



TPCU  
CELEBRATING  
70 YEARS OF SERVICE

# ANNUAL REPORT 2023

**2024 ANNUAL GENERAL MEETING**

The Platinum Legacy of  
Excellence, Endurance and Vision

## VISION

The Trintoc (Penal) Credit Union will be the preferred credit union providing maximum benefits to our members with heavy emphasis on transparency, accountability and equity in our relationships with all stakeholders.

## MISSION

In accordance with the Co-operative Societies Act chapter 81:03 of 1971 and our bye-laws, the mission of the Trintoc (Penal) Credit Union is to promote the holistic growth and development of our membership by rendering prudent financial management, continuous member education and sound advice and services which exceed expectations.



## 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  
Here every creed and race  
Find an equal place  
And may God bless our Nation

## THE CREDIT UNION PRAYER

Lord, make me an instrument of thy peace  
Where there is hatred, let me sow love  
Where there is injury, pardon  
Where there is doubt, faith  
Where there is despair, hope  
Where there is darkness, light, and  
Where there is sadness, joy

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

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## NOTICE OF THE ANNUAL GENERAL MEETING

July 23, 2024

Notice is hereby given that the Seventieth (70th) Annual General Meeting of the Trintoc (Penal) Credit Union Co-operative Society Limited will be held on:

Date: **Saturday 17th August 2024**  
Time: **10:00 AM**  
Venue: **MIC Institute of Technology – Penal Technology Centre, Clarke Road, Penal.**

The main business of the meeting will be to:

- Receive the Minutes of the 69th Annual General Meeting.
- Receive reports for the Year 2023 as follows:
  - o Board of Directors
  - o Credit Committee
  - o Supervisory Committee
  - o Education Committee
  - o Nominations Committee
  - o Auditors
- Present the 2024 Budget
- Propose Resolutions
- Elect Board and Committee Members
- Transact any other business

Registration starts at 8:00 AM.

Brochures can be viewed on our website [www.trintocpenalcu.com](http://www.trintocpenalcu.com) and collected at our office prior to the meeting.

This is a Members' forum, as such, ONLY Members will be allowed to attend the meeting.

For and on behalf of  
Trintoc (Penal) Credit Union  
Co-operative Society Limited

Peter W. David  
Hon. Secretary

Published on 29th July 2024

## AGENDA

- 1.0 Call to Order
- 2.0 HSE Advisory – AGM Safety Protocols
- 3.0 Credential Report and Notice of the Annual General Meeting
- 4.0 The National Anthem of Trinidad and Tobago
- 5.0 The Credit Union Prayer & Minute of Silence
- 6.0 President’s Address
- 7.0 Motion for Acceptance of the Standing Orders (to be taken as read)
- 8.0 Motion for Acceptance of the 2024 Brochure (to be taken as read)
- 9.0 Confirmation of Minutes of the 69th Annual General Meeting held on Saturday 27th May 2023
- 10.0 Adoption of Reports
  - 10.1 Board of Directors
  - 10.2 Credit Committee
  - 10.3 Supervisory Committee
  - 10.4 Education Committee
  - 10.5 Nominations Committee
  - 10.6 Auditors Report and Financial Statements for 2023
- 11.0 Budget Presentation
- 12.0 Resolutions
- 13.0 Election of Board and Committee Members
  - 13.1 Supervisory Committee - **Outgoing**  
Mrs. Hyacinth Smith  
Mr. Ivan Ashby  
Mr. David Rajpaul
  - 13.2 Credit Committee - **Outgoing**  
Mr. Rudolph Felix  
Ms. Lazina Hosein  
Mr. Kelvin Pustam  
Mr. Winston Samm  
Mr. Calvin Sargeant
  - 13.3 Board of Directors - **Outgoing**  
Mr. Neal Johnson  
Dr. Godfrey Ransome  
Ms. Christina Bahadoor-Hosein
- 14.0 Other Business
- 15.0 Vote of Thanks



## STANDING ORDERS

1.
  - (a) A member shall stand and/or raise hand when addressing the Chair.
  - (b) Speeches shall be clear and relevant to the subject before the Meeting.
2. A member shall only address the meeting when called upon by the Chairman to do so, after which, the members shall immediately be seated.
3. No member shall address the meeting except through the Chairman.
4. A member may not speak twice on the same subject except:
  - (a) The Mover of a Motion-who has the right to reply.
  - (b) Rising to object or explain (with the permission of the Chair).
5. No speeches are to be made after the “Question” has been put and carried or negated.
6. 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 Order”).
7.
  - (a) A Member shall not call another member “to order” but may draw the attention of the Chair to the “Breach of Order”.
  - (b) On no account can a member call the chair to “order”.
8. Only one amendment shall be before the meeting at one and the same time.
9. When a motion is withdrawn, any amendments to it fail.
10. The Chairman shall have a right to a “casting vote”.
11. If there is an equality of voting on an amendment, and if the Chairman does not exercise his casting vote, the amendment is lost.
12. The Chairman shall make provision for protection from vilification (personal abuse).
13. No member shall impute improper motives against another member.

## MINUTES OF AGM 2023

### Minutes of the 69th Annual General Meeting Held at Gospel Deliverance Ministries, 106 Quinam Road, Penal, on Saturday 27th MAY 2023

#### 1.0 CALL TO ORDER

The AGM Moderator, Ms. Christina Bahadoor-Hosein, called the meeting to order at 2.30 p.m.

2.0 The HSE Advisory was done by Mr. Omar Maraj.

#### 3.0 CREDENTIAL REPORT AND NOTICE OF THE ANNUAL GENERAL MEETING

Ms. Bahadoor-Hosein advised that at 2.30 p.m., ninety-one (91) persons were in attendance. Eighty (80) Members, eight (8) Guests and three (3) minors. In compliance with bye-laws section 18 (e), the meeting was duly constituted.

The Honorable Secretary, Mr. Omar Maraj, was invited by the Moderator to read the "Notice of the Annual General Meeting" to the members.

#### 4.0 THE NATIONAL ANTHEM OF TRINIDAD AND TOBAGO

The National Anthem was played.

#### 5.0 CREDIT UNION PRAYER

The Credit Union Prayer was recited.

#### 6.0 MINUTES OF SILENCE

A minute of silence was observed for those members who passed away.

#### 7.0 PRESIDENT'S ADDRESS

In his opening address, the President extended a cordial welcome to all members and guests at the 69th Annual General Meeting. A special welcome was also extended to our distinguished guests from the Co-operative Arm, Mrs. Marsha Santlal-Phagoo and Mrs. Vera Mohammed.

The President proposed the following motions: -

#### 8.0 MOTION FOR ACCEPTANCE OF THE STANDING ORDERS

The motion was moved by Mr. Ralph Mitchell and seconded by Mr. Winston Samm.  
Poll results: 80 – For; 0 – Against; 0 – Abstained. The House voted in favour.

#### 9.0 MOTION FOR ACCEPTANCE OF THE 2023 BROCHURE

The President proposed that a motion be moved for the 2023 Brochure to be taken as read. This motion was moved by Mr. Ivan Ashby, and seconded by Mr. Jeremy Maraj.

Poll results: 80 – For; 0 – Against; 0 – Abstained. The House voted in favour.

#### 10.0 CONFIRMATION OF THE MINUTES OF THE 68TH ANNUAL GENERAL MEETING HELD ON SATURDAY 9th APRIL, 2022.

The Minutes were confirmed by Mrs. Hyacinth Smith and seconded by Mr. Ralph Mitchell.  
Poll results: 80 – For; 0 – Against; 0 – Abstained. The House voted in favour.





10.1 **Minutes of General Meeting**

Omissions and Corrections  
Nil.

10.2 **Business Arising out of Minutes**

Nil

11.0 **ADOPTION OF REPORTS**

11.1 **Credential Report: 91 in attendance, 80 – Members, 3 – minors and 8 – guests.**

11.2 **Board of Directors Report**

A motion for the adoption of the Board of Directors Report was moved by Ms. Andrea Samm and seconded by Mr. Calvin Sargeant. The House voted in favour.  
Poll results: 47 – For; 0 – Against; 33 – Abstained

**Matters Arising**

Mr. Aldwin Browne requested information on the increase in investment compared to 2021/2022. The Treasurer explained the reason for the increase in investment was based on the market value.

11.3 **Credit Committee Report**

A motion for the adoption of the Credit Committee Report was moved by Mr. Gordon Smith and seconded by Mr. Danny Jattan. The House voted in favour.  
Poll results: 37 – For; 0 – Against; 43 – Abstained

**Matters Arising**

Nil

11.4 **Supervisory Committee Report**

A motion for the adoption of the Supervisory Committee Report was moved by Mr. Kelvin Pustam and seconded by Mrs. Rosan Mohan. The House voted in favour.  
Poll results: 37 – For; 0 – Against; 43 – Abstained

**Matters Arising**

Mr. Aldwin Browne suggested that all the motions accepted should be shared with the membership. The Chair of the Supervisory Committee accepted the suggestion and indicated that implementation was sent to the BOD in April 2023 to be made available for all members.

11.5 **Education Committee Report**

A motion for the adoption of the Education Committee Report was moved by Ms. Linda Forde and seconded by Mr. David Rajpaul. The House voted in favour.  
Poll results: 44 – For; 0 – Against; 36 – Abstained

**Matters Arising**

Nil

11.6 **Nominations Committee Report**

A motion for the adoption of the Nominations Committee Report was moved by Mr. Ralph Mitchell and seconded by Mrs. Rosan Mohan. The House voted in favour.  
Poll results: 40 – For; 0 – Against; 40 – Abstained

**Matters Arising**

Nil

11.7 **Auditor's Report and Financial Statements as at December 31st, 2022**

A representative from the Auditing Firm, Maharaj Mohammed & Co., Mr. A. Jaglal, read the Independent Auditor's Report.  
A motion for the acceptance of the Auditor's Report was moved by Mr. Calvin Sargeant and seconded by Mr. Rudolph Felix. The House voted in favour.  
Poll results: 39 – For; 0 – Against; 41 – Abstained.

**Matters Arising**

Mr. N. Johnson, the Treasurer, went through the Financial Statements as of December 31st, 2022.

Mr. David Rajpaul questioned the \$1.4M movement in the assets. Mr. P. Jagdeo indicated that this \$1.4M was spent to acquire land in Penal for construction of the new TPCU building.

Mrs. Pearl Lewis-Browne enquired about the increase in the Education Committee expense.

Mr. J. Maraj indicated that this was due to increased training and events. Mr. I. Mohamed further indicated that in 2021, all events would have been done virtually, whilst in 2022 there was a return to physical events which accounted for the increase. Additionally, there were some events that were postponed in 2021 and then held in 2022.

Mr. Aldwin Browne enquired about the increase in the administrative fees and whether there have been any benefits from the increase.

Mr. I. Mohamed indicated that there was an increase in the bailiff fees and use of the bailiff for which the Credit Union is seeing the benefits of having Judgements on delinquent members being done to recover outstanding balances.

Mr. Ralph Mitchell enquired about the increase in the security fees.

Mr. N. Johnson indicated that the increase was due to an increase in security measures in the office.

12.0 **BUDGET PRESENTATION**

The 2023 Proposed Budget was presented by the Treasurer.  
A motion for the adoption of the 2023 Proposed Budget was moved by the President and seconded by Mr. Lennox Gould.  
The House voted in favour.

Poll results: 41 – For; 0 – Against; 39 – Abstained.



### **Matters Arising**

Mr. Wazir Khan questioned the new proposed building by asking what we are going to build, where are the building plans and how much we are expected to spend on this project.

The Treasurer responded that the property was only recently acquired, and plans are already in place to develop, fence and test the soil. The new proposed building is expected to start by 2024. The Town and Country Planning Division has already given permission for the change of status from residential to commercial use. The President indicated that this new building will be the home for future AGMs and belongs to all members of TPCU.

### 13.0 **RESOLUTIONS**

The Secretary moved the proposed resolutions: -

#### **Resolution 1 – Appointment of Auditors**

Whereas the Commissioner for Co-operative Development has drawn up a list of approved Auditors for the accounts of Co-operative Societies under Section 51 of the Co-operative Societies Act Chapter 81:03 and Regulations thereof;

And whereas Bye-Law 22 (k) of the Trintoc (Penal) Credit Union requires the Annual General Meeting to appoint an Auditor for the ensuing term from the list of Auditors approved by the Commissioner;

Be it resolved that Maharaj Mohammed and Co. be appointed Auditors of the Trintoc (Penal) Credit Union Co-operative Society Limited for the financial year ending December 31, 2023.

This was seconded by Mr. Ananias Johnson and approved by the membership.

Poll results: 38 – For; 0 – Against; 42 – Abstained

### **Matters Arising**

Nil.

#### **Resolution 2 – Distribution of Surplus**

Whereas the Trintoc (Penal) Credit Union Co-operative Society Limited has realized a net surplus for the financial year ended December 31, 2022.

And whereas, the Society's Bye-Law No. 12 makes provision for the distribution of the net surplus under the Co-operative Societies Act and Regulations Chapter 81:03;

Be it resolved that a dividend of 3.2% be declared on members' share balances as of December 31, 2022, and credited to their share accounts.

And be it further resolved that any account which is in arrears, the said sum be credited to outstanding loan and interest.

And it be further resolved that the sum of one million (\$1,000,000.00) be transferred from the Dividend Equalization Fund to be used as a buffer for the payment of this Dividend.

This was seconded by Mr. Lennox Gould and approved by the membership.

Poll results: 36 – For; 0 – Against; 44 – Abstained

**Matters Arising**

Nil

**Resolution 3 – Building Fund**

Whereas Bye-law No.12 (g) of the Society, states the balance of the net surplus may be used at the discretion of the General Meeting for the constitution of a Building Fund.

Be it resolved that the sum of two million dollars (\$2,000,000.00) be transferred from the remaining net surplus to this ‘building fund’ which represents a portion of the surplus for 2022.

This was seconded by Mr. Wazir Khan and approved by the membership.

Poll results: 34 – For; 0 – Against; 46 – Abstained

**Matters Arising**

Nil

**14.0 ELECTION OF BOARD AND COMMITTEE MEMBERS**

At this stage, the President asked Mrs. Marsha Santlal-Phagoo from the Co-operative Division to conduct the elections.

Credential Report:

Mrs. Marsha Santlal-Phagoo read the credential report and advised that at 3.50 p.m., one hundred and four (104) members were in attendance, eight (8) Guests and three (3) minors.

She reminded members that the election of officers in any organization was very important and that before nominating a member to serve on any Committee, that member should be closely examined. Further, any member who served on the Supervisory Committee for three (3) consecutive years would not be eligible for re-election on the Supervisory Committee.

The election results were as follows:

**14.1 Supervisory Committee**

Names	No. of Votes
Hyacinth Smith Via the Nominations Process	71
Ivan Ashby Via the Nominations Process	70
David Rajpaul Nominated by: Peter W. David Seconded by: Omar Maraj	62



Kristal Bhagaloo 53 (1st Alternate)  
Nominated by: Suresh Bhagaloo  
Seconded by: Omar Maraj

Mr. Kelvin Pustam moved a motion that the nominations be ceased.  
Mr. Ralph Mitchell seconded the motion.

#### 14.2 Credit Committee

Names

Winston Samm  
Via the Nominations Process

Calvin Sargeant  
Via the Nominations Process

Lazina Hosein  
Via the Nominations Process

Rudolph Felix  
Via the Nominations Process

Kelvin Pustam  
Via the Nominations Process

A motion was moved by Mr. Ralph Mitchel that all nominees be accepted.  
This was seconded by Mr. Gordon Smith. All voted in favour.

#### 14.3 Board of Directors

Names	No. of Votes
Perry Jagdeo Via the Nominations Process	68
Imtiaz Mohamed Via the Nominations Process	59
Ananias Johnson Via the Nominations Process	52
Danny Jattan Via the Nominations Process	35 (1st Alternate)
Jeremy Maraj Via the Nominations Process	28 (2nd Alternate)

Mr. Kelvin Pustam moved a motion that the nominations be ceased.  
Mr. Ralph Mitchell seconded.

Mr. Ralph Mitchell moved for the destruction of the ballots.  
Mr. Calvin Sargeant seconded.

The President thanked Mrs. Marsha Santlal-Phagoo and Mrs. Vera Mohammed for conducting the elections and congratulated the elected members.

At this point, the Presiding Officer handed over the meeting to the Chairman.

15.0 **OTHER BUSINESS**

Mr. Ralph Mitchell suggested that the distribution of the Dividends should be done in a timely manner and all monthly balances be considered for the dividends.

The Treasurer indicated that the financial year ends on 31st December and the average share balances are monitored.

The President encouraged individuals within a 5-mile radius of its location to join TPCU. Family and relatives of members are invited to join and become members.

16.0 **GREETINGS:**

Credit Union League of Trinidad and Tobago (CCULTT) -  
South-West Regional Chapter (SWRC) -  
Antilles Employees Credit Union -  
Palo Seco Credit Union -  
Zenith Credit Union -

Mr. Fabian Joseph  
Mrs. Lidia Wildman-Tyson  
Mrs. Marlene Joseph  
Mr. Kibwe Herrera  
Mr. Evans Codogan

17.0 **VOTE OF THANKS**

The vote of thanks was given by Ms. Christina Bahadoor-Hosein, who thanked all guests present for attending.

There being no further business, the Chairperson thanked the members for attending and declared the meeting closed at 5:00 p.m.

Respectfully submitted.



Omar Maraj  
Hon. Secretary



# The Office Staff

MANAGER



Mr. Danny Jattan

ASSISTANT MANAGER



Mrs. Sharida Gaffar-Ramrattan

CUSTOMER SERVICE REPRESENTATIVE



Mrs. Ann Marie Lee-Pulchan

LOANS OFFICER



Mrs. Peaches Francis-Mc Nish

IT ADMINISTRATOR



Mr. Rawle Kanju

CUSTOMER SERVICE REPRESENTATIVE



Ms. Sasha Harripersad



# Board Of Directors

PRESIDENT



Mr. Perry Jagdeo

VICE PRESIDENT



Mr. Imtiaz Mohamed

SECRETARY



Mr. Peter W. David

TREASURER



Mr. Neal Johnson

ASSISTANT SECRETARY



Ms. Christina Bahadoor-Hosein

DIRECTOR



Mr. Omar Maraj

DIRECTOR



Mr. Eric Forde

DIRECTOR



Mr. Ananias Johnson

DIRECTOR



Dr. Godfrey Ransome

70<sup>th</sup> ANNIVERSARY





## BOARD OF DIRECTORS REPORT

The Board of Directors of the Trintoc (Penal) Credit Union Co-operative Society Limited is pleased to present to the 70th Annual General Meeting the report on its stewardship for the period January 1st, 2023, to December 31st, 2023.

### Composition of the Board of Directors

Perry Jagdeo	-	President
Imtiaz Mohamed	-	Vice President
Peter Winston David	-	Secretary
Christina Bahadoor-Hosein	-	Assistant Secretary
Neal Johnson	-	Treasurer
Ananias Johnson	-	Director
Godfrey Ransome	-	Director
Eric Forde	-	Director
Omar Maraj	-	Director

### Board Attendance Record

The Board of Directors held twelve (12) Statutory Board Meetings, eighteen (18) Special Meetings and three (3) All Officers' Meetings for the period.

Director	Statutory Meetings	Special Meetings	All Officers' Meetings	Excused
Perry Jagdeo	12	17	3	1
Imtiaz Mohamed	12	17	3	1
Neal Johnson	12	17	3	1
Peter W David	12	17	3	1
Christina Bahadoor-Hosein	11	16	2	4
Ananias Johnson	12	17	3	1
Godfrey Ransome	12	16	3	2
Eric Forde	12	16	3	2
Omar Maraj	12	17	3	1

### 1.0 Introduction

TPCU recorded another progressive year due to the collective efforts made by the Officers, the hard-working Staff, and you, the appreciative members. We are happy to report an increase in the surplus from last financial year.

The Credit Union continues to strive for excellence and won the "Best Human Resource Development Award 2022" Medium category, by the Co-operative Credit Union League of Trinidad and Tobago.

We would like to sincerely thank our past manager, Mrs. Nadra Persad who has moved on after 17 years of dedicated service.

## 2.0 Financial Highlights

We are delighted to present to you our annual report, reflecting the remarkable journey of recovery and resilience undertaken by our credit union in the aftermath of the Covid-19 pandemic. These past years have tested the strength of our credit union and the commitment of our members, but we are proud to say that we have emerged stronger and more determined than ever. As we navigate the challenges brought upon us by these unprecedented times, we are pleased to share with you the progress we have made in restoring stability, supporting our members, and charting a path towards a brighter future. Our performance for 2023 is as follows

### ASSET BASE

Trintoc (Penal) Credit Union recorded an increase in its asset base of \$1.5M (0.65%), for the year ended December 31, 2023, moving from \$236.7M in 2022 to \$238.2M in 2023 (Table 1).

Item	2019	2020	2021	2022	2023
Total Assets	247,789,095	236,603,629	242,038,708	236,654,848	238,203,921

Table 1

### LOAN PORTFOLIO

The total loan principal balances of the Credit Union stood at \$63.6M as at December 31, 2023, representing an increase of \$4.2M (7.13%) when compared with the total loan principal balances of \$59.4M as at December 31, 2022 (Table 2). This increase signals the confidence of our members and the strength of our loan portfolio.

Item	2019	2020	2021	2022	2023
Loan Portfolio	71,956,781	64,124,694	62,317,774	59,424,995	63,660,866

Table 2

### NON-PERFORMING LOANS

The Board has continuously developed and executed strategies to manage and reduce non-performing loans within the credit union. This is an ever evolving and dynamic process that demands adaptability, innovation, and a steadfast commitment to our mission of serving our members' financial needs. Our efforts have borne some fruit with overall Expected Credit Loss reducing by 0.8% when compared to 2022.

As at December 31, 2023, the Expected credit loss provision was 22.0%, (22.8% in 2022). The Expected Credit Loss provision is subdivided into 3 major categories - Ex-Petrotrin Members \$4.0M, Ex-Petrotrin Retirees \$4.8M and Non-Petrotrin/External Members \$9.2M.



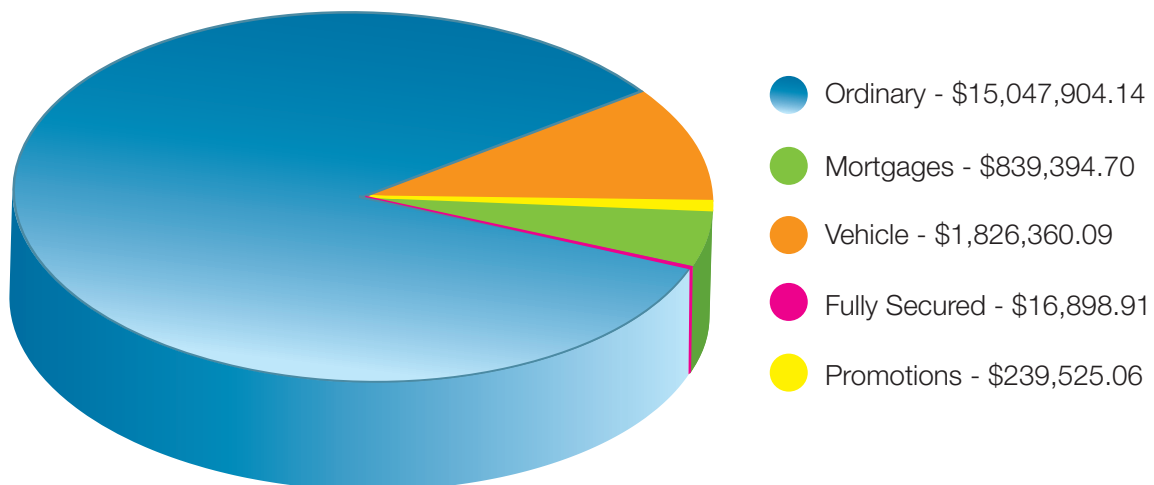
**EXPECTED CREDIT LOSS PROVISION**

2023	IFRS 9	IFRS 9
Loan Product Category	\$	%
Ordinary	15,047,904.14	84
Mortgages	839,394.70	5
Vehicle	1,826,360.09	10
Fully Secured	16,898.91	0
Promotions	239,525.06	1
Provision	17,970,082.90	100

Table 3

Expected credit loss provision (Loan Category)

**Provision for Bad and Doubtful Debts (IFRS 9) - 2023**



**Provision – Expected Credit Loss (ECL)**

Particulars	2019	2020	2021	2022	2023
Loan Portfolio	84,703,297	7,796,182	78,996,985	76,936,265	81,630,949
Provision – ECL	12,746,516	15,671,488	16,679,211	17,511,270	17,970,083
Provision – ECL (%)	15.0%	19.6%	21.1%	22.8%	22.0%

Table 4

**SHARE SAVINGS PORTFOLIO**

The total share savings of the Credit Union stood at \$147.9M as at December 31, 2023, representing a decrease of \$1.3M (0.84%) from that of 2022 (Table 5). Of significance, members utilised Shares to invest in the credit union’s 5-year fixed deposit offer. Analysis also highlighted a trend of Members withdrawing savings to settle outstanding loans.

Item	2019	2020	2021	2022	2023
Members' Shares	164,947,299	158,308,749	151,609,182	149,172,284	147,916,137

Table 5

### INCOME

The Board, cognizant of the effects of the Petrotrin closure, Covid-19 pandemic and market conditions, capitalised on investment opportunities enabling the credit union to surpass its budgeted income. At Year End 2023, Trintoc (Penal) Credit Union generated a Total Income of \$13.9M (Table 6), which surpassed our budgeted Income of \$13.4M by \$0.5M. Our performance is stable when compared to the prior year income of \$13.3M

Item	2019	2020	2021	2022	2023
Income	15,461,041	13,223,135	13,302,393	13,305,989	13,870,779

Table 6

The credit union recorded a Net Surplus of \$8.7M representing an increase of \$0.7M (9.5%) (Table 7), over the Net Surplus of \$8.0M as at December 31, 2022. The increase resulted from favorable financial performance and effective management of operational expenses.

### Earning Performance and Operating Efficiency Profile

Income/Expense	2019	2020	2021	2022	2023
Interest on loans	8,596,673	6,043,909	5,856,346	5,752,872	5,469,295
Investment Income	6,751,229	7,145,406	7,359,318	7,506,971	8,304,949
Other Income	113,139	33,820	86,729	46,146	96,535
Total Income	15,461,041	13,223,135	13,302,393	13,305,989	13,870,779
Total Expenses	7,851,554	7,072,680	5,075,165	5,331,478	5,137,859
Net Surplus	7,609,487	6,150,455	8,227,228	7,974,511	8,732,920
Net Surplus margin ratio	49.2%	46.5%	61.8%	59.9%	62.96%
Expense to income ratio	50.8%	53.5%	38.2%	40.1%	37.04%

Table 7

### 3.0 DIVIDEND

In keeping with the vision and performance of the credit union, the Board of Directors is proposing a dividend of 3.5% for ratification by members at this Annual General Meeting for the financial year ended December 31, 2023.



**4.0 MEMBERSHIP**

Membership as at January 1st 2023	-	3,151
New members joined in 2023	-	55
Deaths in 2023	-	21
Resignations in 2023	-	16
Membership as at December 31st 2023	-	3169

**5.0 CONDOLENCES**

We offer heartfelt sympathy to the families of our departed members, who have loyally contributed to Trintoc (Penal) Credit Union’s success over the years.

Deceased Members		
Javid Juman	Michael Le Blanc	Arjoon Samdath
Clyde Barclay	Sharida Ali	Raimoon Gaffar
Azard Mohammed	Latchmipersad Basdeo	Sigmund David
Pearl Cooper	Naresh Balroop	Shaffick Hyatali
Peter Grant	Rabindranath Rajpaulsingh	Nanlal Samlal
Joy Felix	Aurelia Ganeesingh	Hakeeb Nandalal
Peter Hernandez	Emmanuel Joseph	Winston Mathura

**6.0 CUNA**

CUNA Caribbean Insurance Society remains the primary insurance provider for our Credit Union and as such our professional relations remain intact.

**7.0 COMMUNITY CONTRIBUTIONS**

The Trintoc (Penal) Credit Union continues to render assistance to charitable causes within the community and its immediate environs.

**8.0 TRAINING AND DEVELOPMENT**

The Trintoc (Penal) Credit Union continue to invest in educating its staff and officers through workshops, seminars, training programmes and short courses, which are conducted in-house or facilitated by the Co-operative Credit Union League, and other external organizations.

**9.0 MANAGEMENT SYSTEMS**

**9.1 EMORTELLE Management Information System**

The office staff is supported by Micro Software Designs Ltd, developer of the Emortelle System. Our Management Information System continues to be upgraded to provide an improved service to you.

**Global Information Access (GIA) Online Access**

Approximately 10% of the membership has signed up for the Credit Union’s GIA Online Access service facility. This new service allows our members to access their current financial data and request online transactions in the comfort of their home or office 24/7.

The interface is secured, interactive and allows members to perform:

- Balance Enquiries
- Request Inter-Member Funds Transfers
- Request Member to Member Transfers
- View and Print Statement
- Request Loan/Projections
- Request Statements
- Request Withdrawals
- Update Personal Data

If you have not signed up for this service, we encourage you to do so to keep abreast of your personal information and financial status with the Credit Union.

**9.2 BYE-LAWS**

In 2023, there were no proposed amendments to the Bye-Laws.

**9.3 FINANCIAL INTELLIGENCE UNIT (FIU) TRAINING**

The Co-operative Credit Union League of Trinidad and Tobago (CCULTT) continues to provide the required annual training in Anti-Money Laundering (AML) and Counter Financing of Terrorism (CFT) procedures for all officers and employees.

**9.4 AUTOMATED CLEARING HOUSE (ACH), LINX FACILITIES AND ONLINE TRANSFERS**

The above facilities are now available to our membership. Members can request that their loans, deposits and share withdrawals be sent directly to their bank account. Linx is also available for easy payment to the credit union. For more information, please contact our office.

**10.0 AUDITOR**

We hereby recommend to this House, the appointment of Maharaj Mohammed and Co, Chartered Accountants, as Auditor for year ending December 31, 2024.

**11.0 ACKNOWLEDGEMENT**

The Board of Directors extends sincerest thanks to the dedicated and hard-working officers, committee members and staff of the Trintoc (Penal) Credit Union for providing efficient and timely services to you the membership.

For and on behalf of The Board of Directors



Peter W. David  
Hon. Secretary



# Credit Committee

CHAIRMAN



Mr. Winston Samm

SECRETARY



Mr. Calvin Sargeant

MEMBER



Ms. Lazina Hosein

MEMBER



Mr. Rudolph Felix

MEMBER



Mr. Kelvin Pustam



## CREDIT COMMITTEE REPORT

The Credit Committee is pleased to report on its Loan Performance for the period January to December 2023. The Credit Committee comprised the following members:-

Winston Samm - Chairman  
 Calvin Sargeant - Secretary  
 Rudolph Felix - Member  
 Kelvin Pustam - Member  
 Lazina Hosein - Member

During the period under review, the Credit Committee held fifty-six (56) weekly meetings and attended three (3) All Officers Meetings.

Attendances were as follows: -

Name	Regular Meetings (TPCU Office)	All Officers	Excused
Winston Samm	56	2	1
Calvin Sargeant	55	3	1
Rudolph Felix	54	3	2
Kelvin Pustam	51	3	5
Lazina Hosein	52	2	5

For the period January to December 2023, a total of 362 loans amounting to \$18,545,997.43 were granted. This total represented a 15.9% increase when compared to \$15,996,634.09 for the period January to December 2022.

The largest category of loans as shown on the pie chart below is Property Acquisition/Repairs followed by Vehicle and Vehicle Repairs amounting to 46% and 22% respectively of the total loans granted in 2023. Site visits were conducted at the various phases of construction for members who received mortgage loans for land and building construction.

The members of the Credit Committee wish to thank the Board of Directors, Officers of the Supervisory Committee, Education Committee, and Office Staff for their support. Most of all we want to say a heartfelt thank you to our membership for giving us the opportunity to serve another year.



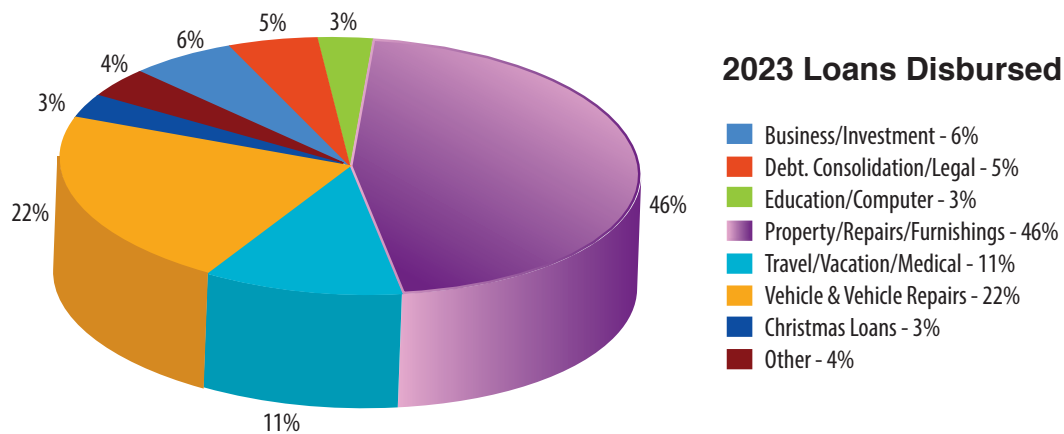
Calvin Sargeant  
 Secretary





**COMPARISON OF LOANS DISBURSED FOR PERIOD JANUARY - DECEMBER 2023, 2022 & 2021**

Statistical Data Related to Loans						
PURPOSE OF LOAN	TOTAL \$ (2023)	NO. OF LOANS (2023)	TOTAL \$ (2022)	NO. OF LOANS (2022)	TOTAL \$ (2021)	NO. OF LOANS (2021)
Business/Investment	1,111,142	21	1,480,685	31	2,782,547	51
Debt. Consolidation/Legal	937,754	21	846,011	18	593,523	7
Education/Computer	616,600	24	435,065	24	292,232	12
Property/Repairs/Furnishings	8,593,804	85	7,959,775	100	8,101,050	96
Travel/Vacation/Medical	2,007,863	56	1,105,701	32	303,700	18
Vehicle & Vehicle Repairs	4,049,739	65	3,297,398	63	2,343,985	42
Christmas Loans	534,167	35	368,600	30	-	-
Other	694,930	55	503,400	39	960,735	70
<b>TOTAL</b>	<b>18,545,999</b>	<b>362</b>	<b>15,996,635</b>	<b>337</b>	<b>15,377,772</b>	<b>296</b>



# Supervisory Committee

CHAIRMAN



Mr. Ivan Ashby

SECRETARY



Mrs. Hyacinth Smith

MEMBER



Mr. David Rajpaul





## SUPERVISORY COMMITTEE REPORT

The Supervisory Committee is pleased to report on the affairs of the Trintoc (Penal) Credit Union Co-operative Society Limited (TPCU) for the year ended December 31st, 2023, for consideration and adoption at the Credit Union's 70th Annual General Meeting.

At the 69th Annual General Meeting held on Saturday 27th May 2023 three (3) members and one (1) alternate were elected to serve on the Supervisory Committee.

At the inaugural meeting of the committee, the following persons were appointed.

Mr. Ivan Ashby - Chairman  
Mrs. Hyacinth Smith - Secretary  
Mr. David Rajpaul - Member

### Committee Members Attendance Record

The record of attendance for outgoing members for the period between Annual General Meetings have been summarized below.

Committee Members	Regular	All Officers	Excused	Absent
Ivan Ashby	9	3	1	5
Hyacinth Smith	14	2	1	-
David Rajpaul	13	3	1	-

### Functions, Responsibilities and Activities

The Trintoc (Penal) Credit Union's Supervisory Committee has the responsibility to independently assess, review and examine the affairs of the Credit Union, perform random audit of its books and make the necessary recommendations to ensure compliance in accordance with TPCU Bye-Laws, the Co-operative Societies Act, Chap. 81.03 of 1971, International Financial Reporting Standards (IFRS), Policies, Procedures, Guidelines and Financial best practices.

The completed assessments, reviews and examinations addressed by the Supervisory Committee for the period under review, are summarized hereunder:

#### 1. Internal Audit Reports

##### 1.1 AR 01/23 – Review of Financial Statements 2023.

The objective of the review was to provide a Financial Analysis of the performance of the Credit Union for the Financial period January to December 2023. The Supervisory Committee found that the internal controls over the preparation of the Financial Statements were effective for the period reviewed.

##### 1.2 AR 02/23 – Review of the Compliance Reports 2023.

The objective of this review was to assess the degree of effectiveness of the current Compliance Practices. The Supervisory Committee found that the current Compliance Practices for the year ended December 2023 were effective for the period reviewed.

1.3 **AR 03/23 – Review of Loan Applications 2023.**

The objectives of this review were to determine the degree of compliance of the loan applications for 2023 to stated policies and procedures. The Supervisory Committee found that the loan applications were completed in accordance with the stated policies and procedures for the period reviewed. In discussions with the Board of Directors it was agreed that lending policies need to be reviewed with a view to increasing our loans to members while still keeping delinquencies at a minimum to the benefit of the organisation.

1.4 **AR 04/23 – Review of Member’s Share and Deposit Accounts 2023.**

The objective of this review was to provide reasonable assurance of the accuracy of the updating of member’s shares and deposit account balances for 2023. The Supervisory Committee found the internal controls over the maintenance and updating of Member’s shares and deposit accounts to be effective for the period reviewed.

1.5 **AR 05/23 – Audit of Petty Cash Management 2023.**

The objective of this review was to provide reasonable assurance of the effectiveness of the internal controls over petty cash. The Supervisory Committee found the internal controls over the Management of Petty Cash to be effective for the period reviewed.

1.6 **AR 06/23 – Fixed Assets Audit.**

The objective of this review was to give reasonable assurance that all Fixed Assets of the TPCU are recorded in compliance with all Regulatory/Statutory Guidelines and International Accounting Standards, and the values of Assets stated are reflective of the fair value of the assets as stated in the Financial Statements. The Supervisory Committee found that the internal controls over the Fixed Asset Register needed improvement.

The Supervisory Committee noted the need to improve the identification of assets, but management indicated that a similar suggestion was previously made and it’s the management’s intention to implement changes towards that end.

1.7 **AR 07/23 - Audit of the Process of Debt and Delinquency Recovery.**

The objective of this review was to assess the efficiency and effectiveness of the current Process of Debt/ Delinquency Recovery. The Supervisory Committee found that the process for Debt/Delinquency Recovery was not sufficient and improvement in the internal controls is required. In discussions with the Board of Directors it was agreed that improvements to the internal controls and an increase in the resources allocated towards Debt/ Delinquency Recovery should bring the delinquency portfolio to an acceptable level. The Board have already started the required process towards this end.



1.8 **AR 08/23 – Audit of the Contract Policy.**

The contracting process was found to be adequate, but the SC recommended that a formalized contract procedure should be established.

2. **Training Seminars and Workshop Sessions.**

In keeping with the TPCU's commitment for continuous training of all officers and staff, various members of the Supervisory Committee participated in the following workshops training sessions during the year:

- i. Shared service training AML/CFT/PF Training facilitated by Co-operative Credit Union League of Trinidad and Tobago
- ii. Mortgage Loans Training hosted by The Co-operative Development Division
- iii. Roles and Responsibilities of the Board of Directors, Credit Committee and Supervisory Committee.

We wish to express our sincere thanks and gratitude to the Board of Directors, Manager and Office Staff, and fellow TPCU officers for their co-operation, guidance, and support during our tenure. We also wish to thank the membership for the confidence placed in us by electing us and for the opportunity to serve on your behalf. In closing, we must continue to support our Credit Union and ensure its continuation for the good of present and future members and the community.

Hyacinth Smith  
Secretary

# The Education Committee

CHAIRMAN



Mr. Jeremy Maraj

SECRETARY



Mr. Christopher Samm

MEMBER



Ms. Christina Bahadoor-Hosein

MEMBER



Mrs. Margaret Pustam

MEMBER



Ms. Ruan Jadoo

MEMBER



Ms. Andrea Ramdeen







## EDUCATION COMMITTEE REPORT

The Education Committee is pleased to report on its activities/programs during the year 2023. We were encouraged and inspired by the attendance and support from the members. We also assure the membership that we are committed and continue to be so in our pursuits towards the prosperity and growth of our Credit Union.

The Education Committee held sixteen (16) virtual/in house meetings and attended three (3) all officers' meetings as follows:

### Record of Attendance

Name	Virtual/Regular Meetings	All Officers' Meetings	Excused
Jeremy Maraj	16	3	0
Christopher Samm	9/10	1/1	1
Margaret Pustam	13	3	3
Ruan Jadoo	6/10	1/1	5
Andrea Ramdeen	9/10	1/1	1
Christina Bahadoor-Hosein	13	3	3
N'kosi David	6/6	2/2	0
Kristal Bhagaloo	5/6	2/2	1

During our year of operations, Mr. N'kosi David transferred to serve on the Marketing Committee. Mr. Christopher Samm was selected to serve the role as Secretary for the Education Committee. Additionally, Ms. Ruan Jadoo and Ms. Andrea Ramdeen were also selected to become members of the Education Committee.

### Interfaith Service

Our traditional Annual Interfaith Service was held in 2023 January at the Shiva Boys Hindu College. The Vice President, Mr. Imtiaz Mohamed brought greetings and remarks on behalf the Board of Directors. Inspirational messages from various faiths and entertaining musical performances defined the special occasion.

### Young Achievers

Children of members continue to excel in the field of education. TPCU recognized these young achievers who exceeded in 2022. They were awarded at the Annual Interfaith Service in January 2023.

### SEA

Musa Baksh, Jenique Bristol, Sachin Seerajh.

### CAPE

Arianna Balkaran, Jirnia Williams.

### SPORTS/SWIMMING

Siena Jagdeo.

**Financial Planning & Retirement Seminar**

The Trintoc Penal Credit Union via the Education Committee hosted a hybrid session on Financial Literacy and Retirement Planning that was held on the 1st of July 2023 at the MIC Training Institute. This seminar was facilitated by Mr. Carl Morton who represented the National Financial Literacy Programme Department of the Central Bank of Trinidad and Tobago. The seminar aimed at enlightening and educating members on different means to achieve financial stability. The seminar explored topics that included Personal Budgeting, Retirement and Estate Planning and Understanding Wealth Accumulation just to name a few.

**Field Trip to the Pitch Lake**

The education committee organized a field trip to the Pitch Lake for member’s children as a part of July/August vacation fun events. The field trip was held on Saturday the 26th of August 2023 and members accompanied their children for the tour. Education Committee Chairman Mr. Jeremy Maraj and Member Mrs. Margaret Pustam facilitated this event. The event was well attended and both parents and children enjoyed the tour. The education committee looks forward to continued support from its members for future events.

**Conclusion**

The Education Committee continues to strive in recognizing its role in contributing to the strategic development of the Credit Union and as such remains committed to provide its membership and staff with current information on educational opportunities available and the training of new members and other necessary means to ensure that our Credit Union remains a cohesive entity.

We wish to express our sincere appreciation to the Board of Directors, Credit and Supervisory Committees as well as the Administrative Staff for their unwavering support over the last financial year and we wish the Trintoc Penal Credit Union continued financial growth and success as we continue to navigate through these unprecedented times.



---

Christopher Samm  
Secretary.





## NOMINATION COMMITTEE REPORT

### A. INTRODUCTION

The Nomination Committee is pleased to present its report for the ensuing 2024/25 term of office for the Statutory Committees of TPCU.

### B. APPOINTMENT, DUTIES AND COMPOSITION OF NOMINATION COMMITTEE

The Board of Directors appointed the Nominations Committee (NC) Chairman at its statutory meeting on 16 December 2023.

Set out in the Bye-Laws are the responsibilities of the Committee, which include the screening and selection of nominees following the criteria set out by the Board to be considered for election to the Board, Credit and Supervisory Committees.

The Nomination Committee consists of three (3) members who have served on previous Boards of TPCU and have demonstrated knowledge of and a commitment to TPCU and the cooperative philosophy.

The three-member committee comprised the following persons:

Omar Maraj	-	Chairperson
Perry Jagdeo	-	Secretary
Imtiaz Mohamed	-	Member

### C. VACANT POSITIONS TO BE FILLED

The vacant positions are to be filled at the seventieth (70th) AGM are as follows:

Board of Directors	-	three (3) positions
Credit Committee	-	five (5) positions
Supervisory Committee	-	three (3) positions

The election of two (2) alternates to each of the Board, Credit and Supervisory Committees will also be required.

### D. NOMINATION AND SELECTION PROCESSES

Notice was issued to the membership and advertisements were placed in the daily newspapers, on TPCU's website, and all social media platforms via WhatsApp and emails. The deadline for submission of the Application Package was June 24, 2024.

Fourteen (14) application forms were received and perused for compliance with the specific guidelines outlined for each nomination category:

- Six (6) for Board of Directors
- Five (5) for Credit Committee
- Three (3) for the Supervisory Committee

All fourteen (14) applications received were deemed to have complied with the “fit and proper” criteria and were approved for nomination for their respective committees at the AGM. Indeed, most of the applicants have served or are currently serving on either a management committee or a board-appointed sub-committee.

**E. CONCLUSION**

The Nominations Committee (NC) is one of the most critical board-appointed committees, as it creates the path for recruiting and selecting “best fit” candidates for the board and committees. The Committee thanks the Board for affording its members the privilege to serve TPCU in an important capacity. The committee undertook its mandate to recommend suitably qualified and experienced Nominees to fill the aforementioned vacancies with due diligence and commitment to the success of TPCU.


We are therefore grateful to the Board of Directors for enabling us to perform this important assignment efficiently.

However, we recommend eliminating nominations from the floor by amending the appropriate Bye-laws since the Nomination Committee cannot vouch for the suitability and fitness of individuals who do not comply with the Nomination Committee’s process.

Finally, to ensure that ample and suitable nominees respond to the call to serve, we suggest the nomination process commence some four (4) months before the AGM. This would facilitate proactively pursuing and motivating members to respond.

The profiles of the approved nominees for the Board of Directors, Supervisory Committee and Credit Committee are appended.

Submitted on behalf of the Nominations Committee.



Omar Maraj  
Chairman



## NOMINEES FOR THE BOARD OF DIRECTORS



**Neal Johnson**

Manager  
Qualified Accountant  
Presently pursuing LLB  
Diploma in Marketing  
Treasurer – TPCU  
Member for 30 years



**Godfrey Ransome**

Retired Senior Lecturer UTT  
PhD – Petroleum Engineering  
MBA – Engineering Management  
BSc – Petroleum Engineering  
Director – TPCU  
Member for 40 years



**Christina Bahadoor-Hosein**

Bsc Computing  
Served on the Board of  
Directors, Supervisory  
Committee and Education  
Committee  
Operations Manager  
Secretary Audit Committee,  
TTCUDIF  
Vice President of Duncan  
Village Credit Union  
Member for 40 years



**Dhanraj Roop-Persad**

Retired Senior Production  
Supervisor  
General Manager – Land  
Operations/Business Dev/HSSEQ  
Internal Quality Auditing  
Quality System Documentation &  
Implementation  
Human Resource Development  
Member for 40 years



**Hyacinth Smith**

Teacher 1 - Morne Diabie R.C  
School  
Acting Vice Principal  
Senior Head Teacher Lead of  
the Junior Co-operative Society  
at school  
Bachelor Of Science In  
Education (Specialized in  
Educational Leadership)  
Diploma In Education  
Served in the TPCU Education  
Committee  
Served in the TPCU Supervisory  
Committee  
Member for 35 years



**Kristal Bhagaloo**

MBA – Logistics and Supply  
Chain Management  
MSc – Petroleum Engineering  
BSc – Petroleum Geoscience  
Diploma – Procurement and  
Supply  
Procurement Assistant  
Served on the TPCU Education  
Committee  
Member for 25 years



## NOMINEES FOR THE CREDIT COMMITTEE



**Kelvin Pustam**

Retired Production Operations  
Gauger  
GCE O Levels  
Service at TPCU:  
Credit Committee- 20 years  
Education Committee.  
Member for 42 years



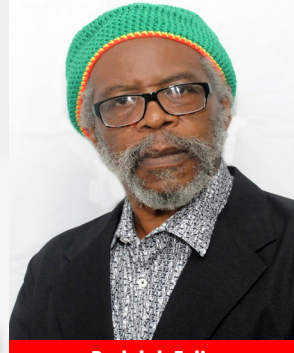
**Calvin Sargeant**

Retired Estate Police Sergeant  
BSc -Health Safety and  
Environmental Management  
Service at TPCU:  
Credit Committee- Past  
Chairman  
Credit Committee- Past  
Secretary  
Member for 45 years



**Winston Samm**

Field Maintenance Supervisor  
Civil Engineering Technician  
Associate Degree – Occupational  
Safety and Health.  
Service at TPCU:  
Credit Committee - Chairman  
since 2007  
Member for 32 years



**Rudolph Felix**

Retired Contracts Officer  
GCE O Levels  
Service at TPCU:  
Credit Committee-Past  
Chairman  
Credit Committee -Past  
Secretary  
Member for 45 years



**Lazina Hosein**

Retired Loan Officer  
GCE O Levels  
Service at TPCU:  
Credit Committee - 4 years  
Member for 26 years.

70<sup>TH</sup> ANNIVERSARY





## NOMINEES FOR THE SUPERVISORY COMMITTEE



**Althea Elcock Brereton**

Retired Business System Analyst  
MSc – Strategy Information Technology  
Associate Degree in Computer Studies  
Certificate in Process Mapping & Improvement  
Served on the TPCU Education Committee  
Member for 30 years



**Narisa Mohamed-Ramesar**

Presently employed for over 15 years with Ministry of Education. Secretary of the Mayaro Secondary Local School Board (BA) Degree in Business Management  
CAT Certified  
Member for 33 years

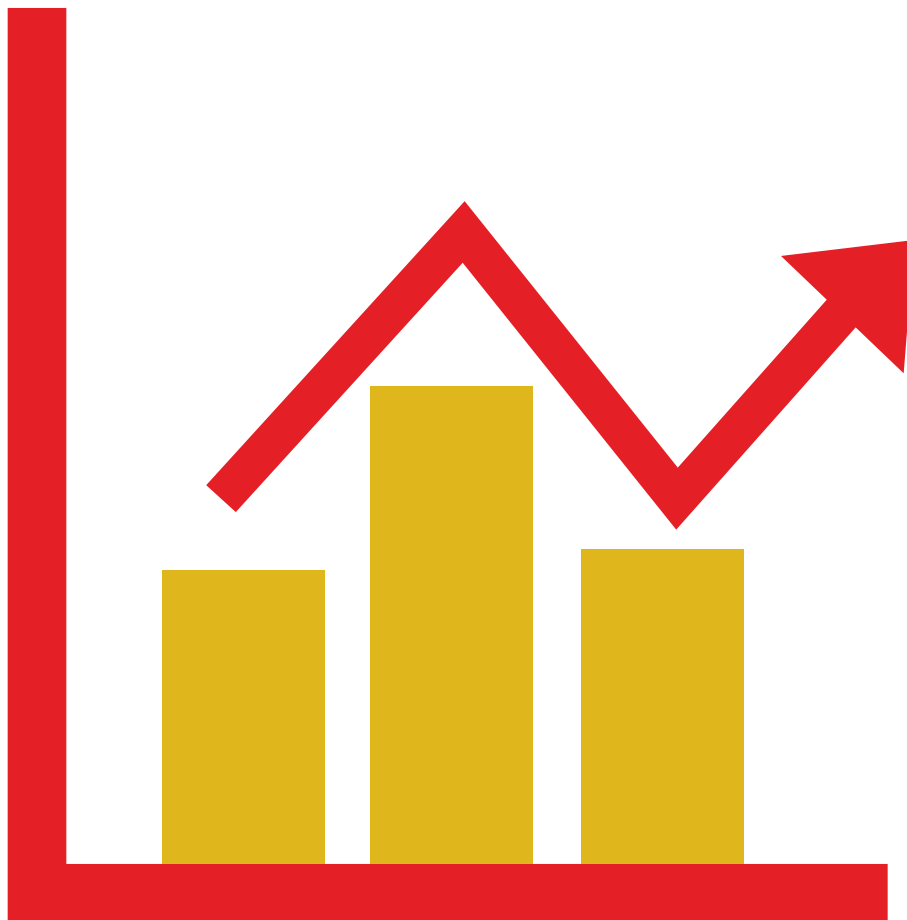


**Anissa Kimberly Mohamed**

Accountant with over 20 years Finance experience in both the private and public sector.  
Member of the Association of Chartered Certified Accountant.  
Member for 30 years.



**INDEPENDENT AUDITORS' REPORT  
& FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2023**



Chartered Accountants  
34 St. Vincent Street,  
San Fernando,  
Trinidad, W.I.  
Tel: (868) 652 5245  
Fax: (868) 653 6053  
Email: [info@maharajmohammed.com](mailto:info@maharajmohammed.com)



**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
TRINTOC (PENAL) CREDIT UNION CO-OPERATIVE SOCIETY LIMITED**

*Opinion*

We have audited the financial statements of Trintoc (Penal) Credit Union Co-Operative Society Limited which comprises the statement of financial position as at 31<sup>st</sup> December 2023, statement of comprehensive income, statement of changes in equity, statement of cash flows and receipts and payments account for the year then ended, and incorporating summary of significant accounting policies and other explanatory notes, as stated on pages 42 to 66.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Trintoc (Penal) Credit Union Co-Operative Society Limited as at 31<sup>st</sup> December 2023 and the results of its operations and 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society 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*

Management is responsible for the other information. The other information comprises the information included in the Society's annual 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, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### *Responsibilities of Management and Those Charged with Governance 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 Society'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 Society or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Society'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 auditor's 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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.



*Auditors' Responsibilities for the Audit of the Financial Statements (continued)*

- 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 Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Rudranand Maharaj.



Maharaj Mohammed & Co.  
Chartered Accountants  
Trinidad & Tobago

24<sup>th</sup> May 2024

Management is responsible for the following:

- Preparing and fairly presenting the financial statements of Trintoc (Penal) Credit Union Co-operative Society Limited, which comprise the statement of financial position as at 31<sup>st</sup> December, 2023, the statements of comprehensive income, changes in equity, statement of receipts and payments and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;
- Ensuring that the Credit Union 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 Credit Union's assets, detection/prevention of fraud, and the achievement of Credit Union's 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 Cooperative Societies Act; and
- Using reasonable and prudent judgement in the determination of estimates.

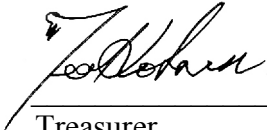
In preparing these audited financial statements, Management utilized the International Financial Reporting Standard, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where International Financial Reporting Standards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

Nothing has come to the attention of Management to indicate that Trintoc (Penal) Credit Union Co-operative Society Limited 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 authorized for issue, if later.

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



\_\_\_\_\_  
President  
24<sup>th</sup> May 2024



\_\_\_\_\_  
Treasurer  
24<sup>th</sup> May 2024

## STATEMENT OF FINANCIAL POSITION AT 31ST DECEMBER 2023

	Notes	2023 \$	2022 \$
<b><u>ASSETS</u></b>			
<b>Current assets</b>			
Cash and cash equivalents	6	7,005,993	7,833,689
Accounts receivable and prepayments	9	<u>13,526,216</u>	<u>13,438,988</u>
		<u>20,532,209</u>	<u>21,272,677</u>
<b>Non-current assets</b>			
Property, plant and equipment	5	2,515,202	2,086,579
Members' loans	7	63,660,866	59,424,995
Investments	12	<u>151,495,643</u>	<u>153,870,597</u>
		<u>217,671,712</u>	<u>215,382,171</u>
<b>Total Assets</b>		<b><u>238,203,921</u></b>	<b><u>236,654,848</u></b>
<b><u>MEMBERS' EQUITY AND LIABILITIES</u></b>			
<b>Members' equity</b>			
Reserve fund		19,033,816	18,159,464
Education fund		3,078,547	2,787,934
Building fund		5,414,179	3,414,179
Investment reserve	14	9,105,705	11,672,592
Dividend equalization fund	16	-	1,000,000
Retained earnings		<u>16,653,575</u>	<u>14,722,275</u>
		<u>53,285,822</u>	<u>51,756,444</u>
<b>Current liabilities</b>			
Accounts payable and accruals	10	<u>1,944,160</u>	<u>1,987,377</u>
		<u>1,944,160</u>	<u>1,987,377</u>
<b>Non-current liabilities</b>			
Members' shares	17	147,916,137	149,172,284
Members' deposits	15	<u>35,057,802</u>	<u>33,738,742</u>
		<u>182,973,939</u>	<u>182,911,026</u>
<b>Total Liabilities</b>		<u>184,918,099</u>	<u>184,898,403</u>
<b>Total Liabilities and Shareholders' Equity</b>		<b><u>238,203,921</u></b>	<b><u>236,654,848</u></b>

The accompanying notes on pages 47 to 66 form an integral part of these financial statements.

 : President
  : Treasurer
  : Supervisory Chairman

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31ST DECEMBER 2023

	Note	2023 \$	2022 \$
<b>Revenue</b>			
Interest on loans		5,469,295	5,752,872
Investment income		8,304,949	7,506,971
Other income		<u>96,535</u>	<u>46,146</u>
Total		<u>13,870,779</u>	<u>13,305,989</u>
<b>Expenses</b>			
Administrative and other	<b>18</b>	1,171,817	998,669
Bank charges and interest on members deposits		1,328,136	1,446,236
CUNA insurance premiums		457,785	464,686
Expected credit loss provision on loans (IFRS 9)	<b>8</b>	458,813	832,059
Green fund levy		33,365	39,470
Officers' expenses	<b>19</b>	661,568	617,343
Staff cost	<b>20</b>	1,021,643	928,673
Trans Union		<u>4,732</u>	<u>4,342</u>
		<u>5,137,859</u>	<u>5,331,478</u>
Net surplus for the year		<u>8,732,920</u>	<u>7,974,511</u>
<b>Appropriations</b>			
Transfer to reserve fund (10%)	<b>2 (k)</b>	873,292	797,451
Transfer to education fund (5%)	<b>2 (l)</b>	<u>392,981</u>	<u>358,853</u>
		<u>1,266,273</u>	<u>1,156,304</u>
<b>Net surplus after appropriations</b>		<u>7,466,647</u>	<u>6,818,207</u>

The accompanying notes on pages 47 to 66 form an integral part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31ST DECEMBER 2023**

	<b>Reserve Fund</b>	<b>Education Fund</b>	<b>Building Fund</b>	<b>Revaluation Reserve</b>	<b>Dividend Equalization Fund</b>	<b>Retained Earnings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance as at 1 <sup>st</sup> January 2023	18,159,464	2,787,934	3,414,179	11,672,592	1,000,000	14,722,275	51,756,445
Operating surplus	-	-	-	-	-	8,732,920	8,732,920
Appropriations	873,292	392,981	-	-	-	(1,266,273)	-
Entrance fees	1,060	-	-	-	-	-	1,060
Expenditure	-	(102,366)	-	-	-	102,369	-
Building fund	-	-	2,000,000	-	-	(2,000,000)	-
Revaluation reserve	-	-	-	(2,566,887)	-	-	(2,566,887)
AGM 2023 token	-	-	-	-	-	(2,650)	(2,650)
AGM 2022 Resolution	-	-	-	-	(1,000,000)	1,000,000	-
Dividends paid	-	-	-	-	-	(4,635,066)	(4,635,066)
Balance at 31 <sup>st</sup> December 2023	<u>19,033,816</u>	<u>3,078,546</u>	<u>5,414,179</u>	<u>9,105,705</u>	<u>-</u>	<u>16,653,575</u>	<u>53,285,822</u>
Balance as at 1 <sup>st</sup> January 2022	17,359,813	2,494,272	2,340,000	16,610,971	1,000,000	13,454,611	53,259,667
Operating surplus	-	-	-	-	-	7,974,511	7,974,511
Appropriations	797,451	358,853	-	-	-	(1,156,304)	-
Entrance fees	2,200	-	-	-	-	-	2,200
Expenditure	-	(65,190)	-	-	-	65,190	-
Building fund – 2020 & 2021	-	-	2,480,000	-	-	(2,480,000)	-
Land acquisition	-	-	(1,405,821)	-	-	1,405,821	-
Revaluation reserve	-	-	-	(4,938,379)	-	-	(4,938,379)
Dividends paid	-	-	-	-	-	(4,541,554)	(4,541,554)
Balance at 31 <sup>st</sup> December 2022	<u>18,159,464</u>	<u>2,787,934</u>	<u>3,414,179</u>	<u>11,672,592</u>	<u>1,000,000</u>	<u>14,722,275</u>	<u>51,756,445</u>

The accompanying notes on pages 47 to 66 form an integral part of these financial statements.

# STATEMENT OF CASH FLOWS

## FOR THE YEAR ENDED 31ST DECEMBER 2023

	Note	2023 \$	2022 \$
<b>Operating activities</b>			
Net surplus for the year		8,732,920	7,974,511
<b>Adjustment for non-cash items</b>			
Depreciation of property, plant and equipment		134,034	100,462
Revaluation of investments		(2,566,887)	(4,938,380)
Loss on disposal of property, plant and equipment		<u>3,678</u>	<u>11,407</u>
<b>Operating income before working capital changes</b>		6,303,745	3,148,000
<b>Movements in working capital</b>			
Decrease in loans to members		(4,235,871)	2,892,778
Increase / (decrease) in members' deposits		1,319,060	(1,768,936)
(Increase) in accounts receivable and prepayments		(87,229)	(2,306,351)
Increase / (decrease) in payables and accruals		<u>(43,216)</u>	<u>325,195</u>
<b>Net cash generated from operating activities</b>		<u>3,256,489</u>	<u>2,290,686</u>
<b>Investing activities</b>			
Purchase of property, plant and equipment		(566,335)	(1,847,870)
Net sale of investments		<u>2,374,954</u>	<u>6,552,821</u>
<b>Net cash generated from investing activities</b>		<u>1,808,619</u>	<u>4,704,951</u>
<b>Financing activities</b>			
Net decrease in members' shares		(1,256,147)	(2,436,897)
Dividends paid		(4,635,066)	(4,541,554)
AGM tokens 2023		(2,650)	-
Membership fee		<u>1,060</u>	<u>2,200</u>
<b>Net cash used in financing activities</b>		<u>(5,892,803)</u>	<u>(6,976,251)</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<u>(827,695)</u>	<u>19,386</u>
<b>Cash and cash equivalents</b>			
- at the beginning of the year		7,833,688	7,814,302
- at the end of the year	6	<u>7,005,993</u>	<u>7,833,688</u>
		<u>(827,695)</u>	<u>19,386</u>

The accompanying notes on pages 47 to 66 form an integral part of these financial statements.



## RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2023

RECEIPTS	2023	2022	PAYMENTS	2023	2022
	\$	\$		\$	\$
Accounts receivables	1,439,472	388,257	Accounts payable	92,952	60,232
CUNA insurance claim	115,000	270,000	Advertising	20,000	52,957
Commission – CUNA	102,323	27,648	Annual general meeting	60,590	49,317
Deposit account	14,079,707	1,886,284	Audit fees	74,813	40,500
Entrance fee	1,040	2,180	Bank charges	6,703	13,398
Interest from loans	2,501,603	4,230,664	Board & committee	635,099	603,244
Investment income	1,964,502	1,736,358	Building and repairs	73,801	118,586
Investments	22,273,288	11,642,138	Computer maintenance	78,797	54,563
Loans	6,508,090	12,766,299	Misc expenses	7,615	-
Members shares	10,593,711	12,802,756	CUNA insurance claims	115,000	230,000
Returned ACH payments	37,826	68,334	CUNA FIP	185,090	195,628
Stale dated cheques	26,358	5,000	CUNA LP/LS premiums	451,146	426,572
			Deposit account	3,960,202	3,247,952
			Donation and subscription	16,850	7,450
			Education committee	106,384	61,330
			Green fund levy	33,262	25,773
			Investments	17,950,799	7,324,427
			Legal and bailiff fees	208,054	96,970
			Loans	17,957,078	14,901,980
			League dues	24,317	24,317
			Members' shares	15,759,293	14,341,338
			Office stationery and supplies	65,967	67,917
			Property, plant and equipment	630,600	1,882,870
			Salary	681,520	694,944
			Security service – CIT	149,532	147,975
			Staff pension & NI	183,222	187,655
			Subscriptions	18,267	12,761
			Stale dated cheques	17,983	-
			Trinre insurance premiums	853,368	890,512
			Telephone and internet	52,311	45,362
	<u>59,642,920</u>	<u>45,825,918</u>		<u>60,470,617</u>	<u>45,806,530</u>
<b>Balance at beginning of the year:</b>			<b>Balance at the end of the year:</b>		
Float – Deposit withdrawal	12,000	11,000	Float – Deposit withdrawal	10,500	12,000
Petty cash	2,500	2,500	Petty cash	2,500	2,500
USD savings account	36,285	423,015	USD savings account	523,129	36,285
Republic current account	<u>7,782,905</u>	<u>7,377,787</u>	Republic current account	<u>6,469,864</u>	<u>7,782,905</u>
	<u>7,833,690</u>	<u>7,814,302</u>		<u>7,005,993</u>	<u>7,833,690</u>
	<u>67,476,60</u>	<u>53,640,220</u>		<u>67,476,610</u>	<u>53,640,220</u>

The accompanying notes on pages 47 to 66 form an integral part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2023

## 1. Incorporation and principal activities

Trintoc (Penal) Credit Union Co-operative Society Limited (“the Credit Union”) was incorporated in 1954 under the Co-operative Societies Act of Trinidad and Tobago. Its registered office and principal place of business is Clarke Road, Penal. It was formed in order to improve the economic and social conditions of its members, chiefly by promoting savings among its members, and providing loans to members at reasonable and legitimate rates of interest for provident and productive purposes.

## 2. Significant Accounting Policies

The principal accounting policies applied to the preparation of these financial statements are set out below. These policies have been consistently applied to the years presented, unless otherwise stated.

### (a) Basis of accounting

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board. These financial statements were prepared under the historical cost convention, except for the measurement at fair value of hold to collect and sell investments and certain other financial instruments.

#### *Functional and presentation currency*

The Credit Union’s functional and presentation currency is Trinidad and Tobago dollars which is the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Society.

#### *Foreign currency transactions and balances*

Foreign currency transactions during the year are translated into Trinidad and Tobago dollars at the exchange rates ruling at the dates of the transactions. Current assets and liabilities denominated in foreign currencies are translated at the exchange rates prevailing at the balance sheet date. Gains or losses thus arising are included in the statement of income.

### (i) *Standards amended and interpretations which are effective and have been adopted by the Credit Union in the accounting period.*

The Credit Union has not applied any new, revised standards and interpretations that have been issued as they:

- do not apply to the activities of the Society;
- have no material impact on its financial statements; or
- have not been early adopted by the entity.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2023

### 2. Significant accounting policies (continued)

#### (a) Basis of accounting (continued)

- (ii) *New standards, amendments and interpretations issued but not effective and not early adopted.*

There are no new standards, interpretations and amendments, which have not been applied in these financial statements. Standards, amendments and interpretations to existing standards in issue but not yet effective are not considered to be relevant to the Credit Union and have not been disclosed

- (iii) *Standards and amendments to published standards early adopted by the Corporation*

The Credit Union did not early adopt any new, revised or amended standards.

#### (b) Revenue recognition

Interest income is accounted for on the accrual basis for investment. Interest on loans is accounted for on the accrual basis, at the rate prescribed by the Bye-Laws of the Credit Union.

#### (c) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation. Depreciation is provided on a reducing balance basis at varying rates to write-off the cost of the assets over their estimated useful lives.

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

Leasehold building	10%
Furniture and fixtures	10%
Air conditioning	10%
Office equipment	20%
Computer equipment	33.3%

No depreciation is charged on land.

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 in the statement of comprehensive income.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2023

### 2. Significant Accounting Policies (continued)

**(d) Cash and cash equivalents.**

Cash and cash equivalents comprise cash on hand and bank balances that are readily convertible to known amounts of cash which are subject to insignificant risk of change in value.

**(e) Accounts receivable**

Trade receivables are measured at cost. Appropriate allowances for estimated irrecoverable amounts are recognised in the statement of comprehensive income when there is objective evidence that the asset is impaired.

**(f) Accounts payable**

Accounts payable are obligations on the basis of normal credit terms and do not bear interest.

**(g) Loans to members**

Loans and advances granted to members by the Credit Union are stated at principal amounts outstanding net of allowances for loan losses.

A loan is classified as non-accrual when principal or interest is past due, or when in the opinion of management, there is reasonable doubt as to the ultimate collectability of principal or interest. Non-accrual loans may revert to performing status when all payments become fully current or when management has determined there is no reasonable doubt of ultimate collectability.

Loan balances considered as doubtful and or uncollectable are written off to the statement of comprehensive income even though collections efforts continue. The Credit Union maintains a loan loss provision, is calculated in line with IFRS 9.

The provision for the year, less recoveries of amounts previously written off and the reversal of provisions no longer required, is disclosed in the statement of comprehensive income.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2023

## 2. Significant Accounting Policies (continued)

### (h) Financial assets

The Credit Union has adopted IFRS 9 and classifies its financial assets based on the following business models:

- Hold for trading
- Hold to collect and sell or
- Hold to collect

The classification depends on the purpose for which financial assets were acquired or originated. Based on these factors, the Credit Union classifies its assets into one of the following three measurement categories:

#### - *Amortised cost*

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest (SPPI), and that are not designated at FVPL are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured. Interest income from these financial assets is included in “Interest income” using the effective interest rate method.

#### - *Fair value through other comprehensive income (FVOCI)*

Financial assets that are held for collection of contractual cash flows and for selling the assets, where the asset cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income (FVOCI). These include certain equity instruments, corporate bonds and notes.

These financial assets are initially recognized at fair values plus transaction cost that are directly attributable to their cost. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument’s amortised cost which are recognised in profit or loss.

When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss and recognized in “Net Investment Income”. The interest income from these financial assets is included in “interest Income” using the effective interest rate method.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2023

### (h) Financial assets (continued)

#### *- Fair value through profit or loss*

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented in the income statement within “Gains from investments securities” in the period in which it arises, unless it arises from debt instruments that were designated at fair value or which are not held for trading, in which case they are presented in “Investment Interest Income”. Interest income from these financial assets is included in “Interest income” using the effective interest rate method.

#### *1) Debt Instruments*

Debt instruments are those instruments that meet the definition of a financial liability from the issuer’s perspective, such as loans, government and corporate bonds.

Classification and subsequent measurement of debt instruments depend on:

- (i) the Credit Union’s business model for managing the asset; and
- (ii) the cash flow characteristics of the asset.

#### *Credit Union’s Business model*

The business model reflects how the Credit Union manages the assets in order to generate cash flows. An assessment is made at a portfolio level and includes an analysis of factors such as:

- The stated objective and policies of the portfolio and the operation of those in practice. More specifically whether the Credit Union’s objective is solely to collect the contractual cash flows from the assets or to collect both the contractual cash flows and cash flows arising from the sale of the assets.
- Past experience on how the cash flows for these assets were collected.
- Determination of performance targets for the portfolio, how evaluated and reported to key management personnel.
- Managements identification of and response to various risks, which includes but not limited to, liquidity risk, market risk, credit risk, interest rate risk.
- Management classify its assets based on historical sales and forecasted liquidity requirements.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2023

### (h) Financial assets (continued)

#### Solely payments of principal and interest (SPPI)

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Credit Union assesses whether flows represent solely payment of principal and interest (SPPI test). In making this assessment, the Credit Union considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest. The Credit Union reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the period.

#### 2) *Equity instruments*

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

The Credit Union subsequently measures all equity investments at fair value through profit or loss, except where the Credit Union's management has elected, at initial recognition, to irrevocably designate an equity investment at fair value through other comprehensive income. These financial assets are presented within investment securities held to collect and sell. The Credit Union's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. When this election is used, fair value gains and losses are recognised in OCI and are not subsequently reclassified to profit or loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognized in profit or loss as other income when the Credit Union's right to receive payments is established.

Gain and losses on equity investments classified as FVPL are included in the income statement.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2023

### 2. Significant Accounting Policies (continued)

#### (i) Impairment

##### *Financial assets (continued)*

The Credit Union assesses on a forward-looking basis the expected credit losses (ECL) associated with its assets carried at amortised cost and FVOCI and with the exposure arising from loan commitments and financial guarantee contracts. (excluding equity instruments)

The Credit Union measures loss allowances on its debt instruments at an amount equal to lifetime credit losses, except in the following cases, for which the amount recognized is 12 months credit losses. For receivables, the Society applies the simplified approach permitted by IFRS 9 which requires expected lifetime losses to be recognized from initial recognition of receivables.

All impairment losses are recognized in the statement of comprehensive income. Any cumulative loss in respect of investments measured at fair value through other comprehensive income recognized previously in equity is transferred to the profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at amortized cost and fair value through other comprehensive income that are debt securities, the reversal is recognized in the statement of comprehensive income. For investments measured at fair value through other comprehensive income that are equity securities, the reversal is recognized directly in equity.

##### *Non-financial assets*

The carrying amounts of the Society's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets recoverable amount is adjusted to reflect the revised estimate.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets of groups of assets. An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of comprehensive income.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2023

### 2. Significant Accounting Policies (continued)

#### (j) Taxation

The Credit Union is subject to Green Fund Levy based on the stipulated rate for the respective year. The profits arising from the Society are exempt from Income Tax as per the Co-operative Societies Act Chapter 81:03 sections 76-77.

#### (k) Reserve fund

In accordance with Bye Law 12 of the Credit Union and The Co-operative Society Act, 1971 Section 47 (2), at least ten percent (10%) of the net surplus of the Credit Union for the year is to be transferred to a Reserve Fund. All losses on investments, which are beyond the control of the Credit Union, are written off to the Reserve Fund.

#### (l) Education fund

In accordance with Bye Law 12 of the Credit Union, an amount of not less than five percent (5%) of the net surplus for the year, after making provision to the Reserve Fund, may be credited to the Education Fund. This fund is to be used for education purposes.

#### (m) Building fund

In accordance with Bye Law 12(g) of the Credit Union, the balance of the net surplus may be used at the discretion of the General Meeting for the constitution of a Building Fund.

#### (n) Members' deposits

A member may deposit money into his account in the Credit Union subject to the terms and conditions specified by the Board.

##### *(i) Members' savings deposits*

Members' savings deposits are stated at their current balance.

##### *(ii) Members' fixed deposits*

Members' fixed deposits are stated at their current balance. Interest on members fixed deposits is calculated generally at rates between 1% and 2.5%.

#### (o) Interest on members' loans

Interest on loans is accounted for on an accrual basis. The interest charged on loans is calculated at the rate of 0.5% to 1% per month on the reducing balance at the end of each month.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2023

### 2. Significant Accounting Policies (continued)

#### (p) Unclaimed shares

Under Bye Law 13, the Board may transfer any shares and or interest not claimed (net of any amounts due to the Society) within one year from the date of the last transaction of a member, whose whereabouts are unknown, to an Unclaimed Shares Account. Any sums remaining unclaimed for two (2) years may be transferred to the Reserve Fund.

#### (q) Employee benefits / pension obligations

The Credit Union operates a defined contribution plan and pays contributions to administered pension insurance plans. The Credit Union has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or reduction in the future payments is available.

#### (r) Provisions

Provisions are recognised when the society has a present legal or constructive obligation as a result of past events. It is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

#### (s) Comparative

Where necessary, comparative figures have been adjusted to take account of the changes in presentation in the current year.

### 3. Financial Risk Management

The society 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 risk management policies employed by the society to manage these risks are discussed below:

#### (a) Operational risk

Operational risk is the risk derived from deficiencies relating to the Credit Union's information technology and control systems, as well as the risk of human error and natural disasters. The Credit Union's systems are evaluated, maintained and upgraded continuously. Supervisory controls are installed to minimise human error. Additionally, staff is often rotated and trained on an on-going basis.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2023

### 3. Financial Risk Management (continued)

#### (b) 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 Society 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. As 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 society actively monitors bonds with maturities greater than ten years, as well as the interest rate policies of the Central Bank of Trinidad and Tobago.

##### *ii) Loans*

The Society generally invests in fixed rate loans. These are funded mainly from member deposits and shares.

#### (c) 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 Commissioner for Co-operative Development, as well as by the monitoring controls applied by the Credit Union.

#### (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 Society's management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2023

### 3. Financial Risk Management (continued)

#### (e) Credit risk

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

The Credit Union's loan portfolio is managed and consistently monitored by the Credit Committee and is adequately secured by collateral and where necessary, provisions have been established for potential credit losses on delinquent accounts. Cash balances are held with high credit quality financial institutions and the Credit Union has policies to limit the amount of exposure to any single financial institution.

#### (f) Liquidity risk

Liquidity risk is the risk that arises when the maturity dates of assets and liabilities do not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Credit Union has procedures with the object of 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 able to make daily calls on its available cash resources to settle financial and other liabilities.

#### *Risk management*

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

#### (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 Society. The Credit Union engages in public social endeavours to engender trust and minimise this risk.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2023

### 3. Financial Risk Management (continued)

#### (h) Capital Risk Management

The Credit Union 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 Credit Union's overall strategy remains unchanged from previous years. The capital structure of the Credit Union consists of equity attributable to members, and comprises members' shares, reserves and retained earnings.

### 4. Critical Accounting Estimates and Judgments

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions in the process of applying the Credit Union's accounting policies (see basis of preparation). Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Credit Union makes estimates and assumptions concerning the future. However, actual results could differ from those estimates as the resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Changes in accounting estimates are recognised in the statement of comprehensive income in the period in which the estimate is changed, if the change affects that period only, or in the period of the change and future periods if the change affects both current and future periods. The critical judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements, are as follows:

i) *Allowances for credit losses*

Loans and investments accounted are evaluated for impairment.

ii) *Financial assets and liabilities classification*

The Society's accounting policies provide scope for assets and liabilities to be designated on inception into different accounting categories. In classifying financial assets or liabilities as "fair value through the profit and loss", the Society has determined that it meets the description of trading assets and liabilities

iii) *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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR 31ST DECEMBER 2023**

**Property, plant and equipment**

<b>31<sup>st</sup> December 2023</b>	Land	Leasehold Building Clarke Rd	Office Furniture & Fittings	Air Conditioning	Office Equipment	Computer Equipment	Total
Cost	\$	\$	\$	\$	\$	\$	\$
At 1 <sup>st</sup> January, 2023	1,411,521	384,346	179,475	19,600	264,801	448,301	2,708,044
Additions	34,000	346,231	36,927	13,500	30,414	105,263	566,335
Disposal	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,600)</u>	<u>-</u>	<u>(5,400)</u>	<u>(10,000)</u>
At 31 <sup>st</sup> December 2023	<u>1,445,521</u>	<u>730,577</u>	<u>216,402</u>	<u>28,500</u>	<u>295,215</u>	<u>548,164</u>	<u>3,264,379</u>
Accumulated Depreciation							
At 1 <sup>st</sup> January, 2023	-	3,203	122,272	7,749	184,679	303,563	621,466
Charge for the year	-	44,283	7,416	1,593	18,042	62,700	134,034
Disposal	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,296)</u>	<u>-</u>	<u>(4,027)</u>	<u>(6,323)</u>
At 31 <sup>st</sup> December 2023	<u>-</u>	<u>47,486</u>	<u>129,688</u>	<u>7,046</u>	<u>202,721</u>	<u>362,236</u>	<u>749,177</u>
<b>Net book value 2023</b>	<b>1,445,521</b>	<b>683,091</b>	<b>86,714</b>	<b>21,454</b>	<b>92,494</b>	<b>185,928</b>	<b>2,515,202</b>
<b>31<sup>st</sup> December 2022</b>							
Cost	\$	\$	\$	\$	\$	\$	\$
At 1 <sup>st</sup> January, 2022	-	-	180,974	19,600	255,639	487,027	943,240
Additions	1,411,521	384,346	-	-	17,401	34,602	1,847,870
Disposal	<u>-</u>	<u>-</u>	<u>(1,499)</u>	<u>-</u>	<u>(8,238)</u>	<u>(73,328)</u>	<u>(83,065)</u>
At 31 <sup>st</sup> December 2022	<u>1,411,521</u>	<u>384,346</u>	<u>179,475</u>	<u>19,600</u>	<u>264,802</u>	<u>448,301</u>	<u>2,708,045</u>
Accumulated Depreciation							
At 1 <sup>st</sup> January, 2022	-	-	117,076	6,432	174,112	295,042	592,662
Charge for the year	-	3,203	6,404	1,317	17,763	71,775	100,462
Disposal	<u>-</u>	<u>-</u>	<u>(1,208)</u>	<u>-</u>	<u>(7,196)</u>	<u>(63,254)</u>	<u>(71,658)</u>
At 31 <sup>st</sup> December 2022	<u>-</u>	<u>3,203</u>	<u>122,272</u>	<u>7,749</u>	<u>184,679</u>	<u>303,563</u>	<u>621,466</u>
<b>Net book value 2022</b>	<b>1,411,521</b>	<b>381,143</b>	<b>57,203</b>	<b>11,851</b>	<b>80,122</b>	<b>144,736</b>	<b>2,086,579</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2023

### 6. Cash and cash equivalents

Cash and cash equivalents consist of cash-on-hand and balances with banks. Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts.

	<b>2023</b>	<b>2022</b>
	\$	\$
Petty cash	2,500	2,500
Withdrawal float	10,500	12,000
Cash at bank	<u>6,992,993</u>	<u>7,819,189</u>
	<u>7,005,993</u>	<u>7,833,689</u>

### 7. Members' loans

	<b>2023</b>	<b>2022</b>
	\$	\$
Fully secured	7,870,679	6,715,081
Mortgage	32,888,954	31,219,056
Ordinary	31,122,416	30,180,165
Short term	1,861,341	1,012,689
Vehicle	<u>7,887,559</u>	<u>7,809,274</u>
	81,630,949	76,936,265
Less: Expected credit loss provision (See note 8 below)	<u>(17,970,083)</u>	<u>(17,511,270)</u>
	<u>63,660,866</u>	<u>59,424,995</u>

### 8. Expected credit loss provision

Loans to members are stated at principal outstanding net of a provision for loan losses. Management applied the loan loss provisions along the guidelines of IFRS 9.

	<b>2023</b>	<b>2022</b>
	\$	\$
Opening balance as at 1 <sup>st</sup> January	17,511,270	16,679,211
Current year expected credit losses	<u>458,813</u>	<u>832,059</u>
Closing balance as at 31 <sup>st</sup> December	<u>17,970,083</u>	<u>17,511,270</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2023

9. Accounts receivable and prepayments	2023 \$	2022 \$
Trade receivables	13,508,256	13,428,484
Prepayments	<u>17,960</u>	<u>10,504</u>
	<u>13,524,216</u>	<u>13,438,988</u>

10. Accounts payable and accruals	2023 \$	2022 \$
Trade payables	1,832,107	1,834,989
Accruals	<u>112,053</u>	<u>152,388</u>
	<u>1,944,160</u>	<u>1,987,377</u>

### 11. 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 prices.

Balances and transaction with related parties and key management personnel during the year were as follows:

	2023 \$	2022 \$
<b>Assets</b>		
Loans to directors, key management and other	4,113,579	4,503,161
<b>Deposits and other liabilities</b>		
Deposits held by directors, key management and other	4,504,213	3,109,258
<b>Shares</b>		
Shares held by directors, key management and other	7,342,119	7,945,534
<b>Income</b>		
Directors and related parties	554,800	533,440
<b>Dividends</b>		
Directors, key management and other	232,328	252,739
<b>Key management compensation</b>	454,121	421,558

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR 31ST DECEMBER 2023

**12. Investments**

*Financial assets measured at fair value through other comprehensive income*

	<b>2023</b>	<b>2022</b>
<b>(a) Hold to collect</b>	<b>\$</b>	<b>\$</b>
ANSA secured fund	50,000	50,000
Aspire Fund Management	2,205,177	3,957,763
Government of Trinidad and Tobago (GOTT) bonds	59,847,963	47,312,477
Guardian Holdings Ltd 2023	87,129	96,000
Guardian Holdings Ltd 2025	<u>2,860,000</u>	<u>2,860,000</u>
	<u>65,050,269</u>	<u>54,276,240</u>
<b>(b) Hold to collect and sell</b>		
ANSA TT\$ Income Fund	77,575	76,825
Caribbean Airlines Limited	202,977	200,760
First Citizens Bank Limited – Abercrombie fund	19,373	19,142
First Citizens Bank - IPO	19,711,281	20,871,240
KCL Capital Market Brokers Limited	458,859	8,172,842
KCL Capital Market Brokers Limited - AUM	44,146,477	39,588,882
KCL Capital Market Brokers Limited - USD	1,879,526	1,792,386
National Investment Fund	-	2,254,215
Republic Bank Limited Money Market Fund	37,528	37,109
Trinidad and Tobago Unit Trust Corp. 2 <sup>nd</sup> unit scheme	458	452
Trinidad and Tobago Unit Trust Corp - growth & income fund	1,003	1,014
Trinidad and Tobago Mortgage Finance Co. Ltd.	-	10,000,000
T&T National Gas Ltd – IPO	1,066,109	2,249,490
TSTT – Tranche 1	3,330,000	3,330,000
The Maritime Financial Group	5,000,000	5,000,000
Trinidad and Tobago Mortgage Finance 2022	5,000,000	5,000,000
ANSA Merchant Bank	1,000,000	1,000,000
USD Heritage Petroleum	<u>4,514,208</u>	<u>-</u>
	<u>86,445,374</u>	<u>99,594,357</u>
Total Investments	<u>151,495,643</u>	<u>153,870,597</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2023

### 14. Investment Reserve

Investments are recognized in the Statement of Financial Position at the market value. The carrying amounts of the Credit Union's Investment Reserve at the end of the reporting period is as follows:

	2023	2022
	\$	\$
Opening balance	11,672,592	16,610,971
Net change in market value for the period	<u>(2,566,887)</u>	<u>(4,938,379)</u>
Ending balance	<u>9,105,705</u>	<u>11,672,591</u>

### 15. Members deposits

	2023	2022
	\$	\$
Opening balance as at 1 <sup>st</sup> January	33,738,742	35,507,677
Net increase / (decrease) for the period	<u>1,319,060</u>	<u>(1,768,935)</u>
Closing balance as at 31 <sup>st</sup> December	<u>35,057,802</u>	<u>33,738,742</u>

### 16. Dividend equalization fund

	2023	2022
	\$	\$
Opening balance as at 1 <sup>st</sup> January	1,000,000	1,000,000
Appropriations	<u>(1,000,000)</u>	<u>-</u>
Closing balance as at 31 <sup>st</sup> December	<u>-</u>	<u>1,000,000</u>

The fund was established at the 2019 Annual General Meeting and in accordance with Bye Law 12(g), to be used to safeguard dividend payment for future years impacted by the uncertain economic environment. At the Annual General Meeting held in May 2023, approval was granted to transfer the balance of the fund to Retained Earnings, to buffer the payment of a dividend of 3.2% for the year ended 31<sup>st</sup> December 2022.

### 17. Members- shares

In accordance with existing IFRSs and given the substance and the nature of Members' shares, this balance is accounted for as a liability and not as equity of the Credit Union. The Credit Union Bye Laws allow for the issue of shares at \$5.00 each. No member may hold at any time more than one fifth (1/5) of the total paid up share capital of the Credit Union.

	2023	2022
	\$	\$
Shares at year end	<u>147,916,137</u>	<u>149,172,284</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR 31ST DECEMBER 2023

<b>18. Administrative and other</b>	<b>2023</b>	<b>2022</b>
	\$	\$
Advertising and promotions	20,000	40,773
Annual general meeting expenses and tokens	63,487	51,684
Audit fees	49,500	48,375
Bailiffs', professional and legal fees	193,645	105,945
Computer, software maintenance and support services	111,231	65,505
Depreciation	134,034	100,462
Donations	16,637	10,159
Education committee expenses	102,368	65,190
Insurance	24,901	24,901
Loss on disposal of property, plant and equipment	2,304	11,406
League dues	24,317	24,317
Office supplies, stationery and postage	56,645	64,012
Property maintenance, land rent and facilities	100,261	100,397
Subscriptions	68,903	71,446
Security fees	150,856	170,124
Telephone and internet	52,728	43,973
	<u>1,171,817</u>	<u>998,669</u>
<b>19. Officers' expenses</b>	<b>2023</b>	<b>2022</b>
	\$	\$
Board of directors/ committee expenses	612,278	609,893
Entertainment	39,090	-
Marketing committee	10,200	7,450
	<u>661,568</u>	<u>617,343</u>
<b>20. Staff costs</b>	<b>2023</b>	<b>2022</b>
	\$	\$
Insurance	5,685	7,042
Medical plan – employer contribution	25,713	24,008
National insurance – employer contribution	61,323	62,110
Pension plan – employer contribution	62,211	65,392
Salaries and travelling	866,711	760,144
Training	-	9,977
	<u>1,021,643</u>	<u>928,673</u>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2023

### 21. Dividends

Dividends are recommended by the Board of Directors and are subject to confirmation by the members at the Annual General Meeting. The dividend is 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 in issue at the end of each month.

The Board of Directors has proposed a dividend of 3.5% of the average value of members' shares in issue throughout the year, for the year ended December 31, 2023. This dividend amounting to \$5,148,007 (projected), (2022: \$4,635,006), is not recorded as a liability in the Statement of Financial Position, consistent with IAS 10 - Events after the Reporting Period.

### 22. 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. Where market prices are not available, fair values are estimated using various valuation techniques, including using recent arm's length market transactions between knowledgeable, willing 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 specific provisions for losses. These assets result from transactions conducted under typical market conditions and their values are not adversely affected by unusual terms. The inherent rates 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 available at December 31, 2023.

*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.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2023

### **23. Impact of COVID-19 Pandemic**

During fiscal 2023, there were no Government of Trinidad and Tobago imposed Covid-19 operating constraints which affected business operations. Additionally, in May 2023, the head of the UN World Health Organization (WHO) declared an end to COVID-19 as a public health emergency. Management is satisfied that no material uncertainty exists which may cast significant doubt on the Company's ability to continue as a going concern.

### **24. Subsequent events**

There were no subsequent events occurring after the reporting date that significantly impacted the financial performance, position or cash flows which require disclosure.

### **25. Approval of Financial Statements**

These financial statements were approved by the board of directors and authorised for issue on 24<sup>th</sup> May, 2024.

## PROPOSED BUDGET 2024

INCOME	Budget 2023	Actual 2023	Variance	Budget 2024
Interest on Loans	5,745,992	5,469,295	(276,697)	5,352,084
Income from Investments/Fixed Deposits	7,627,165	8,304,949	677,784	7,855,507
Other Income	50,000	96,535	46,535	130,200
<b>TOTAL INCOME</b>	<b>13,423,157</b>	<b>13,870,779</b>	<b>447,622</b>	<b>13,337,791</b>
<b>EXPENDITURE</b>				
Advertising - Marketing & Comm	100,000	20,000	(80,000)	-
Annual General Meeting	75,000	63,487	(11,513)	65,600
Audit Fees	52,500	49,500	(3,000)	57,000
Bank / Finance Charge	403,000	314,775	(88,225)	320,000
Board & Committee Expenses	585,000	661,568	76,568	647,597
General Repairs & Maintenance	100,000	100,261	261	82,800
Computer & Software Maintenance	75,000	111,231	36,231	76,500
Credit Union League Dues	24,500	24,317	(183)	24,500
CUNA LP/LS	500,000	457,785	(42,215)	456,000
Depreciation	105,000	134,034	29,034	145,000
Disposal of Assets	-	2,304	2,304	2,000
Donations/ Sponsorship	12,000	16,637	4,637	25,000
Education Committee	225,000	102,368	(122,632)	484,050
Green Fund Levy	40,269	33,365	(6,904)	40,013
Insurance & Pension	210,000	179,832	(30,168)	190,100
Interest on Members Fixed Deposits & Savings	1,100,000	1,013,361	(86,639)	1,560,000
Office Expense	60,000	56,645	(3,355)	45,156
Professional Fees - IT, legal, bailiff, compliance programme	100,000	193,645	93,645	135,400
Provision for bad and doubtful debts	1,000,000	458,813	(541,187)	1,000,000
Salary/Contract Labour	940,000	866,711	(73,289)	942,558
Security fee (CIT) & CCTV maint & security guard	164,000	150,856	(13,144)	171,000
Subscriptions/sundry	65,000	68,903	3,903	44,450
Telephone & Internet	39,500	52,728	13,228	42,900
TransUnion	6,000	4,732	(1,268)	6,000
<b>Total Operating Expenditure</b>	<b>5,981,769</b>	<b>5,137,859</b>	<b>(843,910)</b>	<b>6,563,624</b>
<b>OPERATING SURPLUS</b>	<b>7,441,388</b>	<b>8,732,920</b>	<b>1,291,532</b>	<b>6,774,167</b>
<b>Capital Expenditure</b>				
Building Upgrade (one off exp & extention)	150,000	346,231	196,231	70,000
Land and Building	100,000	34,000	(66,000)	60,000
Capital Expenditure - computer, furniture, office equip, etc	-	186,104	149,105	20,000
<b>Total Capital Expenditure</b>	<b>250,000</b>	<b>566,335</b>	<b>279,336</b>	<b>150,000</b>
<b>CASH SURPLUS</b>	<b>7,191,388</b>	<b>8,166,585</b>	<b>1,012,197</b>	<b>6,624,167</b>



## RESOLUTIONS

### **Resolution 1 – Appointment of Auditors**

Whereas the Commissioner for Co-operative Development has drawn up a list of approved Auditors for the accounts of Co-operative Societies in accordance with Section 51 of the Co-operative Societies Act Chapter 81:03 and Regulations thereof;

And whereas Bye-Law 22(k) of the Trintoc (Penal) Credit Union Co-operative Society Limited requires the Annual General Meeting to appoint an Auditor for the ensuing term from the list of Auditors approved by the Commissioner;

Be it resolved that Maharaj Mohammed and Co Chartered Accountants be appointed Auditors of the Trintoc (Penal) Credit Union Co-operative Society Limited for the financial year ending December 31<sup>st</sup> 2024.

### **Resolution 2 – Distribution of Surplus**

**Whereas** the Trintoc Penal Credit Union Co-operative Society Limited has realized a net surplus for the financial year ended December 31<sup>st</sup> 2023;

**And Whereas**, the Society's Bye-law No.12 makes provision for the distribution of the net surplus in accordance with the Co-operative Societies Act and Regulations Chapter 81:03;

**Be it resolved** that a dividend of **3.5%** be declared on members' **share balances** as at December 31<sup>st</sup> 2023 and credited to their share accounts;

**And be it further resolved** that any account which is in arrears, the said sum be credited to outstanding loan and interest.

### **Resolution 3 – Land and Building Fund**

**Whereas** Bye-law No.12 (g) of the Society; states the balance of the net surplus may be used at the discretion of the General Meeting for the constitution of a Building Fund.

**Be it resolved** that \$2,300,000.00 be transferred from the remaining net surplus to this 'building fund' which represents a portion of the surplus for 2023.

## PRODUCTS AND SERVICES

### Term / Fixed Deposits

Term/Fixed Deposits – where the member agrees to place a fixed amount of money for a specific period to receive an interest rate for the duration of that time period. TPCU interest rates will vary based on amount. Deposits are repayable on demand however penalties apply.

### Shares

The Credit Union's strength is represented by its Share Capital.

Members purchase shares which contribute to the pool of resources, members can then borrow in their time of need. The members accumulated shares increases the total resources of the Credit Union.

As a shareholder you are part-owner of the Credit Union, entitled to benefit from all services provided by the Credit Union. Your share balance is considered in your eligibility for loans.

Members are required to purchase at least one share (cost \$5.00) to keep an active status. Benefits include:

- Free loan protection and life savings insurance
- The use of Shares as collateral for loans
- Dividends are paid annually on shareholdings on rates of interest as determined at Annual General Meetings

### Loans

At TPCU, we provide a variety of personal loans for our members designed to help them achieve their short- and long-term goals:

- Vehicle loans
- Mortgage loans
- Education loans
- Vacation loans
- Debt consolidation loans
- Seasonal loans
- Life Event loans e.g. for weddings, christenings, funerals etc.
- Investment loans
- Insurance loans
- Share builder loans

CUNA Caribbean Insurance is the leading provider of insurance protection and retirement solutions for credit unions and co-operative societies across the Caribbean. Trintoc (Penal) Credit Union has enjoyed a very long and beneficial partnership with the company whose focus is to ensure that our members can have access to insurance products that they can trust and afford. As partners with CUNA Caribbean Insurance, we can provide a few of the insurance products to our membership.



**LIFE SAVINGS INSURANCE (LS)**

Pre-approved insurance coverage can automatically double your savings upon death.

- Your savings are insured up to a maximum of \$30,000.00
- At no direct cost to you
- Approval is automatic
- You can leave your family an inheritance

**LOAN PROTECTION INSURANCE (LP)**

Leave your family an inheritance, not a debt. Enjoy the security of knowing that your family will be taken care of.

- Get insurance coverage for your loan of up to a maximum of \$60,000.00 if you become permanently disabled or pass away
- Insurance coverage at no direct cost to you
- Only your family will receive the benefits.

**THE FAMILY INDEMNITY PLAN (FIP)**

The Family Indemnity Plan offers peace of mind during a difficult time by providing a cash benefit to cover funeral expenses in the event of the member or his eligible family members' death. Coverage is provided for a maximum of six eligible (6) family members as follows:

- Member
- Spouse or significant other
- Children between the age 1 through 25
- Members' parents below the age of 76 (any two (2) persons you choose from your parents and parents-in-law)

**Advantages of the Family Indemnity Plan:**

- No medical questions
- One monthly premium covers up to 6 family members (including any two persons you choose from your parents and parents-in-law enrolled by age 76)
- Full benefit is paid (per person) every time a claim is made
- Payments for claims are made within 2 working days
- Lifetime insurance coverage Choose the option that best suits you:

Plan	Premium	Benefit
PLAN A	\$52.80 monthly	\$10,000.00
PLAN B	\$79.20 monthly	\$15,000.00
PLAN C	\$105.60 monthly	\$20,000.00
PLAN D	\$158.40 monthly	\$30,000.00
PLAN E	\$211.20 monthly	\$40,000.00
PLAN F	\$343.20 monthly	\$65,000.00
PLAN G	\$528.00 monthly	\$100,000.00

We strongly recommend this plan to all members since it provides a measure of relief for bereaved families at a crucial time.

### Group Life Insurance

<b>Provider:</b>	<b>TRINRE Insurance</b>
<b>Effective:</b>	August 2022
<b>Coverage:</b>	\$50,000.00
<b>Premiums:</b>	\$444.00 annually
<b>Payment:</b>	Automatic deduction from member's share account.

The Group Life coverage guarantees the benefit to all eligible Trintoc (Penal) Credit Union members, and the criteria for eligibility will be based on the requirements set by the provider.

At the commencement of this plan in 2021, all members between the ages of 1-90 were eligible for coverage.

New Credit Union members joining the plan, must enroll before the age of 65 and within 31 days of becoming a member of the Society.

Once the 31 days of becoming a member have passed, a member will be treated as a late entrant. Late entrants will be subject to a medical underwriting.

All benefits are payable to the named beneficiary on the Group Life Plan. Conditions Apply.

### Global Information Access (GIA) Online Access

In an effort to streamline our services for our membership, GIA Online Access facility is offered to the membership. This new service allows our members to access their current financial data and request online transactions in the comfort of their home or office 24 hours each day.

This interface is secured, interactive and allows members to perform.

- Balance Enquiries
- Request Inter-Member Funds Transfers
- Request Member to Member Transfers
- View and Print Statement
- Request Loan/Projections
- Request Statements
- Request Withdrawals
- Update Personal Data



