period;
- producing reliable financial reporting that comply with laws and regulations, including the Co-operative Societies Act; and
- using reasonable and prudent judgement in the determination of estimates.

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

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

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

  
Signed

Date: 14<sup>th</sup> April 2020

  
Signed

Date: 14<sup>th</sup> April 2020



Chartered Accountants  
& Business Advisors

## INDEPENDENT AUDITORS' REPORT

### The Members

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

### Opinion

We have audited the financial statements of UWI Credit Union Co-operative Society Limited, which comprise the statement of financial position as at 31 December 2019, the statements of comprehensive income, changes in members' equity and cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of UWI Credit Union Co-operative Society Limited as at 31 December 2019 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

### Basis for Opinion

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

### Other information included in the Credit Union's 2019 Annual Report

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

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

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

PKF Chartered Accountants and Business Advisors (Trinidad) is a member of the PKF International Limited family of legally independent firms and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm or firms.

Telephone: (868) 235-5063  
Address: 111 Eleventh Street, Barataria, Trinidad, West Indies  
Mailing Address: PO Box 10205, Eastern Main Road, San Juan

Partners: Renée-Lisa Philip Mark K. Superville



## **INDEPENDENT AUDITORS' REPORT (Cont'd)**

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

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

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

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

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the credit union's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



Chartered Accountants  
& Business Advisors

## **INDEPENDENT AUDITORS' REPORT (Cont'd)**

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

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

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

**PKF**

**Barataria  
TRINIDAD  
14 April 2020**

# UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED


## STATEMENT OF FINANCIAL POSITION

<u>ASSETS</u>		31 December	
	<u>Notes</u>	<u>2019</u> (\$)	<u>2018</u> (\$)
<b>Current Assets:</b>			
Cash and cash equivalents	5	75,548,589	71,998,770
Accounts receivable and prepayments	6	<u>1,393,595</u>	<u>2,365,497</u>
Total Current Assets		76,942,184	74,364,267
<b>Non-Current Assets:</b>			
Other investments	7	74,368,139	67,816,693
Loans to members	8	146,040,402	144,135,473
Investment property	9	3,491,370	2,190,276
Fixed assets	10	<u>9,234,356</u>	<u>4,621,536</u>
<b>Total Assets</b>		<u><b>310,076,451</b></u>	<u><b>293,128,245</b></u>

## LIABILITIES AND MEMBERS' EQUITY

<b>Liabilities:</b>			
Accounts payable and accruals	11	681,153	751,253
Members' deposits	12	18,000,804	17,746,981
Members' shares	13	214,231,180	208,034,630
Provision for severance		1,505,370	1,275,896
Provision for honoraria		<u>338,768</u>	<u>283,067</u>
Total Liabilities		<u>234,757,275</u>	<u>228,091,827</u>
<b>Members' Equity:</b>			
Reserve Fund	15	19,079,770	17,608,542
Investment Remeasurement Reserve	16	3,976,849	1,912,016
Investment Property Revaluation Reserve	17	1,344,945	-
Education Fund	18	575,001	575,001
Common Good Fund	19	118,263	118,263
Building Fund	20	4,250,059	4,100,059
Retained Earnings		<u>45,974,289</u>	<u>40,722,537</u>
Total Members' Equity		<u>75,319,176</u>	<u>65,036,418</u>
<b>Total Liabilities and Members' Equity</b>		<u><b>310,076,451</b></u>	<u><b>293,128,245</b></u>

These financial statements were approved by the Board of Directors and authorised for issue on 14 April 2020 and signed on their behalf by:

Director:  Chairman, Supervisory Committee: 

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

**STATEMENT OF COMPREHENSIVE INCOME**

		<b>For the year ended 31 December</b>	
	<b><u>Notes</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>
		<b>(\$)</b>	<b>(\$)</b>
<b>Income:</b>			
Interest on members' loans	26	18,100,990	18,951,300
Interest on investments	27	4,574,547	3,174,938
Gain on foreign exchange		46,458	122,321
Miscellaneous income		282,006	171,596
Rental income		<u>500</u>	<u>70,130</u>
		<u>23,004,501</u>	<u>22,490,285</u>
<b>Expenditure:</b>			
Bank charges		35,736	14,379
Board and Committee expenses	28	534,269	398,603
CUNA insurance premium		697,150	650,473
Education expenses		77,850	156,973
Expected credit losses		(1,229,997)	2,397,003
Interest on members' deposits		70,159	115,127
Office security and maintenance	29	609,235	483,481
Other administrative expenses	30	1,902,551	1,135,165
Professional fees	31	664,139	774,479
Salaries and staff benefits	32	4,141,370	2,858,720
Special events	33	<u>800,564</u>	<u>747,309</u>
		<u>8,303,026</u>	<u>9,731,712</u>
Net surplus for the year		14,701,475	12,758,573
<b>Other Comprehensive Income:</b>			
<u>Items that may be reclassified subsequently to profit and loss</u>			
Net fair value gain/(loss) or financial assets classified as FVTOCI		2,064,833	(638,714)
<u>Items that may not be reclassified subsequently to profit and loss</u>			
Surplus on revaluation of investment property		<u>1,344,945</u>	<u>-</u>
<b>Total Comprehensive Income for the year</b>		<u><b>18,111,253</b></u>	<u><b>12,119,859</b></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 2019**

	Reserve Fund (\$)	Investment Remeasurement Reserve (\$)	Investment Property Revaluation Reserve (\$)	Education Fund (\$)	Common Good Fund (\$)	Building Fund (\$)	Retained Earnings (\$)	Total (\$)
Balance as at 1 January 2019	17,608,542	1,912,016	-	575,001	118,263	4,100,059	40,722,537	65,036,418
Total Comprehensive Income	-	2,064,833	1,344,945	-	-	-	14,701,475	18,111,253
Less: Appropriations as follows:								
10% to Reserve Fund	1,470,148	-	-	-	-	-	(1,470,148)	-
Education Fund	-	-	-	77,850	-	-	(77,850)	-
Common Good Fund	-	-	-	-	20,000	-	(20,000)	-
Building Fund	-	-	-	-	-	150,000	(150,000)	-
	19,078,690	3,976,849	1,344,945	652,851	138,263	4,250,059	53,706,014	83,147,671
Add/(less) adjustments as follows:								
Donations	-	-	-	-	(20,000)	-	20,000	-
Education expense	-	-	-	(77,850)	-	-	77,850	-
Dividends paid	-	-	-	-	-	-	(7,828,495)	(7,828,495)
Entrance fees	1,080	-	-	-	-	-	(1,080)	-
Balance as at 31 December 2019	<u>19,079,770</u>	<u>3,976,849</u>	<u>1,344,945</u>	<u>575,001</u>	<u>118,263</u>	<u>4,250,059</u>	<u>45,974,289</u>	<u>75,319,176</u>

(The accompanying notes form part of these financial statements)



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

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

**31 DECEMBER 2019**

	<b>Reserve Fund (\$)</b>	<b>Investment Remeasurement Reserve (\$)</b>	<b>Education Fund (\$)</b>	<b>Common Good Fund (\$)</b>	<b>Building Fund (\$)</b>	<b>Retained Earnings (\$)</b>	<b>Total (\$)</b>
Balance as at 1 January 2018	16,332,140	2,550,730	575,001	190,750	3,950,059	37,146,462	60,745,142
Adjustment for Expected Credit Loss (IFRS9)	-	-	-	-	-	462,575	462,575
Re-stated Balance as at 1 January 2018	16,332,140	2,550,730	575,001	190,750	3,950,059	37,609,037	61,207,717
Total Comprehensive Income	-	(638,714)	-	-	-	12,758,573	12,119,859
Less: Appropriations as follows:							
10% to Reserve Fund	1,275,857	-	-	-	-	(1,275,857)	-
Education Fund	-	-	156,973	-	-	(156,973)	-
Common Good Fund	-	-	-	122,500	-	(122,500)	-
Building Fund	-	-	-	-	150,000	(150,000)	-
	17,607,997	1,912,016	731,974	313,250	4,100,059	48,662,280	73,327,576
Add/(less) adjustments as follows:							
Donations	-	-	-	(194,987)	-	194,987	-
Education expense	-	-	(156,973)	-	-	156,973	-
Dividends paid	-	-	-	-	-	(8,291,158)	(8,291,158)
Entrance fees	545	-	-	-	-	(545)	-
Balance as at 31 December 2018	<u>17,608,542</u>	<u>1,912,016</u>	<u>575,001</u>	<u>118,263</u>	<u>4,100,059</u>	<u>40,722,537</u>	<u>65,036,418</u>

(The accompanying notes form part of these financial statements)

# UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

## STATEMENT OF CASH FLOWS

		<b>31 December</b>	
	<u>Notes</u>	<u>2019</u>	<u>2018</u>
		(\$)	(\$)
<b>Operating Activities:</b>			
Net surplus for the year		14,701,475	12,758,573
Adjustments for:-			
Severance benefits adjustment		229,474	(508,369)
Depreciation		549,253	495,510
Honoraria expense		332,031	280,411
Expected credit losses		(1,229,997)	2,397,003
Loss on disposal of fixed asset		<u>14,112</u>	<u>-</u>
Operating profit before changes in Working Capital		14,596,348	15,423,128
Working Capital Changes	34	<u>625,472</u>	<u>(140,080)</u>
Net cash generated from Operating Activities		15,221,820	15,283,048
<b>Investing Activities:</b>			
Net cash used in Investing Activities	35	(10,293,879)	(2,676,890)
<b>Finance Activities:</b>			
Net cash used in Financing Activities	36	<u>(1,378,122)</u>	<u>(393,992)</u>
Net change in cash and cash equivalents		3,549,819	12,212,166
Cash and cash equivalents, beginning of year		<u>71,998,770</u>	<u>59,786,604</u>
<b>Cash and cash equivalents, end of year</b>		<u><b>75,548,589</b></u>	<u><b>71,998,770</b></u>
<b>Represented by:</b>			
Cash and cash equivalents		<u><b>75,548,589</b></u>	<u><b>71,998,770</b></u>

(The accompanying notes form part of these financial statements)

# UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

### 1. **Incorporation and Principal Activities:**

The Society is incorporated under the Co-operative Societies Act of the Republic of Trinidad and Tobago on 4<sup>th</sup> 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 the Co-operative Societies Act Chap. 81:03. These financial statements are stated in Trinidad and Tobago dollars, rounded to the nearest dollar. These financial statements are stated on the historical cost basis, except for the measurement at fair value of available-for-sale investments.

#### (b) **Use of estimates -**

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

#### (c) **Comparative information -**

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

# UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

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

#### (d) New Accounting Standards and Interpretations -

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:

IFRS 3	Business Combinations - Amendments to clarify the definition of a business (effective for accounting periods beginning on or after 1 January 2020).
IFRS 3	Business Combinations - Amendments resulting from Annual Improvements 2015–2017 Cycle – Re-measurement of previously held interest (effective for accounting periods beginning on or after 1 January 2019).
IFRS 9	Financial Instruments - Amendments regarding prepayment features with negative compensation and modifications of financial liabilities (effective for accounting periods beginning on or after 1 January 2019).
IFRS 9	Financial Instruments - Amendments regarding prepayment features with negative compensation (effective for accounting periods beginning on or after 1 January 2019).
IFRS 11	Joint Arrangements - Amendments resulting from Annual Improvements 2015–2017 Cycle – Re-measurement of previously held interest (effective for accounting periods beginning on or after 1 January 2019).
IFRS 16	Leases (effective for accounting periods beginning on or after 1 January 2019).
IFRS 17	Insurance Contracts (effective for accounting periods beginning on or after 1 January 2022).
IAS 12	Income Taxes - Amendments resulting from Annual Improvements 2015–2017 Cycle - Income tax consequences of dividends (effective for accounting periods beginning on or after 1 January 2019).
IAS 19	Employee Benefits - Amendments regarding plan amendments, curtailments or settlements (effective for accounting periods beginning on or after 1 January 2019).
IAS 23	Borrowing Costs - Amendments resulting from Annual Improvements 2015–2017 Cycle - Borrowing costs eligible for capitalization (effective for accounting periods beginning on or after 1 January 2019).
IAS 28	Investment in Associates - Amendments regarding the long-term interests in associates and Joint Ventures (effective for accounting periods beginning on or after 1 January 2019).

# UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

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

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

IAS 40 Investment Property - Amendments regarding the transfer of investment property (effective for accounting periods beginning on or after 1 July 2018).

IFRIC 23 Uncertainty over Income Tax Treatments (effective for accounting periods beginning on or after 1 January 2019).

#### (e) Fixed assets -

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

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

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

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

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

#### (f) **Financial assets -**

All recognised financial assets that are within the scope of International Financial Reporting Standard (IFRS) 9 are required to be subsequently measured at amortised cost or fair value on the basis of:

- (i) the entity's business model for managing the financial assets; and
- (ii) the contractual cash flow characteristics of the financial assets.

The credit union reassess its business models each reporting period to determine whether they have changed. No such changes have been identified for the current year.

Principal is the fair value of the financial asset at initial recognition. Interest is consideration for the time value of money and for credit and other risks associated with the principal outstanding. Interest also has a profit margin element.

#### **Initial measurement**

All financial instruments are initially measured at the fair value of the consideration given or received.

The credit union measures fair values in accordance with IFRS 13, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The credit union uses a fair value hierarchy that categorises valuation techniques into three levels:

- (i) Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Assets and liabilities are classified as Level 1 if their value is observable in an active market. The use of observable market prices and model inputs, when available, reduces the need for management judgement and estimation, as well as the uncertainty related with the estimated fair value.
- (ii) Level 2 inputs are inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and inputs other than quoted prices that are observable for the asset or liability.
- (iii) Level 3 inputs are unobservable inputs. Assets and liabilities are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data.



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

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

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

#### (f) Financial assets (cont'd) -

##### Subsequent measurement

Those financial assets such as members' loans and receivables, which are held within a business model with the sole objective of collecting contractual cash flows which comprise principal and interest only, are subsequently measured at amortised cost. Gains/losses arising on remeasurement of such financial assets are recognised in profit or loss as movements in Expected Credit Loss. When a financial asset measured at amortised cost is derecognised, the gain/loss is reflected in profit or loss.

Those financial assets such as bonds, which are held within a business model with the objectives of (i) collecting contractual cash flows which comprise principal and interest only, as well as (ii) selling the financial assets, are subsequently measured at Fair Value Through Other Comprehensive Income (FVTOCI). Gains/losses arising on remeasurement of such financial assets are recognised in OCI as *'Items that may be reclassified subsequently to P&L'* and are called *'Net FV gain/(loss) on financial assets classified as at FVOCP'*.

All other financial assets are subsequently measured at Fair Value Through Profit and Loss (FVTPL), except for equity investments, which the credit union has opted, irrevocably, to measure at FVTOCI. Gains/losses arising on remeasurement of such financial assets are recognised in profit or loss as *'Net FV gain/(loss) on financial assets classified at FVTPL'*. When a financial asset measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is reclassified from equity to profit or loss.

Gains/losses arising on remeasurement of equity investments, which the credit union has opted, irrevocably, to measure at FVTOCI, are recognised in OCI as *'Items that may not be reclassified subsequently to P&L'* and are called *'Net FV gain/(loss) on equity financial assets classified as at FVOCI'*. When an equity investment measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss but instead, transferred within equity.

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

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

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

#### (f) Financial assets (cont'd) -

##### **Reclassification**

If the business model under which the credit union holds financial assets changes, the financial assets affected are reclassified accordingly from the first day of the first reporting period following the change in business model. Equity instruments which the credit union opted to treat at FVTOCI cannot be reclassified

##### **Impairment**

Financial assets are amortised costs are impaired at one of two levels:

- (i) Twelve-month Expected credit loss (ECL) – These are losses that result from default events that are possible within twelve months after the reporting date. Such financial assets are at 'Stage 1'.
- (ii) Lifetime ECL - These are losses that result from all possible default events over the life of the financial instrument. Such financial assets are at 'Stage 2' or 'Stage 3'.

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the twelve-month ECL.

ECL is a probability-weighted estimate of the present value of credit losses, measured as the present value of the difference between (i) the cash flows due to the credit union under contract; and (ii) the cash flows that the credit union expects to receive, discounted at the asset's effective interest rate.

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

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

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

#### (f) Financial assets (cont'd) -

##### **Performing financial assets – Stage 1**

For performing assets and those expected to perform normally, the loss allowance is the 12-month expected credit loss and is done immediately at initial recognition of asset.

##### **Significant increase in credit risk – Stage 2**

When an asset becomes 30 days past due, the Credit union considers that a significant increase in credit risk has occurred and the asset is deemed to be at Stage 2 and the loss allowance is measured as the lifetime ECL.

##### **Credit-impaired financial assets – Stage 3**

A financial asset is 'credit-impaired' when events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about one or more of the following events:

- (i) significant financial difficulty of the borrower or issuer;
- (ii) a breach of contract such as a default or past due event;
- (iii) granted to the borrower of a concession that the lender would not otherwise consider;
- (iv) the disappearance of an active market for a security because of financial difficulties; or
- (v) the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

The credit union assesses whether debt instruments that are financial assets measured at amortised cost are credit-impaired at each reporting date. There is a rebuttable presumption that financial assets that are in defaulted for more than ninety (90) days are credit impaired. The credit union also considers a financial asset to be credit impaired if the borrower is unlikely to pay its credit obligation. To determine this, the credit union takes into account both qualitative indicators such as unemployment, bankruptcy, divorce or death and quantitative indicators, such as overdue status. The credit union used its historical experience and forward-looking information that is available without undue cost or effort. If there has been a significant increase in credit risk the credit union will measure the loss allowance based on lifetime rather than twelve-month ECL.

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

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

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

#### (f) Financial assets (cont'd) -

##### **Modification and Derecognition of Financial Assets**

The credit union renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. This occurs particularly where, although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened. The revised terms usually include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan and /or a reduction in the amount of cash flows due. When a financial asset is modified, the credit union assesses whether this modification results in derecognition of the original loan, such as when the renegotiation gives rise to substantially different terms.

In the case where the financial asset is derecognised, the new financial asset will have a loss allowance measured based on twelve-month ECL. If, however, there remains a high risk of default under the renegotiated terms, the loss allowance will be measured based on lifetime ECL.

When the modification does not result in derecognition, the credit union will measure loss allowance at an amount equal to lifetime ECL.

##### **Write-off**

Loans and receivables are written off when the credit union has no reasonable expectations of recovering the financial asset, for example, when the credit union determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay. A write-off constitutes a derecognition event. Subsequent recoveries resulting from the credit union's enforcement activities will result in gains.

##### **Financial liabilities**

Since the credit union does not trade in financial liabilities, and since there are no measurement or recognition inconsistencies, all financial liabilities are initially measured at fair value, net of transaction costs and subsequently, at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the net carrying amount on initial recognition. Financial liabilities recognised at amortised cost are not reclassified.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**31 DECEMBER 2019**

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

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

**Critical accounting judgements and key sources of estimation uncertainty**

Business model assessment:

The credit union reassess its business models each reporting period to determine whether they continue to be appropriate and if there need to be a prospective change to the classification of financial assets. This assessment includes judgement regarding:

- (i) how the performance of the assets is evaluated and measured; and
- (ii) the risks that affect the performance of the assets and how these risks are managed.

Significant increase of credit risk:

The credit union computes twelve-month ECL for Stage 1 assets and lifetime ECL for Stage 2 or Stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. Assessing whether there has been a significant increase in credit risk required judgement takes into account reasonable and supportable forward-looking information.

Establishing groups of assets with similar credit risk characteristics:

When ECL is measured on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics. The credit union monitors the appropriateness of the credit risk characteristics on an ongoing basis to assess whether they continue to be similar. Judgement is required in determining whether and when to move assets between portfolios.

Valuation models and assumptions used:

The credit union uses various valuation models and assumptions in measuring the fair value of financial assets, as well as in estimating ECL. Judgement is applied in identifying the most appropriate valuation model for each type of asset, as well as in determining the assumptions to be used for each model.

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

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

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

#### (e) **Financial instruments (cont'd) -**

##### **Key sources of estimation uncertainty**

###### Probability of default (PD):

PD is an estimate of the likelihood of default over a given period of time, the calculation of which includes historical data, assumptions and expectations of future conditions. PD constitutes a key input in measuring ECL.

###### Loss Given Default (LGD):

LGD is an estimate of the percentage loss arising on default, and is based on the difference between the contractual cash flows due and those that the credit union would reasonably expect to receive, taking into account cash flows from collateral. It requires forecasting the future valuation of collateral taking into account sale discounts, the time and cost associated with realising collateral and seniority of claim. LGD is a key input in measuring ECL.

###### Fair value measurement and valuation process:

In estimating the fair value of a financial asset or a liability, the credit union uses market-observable data to the extent it is available. Where such Level 1 inputs are not available, the credit union uses valuation models to determine the fair value of its financial instruments.

###### Exposure at Default (EAD):

EAD is an estimate of the **total loss incurred when a member defaults**, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest. EAD is a key input in measuring ECL.

##### **Credit risk**

Credit risk is the risk that a member will default on his contractual obligations resulting in financial loss to the credit union. Credit risk mainly arises from loans, and because it represents the credit union's main income generating activity, credit risk is the principal risk for the credit union.



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

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

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

#### (f) Financial assets (cont'd) -

##### **Credit risk management**

The credit union's credit committee is responsible for managing the credit union's credit risk by:

- (i) ensuring that the credit union has appropriate credit risk practices, including an effective system of internal control, to consistently determine adequate allowances in accordance with the credit union's policies and procedures, International Financial Reporting Standards and relevant supervisory guidance;
- (ii) identifying, assessing and measuring credit risk across the credit union, from an individual financial instrument to the portfolio level;
- (iii) creating credit policies to protect the credit union against the identified risks, including the obtaining collateral from borrowers, performing robust ongoing credit assessment of borrowers, and continually monitor exposures;
- (iv) as far as possible, limiting concentrations of exposure by type of loan, industry, credit rating, geographic location, etc.;
- (v) establishing a robust control mechanism for loan approval;
- (vi) categorising exposures according to the degree of risk of default;
- (vii) developing and maintaining processes for measuring ECL; and
- (viii) providing guidance to promote best practice in the management of risk.

##### **Significant increase in credit risk**

The credit union presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than thirty (30) days past due, unless the credit union has reasonable and supportable information that demonstrates otherwise. The credit union has monitoring procedures to ensure that significant increase in credit risk is identified before default occurs.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**31 DECEMBER 2019**

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

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

**Measurement of ECL**

The key inputs used for measuring ECL are:

- (i) probability of default (PD);
- (ii) loss given default (LGD); and
- (iii) exposure at default (EAD).

The credit union measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. The credit union's financial instruments are grouped on the basis of shared risk characteristics, such as:

- (i) credit risk grade;
- (ii) collateral type;
- (iii) date of initial recognition;
- (iv) remaining term to maturity;
- (iv) industry;
- (v) geographic location of the borrower;
- (vi) income bracket of the borrower; and
- (vii) the value of collateral relative to the financial asset.

The groupings are reviewed on a regular basis to ensure that each grouping is comprised of homogenous exposures.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**31 DECEMBER 2019**

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

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

An analysis of the credit union's credit risk exposure without taking into account the effects of collateral is provided in the following tables. The amounts in the table represent gross carrying amounts.

<b>Loans</b>	<b>Stage 1 12 mth ECL (\$)</b>	<b>Stage 2 Lifetime ECL (\$)</b>	<b>Stage 3 Lifetime ECL (\$)</b>	<b>Total (\$)</b>
Low risk	122,892,391	-	-	122,892,391
Medium Risk	-	6,336,639	-	6,336,639
Substandard	-	-	2,976,319	2,976,319
Doubtful	-	-	9,803,720	9,803,720
Impaired	<u>-</u>	<u>-</u>	<u>8,441,876</u>	<u>8,441,896</u>
Total gross carrying amount	122,892,391	6,336,639	21,221,936	150,450,966
Loss Allowance (ECL)	<u>(28,703)</u>	<u>(345,865)</u>	<u>(4,035,996)</u>	<u>(4,410,564)</u>
	<u>122,863,688</u>	<u>5,990,774</u>	<u>17,185,940</u>	<u>146,040,402</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**31 DECEMBER 2019**

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

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

The table below analyses the movement of the loss allowance on Loans to members at amortised cost during the year.

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Loss allowance, beginning of year	54,914	108,333	5,477,314	5,640,561
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	237,532	-	237,532
Transfer to stage 3	-	-	-	-
Loss allowance on new loans	-	-	-	-
Loss allowance on derecognised loans	-	-	-	-
Increase/(decrease) due to change in Credit Risk	<u>(26,211)</u>	<u>-</u>	<u>(1,441,318)</u>	<u>(1,467,529)</u>
<b>Loss allowance, end of year</b>	<b><u>28,703</u></b>	<b><u>345,865</u></b>	<b><u>4,035,996</u></b>	<b><u>4,410,564</u></b>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**31 DECEMBER 2019**

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

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

**Collateral held as security**

The credit union holds the following types of collateral to mitigate credit risk associated with financial assets:

General loans	Shares in the credit union
Mortgage lending *	Deed of Mortgage on property
Vehicle loans	Mortgage Deed of Sale on vehicles

\*The credit union holds residential properties as collateral for the mortgage loans it grants to its members. The value of the collateral for residential mortgage loans is typically based on the collateral value at origination, updated based on changes in house prices. For credit-impaired loans, the value of collateral is based on the most recent appraisals.

**Assets obtained by taking possession of collateral**

The credit union obtained the following assets during the year by taking possession of collateral held as security against loans held at the year end. The credit union's policy is to realise collateral on a timely basis.

Property	-
Shares	-
Other	-
	_____
Total assets obtained by taking possession of collateral	=====

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

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

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

#### (f) Financial assets (cont'd) -

##### Forward-looking information incorporated in the ECL models

The calculation of expected credit losses incorporates forward-looking information.

Regarding the loan portfolio, the Society has performed a ten-year historical analysis on the following key economic variables impacting credit risk and expected credit losses:

- GDP (current 2000 prices)
- Unemployment
- Inflation
- Interest rates
  - Lending: Non-bank Financial Institutions
  - Deposit
  - Mortgage Market Reference Rate (MMRR)

Additionally, we obtained two-year forecasts for GDP, unemployment and inflation.

This data was analysed (via regression calculations) to make the relevant correlations and linkages with the historical loan portfolio data (e.g. trends in portfolio growth, delinquency, loss allowances and write-offs). Based on the strength of the correlations we determined that GDP movements was the best macro-economic variable to be used in the PD calculations. Consequently, the delinquency and bad debt trends were analysed in relation to the GDP growth trends in order to produce the PD scores. Separate default probabilities were calculated for each loan category/sub-category in Stage 1 depending on the level of increased risk that was observed via trend and/or ratio analyses.

The result of these analyses produced the following decision table regarding to the determination of the PD relative to GDP forecasts:

Expected GDP Growth Rate @ Constant Prices	<u>Stage 1</u>  Other	<u>Stage 1</u>  (Member DSR > 40%)	<u>Stage 1</u>  (Member Salary < \$7000)	<u>Stage 1</u>  (Member Age 35 to 60 years)	<u>Stage 2</u>  (PDLs 30 to 90 days)	<u>Stage 3</u>  (PDLs 91 to 180 days)	<u>Stage 3</u>  (Over 180 days & Bad Debts)
- 4% to -6%	2.00%	2.13%	2.10%	2.11%	33.3%	67%	100%
-2% to 0%	1.20%	1.280%	1.259%	1.264%	33.3%	67%	100%
0% to 2%	0.72%	0.768%	0.755%	0.758%	33.3%	67%	100%
2% to 4%	0.43%	0.459%	0.451%	0.453%	33.3%	67%	100%
4% to 6%	0.26%	0.277%	0.273%	0.274%	33.3%	67%	100%
> + 6%	0.16%	0.171%	0.168%	0.168%	33.3%	67%	100%

Numerous credible sources have predicted T&T's GDP to grow by approximately 1% in 2019; consequently, the PDs relating to this forecast was used in the expected credit losses calculations.



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

**NOTES TO THE FINANCIAL STATEMENTS**

**31 DECEMBER 2019**

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

**(g) Revenue recognition -**

Investment Income

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

Rental Income

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

**(h) Dividends payable to members -**

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

**(i) Comparative figures -**

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

**(j) Foreign currency -**

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

**(k) Investment property -**

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

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

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

### 3. Financial Risk Management:

#### Financial risk factors

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

#### Financial Instruments

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

Financial Instruments	2019	
	Carrying Value (\$)	Fair Value (\$)
<b>Financial Assets</b>		
Cash and cash equivalents	75,548,589	75,548,589
Fixed deposits	74,368,139	74,368,139
Loans to members	146,040,402	146,040,402
<b>Financial Liabilities</b>		
Members' deposits	18,000,804	18,000,804
<b>Financial Instruments</b>	<b>2018</b>	
	Carrying Value (\$)	Fair Value (\$)
<b>Financial Assets</b>		
Cash and cash equivalents	71,998,770	71,998,770
Fixed deposits	67,816,693	67,816,693
Loans to members	144,135,473	144,135,473
<b>Financial Liabilities</b>		
Members' deposits	17,746,981	17,746,981

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

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

### 3. **Financial Risk Management (Cont'd):**

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

#### **(a) Interest rate risk -**

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

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

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

##### **i) Bonds**

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

### 3. Financial Risk Management (Cont'd):

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

##### ii) Loans

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

##### iii) Interest rate sensitivity analysis

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

2019						
	<u>Effective Rate</u>	<u>Up to 1 year</u> (\$)	<u>1 to 5 years</u> (\$)	<u>Over 5 years</u> (\$)	<u>Non-Interest Bearing</u> (\$)	<u>Total</u> (\$)
<b>Financial Assets</b>						
Cash and cash equivalents	0.01%	75,508,589	-	-	40,000	75,548,589
Fixed deposits	1.33%	74,368,139	-	-	-	74,368,139
Loans to members	13.76%	<u>3,870,437</u>	<u>50,025,588</u>	<u>92,144,377</u>	<u>-</u>	<u>146,040,402</u>
		<u>153,947,165</u>	<u>50,025,588</u>	<u>92,144,377</u>	<u>40,000</u>	<u>295,957,130</u>
<b>Financial Liabilities</b>						
Members' deposits	2.10%	<u>18,000,804</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,000,804</u>
2018						
	<u>Effective Rate</u>	<u>Up to 1 year</u> (\$)	<u>1 to 5 years</u> (\$)	<u>Over 5 years</u> (\$)	<u>Non-Interest Bearing</u> (\$)	<u>Total</u> (\$)
<b>Financial Assets</b>						
Cash and cash equivalents	0.01%	71,958,770	-	-	40,000	71,998,770
Fixed deposits	1.33%	67,816,693	-	-	-	67,816,693
Loans to members	13.76%	<u>4,784,602</u>	<u>48,849,347</u>	<u>90,501,524</u>	<u>-</u>	<u>144,135,473</u>
		<u>144,560,065</u>	<u>48,849,347</u>	<u>90,501,524</u>	<u>40,000</u>	<u>283,950,936</u>
<b>Financial Liabilities</b>						
Members' deposits	2.10%	<u>17,746,981</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,746,981</u>

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

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

### 3. Financial Risk Management (Cont'd):

#### (b) **Credit risk -**

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

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

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

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

#### (c) **Liquidity risk -**

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

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

#### i) Risk management

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS**

**31 DECEMBER 2019**

**3. Financial Risk Management (Cont'd):**

**(c) Liquidity risk (cont'd) -**

**ii) Liquidity gap**

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

	<b><u>2019</u></b>				
	<b><u>Up to 1 year (\$)</u></b>	<b><u>1 to 5 years (\$)</u></b>	<b><u>Over 5 years (\$)</u></b>	<b><u>Non- Interest Bearing (\$)</u></b>	<b><u>Total (\$)</u></b>
<b>Financial Assets</b>					
Cash and cash equivalents	75,508,589	-	-	40,000	75,548,589
Other investments	74,368,139	-	-	-	74,368,139
Loans to members	<u>3,870,437</u>	<u>50,025,588</u>	<u>92,144,377</u>	<u>-</u>	<u>146,040,402</u>
	<b><u>153,947,165</u></b>	<b><u>50,025,588</u></b>	<b><u>92,144,377</u></b>	<b><u>40,000</u></b>	<b><u>295,957,130</u></b>
<b>Financial Liabilities</b>					
Members' deposits	<u>18,000,804</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,000,804</u>
	<b><u>18,000,804</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>18,000,804</u></b>
	<b><u>2018</u></b>				
	<b><u>Up to 1 year (\$)</u></b>	<b><u>1 to 5 years (\$)</u></b>	<b><u>Over 5 years (\$)</u></b>	<b><u>Non- Interest Bearing (\$)</u></b>	<b><u>Total (\$)</u></b>
<b>Financial Assets</b>					
Cash and cash equivalents	71,958,770	-	-	40,000	71,998,770
Other investments	67,816,693	-	-	-	67,816,693
Loans to members	<u>4,784,602</u>	<u>48,849,347</u>	<u>90,501,524</u>	<u>-</u>	<u>144,135,473</u>
	<b><u>144,560,065</u></b>	<b><u>48,849,347</u></b>	<b><u>90,501,524</u></b>	<b><u>40,000</u></b>	<b><u>283,950,936</u></b>
<b>Financial Liabilities</b>					
Members' deposits	<u>17,746,981</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,746,981</u>
	<b><u>17,746,981</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>17,746,981</u></b>



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

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

### 3. **Financial Risk Management (Cont'd):**

#### **(d) Currency risk -**

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

#### **(e) Operational risk -**

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

#### **(f) Compliance risk -**

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

#### **(g) Reputation risk -**

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

#### **Fair value estimation**

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

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

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

### 4. Critical Accounting Estimates and Judgments:

The preparation of financial statements in accordance with International Financial Reporting Standards requires management to make judgements, estimates and assumptions in the process of applying the Society's accounting policies.

Estimates and judgements 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 Society makes estimates and assumptions concerning the future and 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 judgements, 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 Fair Value through Profit and Loss, Fair Value through Other Comprehensive Income or Amortised Cost.
- ii) Which depreciation method for plant and equipment is used.
- iii) Business model assessment:

The credit union reassess its business models each reporting period to determine whether they continue to be appropriate and if there need to be a prospective change to the classification of financial assets. This assessment includes judgement regarding:

- how the performance of the assets is evaluated and measured; and
- the risks that affect the performance of the assets and how these risks are managed.

- iv) Significant increase of credit risk:

The credit union computes twelve-month ECL for Stage 1 assets and lifetime ECL for Stage 2 or Stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. Assessing whether there has been a significant increase in credit risk required judgement takes into account reasonable and supportable forward-looking information.

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

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

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

- v) Establishing groups of assets with similar credit risk characteristics:

When ECL is measured on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics. The credit union monitors the appropriateness of the credit risk characteristics on an ongoing basis to assess whether they continue to be similar. Judgement is required in determining whether and when to move assets between portfolios.

- vi) Valuation models and assumptions used:

The credit union uses various valuation models and assumptions in measuring the fair value of financial assets, as well as in estimating ECL. Judgement is applied in identifying the most appropriate valuation model for each type of asset, as well as in determining the assumptions to be used for each model.

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

- i) Impairment of assets

Management assesses at each reporting date whether assets are impaired. An asset is impaired when the carrying value is greater than its recoverable amount and there is objective evidence of impairment. 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) Probability of default (PD)

PD is an estimate of the likelihood of default over a given period of time, the calculation of which includes historical data, assumptions and expectations of future conditions. PD constitutes a key input in measuring ECL.

- iii) Loss Given Default (LGD):

LGD is an estimate of the percentage loss arising on default, and is based on the difference between the contractual cash flows due and those that the credit union would reasonably expect to receive, taking into account cash flows from collateral. It requires forecasting the future valuation of collateral taking into account sale discounts, the time and cost associated with realising collateral and seniority of claim. LGD is a key input in measuring ECL.

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

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

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

#### iv) Fair value measurement and valuation process

In estimating the fair value of a financial asset or a liability, the credit union uses market-observable data to the extent it is available. Where such Level 1 inputs are not available, the credit union uses valuation models to determine the fair value of its financial instruments.

#### v) Exposure at Default (EAD)

EAD is an estimate of the **total loss incurred when a member defaults**, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest. EAD is a key input in measuring ECL.

#### vi) Plant and equipment

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

### 5. Cash and Cash Equivalents:

	31 December	
	<u>2019</u>	<u>2018</u>
	(\$)	(\$)
Republic Bank Limited	43,505,573	40,633,781
Republic Bank Limited – US\$ Account	45,020	-
RBC Bank Limited - US\$ Account	-	45,255
Trinidad and Tobago Unit Trust Corporation	19,566,475	19,292,451
Bourse Securities Limited	3,317,273	3,022,634
Guardian Asset Management	9,100,080	8,963,779
Cash in hand	40,000	40,000
Credit Cards	(25,832)	870
	<u><b>75,548,589</b></u>	<u><b>71,998,770</b></u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**31 DECEMBER 2019**

**6. Accounts Receivable and Prepayments:**

	<b>31 December</b>	
	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b>(\$)</b>	<b>(\$)</b>
VAT receivable	165,581	283,447
CUNA Claims receivable	95,603	154,296
Investment income receivable and sundry debtors	1,049,834	1,847,754
LINCUC deposit	-	80,000
Staff loan receivable	<u>82,577</u>	<u>-</u>
	<b><u>1,393,595</u></b>	<b><u>2,365,497</u></b>

**7. Other Investments:**

	<b>31 December</b>	
	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b>(\$)</b>	<b>(\$)</b>
<b>Fair Value Through Other Comprehensive Income:</b>		
Guardian Income Fund	491,788	-
Central Finance Facility investment	25,000	25,000
Firstline Securities	16,376,484	16,376,484
Trinidad and Tobago National Gas APO	1,988,800	2,415,446
ROYTRIN Mutual Funds	10,550,897	8,978,755
Trinidad and Tobago Unit Trust Corporation	4,682,192	4,269,465
First Citizens Bank Limited	2,846,621	2,173,027
KCL Giant Screen Entertainment	6,157,798	6,116,144
KCL Capital Market Brokers Limited	5,000,000	5,000,000
<b>Amortised Cost:</b>		
Bourse Securities Limited – National Investment Fund	1,122,000	1,134,118
KCL Capital Market Brokers	9,358,655	8,741,792
Bourse Securities Limited	12,074,654	11,922,008
JMMB Investments	580,686	572,231
Sheppard Securities Limited	4,575,000	3,120,000
GAM Investment Bond	<u>1,565,341</u>	<u>-</u>
	77,395,916	70,844,470
Less: Allowance for expected credit loss	<u>(3,027,777)</u>	<u>(3,027,777)</u>
	<b><u>74,368,139</u></b>	<b><u>67,816,693</u></b>
<u>Allowance for expected credit loss</u>		
Balance brought forward	3,027,777	2,596,431
Additional allowance for expected credit loss	<u>-</u>	<u>431,346</u>
Balance carried forward	<b><u>3,027,777</u></b>	<b><u>3,027,777</u></b>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**31 DECEMBER 2019**

**8. Loans to Members:**

	<b>31 December</b>	
	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b>(\$)</b>	<b>(\$)</b>
Members' ordinary loans	126,969,372	126,600,918
Members' short-term loans	46,477	54,210
Members' mortgage loans	<u>23,435,117</u>	<u>23,120,906</u>
	150,450,966	149,776,034
Less: Allowance for expected credit losses	<u>(4,410,564)</u>	<u>(5,640,561)</u>
	<b><u>146,040,402</u></b>	<b><u>144,135,473</u></b>
 <u>Allowance for loan losses</u>		
Balance brought forward	5,640,561	3,674,903
Additional allowance for expected credit losses	-	1,965,658
Decrease in allowance for expected credit losses	<u>(1,229,997)</u>	<u>-</u>
Balance carried forward	<u>4,410,564</u>	<u>5,640,561</u>



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

**NOTES TO THE FINANCIAL STATEMENTS**

**31 DECEMBER 2019**

**9. Investment Property:**

	<u>Land</u> (\$)	<u>Building</u> (\$)	<u>Total</u> (\$)
<b>Cost</b>			
Balance as at 1 January 2019	1,310,000	1,588,208	2,898,208
Additions	-	-	-
Revaluation Gain/Loss	<u>1,165,000</u>	<u>(563,208)</u>	<u>601,792</u>
Balance as at 31 December 2019	<u>2,475,000</u>	<u>1,025,000</u>	<u>3,500,000</u>

**Accumulated Depreciation**

Balance as at 1 January 2019	-	707,932	707,932
Charge for the year	-	43,851	43,851
Revaluation	<u>-</u>	<u>(743,153)</u>	<u>(743,153)</u>
Balance as at 31 December 2019	<u>-</u>	<u>8,630</u>	<u>8,630</u>

**Net Book Value**

Balance as at 31 December 2019	<u>2,475,000</u>	<u>1,016,370</u>	<u>3,491,370</u>
Balance as at 31 December 2018	<u>1,310,000</u>	<u>880,276</u>	<u>2,190,276</u>

	<u>Land</u> (\$)	<u>Building</u> (\$)	<u>Total</u> (\$)
<b>Cost</b>			
Balance as at 1 January 2018	1,310,000	1,588,208	2,898,208
Additions	<u>-</u>	<u>-</u>	<u>-</u>
Balance as at 31 December 2018	<u>1,310,000</u>	<u>1,588,208</u>	<u>2,898,208</u>

**Accumulated Depreciation**

Balance as at 1 January 2018	-	671,254	671,254
Charge for the year	<u>-</u>	<u>36,678</u>	<u>36,678</u>
Balance as at 31 December 2018	<u>-</u>	<u>707,932</u>	<u>707,932</u>

**Net Book Value**

Balance as at 31 December 2018	<u>1,310,000</u>	<u>880,276</u>	<u>2,190,276</u>
Balance as at 31 December 2017	<u>1,310,000</u>	<u>916,954</u>	<u>2,226,954</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**31 DECEMBER 2019**

**10. Fixed Assets:**

	<b>Land and Building (\$)</b>	<b>Office Furniture (\$)</b>	<b>Office Equipment (\$)</b>	<b>Fixtures and Fittings (\$)</b>	<b>Office Machinery (\$)</b>	<b>Air Condition Unit (\$)</b>	<b>WIP (\$)</b>	<b>Total (\$)</b>
<b>Cost</b>								
Balance as at 1 January 2019	4,293,232	632,397	423,424	930,625	532,142	289,899	212,179	7,313,898
Additions	4,696,226	24,489	37,022	3,800	37,402	27,337	306,058	5,132,334
Transfers	243,269	55,075	6,473	-	10,464	-	(315,281)	-
Disposals	-	(29,864)	(115,323)	-	(47,877)	(17,605)	-	(210,669)
Balance as at 31 December 2019	<u>9,232,727</u>	<u>682,097</u>	<u>351,596</u>	<u>934,425</u>	<u>532,131</u>	<u>299,631</u>	<u>202,956</u>	<u>12,235,563</u>
<b>Accumulated Depreciation</b>								
Balance as at 1 January 2019	1,181,336	394,492	273,480	314,728	408,384	119,942	-	2,692,362
Charge for the year	170,662	44,632	61,977	84,389	87,644	56,108	-	505,412
Disposal	-	(19,465)	(113,335)	-	(46,162)	(17,605)	-	(196,567)
Balance as at 31 December 2019	<u>1,351,998</u>	<u>419,659</u>	<u>222,122</u>	<u>399,117</u>	<u>449,866</u>	<u>158,445</u>	<u>-</u>	<u>3,001,207</u>
<b>Net Book Value</b>								
Balance as at 31 December 2019	<u>7,880,729</u>	<u>262,438</u>	<u>129,474</u>	<u>535,308</u>	<u>82,265</u>	<u>141,186</u>	<u>202,956</u>	<u>9,234,356</u>
Balance as at 31 December 2018	<u>3,111,896</u>	<u>237,905</u>	<u>149,944</u>	<u>615,897</u>	<u>123,758</u>	<u>169,957</u>	<u>212,179</u>	<u>4,621,536</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**31 DECEMBER 2019**

**10. Fixed Assets (Cont'd):**

<b>Cost</b>	<b>Land and Building (\$)</b>	<b>Office Furniture (\$)</b>	<b>Office Equipment (\$)</b>	<b>Fixtures and Fittings (\$)</b>	<b>Office Machinery (\$)</b>	<b>Air Condition Unit (\$)</b>	<b>WIP (\$)</b>	<b>Total (\$)</b>
Balance as at 1 January 2018	3,916,761	610,297	365,509	787,529	436,901	274,374	227,408	6,618,779
Additions	-	16,324	43,235	48,599	34,993	-	551,968	695,119
Transfers	376,471	5,776	14,680	94,497	60,248	15,525	(567,197)	-
Balance as at 31 December 2018	<u>4,293,232</u>	<u>632,397</u>	<u>423,424</u>	<u>930,625</u>	<u>532,142</u>	<u>289,899</u>	<u>212,179</u>	<u>7,313,898</u>
<b>Accumulated Depreciation</b>								
Balance as at 1 January 2018	1,085,028	352,139	219,700	238,024	271,777	66,863	-	2,233,531
Charge for the year	<u>96,308</u>	<u>42,353</u>	<u>53,780</u>	<u>76,704</u>	<u>136,607</u>	<u>53,079</u>	-	<u>458,831</u>
Balance as at 31 December 2018	<u>1,181,336</u>	<u>394,492</u>	<u>273,480</u>	<u>314,728</u>	<u>408,384</u>	<u>119,942</u>	-	<u>2,692,362</u>
<b>Net Book Value</b>								
Balance as at 31 December 2018	<u>3,111,896</u>	<u>237,905</u>	<u>149,944</u>	<u>615,897</u>	<u>123,758</u>	<u>169,957</u>	<u>212,179</u>	<u>4,621,536</u>
Balance as at 31 December 2017	<u>2,831,733</u>	<u>258,158</u>	<u>145,809</u>	<u>549,505</u>	<u>165,124</u>	<u>207,511</u>	<u>227,408</u>	<u>4,385,248</u>

# UWI CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

### 11. Accounts Payable and Accruals:

	31 December	
	<u>2019</u>	<u>2018</u>
	(\$)	(\$)
Interest on members' fixed deposits	35,603	56,859
Accruals	286,226	343,147
Stabilization Fund	-	39,644
Stale-dated cheques	211,183	205,383
Vacation leave payable	145,096	103,175
UTC Member transactions	<u>3,045</u>	<u>3,045</u>
	<u><b>681,153</b></u>	<u><b>751,253</b></u>

### 12. Members' Deposits:

	31 December	
	<u>2019</u>	<u>2018</u>
	(\$)	(\$)
Members' fixed deposits	9,954,403	10,525,834
Target deposits	<u>8,046,401</u>	<u>7,221,147</u>
	<u><b>18,000,804</b></u>	<u><b>17,746,981</b></u>

### 13. 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 2019

**14. Proposed Dividends:**

For the year ended 31 December 2019, the Board of Directors has proposed a dividend of **\$7,224,656** or 3.5% (**\$6,740,364** or 3.5% in 2018) and an interest rebate on Ordinary Loans of **\$808,103** or 5.5% (**\$689,378** or 4.5% in 2018) and on Unsecured and Demand Loans of **\$113,781** or 6.5% (**\$81,219** or 5.5% in 2018). 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.

**15. Reserve Fund:**

In accordance with the Co-operative Societies Act, Chapter 81:03, Section 47 (2) and By-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.

**16. Investment Re-measurement Reserve:**

In accordance with By-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.

**17. Investment Property Revaluation Reserve:**

The Society carried out a revaluation of its property located at #16 Wilson Street, St. Augustine. The property valuation was conducted by C.B. Lawrence and Association Limited on 15 October 2019. This resulted in a surplus of **\$1,344,945**.

**18. Education Fund:**

In accordance with By-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 By-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.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**31 DECEMBER 2019**

**21. Employees:**

The number of employees in the Credit Union at 31 December 2019 amounted to 16 (2018 - 16).

**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:

	<b>31 December</b>	
	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b>(\$)</b>	<b>(\$)</b>
<b>Assets</b>		
Loans to directors and key management personnel and related persons	2,990,841	5,070,241
<b>Deposits and other liabilities</b>		
Deposits held by directors and key management and related parties	158,155	194,311
<b>Shares</b>		
Shares held by directors and key management	1,356,774	1,513,093
<b>Income</b>		
Directors and key management personnel	15,838	44,439
<b>Interest and other expenses</b>		
Directors and key management personnel	170,356	126,160
Key management compensation	714,860	509,508

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

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

### 23. Fair Values:

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

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

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

#### (b) **Members' loans -**

Loans are net of general allowances for losses as follows:

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

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

#### (c) **Investments -**

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

#### (d) **Members' deposits -**

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



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

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

### 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 capital commitments for 2020 and beyond.

### 26. Interest on Members' Loans:

	31 December	
	<u>2019</u>	<u>2018</u>
	(\$)	(\$)
Interest on ordinary loans	16,588,332	16,872,968
Interest on mortgage	<u>1,512,658</u>	<u>2,078,332</u>
	<u><u>18,100,990</u></u>	<u><u>18,951,300</u></u>

### 27. Interest on Investments:

	31 December	
	<u>2019</u>	<u>2018</u>
	(\$)	(\$)
Interest on savings account	40,849	43,821
Investment income	<u>4,533,698</u>	<u>3,131,117</u>
	<u><u>4,574,547</u></u>	<u><u>3,174,938</u></u>

### 28. Board and Committee Expenses:

	31 December	
	<u>2019</u>	<u>2018</u>
	(\$)	(\$)
Meeting	202,238	118,192
Honoraria	<u>332,031</u>	<u>280,411</u>
	<u><u>534,269</u></u>	<u><u>398,603</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**31 DECEMBER 2019**

**29. Office Security and Maintenance:**

	<b>31 December</b>	
	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b>(\$)</b>	<b>(\$)</b>
Office expenses	383,109	276,732
Building maintenance	104,485	152,423
Security	40,742	7,000
Insurances	<u>80,899</u>	<u>47,326</u>
	<b><u>609,235</u></b>	<b><u>483,481</u></b>

**30. Other Administrative Expenses:**

	<b>31 December</b>	
	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b>(\$)</b>	<b>(\$)</b>
Advertising and promotion	146,905	57,942
Annual general meeting	195,550	118,441
Bad debt write-off	373,601	-
Depreciation	549,253	495,510
Donations	51,940	194,987
Green Fund Levy	326,462	-
League dues	(5,000)	5,000
Loss on disposal of fixed assets	14,112	
Miscellaneous	53,204	32,194
Printing, postage and stationery	47,282	58,703
Stabilization Fund	32,853	39,644
Travelling and subsistence	6,675	10,800
Utilities	<u>109,714</u>	<u>121,944</u>
	<b><u>1,902,551</u></b>	<b><u>1,135,165</u></b>

**31. Professional Fees:**

	<b>31 December</b>	
	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b>(\$)</b>	<b>(\$)</b>
Legal and professional fees	<b><u>664,139</u></b>	<b><u>774,479</u></b>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**31 DECEMBER 2019**

**32. Salaries and Staff Benefits:**

	<b>31 December</b>	
	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b>(\$)</b>	<b>(\$)</b>
Ex gratia payments	71,670	33,315
Group Life and Health	57,275	30,879
National Insurance contributions	176,624	151,213
Salaries	2,934,506	2,061,871
Staff bonus and benefits	1,798	1,250
Pension payments	433,188	189,996
Training and development	236,835	390,196
Severance benefit expense	<u>229,474</u>	<u>-</u>
	<b><u>4,141,370</u></b>	<b><u>2,858,720</u></b>

**33. Special Events:**

	<b>31 December</b>	
	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b>(\$)</b>	<b>(\$)</b>
Bursaries and awards	84,750	79,750
Conventions and seminars	254,870	333,209
Credit Union Week	84,602	51,040
Social and cultural activities	<u>376,342</u>	<u>283,310</u>
	<b><u>800,564</u></b>	<b><u>747,309</u></b>

**34. Working Capital Changes:**

	<b>31 December</b>	
	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b>(\$)</b>	<b>(\$)</b>
Net change in accounts receivable and prepayments	971,902	(113,283)
Net change in accounts payable and accruals	(70,100)	120,547
Honorarium paid	<u>(276,330)</u>	<u>(147,344)</u>
	<b><u>625,472</u></b>	<b><u>(140,080)</u></b>

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

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

### 35. Net Cash Used in Investing Activities:

	31 December	
	<u>2019</u>	<u>2018</u>
	(\$)	(\$)
Additions to fixed assets	(5,132,334)	(695,119)
Net change in other investments	(4,486,613)	(432,015)
Net change in loans to members	<u>(674,932)</u>	<u>(1,549,756)</u>
	<u><b>(10,293,879)</b></u>	<u><b>(2,676,890)</b></u>

### 36. Net Cash Used in Financing Activities:

	31 December	
	<u>2019</u>	<u>2018</u>
	(\$)	(\$)
Increase in members' shares	6,196,550	6,280,372
Net change in members' deposits	253,823	1,616,794
Dividends paid on members' shares	<u>(7,828,495)</u>	<u>(8,291,158)</u>
	<u><b>(1,378,122)</b></u>	<u><b>(393,992)</b></u>

## RESOLUTIONS

Be it resolved that an allocation of \$1,470,148 representing 10% of the Net Surplus for the Year Ended 31st December, 2019 be credited to the Reserve Fund

Be it resolved that an allocation of \$77,850 of the Net Surplus for the Year Ended 31st December, 2019 be credited to the Education Fund

Be it resolved that an allocation of \$20,000 of the Net Surplus for the Year Ended 31st December, 2019 be credited to the Common Good Fund

Be it resolved that an allocation of \$150,000 of the Net Surplus for the Year Ended 31<sup>st</sup> December, 2019 be credited to the Building Fund

Be it resolved that a Dividend of 3.5% on Shares be approved and that same be distributed in cash to members in good financial standing.

Be it resolved that an Interest Rebate with respect to loans be approved and applied in the Following manner:

- (1) 5.5% in respect of Ordinary Loans; and
- (2) 6.5% in respect of Unsecure/Demand Loans

Be it resolved that an allocation of 2.5 % of the Net Surplus for the Year Ended 31<sup>st</sup> December, 2019 be approved and paid as Honorarium for 2019.

Be it resolved that the firm of Moore Business Solutions Trinidad and Tobago Ltd. be retained as Auditors for the Financial Year Ending 31<sup>st</sup> December, 2020

# RESOLUTIONS FOR AMENDMENTS TO BYE-LAWS TO FACILITATE VIRTUAL MEETINGS

- 1(a) (xvi) “virtual” means webcasts, teleconferences, videoconferencing or similar mediums of communication whereby a participant can hear, speak and participate in the proceedings.
- 21(a) The supreme authority of the Society shall be vested in properly constituted general meetings of members (**whether held virtually or face to face**) at which every member has the right to attend and vote on all questions
- 31(a) The Board shall meet as often as the business of the society may require but not less than once each month, **whether virtually or face to face**. At all meetings of the Board five (5) members shall constitute a quorum.
- 40(d) **The Supervisory Committee shall meet as often as the business of the society may require but not less than once each month, whether virtually or face to face.** At all meetings of the Committee, two (2) members shall constitute a quorum.
- 41(e) The **Credit** Committee shall meet at least once a week, **virtually or face to face** and act in accordance with the Loan Policy.

# APPENDIX 1

## Services Offered by U.W.I. Credit Union

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



# COPING WITH STRESS DURING THE COVID-19 PANDEMIC



It is normal to feel sad, stressed, confused, scared or angry during the crisis. Talking to people you trust can help. Contact your friends and family

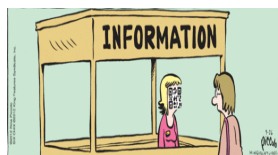


If you must stay at home, maintain a healthy lifestyle including proper diet, sleep, exercise and social contacts with loved ones at home and by email and phone with other family and friends.

Don't use smoking alcohol or other drugs to deal with your emotions



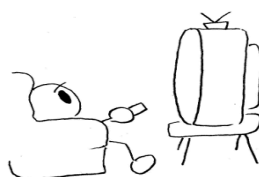
If you feel overwhelmed, talk to a health worker or counsellor. Have a plan, where to go to and how to seek help for physical and mental health needs if required.



Get the facts.

Gather information that will help you accurately determine your risk so that you can take reasonable precautions. Find a credible source you can trust such as WHO website or a local or state public health agency

Limit worry and agitation by lessening the time you and your family spend watching or listening to media coverage that you perceive as upsetting.



Draw on skills you have used in the past that have helped you to manage previous life's adversities and use those skills to help you manage your emotions during the challenging time of this outbreak.

## PROTECT YOURSELF FROM COVID-19

- **Wash your hands frequently with soap**
- **Cover your nose and mouth when you cough or sneeze or use the crook of your elbow.**
- **Avoid close contact with people who have flu-like symptoms**
- **If you develop fever, cough or difficulty breathing, please seek medical attention at the nearest health centre.**



*Stay Safe, Stay Healthy*

# Notes