



TRINTOC (PENAL) CREDIT UNION  
Co-operative Society Limited



**Facing Challenges Together**

**2017**

**Annual Report**

Annual General Meeting 2018

Celebrating 64 Years of Service

## 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

Notice is hereby given that the Sixty Fourth (64th) Annual General Meeting of the Trintoc (Penal) Credit Union Co-operative Society Limited will be held on:

Date : Saturday 14th April, 2018  
Time : 3:00 pm  
Venue : Gospel Deliverance Ministries Camp & Retreat Center  
#106 Quinam Road  
Penal

The main business of the meeting will be to:

1. Receive the Minutes of the 63rd Annual General Meeting
2. Receive reports for the Year 2017 as follows:
  - (a) Board of Directors
  - (b) Credit Committee
  - (c) Supervisory Committee
  - (d) Nominations Committee
  - (e) Auditors
3. Present the 2018 Budget
4. Propose Resolutions
5. Elect Board and Committee Members
6. Transact any other business

Registration starts at 2:30 pm.

**For and on behalf of  
TRINTOC (PENAL) CREDIT UNION  
CO-OPERATIVE SOCIETY LIMITED**



SHARIDA ALI  
HON. SECRETARY

Published on 29th March, 2018

## Agenda

- 1.0 Call to Order
- 2.0 Credential Report and Notice of the Annual General Meeting
- 3.0 The National Anthem of Trinidad and Tobago
- 4.0 The Credit Union Prayer
- 5.0 HSE Advisory
- 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 2018 Brochure (to be taken as read)
- 9.0 Confirmation of Minutes of the 63<sup>rd</sup> Annual General Meeting held on April 29<sup>th</sup>, 2017 and Business Arising
  
- 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 2017
  
- 11.0 Budget Presentation
- 12.0 Resolutions
- 13.0 Election of Board and Committee Members
  - 13.1 Supervisory Committee - **Outgoing**  
Mr. Camal Jagassar - Statute barred  
Ms. Adriana Vialva-Ralph - Statute barred  
Mr. Wazir Khan
  
  - 13.2 Credit Committee - **Outgoing**  
Mr. Peter W. David  
Mr. Rudolph Felix  
Mr. Kelvin Pustam  
Mr. Winston Samm  
Mr. Calvin Sargeant
  
  - 13.3 Board of Directors - **Outgoing**  
Ms. Sharida Ali  
Mr. Neal Johnson  
Dr. Godfrey Ransome
  
- 14.0 Greetings from Guests
- 15.0 Drawing of Door Prize
- 16.0 Other Business
- 17.0 Vote of Thanks



## Standing Orders

1. (a) A member shall stand 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 the 63rd Annual General Meeting held at the G D M Camp & Retreat Center, #106 Quinam Road, Penal on Saturday 29th April, 2017

### 1.0 CALL TO ORDER

The meeting was called to order by the Chairman of the Education Committee, Mr. O. Maraj, at 3:05 p.m., who then introduced the President, Mr. I. Mohamed.

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

Present were members of the Board of Directors, Credit, Supervisory and Education Committee, sixteen (16) guests and two hundred and thirty-four (234) members and thirty-four (34) minors. The Chairman advised that at 3:05 p.m., there were one hundred and two (102) members present and, therefore, the meeting was properly constituted.

The Honorary Secretary, Ms. Sharida Ali, was invited by the President to read to the members present the Notice of the Annual General Meeting.



### 3.0 THE NATIONAL ANTHEM OF TRINIDAD AND TOBAGO

The National Anthem was played.

### 4.0 CREDIT UNION PRAYER

The Credit Union Prayer was recited and led by Ms. A.M. Whyte of the Education Committee.

### 5.0 MINUTE OF SILENCE

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

### 6.0 HSE ADVISORY

Mr. P. Jagdeo advised on the housekeeping aspects, safety procedures and muster point of the meeting's venue.



## 7.0 PRESIDENT'S ADDRESS

The President, in his opening address, extended a cordial welcome to all members, officers and specially invited guests to the 63rd Annual General Meeting.

Following is a text of his delivery:-

- Director of the C.C.U.L.T.T.
- Members of the Co-operative Division
- Colleagues of the SWRC Units
- Fellow Co-operators
- Special Invited Guest
- Ladies and Gentlemen

Good Afternoon

I'm Imtiaz Mohamed, President of YOUR Credit Union.

Welcome to our Annual General Meeting and thank you for being here with us.

As you know, we've had a very successful year. Our assets increased by approximately \$24m (11%), surplus increased by \$2m (18.1%) and membership by 118 members (4.4%).

We, at TPCU, were part of the largest Credit Union Month Opening in our Region in recent times. We participated in Consultations with the Ministry of Labour – Small & Micro Enterprise Development on a '**Draft Credit Union Policy**' and also a '**Post Budget Seminar**' held by the League.

Here, at TPCU, we are now beginning to see some headway regarding acquisition of a plot of land for the Credit Union Building. We also experienced a couple of changes at TPCU with the introduction of the ACH SYSTEM, a Building Fund was established and, most importantly, we suspended all external trips for 2016.

Nevertheless, TPCU continued to focus on our Philosophy "**People over Profit**" where we continue to provide people of all ages and backgrounds with the Financial Services that they need.

In our Community, we are making a difference and we could not have done it without your support.

- 1) Because of You, we were able to sponsor **SHIVA BOYS COLLEGE JCEP** and other community activities in the vicinity of Penal, and I would like to take this opportunity to congratulate them on their success in the **Shell/First Citizens Secondary Schools Football League Premier Division Championship 2016**.
- 2) Because of You, we offer Defensive Driving Programmes to our members.
- 3) Because of You, we held an Annual Walk-A-Thon and Health Fair.
- 4) Because of You, we were Recipients of 3 Awards – 2 years consecutively at the CCULTT Awards Function:

- **HR Development** (Medium)
- **Best Financial Performance** (Medium)
- **Most Outstanding Credit Union** (Overall)

You are what makes TPCU so Great.

This is YOUR “Credit Union” and that is something you should be proud of.

More than ever before, people are realizing that Credit Unions really are **Different and Better** than other Financial Institutions.

The Credit Union Membership is at its Highest Level across the Country. At TPCU, we had an 18% increase in membership over the past 5 years (although our bond is close knitted). And it’s not hard to see why! - seeing that we consistently offer lower or in some instances No Fees, Higher Returns and Better Services than our Competitors, no matter how challenging the Economy gets.

But, what truly make us Unique are **YOU** our Members.

- We come to work because of You
- We make decisions based on Your best interests, and
- We are accountable to you every step of the way.

**YOUR** Goals and Challenges are Our Goals and Challenges.

Our Co-operative Structure means that each of you, regardless of your Account Balance or History has equal power in deciding how we do business.

So when we use the expression “People over Profit”, **YOU** are the people we’re talking about.

As we embark on another year, I am confident that TPCU will continue to be an Organization that we can all be Proud of and you can look forward to us commencing some Site Preparations for our new Building.

I hope that each of you will continue to make the best out of your Membership with us. If you’re not familiar with all the Products and Services we offer, now is a great time to take that opportunity to do so.

We’re always here for YOU to:

- Answer any of your questions
- Offer you advice, or
- Connect you with valuable resources.

I also want to extend a **Special Thanks** to ALL those who have offered their Services, Time and Leadership on our Board, Committees and members of staff in assisting me in performing my duty professionally.

You help keep our Credit Union moving in the right direction and we appreciate you.



In conclusion, I assure you that TPCU will remain buoyant, despite the prevailing economic environment. At the same time, it is expected that in keeping with the co-operative principles and regulatory requirements, enhanced levels of Institutional and Members Capital will be maintained.

I am so honoured to be associated with TPCU, and to serve you the members/owners of this blessed Credit Union.

On behalf of our Management and Staff, I offer my sincerest thanks for your continued support and look forward to another successful year.

Thank You.

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

The motion was moved by Ms. S. Felix and adopted by Mr. K. Pustam. The House agreed.

## **9.0 MOTION FOR ACCEPTANCE OF THE 2017 BROCHURE**

The President asked that the entire brochure be taken as read. Mr. P. W. David moved the motion and this was adopted by Mr. O. Maraj. The House agreed.

## **10.0 CONFIRMATION OF THE MINUTES OF THE 62ND ANNUAL GENERAL MEETING HELD ON SATURDAY, 2016 APRIL 23**

The Minutes was confirmed by Mrs. T. Pustam and seconded by Mr. W. Samm.

### **10.1 General Meeting Omissions and Corrections**

Nil.

### **10.2 Business Arising out of Minutes**

Mr. A. Browne enquired about the appointment of Auditors. Mr. I. Mohamed advised that a listing of the Auditors was obtained from the Commissioner for Co-operatives' Office. A tendering process is used and the track records of the Auditors are examined carefully.

## **11.0 ADOPTION OF REPORTS**

### **11.1 Board of Directors' Report**

This was moved by Ms. S. Felix and seconded by Mr. P. W. David.

#### **Matters Arising**

Under "Delinquency Control and Loan Collection", Mr. A. Browne asked whether any strategy was employed regarding the increase of Delinquency although it is within the Pearls Ratio. Mr. I. Mohamed said that a Policy was established and that the recovery of funds was slow. With reference to Ordinary Loans, these were referred to the Commissioner for Co-operatives.



TPCU is also in constant contact with the Co-operative Officer regarding these delinquent loans. During the arbitration process, members are failing to adhere to the specified periods to commence re-payment of the loan. The next level is redress through the Courts which is a tedious process.

Mr. A. Dyer felt that measures outlined for the provision of Bad and Doubtful Debts were not improving the Delinquency.



### 11.2 Credit Committee Report

This was moved by Ms. S. Felix and seconded by Mr. F. Samaroo.

#### Matters Arising

Mr. A. Dyer asked about “Other” in the Purpose of Loan Category to which Mr. W. Samm responded that this category encompassed personal use, appliances, etc. Mr. A. Browne enquired whether any analysis of Delinquent Loans was done – Mortgage Loans, Vehicle Loans and Ordinary Loans. The President said that the Delinquent Loans occurred mainly in the Ordinary Loans category. Mrs. A. Browne felt that TPCU should treat with the percentages in the Delinquent Loans.

### 11.3 Supervisory Committee Report

This was moved by Mr. K. Pustam and seconded by Mr. S. Roop-Persad.

#### Matters Arising

Mrs. P. Lewis-Browne felt that the Supervisory Committee should elaborate on the reviews undertaken. Mr. C. Jagassar said that Policies and Procedures are the driving mechanisms. He thought that every effort should be made to continue the revision of policies.

Mrs. P. Lewis-Browne enquired on the Supervisory Committee’s position on delinquent loans. Mr. C. Jagassar said that the delinquency ratio has been reduced and some are awaiting arbitration.

Mr. A. Browne suggested to the Supervisory Committee that they should have more substance in its report.

Mr. A. Dyer commented that with respect to the provision for Bad and Doubtful Debts, there was an increase of \$420,462.00 and an increase of one hundred and sixteen (116) new members.

Mrs. A. Browne enquired whether the Supervisory Committee comprised of three (3) members only and the President replied in the affirmative and said that the Committee was elected in April, 2016.

## 11.4 Education Committee Report

This was moved by Mrs. P. Lewis-Browne and seconded by Mr. C. Sargeant.

### Matters Arising

Regarding marketing of products, Ms. S. Felix advised that there was neither Twitter nor Instagram. The meeting was informed that Mr. R. Kanju updated the Facebook page. It is [www.facebook.com/mytpcu](http://www.facebook.com/mytpcu). There is an old site to which Ms. A.M. Whyte gave an explanation.



Ms. S. Felix said that in 2015, there were Defensive Driving Courses. In 2016, none was available and she suggested that in 2017, the Education Committee should increase the number of Defensive Driving Courses. Ms. Felix was informed that Defensive Driving courses were held on 2017 February 11 and 2017 March 25. She asked how people were informed and was told that the Facebook page was utilized.

Mrs. P. Lewis-Browne enquired whether the Education Committee would have had seminars to enlighten the members. Mr. O. Maraj responded that the Education committee targeted Trinmar Operations and with respect to the Drafting and Probation of Wills, they were unable to secure a venue in Pointe-à-Pierre. She indicated that this information was not inserted in the brochure.

Ms. N. Mohamed said that the Education Committee needs to promote these events. Members also need to update their information at TPCU, for example, advise on their current telephone numbers.

Mr. A. Dyer enquired on the number of persons usually targeted to attend a seminar. Mr. O. Maraj said that fifty (50) persons are normally expected to attend. However, just about sixteen (16) persons attend.

Mr. A. Wharwood asked how were persons selected to attend seminars because he was not in receipt of any notification.

Mrs. M. Johnson said it seems as if the Education Committee plans the Walk-a-Thon on Palm Sunday because this year, it was again held on Palm Sunday. Mr. O. Maraj advised that in 2018, the Walk-a-Thon will not be held on Palm Sunday.

Mr. A. Dyer said that he got a text message on the Friday night advising that the Walk-a-Thon will be held on the Sunday. He suggested that text messages/ advertisements be sent earlier.

Ms. S. Felix enquired whether the Youth Arm was still a viable prospect. The Co-operative Officer advised that it did not fall within TPCU's Bye-Laws. The meeting was told that TPCU's Bye-Laws are currently being updated.

Mrs. S. Felix-Jacob felt that the membership was being bullied in not informing TPCU on their current personal information/updates, for example address, telephone numbers, et cetera. Mr. I. Mohamed noted her comments.

Mr. E. Ramsey felt that every effort should be made to improve the communication process. Mr. I. Mohamed noted the concern.

#### 11.5 Nominations Committee Report

This was moved by Mrs. P. Lewis-Browne and seconded by Ms. S. Felix.

#### Matters Arising

Nil.

#### 11.6 Auditor's Report and Financial Statements as at December 31<sup>st</sup>, 2016

This was moved by Mr. R. Felix and seconded by Mr. C. Sargeant.

A representative from the Auditing Firm, Maharaj Mohammed & Co., Mr. Ravi Maharaj read the Independent Auditor's Report.

The acceptance of the Auditor's Report was moved by Mr. K. Pustam and seconded by Mr. C. Sargeant.

#### Matters Arising

Nil.

Mr. N. Johnson, the Treasurer, then explained to the meeting, in detail, **the Financial Statements as at December 31<sup>st</sup>, 2016.**

This was moved by Mr. C. Sargeant and seconded by Mr. K. Pustam.

#### Matters Arising

Mr. V. Joseph enquired on the percentage allotted to the Education Fund. The Treasurer responded 5%. The Treasurer referred him to Page 66 of the Brochure - Notes to the Financial Statements at 31<sup>st</sup> December 2016, wherein under Education Committee, the expenses were \$158,345 which comprised mainly Education Committee's events.

On Page 46 of the Brochure, Mr. A. Dyer enquired on the Bank Charges and Interest of \$605,607. The Treasurer explained that interest is paid on fixed deposits; also, TPCU's investment portfolio increased and TPCU goes through a Broker resulting



in commissions' charges. Mr. A. Pierre asked with regard to the Education Fund, from which fund does the 5% come. The Treasurer referred him to Page 46 of the Brochure and said that 10% is transferred to the Reserve Fund after which 5% is transferred to the Education Fund.



Ms. S. Felix enquired about the Revaluation Reserve on Page 47 of the Brochure to which the Treasurer explained that TPCU has some FCB Shares. She suggested that this item be put in the Notes. She also asked about Entrance Fee and the Treasurer explained that it is the same as Membership Fee.

On Page 65 of the Brochure, Mrs. A. Browne enquired about Officers' expenses. The Treasurer explained that they consisted of stipends received by all officers, stipends for the Delinquency Committee and refreshments for all meetings.

With regard to Page 66 of the Brochure, Mr. A. Dyer enquired on the following figures:-

|                     | <u>2016</u> | <u>2015</u> |
|---------------------|-------------|-------------|
| Education committee | \$158,345   | \$451,216   |

The Treasurer explained the difference by saying that no committee members/ staff went on overseas training.

On Page 65 of the Brochure, Mr. A. Dyer asked about the following:-

|                       | <u>2016</u> | <u>2015</u> |
|-----------------------|-------------|-------------|
| Delinquency committee | \$18,169    | \$29,528    |

The Treasurer explained that the Delinquency committee was revamped. Previously, there were five (5) members and it was reduced to three (3) members. It is also hoped that a more focused approach will be employed towards delinquency.

Mrs. P. Lewis-Browne suggested that a Delinquency Report be included in the brochure. The suggestion was noted.

## 12.0 PROPOSED BUDGET 2017

Mr. N. Johnson, Treasurer, presented the 2017 budget. This was moved by Mr. W. Samm and adopted by Mr. F. Callender.

### Matters Arising

Mr. A. Dyer enquired on the placement of the Legal and Bailiff Fees in the projection. The Treasurer advised that it was under Professional Fees – IT, Legal, Compliance. Compliance in this context means what TPCU is required to do for the Financial Intelligence Unit (FIU). The President explained that TPCU pays our lawyer, Mr. K. Neebar, a retainer fee to deal with any legal matters and that we have dropped the costs for a Bailiff as we were not getting value.

Mr. Browne said that, at that time, the strategy worked with a Bailiff. Nowadays, Credit Unions rely on the Commissioner for Co-operatives.

Mrs. A. Browne felt that the following items on Page 68 of the Brochure were itemized in an ad hoc manner and could be streamlined to better serve the appropriate category:-

“All Officers Meeting/Social Events  
Board & Committee Expenses”

She suggested that the term “Statutory Meetings” could be considered.

## 13.0 RESOLUTIONS

The President read 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 in accordance with Section 51 of the Co-operative Societies Act 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<sup>st</sup> 2017.

This was seconded by Mr. K. Pustam and approved by the membership.

### Resolution 2 – Distribution of Surplus

Whereas the Credit Union has realized a net surplus for the financial year ended December 31<sup>st</sup> 2016; and whereas Bye-law 12 of the Society makes provision for the distribution of this surplus in accordance with





the regulations of the Co-operative Societies Act.

Be it resolved that a dividend of 4.5% be declared on members' shares as at December 31<sup>st</sup>, 2016 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.

This was seconded by Mr. W. Samm and approved by the membership.



### **Resolution 3 - Maximum Liability**

Whereas Bye-Law 22 (i) of the Society states that the Annual General Meeting can set the maximum liability of the Society.

And whereas Regulation 14 (1) of the Co-operatives Societies Act and Regulation of 1971, Chapter 81:03 of the Laws of Trinidad and Tobago provides that every society shall, from time to time, fix at a General Meeting the maximum liability it may incur in respect of loans or deposits whether from members or non-members.

And whereas members' deposits and accounts payables have increased over the year.

Be it resolved that the maximum liability of the Society be set at Thirteen Million TT Dollars (\$13,000,000.00).

This was seconded by Mr. K. Pustam and approved by the membership.

### **Resolution 4 - Building Fund**

Whereas Bye-Law 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.

And whereas the Credit Union has to set aside funds for a new building as we are fast outgrowing our current facility.

Be it resolved that the sum of \$600,000.00 be allocated from the net surplus for the year ended 31<sup>st</sup> December 2016 to the Building Fund.

This was seconded by Mr. C. Sargeant and approved by the membership.

Mr. A. Dyer enquired about the \$240,000.00 for 2015. He was advised that the sum was in a Building Fund account and this \$600,000.00 was a separate amount to add to the Building Fund account.

## **14.0 ELECTION OF BOARD AND COMMITTEE MEMBERS**

At this stage, Mrs. M. Santlal-Phagoo, Co-operative Officer, Co-operative Development Division was asked by the Chairman to conduct the elections. All outgoing positions were declared vacant.

Mrs. Santlal-Phagoo reminded members that 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.

At 5:40 p.m. - 234 members were present for the voting process.  
Election results were as follows:

#### 14.1 Supervisory Committee

| <b>Names</b>   | <b>No. of Votes</b>            |
|--|--------------------------------|
| Camal Jagassar<br>Via the Nominations Committee  | 128                            |
| Adriana Vialva-Ralph<br>Via the Nominations Committee                                  | 122                            |
| Wazir Khan<br>Via the Nominations Committee  | 91                             |
| Sanatan Roop-Persad<br>Nominated by : Ananias Johnson<br>Seconded by : Stephanie Felix | 85 (1 <sup>st</sup> Alternate) |
| Shaun Baal<br>Nominated by : Karishma Jagmohan<br>Seconded by : Kousil Jagmohan        | 35 (2 <sup>nd</sup> Alternate) |
| Mr. F. Abdool moved that nominations cease.<br>Mr. W. Samm seconded.                   |                                |

#### 14.2 Credit Committee

| <b>Names</b>                                     | <b>No. of Votes</b> |
|--|---------------------|
| Calvin Sargeant<br>Via the Nominations Committee | 140                 |
| Winston Samm<br>Via the Nominations Committee    | 136                 |
| Peter W. David<br>Via the Nominations Committee  | 133                 |
| Rudolph Felix<br>Via the Nominations Committee   | 130                 |
| Kelvin Pustam<br>Via the Nominations Committee   | 109                 |



Anisa Mohamed 64 (1<sup>st</sup> Alternate)  
 Nominated by : Sharaz Mohamed  
 Seconded by : Maywarpersad Ramesar

Avien Browne 55 (2<sup>nd</sup> Alternate)  
 Nominated by : Claudette Burkett  
 Seconded by : Desarie Barclay

Ms. Stephanie Felix moved that nominations cease.  
 Mrs. Ayesha David seconded.

### 14.3 Board of Directors

| Names   | No. of Votes                   |
|---|--------------------------------|
| Imtiaz Mohamed<br>Via the Nominations Committee     | 120                            |
| Perry Jagdeo<br>Via the Nominations Committee       | 98                             |
| Ananias Johnson<br>Via the Nominations Committee    | 92                             |
| Pearl Lewis-Browne<br>Via the Nominations Committee | 73 (1 <sup>st</sup> Alternate) |
| Vade Cheddie<br>Via the Nominations Committee       | 59 (2 <sup>nd</sup> Alternate) |
| Sewnarine Sirju<br>Via the Nominations Committee    | 12                             |

Mr. A. Wharwood moved that nominations cease.  
 Mr. F. Gaffar seconded.

The Chairman thanked Mrs. Santlal-Phagoo and her team for conducting the elections and congratulated the elected members.

Voting was carried out by ballots which were destroyed following a motion moved by Mr. K. Pustam and seconded by Mr. H. Johnson.

**15.0 GREETINGS FROM GUESTS**

Mr. Fabien Joseph of the Co-operative Credit Union League brought greetings as well as Dr. G. Bovell-Pitt of the Co-operative Development Division, Mr. Aldwin Ferguson Jr. of Palo Seco Credit Union, Ms. Marlene Joseph of Antilles Employees' Credit Union, Ms. Maria Griffith of Zenith Credit Union, Mr. Simon Gowrie of CUNA Caribbean Insurance Society, Mr. W. Guadeloupe of the South West Regional Chapter and, also, Mr. Vasant Mohammed of Shiva Boys' College.



**16.0 DOOR PRIZE**

The following door prizes were drawn and \$500.00 each will be credited to the Winners' respective share accounts -

|      | <u>Drawn By</u>       | <u>Winner</u>          |
|------|-----------------------|------------------------|
| 16.1 | Zion Cooper           | Ramsubhag Jagassar #70 |
| 16.2 | Nachelle Ford         | Antoine Elbourne #102  |
| 16.3 | Marsha Santlal-Phagoo | Patrice Vialva #202    |

**17.0 OTHER BUSINESS**

17.1 Mrs. P. Lewis-Browne indicated that the Strategic Plan was in place. A new Strategic Plan for **2017 - 2020** is to be done.

17.2 Mr. I. Mohamed indicated that the Board would like to open up the Credit Union to the people of Penal and its environs. The membership said that it should be open up to all and not just the Penal area. On the other hand, they said that the Delinquency rate would go up.

**18.0 VOTE OF THANKS**

The vote of thanks was moved by Mr. Winston Samm.

There being no further business for discussion, the Chairman thanked the members for attending and declared the meeting closed at 7:40 p.m.

Respectfully submitted

**Sharida Ali**  
Hon. Secretary

# The Office Staff

MANAGER



Mrs. Nadraka Persad

ASSISTANT MANAGER



Mrs. Sharida Gaffar-Ramrattan

LOANS OFFICER



Ms. Lazina Hosein

CUSTOMER SERVICE REP.



Mrs. Ann Marie Lee-Pulchan

CUSTOMER SERVICE REP.



Mrs. Peaches Francis-Mc Nish

OFFICE CLERK



Mr. Rawle Kanju

# Board of Directors

PRESIDENT



Mr. Perry Jagdeo

VICE PRESIDENT



Mr. Imtiaz Mohamed

SECRETARY



Ms. Sharida Ali

TREASURER



Dr. Godfrey Ransome

ASSISTANT SECRETARY



Mrs. Claudette Green-Lewis

DIRECTOR



Mr. Eric Forde

DIRECTOR



Mr. Ananias Johnson

DIRECTOR



Mr. Neal Johnson

DIRECTOR



Mr. Seunarine Surajbally

## Board of Directors Report

Distinguished Guests, Fellow Co-operators, Members; the Board of Directors is pleased to present to the 64th Annual General Meeting the report on its stewardship for the period, January to December 2017.

The Board of Directors consists of the following members: -

|                       |   |                     |
|-----------------------|---|---------------------|
| Perry Jagdeo          | - | President           |
| Imtiaz Mohamed        | - | Vice President      |
| Sharida Ali           | - | Secretary           |
| Godfrey Ransome       | - | Treasurer           |
| Claudette Green-Lewis | - | Assistant Secretary |
| Eric Forde            | - | Director            |
| Ananias Johnson       | - | Director            |
| Neal Johnson          | - | Director            |
| Seunarine Surajbally  | - | Director            |

### Board Attendance Record

The Board of Directors held twelve (12) Statutory Board Meetings, fourteen (14) Special Meetings and four (4) All Officers' Meetings for the period.

| Director              | Statutory Meetings | Special Meetings | All Officers' Meetings | Excused |
|-----------------------|--------------------|------------------|------------------------|---------|
| Perry Jagdeo          | 12                 | 11               | 4                      | 3       |
| Imtiaz Mohamed        | 8                  | 11               | 4                      | 7       |
| Sharida Ali           | 11                 | 14               | 4                      | 1       |
| Godfrey Ransome       | 11                 | 10               | 4                      | 5       |
| Claudette Green-Lewis | 10                 | 9                | 4                      | 7       |
| Eric Forde            | 10                 | 11               | 4                      | 5       |
| Ananias Johnson       | 12                 | 14               | 4                      | -       |
| Neal Johnson          | 11                 | 10               | 3                      | 6       |
| Seunarine Surajbally  | 11                 | 11               | 4                      | 4       |

## 1.0 INTRODUCTION

The Fiscal year 2017 was, as expected, a challenging year for our credit union. The uncertain economic climate posed various challenges which require innovative ways for the organization to fulfill its mission to its members and continue along its traditional growth path.

Recognising that TPCU needed to change direction and strategy to sustain its profitability, the organization effected its strategic plan exercise for the period 2018 to 2022. Several strategic priorities emerged:

- Construction of new headquarters
- Membership growth and expansion
- Technology upgrade and enhancement
- Marketing of products and services
- Enhance human resources capabilities

To ensure compatibility with the strategic plan, the Board initiated comprehensive reviews of the Bye-laws and policies. These reviews would be completed shortly with the expectation of obtaining membership's approval by mid-year 2018.

Our Credit Union has once again, for the third consecutive year, gained recognition from the Co-operative Credit Union League of Trinidad and Tobago (CCULTT) for its laudable 2016 performance in the medium-sized credit unions in the following categories:

- Most Improved Financial Performance - Medium
- Best Financial Performance - Medium
- Best HR Development - Medium

The Fiscal year 2018 portends to be a pivotal year for TPCU where major decisions to be taken would impact significantly on our growth potential. We feel assured, however, that with the commitment and support of you our cherished members together with our dedicated staff and Committee members we can achieve our mission to promote the growth and development of our membership.

## 2.0 FINANCIAL HIGHLIGHTS

TPCU experienced modest growth in every key financial parameter when compared to 2016. Net surplus of \$12.7 million (M) for 2017 represents an 11% or \$1.2 M increase over that of 2016. The \$2M increase in revenue-\$1.1M from investment and \$0.9 M from loans-was offset by a corresponding \$0.8 M increase in expenses.

Total assets of \$266.8 M at year-end 2017 grew by 9% or \$21 M over that of 2016. Loans to members increased slightly by 4% to \$124.6 M while Investments jumped 13% to \$116.8 M. Assets are supported by \$33.8 M in members' equity and \$233 M in liabilities of which \$232 M comprise members' shares and deposits.

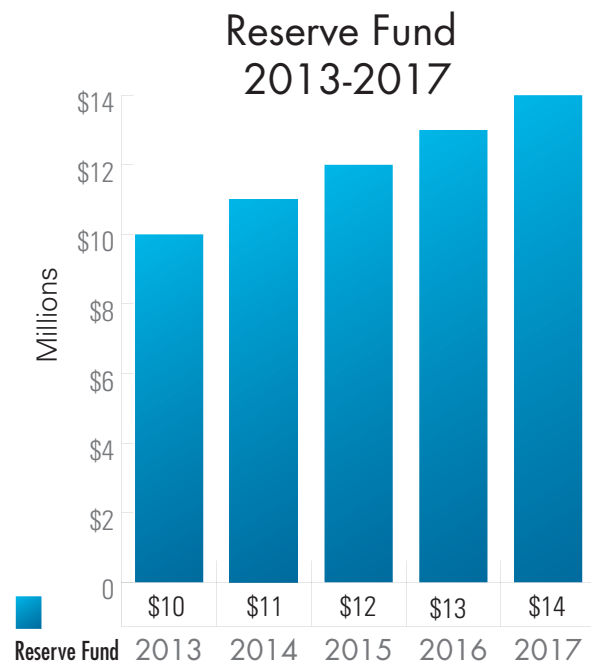
The Credit union has embarked on implementing an Enterprise Risk Management (ERM) framework to ensure that, given the prevailing economic climate, risks and hazards-both financial and otherwise, are appropriately addressed. The Board, nevertheless, encourages its members to take full advantage of its varied products and services and participate freely in the various activities being offered.



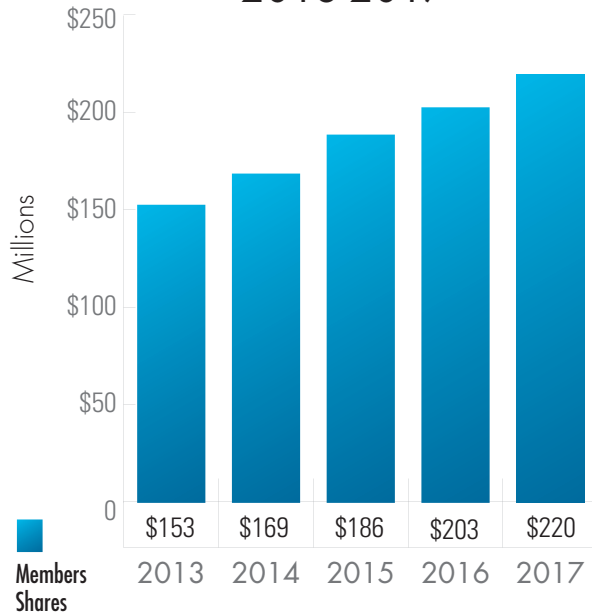


## Performance Comparative for the period 2013 – 2017

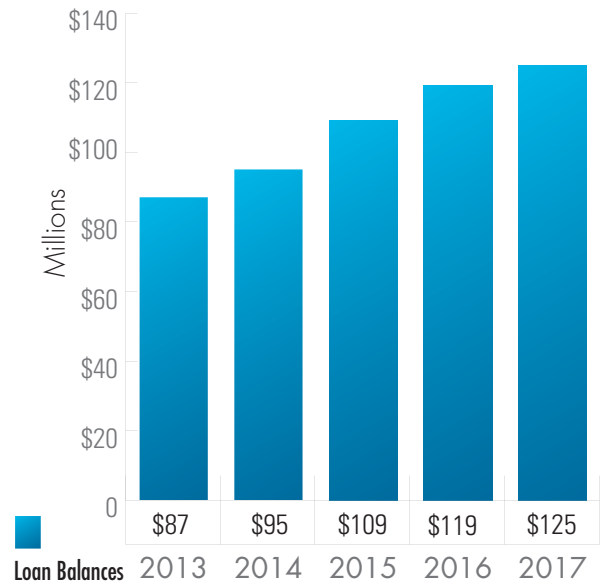
| Items           | 2013<br>\$'000 | 2014<br>\$'000 | 2015<br>\$'000 | 2016<br>\$'000 | 2017<br>\$'000 |
|-----------------|----------------|----------------|----------------|----------------|----------------|
| Total Assets    | 185,992        | 201,855        | 221,562        | 245,821        | 266,847        |
| Reserve Fund    | 10,020         | 10,858         | 11,795         | 12,934         | 14,204         |
| Members' Shares | 152,995        | 169,138        | 186,020        | 203,449        | 220,103        |
| Loan Balances   | 87,283         | 95,213         | 108,898        | 119,463        | 124,661        |
| Investment      | 74,555         | 78,051         | 87,937         | 103,593        | 116,845        |
| Expenses        | 3,439          | 3,716          | 4,322          | 4,006          | 4,815          |
| Total Income    | 11,612         | 12,087         | 13,662         | 15,382         | 17,488         |
| Net Surplus     | 8,172          | 8,371          | 9,340          | 11,375         | 12,674         |
|                 | <b>2013</b>    | <b>2014</b>    | <b>2015</b>    | <b>2016</b>    | <b>2017</b>    |
| Membership      | 2,442          | 2,542          | 2,652          | 2,760          | 2874           |



Members Shares  
2013-2017



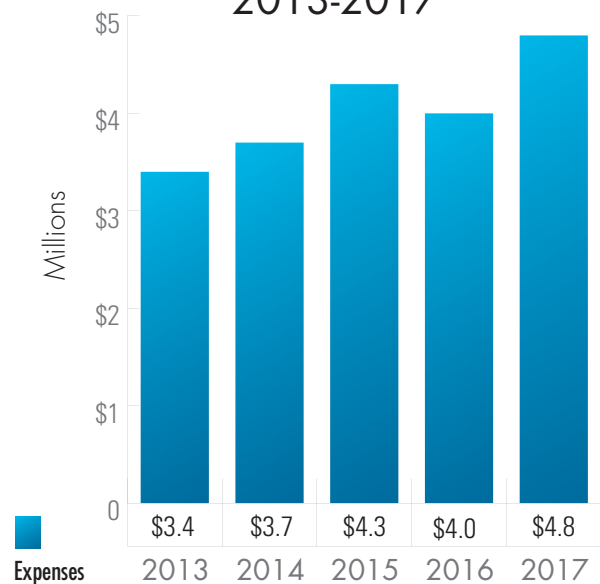
Loan Balances  
2013-2017

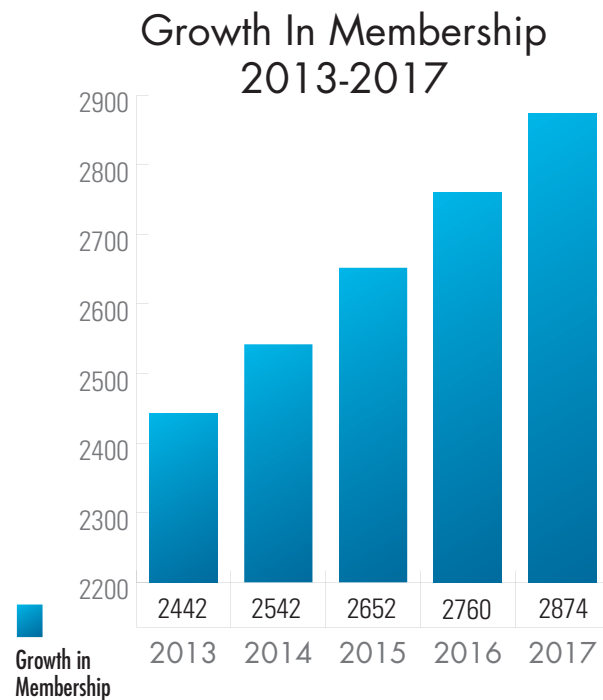
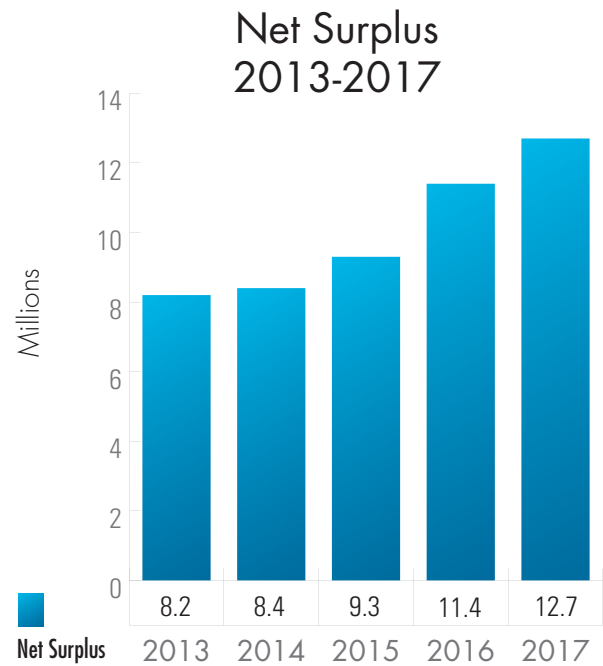


Investments  
2013-2017



Expenses  
2013-2017





**3.0 DIVIDEND**

The Board of Directors proposes a dividend of 4% for ratification by members at this Annual General Meeting for the financial year ended December 31, 2017.

**4.0 MEMBERSHIP**

|                                      |   |      |
|--------------------------------------|---|------|
| Membership as at 1st January, 2017   | - | 2760 |
| New members joined in 2017           | - | 119  |
| Deaths                               | - | 5    |
| Resignations                         | - | Nil  |
| Membership as at 31st December, 2017 | - | 2874 |

**5.0 CONDOLENCES**

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

- Steve C. Balgobin
- Richard Baird
- Harold Mangaroo
- Rasheed Mohammed
- Irvin T. Moore

**6.0 CUNA**

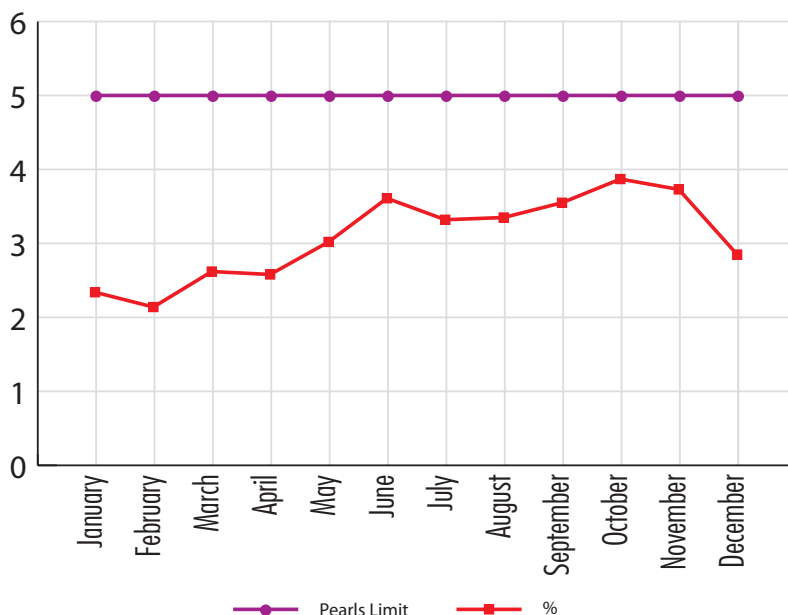
CUNA Caribbean Insurance Society remains the primary insurance provider for our credit union and as such our professional relations remain intact.

**7.0 DELINQUENCY CONTROL AND LOAN COLLECTION**

Loan delinquency for 2017 was calculated with a weighted average of 2.4% compared with 1.9 % for 2016. This relative increase was not unexpected given the uncertain economic climate that prevailed throughout the year where many members embraced the use of debt consolidation to fulfill their commitments.

Nevertheless, through greater vigilance and stricter controls, the credit union has ensured that delinquency was always kept restrained and well below the recommended 5% limit as the attached chart shows.

2017 Delinquency



Recovery efforts are ongoing by our Delinquent Loans Committee, office staff, and ultimately through the Commissioner for Co-operative Development.

## **8.0 COMMUNITY CONTRIBUTIONS**

The Trintoc (Penal) Credit Union has continued to remain dedicated to charitable causes within the community and its immediate environs.

## **9.0 TRAINING AND DEVELOPMENT**

This Credit Union continues to invest in educating its staff and officers through its participation in seminars, training programs and short courses which are conducted in-house or held by the Co-operative Credit Union League, the South West Regional Chapter and other external organizations.

## **10.0 MANAGEMENT SYSTEMS**

### **10.1 EMORTELLE (Credit Union Management Information System)**

The office staff continues to use the Emortelle system and it is supported by the software developer, Micro Software Designs as required.

### **10.2 BYE-LAWS**

A review was carried out by the Board of Directors using the Bye-Law review template, which was provided by the Co-operative Division. The revised Bye-Law is being compiled and will be reviewed at a Special General Meeting in June 2018.

### **10.3 FINANCIAL INTELLIGENCE UNIT (FIU) TRAINING**

The Co-operative Credit Union League of Trinidad and Tobago was contracted by the Board to conduct Annual training of the Credit Union's officers and staff in Anti-Money Laundering/Counter Financing of Terrorism procedures (AML/CFT). The Credit Union's Compliance Programme is to be updated and submitted to the Financial Intelligence Unit. The Credit Union continues to adhere to the Laws and Regulations regarding Compliance.

### **10.4 ACH FACILITY**

This facility is now being offered at our Credit Union's office. Members can request that their loans, deposit and share withdrawals be sent to their bank account. For more information, please contact our office.

## **11.0 AUDITOR**

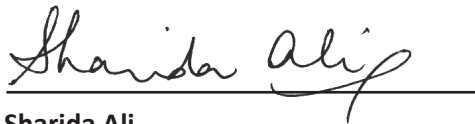
In keeping with our procedure, we hereby recommend to this House, the appointment of Maharaj Mohammed and Company, Chartered Accountants, as Auditor for year ending December 31, 2018.

**12.0 ACKNOWLEDGEMENT**

The Board of Directors extends sincerest thanks to the Management of Petrotrin for the use of their building and fixtures.

Our thanks as well, 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. We highly appreciate their efforts which remain and will continue to be a key factor in the development and stability of our Credit Union.

***For and on behalf of***  
**The Board of Directors**



**Sharida Ali**  
**Hon. Secretary**

# Credit Committee

CHAIRMAN



Mr. Winston Samm

SECRETARY



Mr. Calvin Sargeant

MEMBER



Mr. Peter W. David

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 2017.

The Credit Committee comprised the following members: -

|                 |   |                  |
|-----------------|---|------------------|
| Winston Samm    | - | <b>Chairman</b>  |
| Calvin Sargeant | - | <b>Secretary</b> |
| Peter W. David  | - | <b>Member</b>    |
| Rudolph Felix   | - | <b>Member</b>    |
| Kelvin Pustam   | - | <b>Member</b>    |

During the period under review, the Credit Committee held fifty-two (52) weekly meetings and was invited to attend two (2) Special Meetings and four (4) All Officers' meetings.

Attendances were as follows:-

| Name            | Regular Meetings | Special Meetings | All Officer's Meetings | Excused |
|-----------------|------------------|------------------|------------------------|---------|
| Winston Samm    | 52               | 2                | 3                      | 1       |
| Calvin Sargeant | 52               | 2                | 4                      | -       |
| Rudolph Felix   | 52               | 2                | 4                      | -       |
| Peter W. David  | 52               | 2                | 4                      | -       |
| Kelvin Pustam   | 51               | 2                | 4                      | 1       |

A total of **1535** loans amounting to **\$47,785,856.00** were granted. This total represented a 1.7% increase in loans granted, when compared to **\$46,972,540.95** in 2016 notwithstanding that there was a 7% decrease in the number loans taken in 2017 when compared to 2016.

Initiatives to motivate borrowing such as lower interest rates and short term loans were continued in 2017. These include, Fully Secured Loans, Vacation, Mortgage, Vehicle, Christmas, Carnival and Share Builder Loans. These initiatives continued to be well received by members.

The three largest categories of loans as shown on the pie chart below continue to be Property Acquisition/Repairs, Vehicle & Vehicle Repairs, and Debt Consolidation/Legal which represent 32%, 20% and 16% of the total respectively. Purposes of loan under "Other" representing 13% of loans taken by members include categories such as; Christmas, Personal, Domestic, Funeral and Weddings expenses just to name a few.

The Credit Committee has been very active offering financial guidance to members whilst adhering to the Financial Intelligence Unit (FIU) requirements. The committee conducted site visits and recorded work progress on properties being repaired or under construction to ensure that loans borrowed were used for the purpose granted.





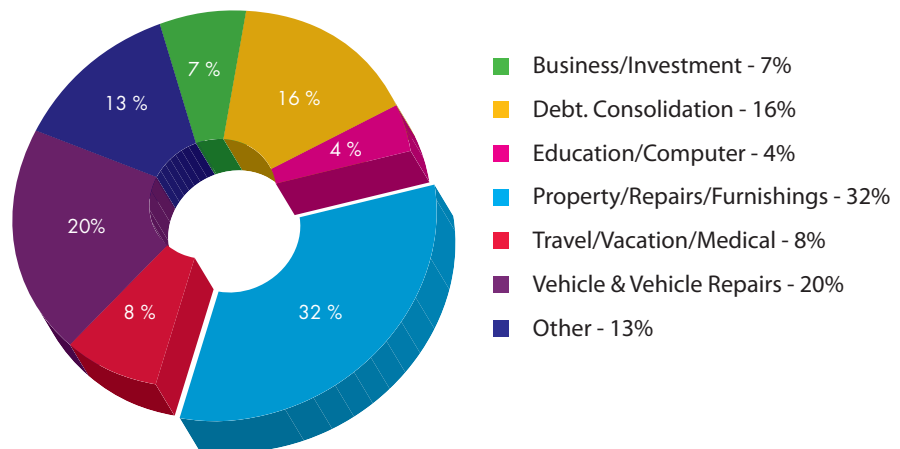
I would like to encourage you, our members, to continue to make use of our loan facilities especially our net savers as our success depends on you.

We, 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 and guidance during the past year and look forward for your continued support in the upcoming term.

## Comparison Of Loans Disbursed For Period January - December 2016 & 2017

| Statistical Data Related to Loans |                      |                     |                      |                     |
|-----------------------------------|----------------------|---------------------|----------------------|---------------------|
| PURPOSE OF LOAN                   | TOTAL \$ (2017)      | NO. OF LOANS (2017) | TOTAL \$ (2016)      | NO. OF LOANS (2016) |
| Business/Investment               | 3,372,500.00         | 46                  | 3,655,554.06         | 72                  |
| Debt. Consolidation/Legal         | 7,460,112.95         | 129                 | 3,215,584.18         | 68                  |
| Education/Computer                | 1,787,800.00         | 107                 | 1,680,600.00         | 97                  |
| Property/Repairs/Furnishings      | 15,195,652.31        | 267                 | 15,280,247.24        | 294                 |
| Travel/Vacation/Medical           | 3,815,261.45         | 168                 | 3,361,575.28         | 168                 |
| Vehicle & Vehicle Repairs         | 9,721,092.09         | 229                 | 11,272,360.87        | 233                 |
| Other                             | 6,433,437.20         | 589                 | 8,506,619.32         | 725                 |
| <b>TOTAL</b>                      | <b>47,785,856.00</b> | <b>1535</b>         | <b>46,972,540.95</b> | <b>1657</b>         |

### 2017 Loans Disbursed



*W. Samm*

**Winston Samm**  
Chairman



# *Supervisory Committee*

CHAIRMAN



Mr. Wazir Khan

SECRETARY



Ms. Adriana Vialva-Ralph

MEMBER



Mr. Camal Jagassar

## 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 2017 for consideration at the 64th Annual General Meeting.

At the 63<sup>rd</sup> Annual General Meeting held on Saturday 29<sup>th</sup> April 2017, three members and two alternates were elected to serve on the Supervisory Committee.

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

|                          |             |
|--------------------------|-------------|
| Mr. Wazir Khan           | - Chairman  |
| Ms. Adriana Vialva-Ralph | - Secretary |
| Mr. Camal Jagassar       | - Member    |

### Record of Attendance

The Committee convened for six (6) regular meetings and participated in four (4) All Officers meeting for the calendar year 2017 as follows:

| Name                                | Regular Meetings | Excused | All Officer's Meetings | Excused |
|-------------------------------------|------------------|---------|------------------------|---------|
| Wazir Khan (May-Dec 2017)           | 4                | -       | 3                      | -       |
| Adriana Vialva-Ralph (Jan-Dec 2017) | 6                | -       | 2                      | 2       |
| Camal Jagassar (Jan-Dec 2017)       | 6                | -       | 4                      | -       |
| Britney Johnson (Jan-April 2017)    | 1                | 1       | -                      | 1       |

### Committee Reviews and Notes

The Trintoc (Penal) Credit Union Supervisory Committee has the responsibility to analyse, review and assess the operations, transactions and decisions taken by administrators and to ensure compliance in accordance with TPCU bye-laws, Credit Union Co-operative Societies Act 1971, Policies and Procedures and Financial best practices.

The Supervisory Committee undertook a review of the following items:

1. Mortgage Loans: Property Acquisition
2. Loan Application and Disbursements: officers and general membership
3. Delinquency: Reports, trends, repayments, arbitration
4. Board of Directors Minutes
5. Credit Committee Reports
6. Policies and Procedures - approved and in draft review
7. Approved Budget and Expenditure
8. Cash Count

Our findings with recommendations were presented to the Board of Directors for consideration. We are pleased to report that the Board of Directors and Manager provided responses, clarification and prompt actions were taken in accordance with prudent decision making and effective management of the business of TPCU.

### Training

Members of the committee attended the AML / CFT workshop in November 2017 which was facilitated by the Co-operative Credit Union League of Trinidad and Tobago Limited.

### Conclusion

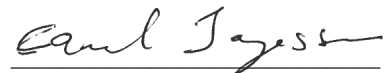
We wish to express our gratitude and thanks to the Board of Directors, Manager and Office Staff for their co-operation, guidance and support during our tenure. We also wish to thank the membership for the confidence you have placed in us and for the opportunity to serve. In closing, we must all continue to support this institution and ensure that Trintoc (Penal) Credit Union Co-operative Society Limited (TPCU) remains the leading Credit Union in Trinidad and Tobago.



Wazir Khan  
Chairman



Adriana Vialva-Ralph  
Secretary



Camal Jagassar  
Member

# Education Committee

CHAIRPERSON



Ms. Christina Bahadoor-Hosein

SECRETARY



Ms. Anna-Marie Whyte

MEMBER



Mr. Omar Maraj

MEMBER



Mrs. Sharida Gaffar-Ramrattan

MEMBER



Mr. Rawle Kanju

## Education Committee Report

The Education Committee is pleased to report on its activities/programs during the year in review. We have been encouraged and inspired by the attendance and support from the members and assure the membership that we remain committed in our pursuit towards the educational development of the Credit Union members.

Ms. Christina Bahadoor-Hosein was appointed Chairperson of the committee by the Board of Directors, preceding the 2017 Annual General Meeting.

The Education Committee held twelve (12) regular meetings, two (2) special meetings and was invited to four (4) All Officer's meeting as follows:

### Record of Attendance:

| Name                      | Regular Meetings | Special Meetings | All Officer's Meetings | Excused |
|---------------------------|------------------|------------------|------------------------|---------|
| Christina Bahadoor-Hosein | 12               | 2                | 3                      | 1       |
| Anna-Marie Whyte          | 9                | 2                | 4                      | 3       |
| Sharida Gaffar-Ramrattan  | 11               | 2                | 4                      | 1       |
| Rawle Kanju               | 12               | 2                | 4                      | 0       |
| Omar Maraj                | 11               | 2                | 4                      | 1       |

### Interfaith Service

On January 8, 2017 TPCU hosted its traditional Interfaith Service at the Petrotrin Penal/Barrackpore Club. Our President, Perry Jagdeo brought greetings and remarks on behalf of the Board of Directors. Inspirational messages from various faiths, guest speakers and musical performances defined the special occasion and all in attendance enjoyed a lovely Sunday Brunch.



### Walk-a-thon

2017's Walk-a-thon & Health Fair was held on April 9th



2017. Participants were accompanied by the St. Patrick's Brigade Cadets. In keeping with our health and wellness theme, all attendees were treated to a healthy fruit breakfast and fish broth, lectures and testing by several Health service providers.

### Retreat

All officers and staff participated in an organization retreat which was held at the Coco Reef Resort in Tobago. The Retreat focused on the strategic business of the Credit Union and the following initiatives were

on the agenda: ACH payment service, growth and maintenance of the membership database, the revision of TPCU's bye-laws and the rollout of the Strategic Plan (2018-2022). Our featured facilitator, Mr. Dorwin Monzano presented on the growth of the Credit Union Movement, the impending Credit Union Bill and the responsibilities of the board of directors and all committees.

### **Defensive Driving Course**

TPCU hosted a two (2) day Defensive Driving course facilitated by Training and Logistics Limited on February 11, 2017 and March 25, 2017. The course targeted both young and mature drivers who participated in both written and 'hands-on' exercises to assess and improve their driving skills. All participants were awarded Certification of completion from the National Safety Council.



### **Seminars**

TPCU hosted several knowledge sharing seminars throughout 2017 on varying aspects impacting credit union members.

### **Property Tax Workshop**

TPCU hosted a workshop on the 2017 Property Tax legislation. This session was conducted on May 17, 2017 by Mr. Sinanan Dass, retired Assistant Commissioner of the Board of Inland Revenue, Trinidad and Tobago.

### **CUNA Insurance**

On August 23, 2017 CUNA hosted an Information Session entitled 'Know Your Benefits' to TPCU's members at the MIC Institute of Technology Centre, Clarke Road, Penal. CUNA highlighted its new product offerings to Credit Unions and the benefits to be derived from its existing products and services.

### **Resume Writing & Interview Tips**

On September 09 2017, TPCU offered to members a Resume Writing and Interview skills seminar conducted by Ms. C. Bahadoor-Hosein (Practitioner/ Candidate Manager), of Eve Anderson Recruitment Limited. Members were informed of the current techniques used to craft a winning cover letter and resume as well as key tips to ace that job interview.

### **Preparation of Wills Seminar**

TPCU hosted a 2-hour Wills seminar on November 22, 2017 at the M.I.C Institute of Technology Centre, Clarke Road, Penal. It was facilitated by Mr. Khristendath Neebar, Attorney-at-Law and credit union Legal Representative. Mr. Neebar gave an extensive presentation on the process and procedures of writing a will, will probation, succession Law, land law and the Credit Union Law/ Co-operative Societies Act 1971, 81.03.

### **Officer's Training and Development**

Our officers participated in training and development programs both in-house and external.

Director - Dr. Godfrey Ransome facilitated an interactive session on the development and execution of TPCU new Strategic Plan (2018-2022) with all officers and members of staff.

All Officers and staff participated in The Co-operative Credit Union League of Trinidad and Tobago's (CCULTT) mandatory Annual FIU Compliance Retraining and Annual Compliance Workshop.

TPCU was also represented at the Post Budget Forum hosted by the Oilfield Workers Trade Union (OWTU) and the opening and closing of Credit Union Month ceremonies which were held in Mucurapo and Tobago respectively.



### Summer Camp

2017's Summer Camp Activity to our young members was the guided tour of the Pointe-a-Pierre Wild Fowl Trust. Members were accompanied by TPCU representatives where they learnt about a variety of species, wetlands, aquatic habitats, flora and fauna, as well as the socio-economic impacts on the environment.

### Family Day

Family day celebration was held on October 28, 2017. The day's activities included members and their families. The kids enjoyed bouncy castle, laser tag, face painting and much more. The adult events included the popular 'All Fours' competition and talent show.

### Young Achievers 2017

Children of members continue to excel in the field of sports and education. The TPCU recognize these performers who excelled in 2017 and they received their awards at the Interfaith Service in January 2018. The recipients are: -

#### National Scholarship Candidates

- Alyssa Kangoo
- Naveela N. Sookoo

#### Excellence in Sports

- Darryl Thomas



### Marketing Products

In its continued drive to increase borrowing by the membership, the Marketing Sub-Committee explored strategies to communicate to the members some of the new promotions such as reduced rate on Mortgage, Vehicle and Fully Secured Loans, Character Loans up to 200% and Christmas Loan.

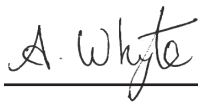


## Online Marketing

Members can like, share and follow, TPCU on social media to receive the latest news, updates and events. Find us on Facebook: <https://www.facebook.com/MYTPCU>

## Conclusion

The Education Committee recognizes its role in contributing to the strategic development of the Credit Union and as such remains committed to reaching the membership through programmes, newsletter, social media, texts and all other available communication channels to ensure that this Credit Union remains a cohesive entity.



---

Anna-Marie Whyte  
Secretary

## Nominations Committee Report

The Board of Directors of the Trintoc (Penal) Credit Union appointed the following persons to serve on the Nominations Committee in accordance with section 26 of the Bye Laws of the Credit Union:

|                           |   |          |
|---------------------------|---|----------|
| Mr. Eric Forde            | - | Chairman |
| Mrs. Marilyn Wharwood     | - | Member   |
| Mrs. Marva Johnson-Friday | - | Member   |
| Mrs. Chanardaye Musrap    | - | Member   |
| Mrs. Desarie Barclay      | - | Member   |

The Committee's duties included the selection of qualified members who are willing to volunteer themselves to be considered for election to the Board, Credit and Supervisory Committee at the Annual General Meeting. In addition, the Committee had the responsibility of submitting for consideration and approval by the Board, the names of those volunteers who met the established criteria. In order to facilitate such, two (2) documents were used:

1. Nomination Procedure
2. Nomination Form

A total of twelve (12) persons applied to serve on the various committees. The panel reviewed all twelve (12) Nomination Forms where special emphasis was placed on the "Fit and Proper Criteria" as outlined in the Credit Union's Bye-Laws (26). The persons listed below have been deemed eligible by the committee to be considered for election.

### BOARD OF DIRECTORS:

Ms. Sharida Ali  
Dr. Godfrey Ransome  
Mr. Vade Cheddie  
Mr. Camal Jagassar  
Mr. Neal Johnson

### CREDIT COMMITTEE:

Mr. Rudolph Felix  
Mr. Peter Winston David  
Mr. Calvin Sargeant  
Mr. Kelvin Pustam

### SUPERVISORY COMMITTEE:

Ms. Avien Browne  
Ms. Indira Jagassar  
Mr. Rooplal Toolsie

*Eric Forde*

Eric Forde  
Chairman  
On behalf of the  
Nominations Committee  
February 26, 2018



# Independent Auditors' Report & Financial Statements as at December 31st 2017



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

***Report on the Financial Statements***

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 2017, 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 5 to 30.

***Opinion***

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 2017 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.

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

- 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.
- 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.
- 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.
- 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. Zakheem Mohammed.

A handwritten signature in black ink that reads 'Maharaj Mohammed & Co.' in a cursive script.

Maharaj Mohammed & Co.  
Chartered Accountants  
Trinidad & Tobago


16th February 2018

# Statement of Financial Position

## at 31<sup>st</sup> December 2017

| <u>ASSETS</u>                                     | Notes | 2017<br>\$                | 2016<br>\$                |
|---|-------|---------------------------|---------------------------|
| <b>Current assets</b>                             |       |                           |                           |
| Cash and cash equivalents                         | 6     | 21,835,002                | 14,337,795                |
| Accounts receivable and prepayments               | 9     | <u>3,185,451</u>          | <u>8,176,769</u>          |
|   |       | <u>25,020,453</u>         | <u>22,514,565</u>         |
| <b>Non-current assets</b>                         |       |                           |                           |
| Property, plant and equipment                     | 7     | 320,570                   | 250,535                   |
| Members' loans                                    | 8     | 124,661,313               | 119,462,733               |
| Investments                                       | 11    | <u>116,844,654</u>        | <u>103,592,967</u>        |
|   |       | <u>241,826,537</u>        | <u>223,306,235</u>        |
| <b>Total Assets</b>                               |       | <b><u>266,846,990</u></b> | <b><u>245,820,800</u></b> |
| <br><b><u>MEMBERS' EQUITY AND LIABILITIES</u></b> |       |                           |                           |
| <b>Members' equity</b>                            |       |                           |                           |
| Reserve fund                                      | 13    | 14,204,426                | 12,934,759                |
| Education fund                                    | 14    | 1,482,995                 | 1,210,471                 |
| Building fund                                     | 15    | 840,000                   | 240,000                   |
| Investment reserve                                | 12    | 2,431,820                 | 2,793,336                 |
| Retained earnings                                 |       | <u>14,866,944</u>         | <u>12,924,323</u>         |
|   |       | <u>33,826,185</u>         | <u>30,102,889</u>         |
| <b>Current liabilities</b>                        |       |                           |                           |
| Accounts payable and accruals                     | 10    | <u>895,763</u>            | <u>834,164</u>            |
|   |       | <u>895,763</u>            | <u>834,164</u>            |
| <b>Non-current liabilities</b>                    |       |                           |                           |
| Members' shares                                   | 19    | 220,102,930               | 203,448,961               |
| Members' deposits                                 | 18    | <u>12,022,112</u>         | <u>11,434,786</u>         |
|   |       | <u>232,125,042</u>        | <u>214,883,747</u>        |
| <b>Total Liabilities</b>                          |       | <u>233,020,805</u>        | <u>215,717,911</u>        |
| <b>Total Liabilities and Shareholders' Equity</b> |       | <b><u>266,846,990</u></b> | <b><u>245,820,800</u></b> |

The accompanying notes on pages 52 to 72 form an integral part of these financial statements.

  
:President

  
:Treasurer

  
:Supervisory Chairman



# Statement of Comprehensive Income

## For The Year Ended 31<sup>st</sup> December 2017

|                                   | Note  | 2017<br>\$        | 2016<br>\$        |
|-----------------------------------|-------|-------------------|-------------------|
| <b>Revenue</b>                    |       |                   |                   |
| Interest on loans                 |       | 12,609,026        | 11,681,315        |
| Investment income                 |       | 4,787,520         | 3,539,445         |
| Other income                      |       | <u>91,780</u>     | <u>160,848</u>    |
| Total                             |       | <u>17,488,326</u> | <u>15,381,608</u> |
| <br><b>Expenses</b>               |       |                   |                   |
| Administrative and other expenses | 23    | 902,002           | 714,605           |
| Staff costs                       | 24    | 977,262           | 924,264           |
| Officers' expenses                | 22    | 636,514           | 633,301           |
| CUNA insurance premiums           |       | 685,366           | 666,513           |
| Provision for doubtful debts      | 8.a.  | 1,019,235         | 420,462           |
| Green fund levy                   |       | 57,263            | 41,654            |
| Bank charges and interest         |       | <u>537,000</u>    | <u>605,607</u>    |
|                                   |       | <u>4,814,642</u>  | <u>4,006,406</u>  |
| Net surplus for the year          |       | <u>12,673,684</u> | <u>11,375,202</u> |
| <br><b>Appropriations</b>         |       |                   |                   |
| Transfer to reserve fund (10%)    | 2 (h) | 1,267,368         | 1,137,520         |
| Transfer to education fund (5%)   | 2 (i) | <u>570,316</u>    | <u>511,884</u>    |
|                                   |       | <u>1,837,684</u>  | <u>1,649,404</u>  |

The accompanying notes on pages 52 to 72 form an integral part of these financial statements.





# Statement Of Changes In Equity

## For The Year Ended 31<sup>st</sup> December 2017

|   | Reserve<br>Fund<br>\$ | Education<br>Fund<br>\$ | Building<br>Fund<br>\$ | Revaluation<br>Reserve<br>\$ | Retained<br>Earnings<br>\$ | Total<br>\$       |
|---|-----------------------|-------------------------|------------------------|------------------------------|----------------------------|-------------------|
| Balance at 1 <sup>st</sup> January 2017   | 12,934,758            | 1,210,471               | 240,000                | 2,793,336                    | 12,924,324                 | 30,102,889        |
| Operating surplus                         | -                     | -                       | -                      | -                            | 12,673,684                 | 12,673,684        |
| Appropriations                            | 1,267,368             | 570,316                 | -                      | -                            | (1,837,684)                | -                 |
| Expenditure                               | -                     | (297,792)               | -                      | -                            | 297,792                    | -                 |
| Entrance fees                             | 2,300                 | -                       | -                      | -                            | -                          | 2,300             |
| Building fund                             | -                     | -                       | 600,000                | -                            | (600,000)                  | -                 |
| Revaluation reserve                       | -                     | -                       | -                      | (361,516)                    | -                          | (361,516)         |
| Dividends paid in error                   | -                     | -                       | -                      | -                            | (12,932)                   | (12,932)          |
| Dividends paid                            | -                     | -                       | -                      | -                            | (8,578,240)                | (8,578,240)       |
| Balance at 31 <sup>st</sup> December 2017 | <u>14,204,426</u>     | <u>1,482,995</u>        | <u>840,000</u>         | <u>2,431,820</u>             | <u>14,866,944</u>          | <u>33,826,185</u> |
| Balance at 1 <sup>st</sup> January 2016   | 11,794,998            | 856,931                 | -                      | 2,483,763                    | 10,946,579                 | 26,082,271        |
| Operating surplus                         | -                     | -                       | -                      | -                            | 11,375,202                 | 11,375,202        |
| Appropriations                            | 1,137,520             | 511,884                 | -                      | -                            | (1,649,404)                | -                 |
| Expenditure                               | -                     | (158,345)               | -                      | -                            | 158,345                    | -                 |
| Entrance fee                              | 2,240                 | -                       | -                      | -                            | -                          | 2,240             |
| Building fund                             | -                     | -                       | 240,000                | -                            | (240,000)                  | -                 |
| Revaluation reserve                       | -                     | -                       | -                      | 309,573                      | -                          | 309,573           |
| Dividends paid in error                   | -                     | -                       | -                      | -                            | 61,802                     | 61,802            |
| Dividends paid                            | -                     | -                       | -                      | -                            | (7,728,199)                | (7,728,199)       |
| Balance at 31 <sup>st</sup> December 2016 | <u>12,934,758</u>     | <u>1,210,471</u>        | <u>240,000</u>         | <u>2,793,336</u>             | <u>12,924,323</u>          | <u>30,102,889</u> |

The accompanying notes on pages 52 to 72 form an integral part of these financial statements.

# Statement Of Cash Flows

## For The Year Ended 31<sup>st</sup> December 2017

|  | Note | 2017<br>\$          | 2016<br>\$          |
|--|------|---------------------|---------------------|
| <b>Operating activities</b>                            |      |                     |                     |
| Net surplus for the year                               |      | 12,673,684          | 11,375,202          |
| <b>Adjustment for non-cash items</b>                   |      |                     |                     |
| Depreciation of property, plant and equipment          |      | 68,081              | 49,500              |
| Revaluation of investments                             |      | (361,516)           | 309,573             |
| Loss on disposal of property, plant and equipment      |      | <u>6,434</u>        | <u>11,091</u>       |
| <b>Operating income before working capital changes</b> |      | 12,386,683          | 11,745,366          |
| <b>Movements in working capital</b>                    |      |                     |                     |
| Increase in loans to members                           |      | (5,198,579)         | (10,565,018)        |
| Increase in members' deposits                          |      | 587,326             | 3,135,937           |
| Decrease in accounts receivable and repayments         |      | 4,991,318           | (7,337,362)         |
| (Decrease)/increase in payables and accruals           |      | <u>61,599</u>       | <u>(325,852)</u>    |
| <b>Net cash used in operating activities</b>           |      | <u>12,828,347</u>   | <u>(3,346,929)</u>  |
| <b>Investing activities</b>                            |      |                     |                     |
| Purchase of property, plant and equipment              |      | (144,550)           | (81,828)            |
| Purchase of investments                                |      | <u>(13,251,687)</u> | <u>(15,656,404)</u> |
| <b>Net cash used in investing activities</b>           |      | <u>(13,396,237)</u> | <u>(15,738,232)</u> |
| <b>Financing activities</b>                            |      |                     |                     |
| Increase in members' shares                            |      | 16,653,969          | 17,428,469          |
| Dividends paid   |      | (8,578,240)         | (7,728,199)         |
| Dividends paid in error to deceased members            |      | (12,932)            | 61,801              |
| Membership fee   |      | <u>2,300</u>        | <u>2,240</u>        |
| <b>Net cash provided by financing activities</b>       |      | <u>8,065,097</u>    | <u>9,764,311</u>    |
| <b>Net decrease in cash and cash equivalents</b>       |      | <u>7,497,207</u>    | <u>(9,320,850)</u>  |
| <b>Cash and cash equivalents</b>                       |      |                     |                     |
| - at the beginning of the year                         |      | 14,337,795          | 23,658,645          |
| - at the end of the year                               | 6    | <u>21,835,002</u>   | <u>14,337,795</u>   |
|  |      | <u>7,497,207</u>    | <u>(9,320,850)</u>  |

The accompanying notes on pages 52 to 72 form an integral part of these financial statements.



# Statement Of Receipts And Payments Account For The Year Ended 31<sup>st</sup> December 2017

| RECEIPTS                  | 2017               | 2016              | PAYMENTS                       | 2017               | 2016               |
|---------------------------|--------------------|-------------------|--------------------------------|--------------------|--------------------|
|                           | \$                 | \$                |                                | \$                 | \$                 |
| Payroll clearing account  | 28,818,344         | 30,340,715        | Loans                          | 45,636,954         | 46,951,813         |
| Members' shares           | 28,938,771         | 23,644,118        | Investments                    | 41,838,152         | 37,267,283         |
| Loans                     | 17,334,270         | 12,541,663        | Members' shares                | 19,202,368         | 9,377,168          |
| Accounts receivables      | 7,709,392          | 394,397           | Deposit account                | 4,067,299          | 2,857,757          |
| Investments               | 29,961,258         | 14,831,717        | Members fixed deposit          | 71,775             | 1,054,327          |
| Deposit account           | 2,689,743          | 3,350,458         | Salary                         | 789,084            | 803,265            |
| Interest from loans       | 4,370,594          | 3,876,331         | Board & committee              | 607,854            | 602,975            |
| Investment income         | 2,137,060          | 2,711,450         | CUNA insurance premium         | 1,039,366          | 673,500            |
| CUNA insurance claim      | 289,650            | 132,000           | Education committee            | 302,339            | 165,131            |
| Early withdrawal fee      | -                  | 2,367             | CUNA insurance claim           | 120,000            | 142,342            |
| Sale of promotional items | 10,415             | 15,105            | Annual general meeting         | 113,736            | 109,496            |
| Sundry expenses           | 8,386              | 3,195             | Legal and bailiff fees         | 16,500             | 19,550             |
| Commission – CUNA         | 80,733             | 9,825             | Building and repairs           | 90,338             | 84,921             |
| Stale dated cheques       | 1,800              | 10,703            | CUNA FIP                       | 143,092            | 713,220            |
| Entrance fee              | 2,280              | 2,240             | Computer maintenance           | 47,783             | 37,710             |
| Members fixed deposit     | 20,000             | 252,405           | Office stationery and supplies | 104,581            | 98,918             |
| Education committee       | 20,485             | -                 | Audit fees                     | 58,725             | 36,563             |
| Office equipment          | 18,630             | -                 | Telephone and internet         | 27,370             | 19,479             |
|                           |                    |                   | Property, plant and equipment  | 147,044            | 35,481             |
|                           |                    |                   | League dues                    | 24,467             | 25,150             |
|                           |                    |                   | Donation and subscription      | 54,562             | 35,513             |
|                           |                    |                   | Green fund levy                | 49,785             | 55,291             |
|                           |                    |                   | Security service – CIT         | 13,241             | 13,268             |
|                           |                    |                   | Advertising                    | 21,514             | 17,506             |
|                           |                    |                   | Accounts payable               | 67,793             | 925                |
|                           |                    |                   | Bank charges                   | 61,268             | 74,865             |
|                           |                    |                   | Sundry                         | 8,741              | 4,815              |
|                           |                    |                   | Staff pension & NI             | 188,873            | 161,306            |
|                           | <u>122,411,811</u> | <u>92,118,689</u> |                                | <u>114,914,604</u> | <u>101,439,538</u> |

### Balance at beginning of the year:

|                            |                    |                    |
|----------------------------|--------------------|--------------------|
| Float – Deposit withdrawal | 3,950              | -                  |
| Treasury                   | 12,000             | -                  |
| Petty cash                 | 2,500              | 2,500              |
| USD savings account        | 1,192,520          | 893,577            |
| RBC current account        | 191,508            | 215,318            |
| Republic bank account      | <u>12,935,317</u>  | <u>22,547,249</u>  |
|                            | <u>14,337,795</u>  | <u>23,658,644</u>  |
|                            | <u>136,749,606</u> | <u>115,777,333</u> |

### Balance at the end of the year:

|                            |                    |                    |
|----------------------------|--------------------|--------------------|
| Float – Deposit withdrawal | 11,300             | 3,950              |
| Treasury                   | 3,060              | 12,000             |
| Petty cash                 | 2,500              | 2,500              |
| USD savings account        | 1,442,605          | 1,192,520          |
| RBC current account        | 171,077            | 191,508            |
| Republic bank account      | <u>20,204,460</u>  | <u>12,935,318</u>  |
|                            | <u>21,835,002</u>  | <u>14,337,795</u>  |
|                            | <u>136,749,606</u> | <u>115,777,333</u> |

The accompanying notes on pages 52 to 72 form an integral part of these financial statements.



# Notes To The Financial Statements For The Year 31<sup>st</sup> December 2017

## 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 available-for-sale investments and certain other financial instruments.

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.

### (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:

|                        |       |
|------------------------|-------|
| Furniture and fixtures | 10%   |
| Air conditioning       | 10%   |
| Office equipment       | 20%   |
| Computer equipment     | 33.3% |



# Notes To The Financial Statements For The Year 31<sup>st</sup> December 2017

## 2. Significant Accounting Policies (Continued)

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

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.

### (d) Financial assets and liabilities

Financial instruments carried on the statement of financial position include cash resources, investments, loans, deposits and other liabilities. The standard treatment for recognition, de-recognition, classification and measurement in the Credit Union's financial statements are noted in notes (i) – (iv).

#### (i) Recognition

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

#### (ii) De-recognition

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

The Credit Union de-cognises a financial liability when its contractual obligations are discharged, cancelled or expired.

#### (iii) Classification

The Credit Union classifies its financial assets into the following categories: financial assets at fair value through the statement of comprehensive income; loans and receivables; held-to-maturity and available for sale. Management determines the classification of its investments at initial recognition.



# Notes To The Financial Statements For The Year 31<sup>st</sup> December 2017

## 2. Significant Accounting Policies (Continued)

### (d) Financial assets and liabilities (continued)

#### (iii) Classification (continued)

*Financial assets at fair value through the statement of comprehensive income:*

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

*Loan and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Credit Union provides money directly to its members with no intention of trading the receivable.

*Held-to-maturity*

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Credit Union's management has the positive intention and ability to hold to maturity. If the Credit Union were to sell a significant amount of held-to-maturity investments, the entire category will be compromised.

*Available-for-sale*

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

#### (iv) Measurement

Financial instruments are measured initially at cost, including transaction cost. Subsequent to initial recognition, equity instruments are measured at fair value through statement of comprehensive income. Available-for-sale assets are measured at fair value, based on their quoted market price, at the statement of financial position date, without any deduction for transaction costs. Where the instruments is not actively traded or quoted on recognized exchanges, fair value is determined using discounted cash flow analysis. Any available-for-sales asset that does not have a quoted market price in an active market and where fair value cannot be reliably measure, is stated at cost, including transaction cost less impairment losses. Gains and losses, both realised and unrealised, arising from the change in the financial assets is recognised at fair value through the statement of comprehensive income and reported in other income.



# Notes To The Financial Statements For The Year 31<sup>st</sup> December 2017

## 2. Significant Accounting Policies (Continued)

### (d) Financial assets and liabilities (continued)

#### (iv) Measurement (continued)

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

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

### (e) 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, which in management's opinion, is adequate to absorb all incurred credit-related losses in its loan portfolio. The loan loss provision is calculated using the formula provided by the PEARLS Monitoring System.

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.

### (f) 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.



# Notes To The Financial Statements For The Year 31<sup>st</sup> December 2017

## 2. Significant Accounting Policies (Continued)

### (g) 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.

### (h) Reserve fund

In accordance with Bye Law 12, 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.

### (i) 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.

### (j) 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.

### (k) 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%.

### (l) 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 31<sup>st</sup> December 2017

## 2. Significant Accounting Policies (Continued)

### (m) 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.

### (n) Accounts payable

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

### (o) Employee benefits / pension obligations

The Credit Union operates a defined contribution plan and pays contributions to administered pension insurance plans. The group 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.

### (p) 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.

### (q) Foreign currency

Foreign currency transactions during the year are translated into Trinidad and Tobago dollars at the exchange rates ruling at the dates of the transactions. Currents 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.

### (r) Taxation

The Credit Union is subject to Green Fund Levy based on the stipulated rate for the respective year.



# Notes To The Financial Statements

## For The Year 31<sup>st</sup> December 2017

### 2. Significant Accounting Policies (Continued)

#### (s) Comparative

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

### 3. Changes in 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) New, revised and amended standards effective January 1, 2016

- IAS 1, Presentation of Financial Statements, effective for accounting periods beginning on or after January 1, 2016, has been amended to clarify or state the following:
  - specific single disclosures that are not material do not have to be presented even if they are minimum requirements of a standard;
  - the order of notes to the financial statements is not prescribed;
  - line items on the statement of financial position and the statement of profit or loss and other comprehensive income (“OCI”) should be disaggregated if this provides helpful information to users. Line items can be aggregated if they are not material;
  - specific criteria is now provided for presenting subtotals on the statement of financial position and in the statement of profit or loss and OCI, with additional reconciliation requirements for the statement of profit or loss and OCI; and
  - the presentation in the statement of OCI of items of OCI arising from joint ventures and associates accounted for using the equity method follows the IAS 1 approach of splitting items that may, or that will never, be reclassified to profit or loss.
- Amendments to IAS 16 and IAS 38, Clarification of Acceptable Methods of Depreciation and Amortisation, are effective for accounting periods beginning on or after January 1, 2016.
- Amendment to IAS 16, Property, Plant and Equipment explicitly states that revenue-based methods of depreciation cannot be used. This is because such methods reflect factors other than the consumption of economic benefits embodied in the assets.
- The amendment to IAS 38, Intangible Assets introduces a rebuttable presumption that the use of revenue-based amortisation methods is inappropriate for intangible assets.



# Notes To The Financial Statements

## For The Year 31<sup>st</sup> December 2017

### 3. Changes in accounting policies (continued)

- IFRS 7, Financial Instruments: Disclosures, has been amended to clarify when servicing arrangements are in the scope of its disclosure requirements on continuing involvement in transferred assets in cases when they are derecognized in their entirety. A servicer is deemed to have continuing involvement if it has an interest in the future performance of the transferred asset -e.g. if the servicing fee is dependent on the amount or timing of the cash flows collected from the transferred financial asset; however, the collection and remittance of cash flows from the transferred asset to the transferee is not, in itself, sufficient to be considered ‘continuing involvement’.
- IFRS 7 has also been amended to clarify that the additional disclosures required by Disclosures: Offsetting Financial Assets and Financial Liabilities (Amendment to IFRS 7) are not specifically required for inclusion in condensed interim financial statements for all interim periods; however, they are required if the general requirements of IAS 34, Interim Financial Reporting, require their inclusion.

These standards have no material impact on the Credit Union’s 2017 financial statements.

#### (b) New, revised and amended standards and interpretations not yet effective

Certain new, revised and amended standards and interpretations have been issued which are not yet effective for the current year and which the Credit Union has not early-adopted. The Credit Union has assessed the relevance of all such new standards, amendments and interpretations with respect to the Credit Union’s operations and has determined that the following are likely to have an effect on the financial statements.

- Improvements to IFRS 2012-2014 cycle, contain amendments to certain standards and interpretations and are effective for accounting periods beginning on or after January 1, 2017. The main amendments applicable to the Credit Union are as follows:
- IFRS 9, Financial Instruments, which is effective for annual reporting periods beginning on or after January 1, 2018, replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial assets and liabilities, including a new expected credit loss model for calculating impairment of financial assets and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. Although the permissible measurement bases for financial assets – amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL) - are similar to IAS 39, the criteria for classification into the appropriate measurement category are significantly different. IFRS 9 replaces the ‘incurred loss’ model in IAS 39 with an ‘expected credit loss’ model, which means that a loss event will no longer need to occur before an impairment allowance is recognized.

The Credit Union is assessing the impact that this amendment will have on its 2018 financial statements.



# Notes To The Financial Statements For The Year 31<sup>st</sup> December 2017

## 3. Changes in accounting policies (continued)

- IFRS 16, Leases, which is effective for annual reporting periods beginning on or after January 1, 2019, eliminates the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Instead, there is a single, on-balance sheet accounting model that is similar to current finance lease accounting. Entities will be required to bring all major leases on-balance sheet, recognising new assets and liabilities. The on-balance sheet liability will attract interest; the total lease expense will be higher in the early years of a lease even if a lease has fixed regular cash rentals. Optional lessee exemption will apply to short-term leases and for low-value items with value of US\$5,000 or less.

Lessor accounting remains similar to current practice as the lessor will continue to classify leases as finance and operating leases. Finance lease accounting will be based on IAS 17 lease accounting, with recognition of net investment in lease comprising lease receivable and residual asset. Operating lease accounting will be based on IAS 17 operating lease accounting.

Early adoption is permitted if IFRS 15, Revenue from Contracts with Customers is also adopted. The Credit Union is assessing the impact that this amendment will have on its 2019 financial statements.

## (c) New, revised and amended standards and interpretations not yet effective (continued)

- IFRS 15, Revenue from Contracts with Customers presents new requirements for the recognition of revenue, replacing IAS 18 'Revenue'. The new standard establishes a control-based revenue recognition model and provides additional guidance in many areas not covered in detail under existing IFRSs, including how to account for arrangements with multiple performance obligations, variable pricing, customer refund rights, supplier repurchase options, and other common complexities. IFRS 15 is effective for annual reporting periods beginning on or after January 1, 2018. The Credit Union is assessing the impact that this amendment will have on its 2018 financial statements.

## 4. Financial Risk Management

### Financial risk factors

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:



# Notes To The Financial Statements For The Year 31<sup>st</sup> December 2017

## 4. Financial Risk Management (continued)

### a) Interest rate risk

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

### b) Credit risk

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the Statement of Financial Position date. The Credit Union relies heavily on a written Loan Policy Manual, which sets out in detail the current policies governing the lending function and provides a comprehensive framework for prudent risk management of the credit function.

Adherence to these guidelines is expected to communicate the Credit Union's lending philosophy; provide policy guidelines to team members 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.



# Notes To The Financial Statements For The Year 31<sup>st</sup> December 2017

## 4. Financial Risk Management (Continued)

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.

### c) Liquidity risk

Liquidity risk is the risk that arises when the maturity dates of assets and liabilities do not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Credit Union has procedures with the object of 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

### 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.

### e) Operational risk

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



# Notes To The Financial Statements For The Year 31<sup>st</sup> December 2017

## 4. Financial Risk Management (Continued)

### f) Compliance risk

Compliance risk is the risk of financial loss, including fines and other penalties, which arise from non-compliance with laws and regulations of the state. The risk is limited to a significant extent due to the supervision applied by the Commissioner for Co-operative Development, as well as by the monitoring controls applied by the Credit Union.

### g) Reputation risk

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

### (h) Capital risk management

The Credit Union's objectives when managing capital are to safeguard the Credit Union's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

## 5. 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.



# Notes To The Financial Statements For The Year 31<sup>st</sup> December 2017

## 5. Critical accounting estimates and judgments (continued)

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) Classification of investments as held to maturity investments, available for sale or loans and receivables,
- ii) Classification of leases as operating leases or finance leases, and/or
- iii) Depreciation method adopted for property, plant and equipment.

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

### *i) Impairment of assets*

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

### *ii) Plant and equipment*

Management exercises judgement in determining whether future economic benefits can be derived from expenditures to be capitalised, in estimating the useful lives, and in estimating residual values of those assets.





# Notes To The Financial Statements

## For The Year 31<sup>st</sup> December 2017

### 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.

|              | 2017              | 2016              |
|--------------|-------------------|-------------------|
|              | \$                | \$                |
| Cash on hand | 2,500             | 2,500             |
| Cash at bank | <u>21,832,502</u> | <u>14,335,295</u> |
|              | <u>21,835,002</u> | <u>14,337,795</u> |

### 7. Property, plant and equipment

|                                 | Office<br>Furniture &<br>Fittings | Air<br>Conditioning  | Office<br>Equipment  | Computer<br>Equipment | Total                 |
|---------------------------------|-----------------------------------|----------------------|----------------------|-----------------------|-----------------------|
|                                 | \$                                | \$                   | \$                   | \$                    | \$                    |
| <b>Cost</b>                     |                                   |                      |                      |                       |                       |
| Balance January 1, 2017         | 158,524                           | 26,596               | 226,796              | 236,409               | 648,325               |
| Additions                       | 7,144                             | 2,850                | 45,506               | 89,050                | 144,550               |
| Disposal                        | <u>-</u>                          | <u>-</u>             | <u>-</u>             | <u>(66,079)</u>       | <u>(66,079)</u>       |
| Balance December 31, 2017       | <u>165,668</u>                    | <u>29,446</u>        | <u>272,302</u>       | <u>259,380</u>        | <u>726,796</u>        |
| <b>Accumulated Depreciation</b> |                                   |                      |                      |                       |                       |
| Balance January 1, 2017         | 80,531                            | 8,211                | 154,770              | 154,279               | 397,791               |
| Charge for the year             | 7,918                             | 2,076                | 17,998               | 40,089                | 68,081                |
| Disposals                       | <u>-</u>                          | <u>-</u>             | <u>-</u>             | <u>(59,646)</u>       | <u>(59,646)</u>       |
| Balance December 31, 2017       | <u>88,449</u>                     | <u>10,287</u>        | <u>172,768</u>       | <u>134,722</u>        | <u>406,226</u>        |
| <b>Net book value 2017</b>      | <u><b>77,219</b></u>              | <u><b>19,159</b></u> | <u><b>99,534</b></u> | <u><b>124,658</b></u> | <u><b>320,570</b></u> |



# Notes To The Financial Statements For The Year 31<sup>st</sup> December 2017

## 7. Property, plant and equipment (continued)

|                                 | Office<br>Furniture &<br>Fittings | Air<br>Conditioning  | Office<br>Equipment  | Computer<br>Equipment | Total                 |
|---------------------------------|-----------------------------------|----------------------|----------------------|-----------------------|-----------------------|
|                                 | \$                                | \$                   | \$                   | \$                    | \$                    |
| <b>Cost</b>                     |                                   |                      |                      |                       |                       |
| Balance January 1, 2016         | 148,825                           | 36,674               | 222,339              | 209,166               | 617,005               |
| Additions                       | 12,849                            | 11,600               | 6,182                | 51,197                | 81,828                |
| Disposal                        | <u>(3,150)</u>                    | <u>(21,678)</u>      | <u>(1,725)</u>       | <u>(23,954)</u>       | <u>(50,508)</u>       |
| Balance December 31, 2016       | <u>158,524</u>                    | <u>26,596</u>        | <u>226,796</u>       | <u>236,409</u>        | <u>648,325</u>        |
| <b>Accumulated Depreciation</b> |                                   |                      |                      |                       |                       |
| Balance January 1, 2016         | 75,852                            | 19,787               | 138,051              | 154,017               | 387,708               |
| Charge for the year             | 7,476                             | 1,076                | 17,749               | 23,199                | 49,500                |
| Disposals                       | <u>(2,796)</u>                    | <u>(12,652)</u>      | <u>(1,030)</u>       | <u>(22,938)</u>       | <u>(39,417)</u>       |
| Balance December 31, 2016       | <u>80,531</u>                     | <u>8,211</u>         | <u>154,770</u>       | <u>154,279</u>        | <u>397,791</u>        |
| <b>Net book value 2016</b>      | <b><u>77,992</u></b>              | <b><u>18,385</u></b> | <b><u>72,027</u></b> | <b><u>82,131</u></b>  | <b><u>250,535</u></b> |

## 8. Members' loans

|  | 2017<br>\$         | 2016<br>\$         |
|--|--------------------|--------------------|
| Ordinary   | 65,533,288         | 59,232,116         |
| Mortgage   | 33,211,467         | 31,547,859         |
| Vehicle  | 15,118,462         | 15,376,928         |
| Fully secured  | 11,253,385         | 12,454,689         |
| Short term   | <u>2,925,330</u>   | <u>3,212,525</u>   |
|  | 128,041,932        | 121,824,117        |
| Less: Provision for delinquent loans<br>(See note 8 (a) below) | <u>(3,380,619)</u> | <u>(2,361,383)</u> |
|  | <u>124,661,313</u> | <u>119,462,734</u> |



# Notes To The Financial Statements For The Year 31<sup>st</sup> December 2017

## 8. Members' loans (continued)

(8.a) Loans to members are stated at principal outstanding net of a provision for loan losses. The provision for loan losses is based on the formulas provided by the World Council of Credit Unions, PEARL'S monitoring system. In 2017 Management applied the loan loss provisions along the guidelines of IAS 39 and IFRS 9 which resulted in a higher loan loss provision for 2017.

| <i>Provision for delinquent loans</i>           | <b>2017</b>      | <b>2016</b>      |
|---|------------------|------------------|
|   | \$               | \$               |
| Opening balance as at 1 <sup>st</sup> January   | 2,361,383        | 1,940,922        |
| Provision for delinquency charged to surplus    | <u>1,019,235</u> | <u>420,461</u>   |
| Closing balance as at 31 <sup>st</sup> December | <u>3,380,618</u> | <u>2,361,383</u> |

## 9. Accounts receivable and prepayments

|                   | <b>2017</b>      | <b>2016</b>      |
|-------------------|------------------|------------------|
|                   | \$               | \$               |
| Trade receivables | 3,169,146        | 7,976,867        |
| Prepayments       | <u>16,305</u>    | <u>199,902</u>   |
|                   | <u>3,185,451</u> | <u>8,176,769</u> |

## 10. Accounts payable and accruals

|                | <b>2017</b>    | <b>2016</b>    |
|----------------|----------------|----------------|
|                | \$             | \$             |
| Trade payables | 749,250        | 698,271        |
| Accruals       | <u>146,513</u> | <u>135,893</u> |
|                | <u>895,763</u> | <u>834,164</u> |



# Notes To The Financial Statements For The Year 31<sup>st</sup> December 2017

| <b>11. Investments</b>   | <b>2017</b>            | <b>2016</b>            |
|--|------------------------|------------------------|
|  | <b>\$</b>              | <b>\$</b>              |
| (a) Held-to-maturity   |                        |                        |
| ANSA secured fund  | 1,330,180              | 1,330,180              |
| Government of Trinidad and Tobago (GOTT) bonds                   | 45,526,451             | 50,391,133             |
| Petrotrin USD Bond 2019  | 1,260,142              | 1,270,710              |
| Petrotrin USD Bond 2022  | 444,821                | 529,591                |
| Guardian Holdings Ltd 2016                                       | 2,194,752              | 2,194,752              |
| Guardian Holdings Ltd 2019                                       | 10,025,000             | 10,090,339             |
| Guardian Holdings Ltd 2023                                       | <u>140,343</u>         | <u>145,636</u>         |
|  | <u>60,921,689</u>      | <u>65,952,343</u>      |
| (b) Available-for-sale   |                        |                        |
| Republic Bank Limited Money Market Fund                          | 12,001                 | 2,714,855              |
| Trinidad and Tobago Unit Trust Corp. 2 <sup>nd</sup> unit scheme | 57,980                 | 546,217                |
| Trinidad and Tobago Unit Trust Corp - growth & income fund       | 131,347                | 5,794,728              |
| First Citizens Bank Limited – Abercrombie fund                   | 3,698,583              | 3,665,457              |
| Trinidad and Tobago Mortgage Finance Co. Ltd.                    | 10,000,000             | 10,000,000             |
| ANSA TT\$ Income Fund  | 1,562,302              | 1,535,094              |
| First Citizens Bank - IPO  | 12,843,840             | 5,294,922              |
| T&T National Gas Ltd – IPO                                       | 2,568,354              | 640,794                |
| Massy Wood group   | -                      | 2,210,558              |
| First Citizens Bank – 2022                                       | 5,238,000              | 5,238,000              |
| TSTT – Tranche 1   | 3,100,000              | -                      |
| TSTT – Tranche 2   | 5,000,000              | -                      |
| KCL Capital Market Brokers Limited                               | <u>11,710,558</u>      | <u>-</u>               |
|  | <u>55,922,965</u>      | <u>37,640,625</u>      |
| <br>Total Investments  | <br><u>116,844,654</u> | <br><u>103,592,967</u> |

## 12. Investment Reserve

In 2013 the Credit Union adopted IAS 39 (Financial Instruments: Recognition and Measurement). The effect of this was that the quoted investments are now recognized in the Statement of Financial Position at the market value rather than cost. This resulted in the Investment Reserve. The carrying amounts of the Credit Union's Investment Reserve at the end of the reporting period is as follows:

|   | <b>2017</b>      | <b>2016</b>      |
|---|------------------|------------------|
|   | <b>\$</b>        | <b>\$</b>        |
| Opening balance                           | 2,793,336        | 2,483,763        |
| Net change in market value for the period | <u>(361,516)</u> | <u>309,573</u>   |
| Ending balance                            | <u>2,431,820</u> | <u>2,793,336</u> |



# Notes To The Financial Statements For The Year 31<sup>st</sup> December 2017

| <b>13. Reserve fund</b>                         | <b>2017</b>       | <b>2016</b>       |
|---|-------------------|-------------------|
|   | \$                | \$                |
| Opening balance as at 1 <sup>st</sup> January   | 12,934,759        | 11,794,998        |
| Appropriations                                  | 1,267,367         | 1,137,521         |
| New membership fees                             | <u>2,300</u>      | <u>2,240</u>      |
| Closing balance as at 31 <sup>st</sup> December | <u>14,204,426</u> | <u>12,934,759</u> |

| <b>14. Education fund</b>                       | <b>2017</b>      | <b>2016</b>      |
|---|------------------|------------------|
|   | \$               | \$               |
| Opening balance as at 1 <sup>st</sup> January   | 1,210,471        | 856,931          |
| Appropriations                                  | 570,316          | 511,885          |
| Expenditure for the period                      | <u>(297,792)</u> | <u>(158,345)</u> |
| Closing balance as at 31 <sup>st</sup> December | <u>1,482,995</u> | <u>1,210,471</u> |

| <b>15. Building fund</b>                        | <b>2017</b>    | <b>2016</b>    |
|---|----------------|----------------|
|   | \$             | \$             |
| Opening balance as at 1 <sup>st</sup> January   | 240,000        | 0              |
| Appropriations                                  | 600,000        | 240,000        |
| Expenditure for the period                      | <u>-</u>       | <u>-</u>       |
| Closing balance as at 31 <sup>st</sup> December | <u>840,000</u> | <u>240,000</u> |

## **16. 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 4.0% of the average value of members' shares in issue throughout the year, for the year ended December 31, 2017. This dividend amounting to \$8,344,979 (projected), (2016: \$8,578,270), is not recorded as a liability in the Statement of Financial Position, consistent with IAS 10 - Events after the Reporting Period.



# Notes To The Financial Statements For The Year 31<sup>st</sup> December 2017

## 17. 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:

|  | 2017      | 2016       |
|--|-----------|------------|
|  | \$        | \$         |
| Loans  | 8,355,857 | 9,378,425  |
| Deposits and other liabilities                     | 526,472   | 526,472    |
| Shares   | 9,346,184 | 10,931,576 |
| Stipend to directors and related committee members | 511,000   | 495,200    |
| Dividends  | 375,933   | 419,610    |
| Key management compensation                        | 428,079   | 416,905    |

## 18. Members deposits

|   | 2017              | 2016              |
|---|-------------------|-------------------|
|   | \$                | \$                |
| Opening balance as at 1 <sup>st</sup> January   | 11,434,785        | 8,298,849         |
| Net increase for the period                     | <u>587,327</u>    | <u>3,135,936</u>  |
| Closing balance as at 31 <sup>st</sup> December | <u>12,022,112</u> | <u>11,434,785</u> |

## 19. 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.

## 20. Employees

|  | 2017     | 2016     |
|--|----------|----------|
| The number of persons employed at year end | <u>7</u> | <u>7</u> |



# Notes To The Financial Statements For The Year 31<sup>st</sup> December 2017

## 21. 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.

| 22. Officers' expenses                 | 2017           | 2016           |
|--|----------------|----------------|
|  | \$             | \$             |
| Board of directors/ committee expenses | 602,820        | 591,178        |
| Delinquency Committee expenses         | 10,876         | 18,169         |
| Entertainment                          | <u>22,818</u>  | <u>23,954</u>  |
|  | <u>636,514</u> | <u>633,301</u> |

| 23. Administrative and other expenses               | 2017           | 2016           |
|---|----------------|----------------|
|   | \$             | \$             |
| Advertising and promotions                          | 14,756         | 17,808         |
| Annual general meeting expenses and tokens          | 115,798        | 110,668        |
| Audit fees  | 35,625         | 36,563         |
| Bailiffs', professional and legal fees              | 18,000         | 52,900         |
| Computer, software maintenance and support services | 50,250         | 42,573         |
| Donations   | 52,472         | 32,285         |
| Education committee expenses                        | 297,792        | 158,345        |
| Insurance   | 22,825         | 22,825         |
| Loss on disposal of property, plant and equipment   | 6,434          | 11,091         |
| League dues   | 24,467         | 24,550         |
| Miscellaneous                                       | 9,563          | 6,213          |
| Depreciation  | 68,081         | 49,500         |
| Office supplies, stationery and postage             | 61,549         | 42,284         |
| Property maintenance, land rent and facilities      | 78,322         | 69,582         |
| Security fees                                       | 14,445         | 14,472         |
| Telephone and internet                              | <u>31,623</u>  | <u>22,946</u>  |
|   | <u>902,002</u> | <u>714,605</u> |



# Notes To The Financial Statements

## For The Year 31<sup>st</sup> December 2017

| 24. Staff costs                            | 2017           | 2016           |
|--|----------------|----------------|
|  | \$             | \$             |
| Pension plan – employer contribution       | 64,388         | 61,482         |
| Insurance                                  | 5,909          | 7,962          |
| Medical plan – employer contribution       | 22,752         | 16,653         |
| National insurance – employer contribution | 64,815         | 55,861         |
| Salaries and travelling                    | 807,470        | 758,311        |
| Training                                   | 11,928         | 16,506         |
| Uniforms                                   | <u>-</u>       | <u>7,490</u>   |
|  | <u>977,262</u> | <u>924,264</u> |

### 25. 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, 2017.

*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.





## Proposed Budget 2018

|   | Budget 2017       | Actual 2017       | Variance       | Budget 2018       |
|---|-------------------|-------------------|----------------|-------------------|
|   | \$                | \$                | \$             | \$                |
| <b>INCOME</b>   |                   |                   |                |                   |
| Interest on Loans   | 12,491,333        | 12,609,026        | 117,693        | <b>12,736,773</b> |
| Income from Investments/Fixed Deposits                          | 4,279,237         | 4,787,520         | 508,283        | <b>5,148,335</b>  |
| Other Income  | 175,000           | 91,780            | (83,220)       | <b>75,000</b>     |
| <b>TOTAL INCOME</b>   | <b>16,945,570</b> | <b>17,488,326</b> | <b>542,756</b> | <b>17,960,109</b> |
| <b>EXPENDITURE</b>  |                   |                   |                |                   |
| All Officers Meeting/Social Events                              | 30,000            | 22,818            | (7,182)        | <b>30,000</b>     |
| Advertising   | 20,000            | 14,756            | (5,244)        | <b>31,000</b>     |
| Annual General Meeting  | 120,000           | 115,798           | (4,202)        | <b>120,000</b>    |
| Audit Fees  | 37,000            | 35,625            | (1,375)        | <b>39,125</b>     |
| Bank / Finance Charge   | 475,000           | 407,073           | (67,927)       | <b>500,000</b>    |
| Board & Committee Expenses                                      | 600,000           | 581,177           | (18,823)       | <b>626,100</b>    |
| Building Maintenance  | 70,000            | 78,322            | 8,322          | <b>80,000</b>     |
| Building Upgrade (one off exp)                                  | -                 | -                 | -              | <b>220,000</b>    |
| Capital Expenditure - furniture, bldg plans, clearing land etc. | 145,000           | -                 | (145,000)      | <b>190,000</b>    |
| Computer & Office Equipment                                     |                   |                   |                |                   |
| Maintenance/ACH Module, assets                                  | 140,000           | 50,250            | (89,750)       | <b>140,000</b>    |
| Credit Union League Dues  | 24,017            | 24,467            | 450            | <b>25,000</b>     |
| CUNA LP/LS  | 700,000           | 685,366           | (14,634)       | <b>700,000</b>    |
| Depreciation  | 55,000            | 68,081            | 13,081         | <b>72,000</b>     |
| Disposal of Assets  | -                 | 6,434             | 6,434          | <b>5,000</b>      |
| Donations/ Sponsorship  | 45,000            | 52,472            | 7,472          | <b>55,000</b>     |
| Education Committee   | 330,000           | 297,792           | (32,208)       | <b>396,000</b>    |
| Green Fund Levy   | 37,474            | 57,263            | 19,789         | <b>60,000</b>     |
| Insurance & Pension   | 199,845           | 200,777           | 932            | <b>250,000</b>    |
| Interest on Members Fixed Deposits & Savings                    | 160,000           | 129,927           | (30,073)       | <b>140,400</b>    |
| Office Expense  | 55,000            | 61,549            | 6,549          | <b>66,000</b>     |
| Professional Fees - IT, legal, compliance                       | 35,000            | 18,000            | (17,000)       | <b>38,000</b>     |
| Provision for bad and doubtful debts                            | 400,000           | 1,019,235         | 619,235        | <b>1,000,000</b>  |
| Salary/Contract Labour  | 778,000           | 813,010           | 35,010         | <b>1,016,263</b>  |
| Security fee (CIT) & CCTV maint & security guard                | 15,000            | 14,445            | (555)          | <b>182,000</b>    |
| Subscriptions/sundry  | 6,300             | 9,563             | 3,263          | <b>10,000</b>     |
| Telephone & Internet  | 32,364            | 31,623            | (741)          | <b>46,000</b>     |
| Training and Development  | 40,000            | 18,818            | (21,182)       | <b>40,000</b>     |
| <b>TOTAL EXPENDITURE</b>  | <b>4,550,000</b>  | <b>4,814,642</b>  | <b>264,642</b> | <b>6,077,888</b>  |
| <b>SURPLUS</b>  | <b>12,395,570</b> | <b>12,673,684</b> | <b>278,114</b> | <b>11,882,221</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 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 & Co. be appointed Auditors of the Trintoc (Penal) Credit Union Co-operative Society Limited for the financial year ending December 31st 2018.

### **Resolution 2 - Distribution of Surplus**

Whereas the Credit Union has realized a net surplus for the financial year ended December 31st 2017; and whereas Bye-law 12 of the Society makes provision for the distribution of this surplus in accordance with the regulations of the Co-operative Societies Act;

Be it resolved that a dividend of 4.0% be declared on members' shares as at December 31st 2017 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 - Building Fund**

Whereas Bye-Law 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.

And whereas the Credit Union shall set aside funds for a new building as we are fast out growing our current facility.

Be it resolved that the sum of \$1,500,000 be allocated from the net surplus as at December 31, 2017 to the Building Fund.



## Products and Services

### Term / Fixed Deposits

Term/Fixed Deposits – where the member agrees to place a fixed amount of money for a specific period of time to receive an interest rate for the duration of that time period. TPCU interest rates vary between 1% - 2% per annum. 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) each month in order to keep an active status.

Benefits include:

- Free loan protection and life savings insurance on shareholdings.
- 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
- Carnival loans
- Life Event loans e.g. for weddings, christenings, funerals etc.
- Investment loans
- Insurance loans
- Share builder loans
- Miscellaneous 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 are able to 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
- At no direct cost to you
- Approval is automatic
- You can leave your family an inheritance

### **LIFE SAVINGS PLUS (LS PLUS)**

TPCU members are eligible to get coverage of a fixed death benefit of twenty-four thousand dollars (\$24,000) upon death of the policy holder.

The plan cost one hundred and fifty dollars (\$150.00) per annum

#### **Benefits to the Member:**

- Pass on a transition income to a family member
- Allow for the lump sum from Life Savings to be invested or used to pay outstanding bills, while LS “PLUS” is income for a predetermined period
- Life insurance with no medical or age requirements
- Group term life that is affordable
- One simple annual payment deducted from dividend or shares
- Insurance covers members up to age 80

### **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 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 |
| PLAN B | \$79.20 monthly  | \$15,000 |
| PLAN C | \$105.60 monthly | \$20,000 |
| PLAN D | \$158.40 monthly | \$30,000 |
| PLAN E | \$211.20 monthly | \$40,000 |
| PLAN F | \$343.20 monthly | \$65,000 |

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

## THE FAMILY INDEMNITY PLAN WITH CRITICAL ILLNESS (FCI)

We are happy to introduce a new solution designed just for you, a living benefit option for FIP Plan F. You can now access \$25,000 as a partial payment of the Plan F face amount to help with medical expenses if you are diagnosed with one of the following critical illnesses:

- Cancer
- Heart Attack
- Stroke
- Paralysis
- Major Burns

### Benefit

- \$25,000 - if primary insured/owner is diagnosed with a critical illness
- \$40,000 - in the event of the primary insured/owner death, the balance of the benefit is paid
- \$65,000 - in the event of the primary insured/owner death and no critical illness claim was submitted
- \$65,000 - coverage for all other dependents enrolled

### Premium

- \$400 - FIP Plan F with FCI (\$343.20 Plan F + \$56.80 CI)
- The CI Rider premium (\$56.80) would be refunded if the member dies before age 75 and did not submit a critical illness claim

*Sign up today and give yourself a reason to be comforted in difficult times!*













Annual General Meeting 2018

## Errata Sheet

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### Proposed Budget 2018 (\$)

|                            | <u>Proposed</u>    | <u>Should Read</u> |
|----------------------------|--------------------|--------------------|
| <u>Expenditure</u>         | <u>Budget 2018</u> | <u>Budget 2018</u> |
| Education Committee        | 396,000            | 300,000            |
| Salary/Contract Labour     | 1,016,263          | 900,000            |
| Security fee & CCTV maint. | 182,000            | 60,000             |
| <b>Total Expenditure</b>   | <b>6,077,888</b>   | <b>5,743,625</b>   |
| <b>Surplus</b>             | <b>11,882,221</b>  | <b>12,216,484</b>  |