



**Celebrating
68 Years of Service**

**Member Focus,
Future Driven**

**2022
ANNUAL GENERAL MEETING**

ANNUAL REPORT 2021



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.

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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 eighth (68th) Annual General Meeting of the Trintoc (Penal) Credit Union Co-operative Society Limited will be held virtually on:

Date: **Saturday 9th April 2022**
Time: **1:00 pm**
Virtual Platform: **Zoom Webinar**

The main business of the meeting will be to:

1. Receive the Minutes of the 67th Annual General Meeting
2. Receive reports for the Year 2021 as follows:
 - a. Board of Directors
 - b. Credit Committee
 - c. Supervisory Committee
 - d. Auditors
3. Present the 2022 Budget
4. Propose Resolutions
5. Amend Bye-Laws
6. Elect Board and Committee Members
7. Transact any other business

MEMBERS ARE REQUESTED TO PRE-REGISTER USING TPCU'S E-FORM

<https://app.smartsheet.com/b/form/d6582b8d6450451ea0c75b2ba4384a57>

PRE-REGISTRATION DEADLINE: THURSDAY MARCH 31ST 2022

Please Note: Pre-Registration is **COMPULSORY** for attendance to the virtual AGM. Members who do not pre-register will not be able to access the meeting.

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

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



Claudette Green-Lewis
Hon. Secretary

Published on 24th March 2022

AGENDA

- 1.0 Call to Order
- 2.0 HSE Advisory – Covid-19 AGM Safety Protocols
- 3.0 Credential Report and Notice of the Annual General Meeting
- 4.0 The National Anthem of Trinidad and Tobago
- 5.0 The Credit Union Prayer & Minute of Silence
- 6.0 President's Address
- 7.0 Motion for Acceptance of the Standing Orders (to be taken as read)
- 8.0 Motion for Acceptance of the 2022 Brochure (to be taken as read)
- 9.0 Confirmation of Minutes of the 67th Annual General Meeting held on Saturday 26th June 2021, reconvened on Saturday 24th July 2021, reconvened Sunday 8th August 2021 and Business Arising

- 10.0 Adoption of Reports
 - 10.1 Credential Report
 - 10.2 Board of Directors
 - 10.3 Credit Committee
 - 10.4 Supervisory Committee
 - 10.5 Education Committee
 - 10.6 Nominations Committee (to be presented at the AGM)
 - 10.7 Auditors Report and Financial Statements for 2021

- 11.0 Budget Presentation
- 12.0 Resolutions
- 13.0 Bye-laws amendments
- 14.0 Election of Board and Committee Members
 - 14.1 Supervisory Committee - **Outgoing**
Mr. Omar Maraj
Mr. Ivan Ashby
Mr. Danny Jattan

 - 14.2 Credit Committee - **Outgoing**
Mr. Rudolph Felix
Ms. Lazine Hosein
Mr. Kelvin Pustam
Mr. Winston Samm
Mr. Calvin Sargeant

 - 14.3 Board of Directors - **Outgoing**
Mr. Peter W. David
Mr. Eric Forde
Mrs. Claudette Green-Lewis

- 15.0 Other Business
- 16.0 Vote of Thanks

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STANDING ORDERS

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

MINUTES OF AGM 2021

Minutes of the 67th Annual General Meeting held Virtually via the Zoom Webinar Platform on Saturday 26th June 2021

1.0 CALL TO ORDER

The meeting was called to order by the AGM Moderator, Mr. Omar Maraj, at 2:00 p.m.

2.0 CREDENTIAL REPORT AND NOTICE OF THE ANNUAL GENERAL MEETING

Mr. Maraj advised that at 2:00 p.m., there were eighty-one (81) persons in attendance: Members seventy-six (76) and Guests five (5). In accordance with our bye-laws page 20, section (18) General Meetings (e), the meeting was duly constituted.

The Honorary Secretary, Mrs. Claudette Green-Lewis, was invited by the Moderator 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.

5.0 MINUTE OF SILENCE

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

6.0 PRESIDENT'S ADDRESS

The President, in his opening address, extended a cordial welcome to all members, and special guests to the 67th Annual General Meeting.

The President moved the following motions: -

1. That the Rising Time for the Annual General Meeting be 5:00 p.m. to allow the onsite team ample time to get home safely, given the current curfew restrictions.

This was seconded by Mr. P. David, and the House approved.
Credential Report – 82 in attendance, members – 77, guest – 5

Poll results: 65 – For; 2 – Against; 0 – Abstained, 10 – DNP

2. That item 13.0 of the agenda be moved up to item 11.0, to ensure sufficient time for the completion of the election process, since there is a rising time of 5:00 p.m. for this meeting, and Bye-Law 22(f) requires the Annual General Meeting to elect a Board of Directors, a Credit Committee, and a Supervisory Committee.

This was seconded by Ms. K. Felix and approved by the House.

Poll results: 60 – For; 0 – Against; 3 – Abstained – 14 - DNP

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7.0 **MOTION FOR ACCEPTANCE OF THE STANDING ORDERS**

The motion was moved by Mr. R. Mitchell, seconded by Mr. R. Felix, and the House agreed.

Poll results: 60 – For; 0 – Against; 2 – Abstained – 15 - DNP

8.0 **MOTION FOR ACCEPTANCE OF THE 2021 BROCHURE**

The President asked that a motion be moved that the entire brochure be taken as read Mr. W. Samm moved the motion, this was seconded by Ms. K. Felix and the House agreed.

Poll results: 63 – For; 0 – Against; 3 – Abstained, 11 - DNP.

9.0 **CONFIRMATION OF THE MINUTES OF THE 66TH ANNUAL GENERAL MEETING HELD ON SATURDAY, 2020 DECEMBER 19**

The Minutes was confirmed by Mr. A. Johnson, seconded by Mr. C. Sargeant and the House agreed.

Poll results: 65 – For; 0 – Against; 4 – Abstained, 8 - DNP

9.1 **General Meeting Omissions and Corrections**

Nil.

9.2 **Business Arising Out of Minutes**

Nil.

10.0 **ADOPTION OF REPORTS**

10.1 **Credential Report: 101 in attendance, 96 – members, 5 - guests**

10.2 **Board of Directors**

This was moved by Ms. C. Bahadoor-Hosein and seconded by Mr. W. Samm. The House voted in favour.

Poll results: 75 – For; 0 – Against; 5 – Abstained, 16 - DNP.

Matters Arising

On page 15 of the Board of Directors' Report, Mrs. A. Browne enquired whether the figure stated should be 30% or 32% the "interest on loans fell precipitously by 32% from 2019." The Treasurer responded that 30% was indeed correct.

On page 16 of the Board of Directors' Report, Mr. A. Browne enquired whether the figure "\$5,259,000." stated as Net Surplus should be \$6,150,455. The Treasurer explained that \$6,150,455 was the Net Surplus figure before appropriations, and \$5,259,000. represents the figure after appropriations.

10.3 **Credit Committee Report**

This was moved by Mrs. H. Smith and seconded by Mr. P. David. The House voted in favour.

Poll results: 80 – For; 0 – Against; 2 – Abstained, 14 - DNP.

Matters Arising

Nil.

10.4 **Supervisory Committee Report**

This was moved by Mr. K. Pustam and seconded by Ms. K. Felix. The House voted in favour.

Poll results: 78 – For; 1 – Against; 6 – Abstained, 11 - DNP.

Matters Arising

Nil.

10.5 **Education Committee Report**

This was moved by Mr. P. David and seconded by Mr. M. Grant. The House voted in favour.

Poll results: 75 – For; 1 – Against; 7 – Abstained, 13 – DNP.

Matters Arising

Mrs. A. Browne enquired about the Training Plan for Board, Supervisory and Credit Committee members. The President responded that a Competency Assessment was currently being used to identify the training needs before suitable courses could be recommended. This is being done in stages and this project includes the staff and Education Committee members also.

Mrs. I. Jagassar wanted to know what training was provided to the membership to prepare them for the virtual AGM. The President responded that emails, including instructions, were sent to all registered members, however about 40% of those were returned. It was certainly a challenge, having to call members individually to get the instructions to them.

Mr. W. Babwah extended congratulations to the team facilitating the virtual AGM, but said, as a new member, he was not satisfied with his quest to find out about the benefits of membership in the Credit Union, and to gain awareness of the services offered. The President replied that our new website, which was launched two days ago, would assist in that area.

10.6 **Nominations Committee Report**

This was moved by Ms. C. Bahadoor-Hosein and seconded by Mr. A. Johnson. The House voted in favour.

Poll results: 76 – For; 1 – Against; 6 – Abstained, 13 - DNP.

Matters Arising

Nil.

10.7 **Auditor's Report and Financial Statements as at December 31st, 2020**

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

The acceptance of the Auditor's Report was moved by Mr. R. Mitchell and seconded by Mr. I. Mohamed. The House voted in favour.

Poll results: 78 – For; 0 – Against; 5 – Abstained, 13 - DNP.

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Matters Arising

Mrs. A. Browne noted that page 32, paragraph one “as stated on pages 6 to 30.” did not line up with what was in the brochure. The auditor explained that the “pages 6 to 30” referred to their report submitted, and not the brochure.

Dr. G. Ransome stated he felt that the IFRS 9 provision for expected losses on loans, should also be done on investments.

Mr. W. Babwah said he was also concerned with the matter Mrs. Browne had just pointed out. The Treasurer explained that he understood the possible confusion, however the auditors are required to audit the financial statements and not the AGM brochure. He further explained that an attempt would be made to make the presentation clearer in the next report.

Mr. D. Jaggernaut felt that the audit fees were very high and enquired if quotes are received before choosing an auditor. The Treasurer responded that quotes are reviewed before an auditor is selected. Mr. Jaggernaut was interested in viewing these quotes. The Treasurer further explained that the Audit figure stated represents both FIU Audit and Financial Audit. He shared that a lot is involved in selecting an Auditor; in addition to cost and experience, the Credit Union also ensures that the auditor has passed its practice monitoring with ICATT.

Mr. W. Babwah enquired on the Security Fee of \$100,000. The Treasurer explained that two Security firms are hired. One is used to transport cash from the office, while the other firm provides an officer on site at the office. The onsite arrangement started in mid-year 2020, accounting for the increase when compared to the prior year. However, the fee will be stable for 2021. He informed that three quotes were reviewed prior to the selection of a Security Company.

Mr. A. Browne said that he was still not satisfied with the Auditor’s selection.

Mr. A. Samuel felt that contracted services should be selected by Bids.

Mr. D. Jattan enquired about the increase budgeted expenditure in 2021 when compared to 2020. The Treasurer responded that the increase is mainly because of planned Building Upgrade. Because of COVID-19 restrictions, the project was put on hold, hence the amount budgeted for 2020 was not utilized. It is intended that the Upgrade be done in 2021. Mr. Jattan also asked about the increase in Board & Committee Expenses. The Treasurer explained that the cost of hosting meetings virtually, reduced the overall expense, and the budgeted figure was to account for physical meetings once it is permitted.

On page 48, “Interest on members’ loans” Mr. D. McKenzie asked what qualified one for a loan rate of 0.5%. The Treasurer responded that secured loans were given at that rate.

Mrs. A. Elcock-Brereton wanted to know what process was in place to select auditors and agreed that the Audit fees were too high. The Treasurer outlined the process as:

- Choose from an approved list from the Commissioner’s Office.
- Send out requisition to tender for Auditors.

- Review experience factors and ensure ICATT standards are met.
- The Board reviews the files from shortlisted applicants who have passed the test, and a selection is made.

Ms. K. Felix enquired why the TransUnion fee was \$4,342. for 2020 but \$33,885 budgeted for 2021. The Treasurer explained that this system, used to generate a credit report on loan applicants, was implemented late 2020, hence the increased figure for 2021. She further enquired whether this would affect members accessing loans, for instance if a member's credit rating is bad, but has shares to cover the loan. The Treasurer responded that there are policies in place to deal with those matters.

Mrs. A. Browne enquired about the status of delinquency and what strategies and initiatives are employed to curb this. The Treasurer responded that our current delinquency portfolio is about \$9 M. A Sub-Committee meets weekly with members who are having difficulties in meeting their payments, to assist and prevent default. Another Sub-Committee deals with delinquency and focuses on accounts 120 days and over, along with Arbitration process to the Commissioner.

Ms. I. Jagassar informed that she had posted her concern about the \$700,000 for Board & Committee Expenses on the chat. The President assured her that all questions would certainly be addressed.

Mr. W. Lewis enquired what strategies the Credit Union had in place to assist members who were unable to meet their commitments, due to loss of jobs, medical or covid-19 issues. The Sub-Committee meets with these members and provide counselling and advice.

Mr. N. Johnson, the Treasurer, went through the **Financial Statements as at December 31st, 2020.**

11.0 **BUDGET PRESENTATION**

Mr. Neal Johnson, Treasurer, presented the Proposed Budget 2021.

This was moved by Mr. K. Pustam and seconded by Ms. C. Bahadoor-Hosein.

Poll results: 75 – For; 6 – Against; 10 – Abstained, 5 - DNP. The House accepted.

Matters Arising

Nil

12.0 **RESOLUTIONS**

CREDENTIAL REPORT – 119 in attendance, 114 – members, 05 – guest

The Secretary moved the proposed resolutions: -

Resolution 1 – Appointment of Auditors

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

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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 31st, 2021.

This was seconded by Ms. L. Hosein and approved by the membership.
Poll results: 82 – For; 7 – Against; 10 – Abstained, 15 - DNP

Resolution 2 – Distribution of Surplus

Whereas the Credit Union has realized a net surplus for the financial year ended December 31st, 2020; 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 Chapter 81:03;

Be it resolved that a dividend of 3.0% be declared on members' shares as at December 31st, 2020, 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. R. Mitchell, and approved by the membership.

Poll results: 95 – For; 1 – Against; 2 – Abstained, 16 – DNP

Resolution 3 – Dividend Equalization Fund

Whereas the uncertain economic environment is likely to adversely impact future earnings, the Board of Directors established a dividend equalization fund Bye-law 12 (g) to safeguard payment of dividends for future years.

And whereas the proposed amount of one million dollars (\$1,000,000.00) from the 2019 net surplus was not used, it is proposed that the one million dollars (\$1,000,000.00) be carried forward to future years.

Be it resolved that the sum of one million dollars (\$1,000,000.00) from the 2019 net surplus be carried forward to safeguard dividend payment for future financial years.

This was seconded by Mrs. H. Smith and approved by the membership.

Poll results: 85 – For; 1 – Against; 3 – Abstained, 25 - DNP

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.

Be it resolved that \$480,000 be transferred from the retained earnings to this Building Fund, which represents a portion of the surplus for 2020.

This was seconded by Ms. L. Regis and approved by the membership.

Poll results: 95 – For; 2 – Against; 4 – Abstained, 13 - DNP

Resolution 5 – Group Life Insurance

Whereas Bye-Law 22(l) of the Trintoc (Penal) Credit Union states: - Powers and duties of Annual General Meeting shall be: To deal with any other business duly brought forward.

Be it resolved that the Trintoc (Penal) Credit Union has entered into a contractual agreement with the TRINRE Insurance to provide a Group Life Insurance of fifty thousand dollars (\$50,000) per member.

And be it further resolved that the annual premiums of two hundred and ninety-four dollars (\$294) shall be deducted from the members dividends/shares, effective June 2021.

This was seconded by Mr. A. Johnson, and approved by the membership.

Poll results: 80 – For; 13 – Against; 7 – Abstained, 14 - DNP

13.0 ELECTION OF BOARD AND COMMITTEE MEMBERS

At this stage, Mrs. Marcia Goodridge-Constantine, the Election Supervisor was asked by the President to conduct the elections.

Mrs. M. Goodridge-Constantine then read the credential report.
Present were 119 persons, members - 114, guests – 5.

She 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.

Election results were as follows:

13.1	Supervisory Committee Names	No. of Votes
	Omar Maraj Via the Nominations Committee	60
	Danny Jattan Via the Nominations Committee	47
	Ivan Ashby Via the Nominations Committee	33
	Malachi Thongs Nominated by Melanie Young Thongs Seconded by R. Mitchell	23 (1 st Alternate)
	Claudette Parris-Burkett Via the Nominations Committee	19 (2 nd Alternate)

Ms. Lazina Hosein moved that nominations cease.
Ms. Stephanie Felix seconded.

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13.2	<p>Credit Committee</p> <p>Names</p>	No. of Votes
	Lazina Hosein Via the Nominations Committee	68
	Rudolph Felix Nominated by Winston Samm Seconded by Lazina Hosein	45
	Kelvin Pustam Nominated by Winston Samm Seconded by Lazina Hosein	30
	Winston Samm Via the Nominations Committee	61
	Calvin Sargeant Nominated by Winston Samm Seconded by Lazina Hosein	40
	Jeremy Maraj Nominated by Imtiaz Mohamed Seconded by Narisa Mohamed	21 (1 st Alternate)
	Wayne Peter Cyrus Via the Nominations Committee	18 (2 nd Alternate)
	Mr. Imtiaz Mohamed moved that nominations cease. Mr. Ivan Ashby seconded.	
13.3	<p>Board of Directors</p> <p>Names</p>	No. of Votes
	Neal Johnson Via the Nominations Committee	50
	Christina Bahadoor-Hosein Via the Nominations Committee	46
	Godfrey Ransome Via the Nominations Committee	28
	Hyacinth Smith Via the Nominations Committee	27 (1 st Alternate)
	Avien Browne Via the Nominations Committee	17 (2 nd Alternate)
	Mr. Imtiaz Mohamed moved those nominations cease. Ms. Narisa Mohamed seconded.	

The President thanked Mrs. Marcia Goodridge-Constantine for conducting the elections and congratulated the elected members.

Mr. Mohamed moved that the election ballots be destroyed. This was seconded by Mr. Omar Maraj.

At this point the President continued by stating that we were about to introduce the Bye-Laws Amendments. The Co-operative officer Ms. Pierre interjected that she felt that it was not worthwhile to start this item, given that the meeting had a rising time of 5:00 p.m. and it was 4:50 p.m. thereabout.

As a result of this, the President at 4:55 p.m. then adjourned the meeting at a date to be advertised.

Minutes of the reconvened 67th Annual General Meeting held Virtually, via the Zoom Webinar Platform, on Saturday 24th July 2021

1.0 CALL TO ORDER

At approximately 2:00 p.m. the President addressed those in attendance and informed them that according to bye-law (18)(e) the quorum to constitute the meeting is fifty (50) persons and at present there are only thirty-four (34) members in attendance at this time. At 2:30 p.m. the President addressed the members again and stated that there were only 47 members present. He stated that according to our bye-law (20)(a), if after thirty (30) minutes of the time fixed for any Annual General Meeting, the membership present is not sufficient to form a quorum, then such meeting shall stand adjourned.

The President thanked everyone who were present and at 2:32 p.m., the meeting was adjourned to a date to be advertised.

Minutes of the reconvened 67th Annual General Meeting held Virtually, via the Zoom Webinar Platform, on Sunday 8th August 2021

1.0 CALL TO ORDER

The meeting was called to order by the AGM moderator, Mr. O. Maraj, at 2:00p.m.

2.0 CREDENTIAL REPORT AND NOTICE OF THE RECONVENED ANNUAL GENERAL MEETING

Present were thirty-three (33) members and two (2) guests.

The Honorary Secretary, Mrs. Claudette Green-Lewis, was invited by the AGM Moderator 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 the AGM Moderator, Mr. O. Maraj.

5.0 MINUTE OF SILENCE

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

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6.0 **PRESIDENT'S ADDRESS**

The President welcomed Ms. M. Pierre, Co-operative Officer and all members who had joined the meeting. He stated that the AGM held on the Saturday 26th June 2021 was not completed and had to be adjourned at 5:00 p.m. to allow for persons onsite to reach their destinations in time, given the curfew regulations in place. He further stated that following our guidelines the Reconvened Meeting was scheduled for Saturday 24th July 2021 when unfortunately, a quorum was not reached, and that Meeting had to be adjourned as well.

The President then informed the Members that three (3) outstanding agenda items need to be addressed.

Item 12: Proposed Bye-Law Amendments
Item 14: Other Business
Item 15: Vote of Thanks

7.0 **PROPOSED BYE-LAW AMENDMENTS**

CREDENTIAL REPORT – Members in attendance (40), Guest (2).

The President reminded members that for the Amendments to be approved, a 75% majority must vote in favor, and urged everyone to participate in the poll.

The Secretary then proposed the following Bye-Law Amendments: -

Proposed Amendment 1

Whereas the Board of Directors of the Trintoc (Penal) Credit Union Co-operative Society Limited has reviewed the existing Bye-Law 1(a) (iv) of heading INTERPRETATIONS

And whereas to comply with the Co-operative Societies (Amendment) Regulation 2020, made under Section 81 of the Co-operative Societies Act dated 7th August 2020.

Be it Resolved that Bye-Law 1(a) (iv) which states – “Meeting of the Society” means any General Meeting or any meeting of the Board or of the Credit, Supervisory or Education Committee” be amended to now read “Meeting of the Society” means any general meeting or any meeting of the Board or the Credit, Supervisory or Education Committees; or any other committee of the Society, whether in person, virtual, or hybrid, as indicated on the notice.

This amendment was moved by Mrs. Claudette Green-Lewis, seconded by Mr. P. David, and approved by the membership.

There were no questions.

Poll results: 35 – For; 1 – Against; 0 – Abstained, 4 – DNP
87.5% voted in Favour.

Proposed Amendment 2

Whereas the Board of Directors of the Trintoc (Penal) Credit Union Co-operative Society Limited has reviewed the existing Bye-Law 1(a) (xiii) of the heading INTERPRETATIONS

And Whereas a member is deemed delinquent when he defaults on the payment of loan instalment when it becomes due.

Be it Resolved that Bye-Law 1(a) (xiii) which states – “A “Delinquent Member” is a member who is in default of payments of money to the Society Two (2) months after such payment is due” be amended to now read “A “Delinquent Member” is a member who is in default in the payment of a loan or the payment of an installment in respect of a loan when it becomes due.”

This amendment was moved by Mrs. Claudette Green-Lewis, seconded by Mr. A. Johnson, and approved by the membership.

There were no questions.

Poll results: 38 – For; 0 – Against; 1 – Abstained, 1 – DNP
95% voted in Favor

Proposed Amendment 3

Whereas the Board of Directors of the Trintoc (Penal) Credit Union Co-operative Society Limited has reviewed the existing Bye-Law 18(b) of heading GENERAL MEETINGS

And Whereas to comply with the Co-operative Societies (Amendment) Regulation 2020, made under Section 81 of the Co-operative Societies Act dated 7th August 2020.

Be it Resolved that Bye-Law 18 (b) which states – “The Annual General Meeting shall be convened by the Board not later than one (1) month after the report on the audit of the accounts of the Society is received by the Board. At least fourteen (14) days’ notice shall be given to all members. The Notice shall state the date, time and venue of the meeting and the business to be transacted thereat.” be amended to now read – “The Annual General Meeting shall be convened by the Board not later than three (3) months after the report on the audit of the account of the Society is received by the Board. A least fourteen (14) days’ notice shall be given to all members. The Notice shall state the date, time, venue, mode and procedures for the conduct of the meeting and the business to be transacted thereat.”

This amendment was moved by Mrs. Claudette Green-Lewis, seconded by Mr. E. Forde, and approved by the membership.

The following question was asked:

Mrs. A. Elcock-Brereton enquired why should we propose an amendment to change the time after the audit of the books, to hold an AGM, from one (1) month to three (3) months. The President responded that everyone was aware of the new measures put in place due to the pandemic. He further stated that this change allows us a buffer so that reports and audits can be done, in the event of a similar situation. Since we are guided by our Bye-Laws, this change must be reflected therein.

Poll results: 34 – For; 3 – Against; 0 – Abstained, 3 – DNP
85% voted in Favor

Proposed Amendment 4

Whereas the Board of Directors of the Trintoc (Penal) Credit Union Co-operative Society Limited has reviewed the existing Bye-Law 23(d) (v) of heading GENERAL RULES FOR THE BOARD AND COMMITTEES.

And whereas to comply with the Co-operative Societies (Amendment) Regulation 2020, made under Section 81 of the Co-operative Societies Act dated 7th August 2020.

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Member Focus, Future Driven

Be it Resolved that Bye-Law 23 (d) (v) which states – “To see that the accounts are accurately kept, to prepare or cause to be prepared, not later than one (1) month after the close of the financial year, statements of accounts and a balance sheet and submit these to be audited.” be amended to now read – “To see that the accounts are accurately kept, to prepare or cause to be prepared, not later than three (3) months after the close of the financial year, statements of accounts and a balance sheet and submit these to be audited.”

This amendment was moved by Mrs. Claudette Green-Lewis, seconded by Mr. W. Samm, and approved by the membership.

Poll results: 36 – For; 3 – Against; 0 – Abstained, 1 – DNP
90% voted in Favor

Proposed Amendment 5

Whereas the Board of Directors of the Trintoc (Penal) Credit Union Co-operative Society Limited has reviewed the existing Bye-Law 43 of heading AUDIT OF ACCOUNTS

And whereas to comply with the Co-operative Societies (Amendment) Regulation 2020, made under Section 81 of the Co-operative Societies Act dated 7th August 2020.

Be it Resolved that Bye-Law 43 which states – “The accounts shall be audited within two (2) months of the end of the financial year” be amended to now read – “The Board shall submit the books of accounts of the Society for audit within four (4) months of the close of the financial year.”

This amendment was moved by Mrs. Claudette Green-Lewis, seconded by Mr. A. Johnson, and approved by the membership.

Poll results: 36 – For; 0 – Against; 1 – Abstained, 3 – DNP
90% voted in Favor.

8.0 OTHER BUSINESS

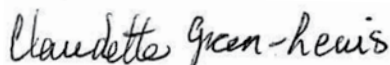
Nil.

9.0 VOTE OF THANKS

The vote of thanks was moved by Mr. O. Maraj, who also encouraged members present to continue to follow the Covid-19 protocols.

There being no further business for discussion, the Chairperson thanked the members for attending and declared the meeting closed at 2:42 p.m.

Respectfully submitted



Claudette Green-Lewis
Hon. Secretary

The Office Staff

MANAGER



Mrs. Nadraka Persad

ASSISTANT MANAGER



Mrs. Sharida Gaffar-Ramrattan

CUSTOMER SERVICE REP.



Mrs. Ann Marie Lee-Pulchan

LOANS OFFICER



Mrs. Peaches Francis-Mc Nish

TECHNICAL ASST./OFFICE CLERK



Mr. Rawle Kanju

Board of Directors

PRESIDENT



Mr. Perry Jagdeo

VICE PRESIDENT



Mr. Imtiaz Mohamed

SECRETARY



Mrs. Claudette Green-Lewis

TREASURER



Mr. Neal Johnson

ASSISTANT SECRETARY



Mr. Peter W David

DIRECTOR



Ms. Christina Bahadoor-Hosein

DIRECTOR



Mr. Eric Forde

DIRECTOR



Mr. Ananias Johnson

DIRECTOR



Dr. Godfrey Ransome

BOARD OF DIRECTORS REPORT

Distinguished Guests, Fellow Co-operators, Members; the Board of Directors is pleased to present to the 68th Annual General Meeting the report on its stewardship for the period January to December 2021.

The Board of Directors consists of the following members: -

Perry Jagdeo	-	President
Imtiaz Mohamed	-	Vice President
Claudette Green-Lewis	-	Secretary
Neal Johnson	-	Treasurer
Peter W David	-	Assistant Secretary
Eric Forde	-	Director
Ananias Johnson	-	Director
Godfrey Ransome	-	Director
Sharida Ali	-	Director (until June 26, 2021)
Christina Bahadoor-Hosein	-	Director (effective June 26,2021)

Board Attendance Record

The Board of Directors held twelve (12) Statutory Board Meetings, nineteen (19) Special Meetings and three (3) All Officers' Meetings for the period.

Director	Statutory Meetings	Special Meetings	All Officers' Meetings	Excused
Perry Jagdeo	12	19	2	1
Imtiaz Mohamed	12	19	3	-
Claudette Green-Lewis	11	17	2	4
Neal Johnson	11	13	3	7
Peter W David	12	18	3	1
Eric Forde	12	19	3	-
Ananias Johnson	11	19	3	1
Sharida Ali	5	11	1	3
Godfrey Ransome	12	17	2	3
Christina Bahadoor-Hosein	6	5	1	4

1.0 Introduction

Undoubtedly, 2021 was another demanding year for TPCU that inspired the credit union's resolve to tread along with conviction for the benefit of its members. With the distressing impact of Petrotrin's closure ever present, the added burden of a relentless Covid pandemic again tested the true mettle and resilience of the organization.

The focus of the welfare of members continued to be priority as the prolonged, uncertain, and harmful effects of the pandemic adversely affected members' health and economic well-being. As a result, continuous virtual meetings between Board, Committees and members were intensified to arrive at mutual and satisfactory resolutions in problematic areas.

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Member Focus, Future Driven

The need to restrict personal interactions and enhance operational efficiencies accelerated our digital drive to ensure that the credit union's website and other online peripherals were actively pursued.

Despite the economic and social setbacks, and a shortfall in members' loans, we managed a 33.8% growth in net surplus from last year to \$8.2 million, thanks to a significant decrease in loan loss provision of \$1.9 million and moreover, the unshaken confidence our members have stored in the organization. This assurance, no doubt, will pave the path for greater success in the coming years as we confront with confidence the many challenges that lie ahead.

2.0 Financial highlights

The economic and social disruption caused by the Covid-19 pandemic is devastating. Despite the overall optimism, the COVID-19 pandemic still looms as the major risk factor to economic growth in many sectors. Business activities within the country was affected by safety restriction. It is against this backdrop of jaded economic activity, limited investment opportunities and sluggish credit growth, that the Board of Directors of Trintoc (Penal) Credit Union is pleased to report that the year 2021, while challenging in many respects, was a highly successful one for the Credit Union.

ASSET BASE

Trintoc (Penal) Credit Union recorded an increase in its asset base of \$5,435,079 (2.3%), for the year ended December 31, 2021, moving from \$236,603,629 in 2020 to \$242,038,708 in 2021 (Table 1).

Item	2017	2018	2019	2020	2021
Total Assets	266,846,990	263,446,542	247,789,095	236,603,629	242,038,708

Table 1

LOAN PORTFOLIO

The total loan principal balances on the books of the Credit Union stood at \$62,317,774 as at December 31, 2021, representing a decrease of \$1,806,920 (2.8%) when compared with the total loan principal balances of \$64,124,694 as at December 31, 2020 (Table 2). The impact of Covid-19 meant that the credit union did not achieve its projected target.

Item	2017	2018	2019	2020	2021
Loan Portfolio	124,661,313	93,282,647	71,956,781	64,124,694	62,317,774

Table 2

NON-PERFORMING LOANS

During the year 2021, the Management of the Credit Union continued to exploit the options available in the context of the Co-operative Societies Act, in attempting to keep under control the number of non-performing loans on the books of the Credit Union.

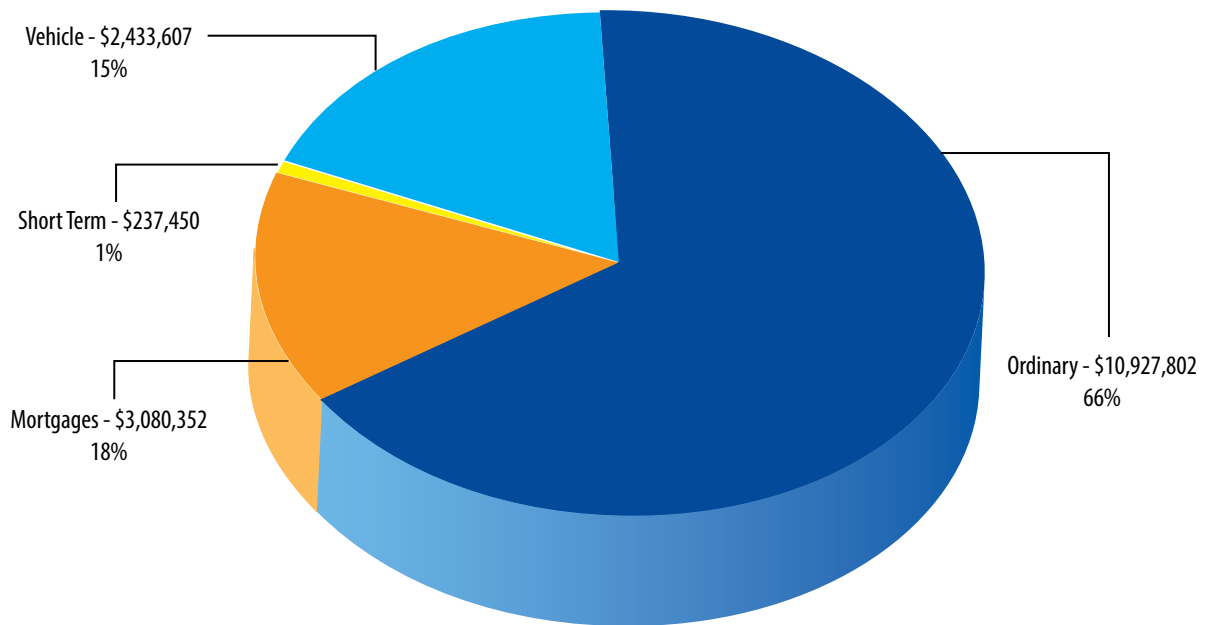
As at December 31, 2021, the Expected credit loss provision was 21.1%, compared with an Expected credit loss provision of 19.6% as at December 31, 2020. The Expected credit loss provision is recorded at \$16,679,210 on the books of the Credit Union as at December 31, 2021 (Table 3). It must be noted that the composition of this is Ex-Petrotrin Members \$8,246,744, Non-Petrotrin/External Members \$5,866,801 and Ex-Petrotrin Retirees \$2,565,665

Ex-Petrotrin Members	8,246,744
External Members	5,866,801
Ex-Petrotrin Retirees ONLY	2,565,665
Provision for Bad and Doubtful Debts	16,679,210
less 2020 PFBD b/f	(15,671,488)
Increase/(decrease) in Provision for Bad and Doubtful Debts	1,007,722

Table 3

Expected credit loss provision (Loan Category)

Provision for Bad and Doubtful Debts 2021



SHARE SAVINGS PORTFOLIO

The total share savings of the Credit Union stood at \$151,609,182 as at December 31, 2021, representing a decrease of \$6,699,567 (4.2%) (Table 4), over the total share savings of \$158,308,749 as at December 31, 2020. Due to the uncertainty lingering with Covid-19, members are opting to withdraw their savings as an alternative to borrowing.

Item	2017	2018	2019	2020	2021
Members' Shares	220,102,930	207,741,195	164,947,299	158,308,749	151,609,182

Table 4

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Member Focus, Future Driven

For the financial year ended December 31, 2021 Trintoc (Penal) Credit Union generated a Total Income of \$13,302,393 (Table 5), which fell short of the budgeted Income of \$13,721,947, by \$419,554. However, it is worth noting that Income increased by \$79,258 when compared to year ended December 31, 2020 \$13,223,135.

Item	2017	2018	2019	2020	2021
Income	17,488,326	17,078,391	15,461,041	13,223,135	13,302,393

Table 5

Through prudent financial management the credit union recorded a Net Surplus of \$8,227,228, representing an increase of \$2,076,773 (33.8%) (Table 6), over the Net Surplus of \$6,150,455 as at December 31, 2020.

Earning Performance and Operating Efficiency Profile

Income/Expenses	2017	2018	2019	2020	2021
Interest on loans	12,609,026	11,951,101	8,596,673	6,043,909	5,856,346
Investment Income	4,787,520	5,082,359	6,751,229	7,145,406	7,359,318
Other Income	91,780	44,931	113,139	33,820	86,729
Total Income	17,448,326	17,078,391	15,461,041	13,223,135	13,302,393
Total Expenses	4,814,642	7,547,698	7,851,554	7,072,680	5,075,165
Net Surplus	12,673,684	9,530,693	7,609,487	6,150,455	8,227,228
Net Surplus margin ratio	72.5%	55.8%	49.2%	46.5%	61.8%
Expense to income ratio	27.5%	44.2%	50.8%	53.5%	38.2%

Table 6

Trintoc (Penal) Credit Union remains resilient in this time of uncertainty. We acknowledge that our success is dependent on our ability to adapt with both economic and social changes.

3.0 DIVIDEND

The Board of Directors is proposing a dividend of 3% for ratification by members at this Annual General Meeting for the financial year ended December 31, 2021.

4.0 MEMBERSHIP

Membership as at January 1 st 2021	-	2985
New members joined in 2021	-	54
Deaths in 2021	-	24
Resignations in 2021	-	nil
Membership as at December 31 st 2021	-	3015

5.0 CONDOLENCES

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

- Brenda Ayres-David
- Winston Blackie
- Curland Christopher
- Clarence Courtney
- Winston Cudjoe
- Learie Doyle
- Percival Dyer
- Navarro Elbourne
- Colette Elwin-Frederick
- Violet Innocent
- Sylvester Joachim
- Carl Joseph
- Larry Joseph
- Konata Mandela
- Derek Meighu
- Kamaldeo Ramkissoon
- Hemraj Ramnanan
- Zorah Resalsingh
- Preston Sedeno
- Veronica Smart
- Wayne Sooknanan
- Hamid Sookoor
- Mansraj Ramphal
- Desmond Alfred

6.0 CUNA

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

7.0 COMMUNITY CONTRIBUTIONS

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

8.0 TRAINING AND DEVELOPMENT

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

9.0 MANAGEMENT SYSTEMS

9.1 EMORTELLE Management Information System

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

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In January 2022, the Credit Union introduced the Global Information Access (GIA) Online Banking facility. This new service allows our members to access their current financial data and request online transactions 24 hours daily.

This interface is secure, interactive and allows members to perform:

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

9.2 **BYE-LAWS**

The proposed changes to the Bye-Laws were approved by the Commissioner's Office in April 2020 and copies are available at the Credit Union's office for collection.

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

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

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

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

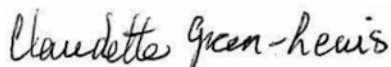
10.0 **AUDITOR**

We hereby recommend to this House, the appointment of Maharaj Mohammed and Company, Chartered Accountants, as Auditor for year ending December 31, 2022.

11.0 **ACKNOWLEDGEMENT**

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

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



**Claudette Green-Lewis
Hon. Secretary**

Credit Committee

CHAIRMAN



Mr. Winston Samm

SECRETARY



Mr. Calvin Sargeant

MEMBER



Ms. Lazinga Hosein

MEMBER



Mr. Rudolph Felix

MEMBER



Mr. Kelvin Pustam

ANNUAL GENERAL MEETING 2022

Member Focus, Future Driven

CREDIT COMMITTEE REPORT

The Credit Committee is pleased to report on its Loan Performance for period January to December 2021. The Credit Committee comprises of the following members: -

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

During the period under review, the Credit Committee held fifty-two (52) weekly meetings and attended three (3) virtual All Officers meetings. Ten (10) meetings were held at the TPCU Office at Penal and Forty-Two (42) meetings were held virtually.

Attendances were as follows: -

Name	Regular Meetings (TPCU Office)	Regular Meetings (Online Via Teams)	All Officers' Meeting	Excused
Winston Samm	10	42	3	0
Calvin Sargeant	10	42	2	1
Rudolph Felix	10	42	2	1
Kelvin Pustam	10	42	3	0
Lazina Hosein	10	42	3	0

For the period January to December 2021, a total of 296 loans amounting to \$15,377,771.28 were granted. This total represented a 0.02% increase when compared to \$15,065,069.16 for the period January to December 2020.

The largest category of loans as shown on the pie chart below is Property Acquisition/Repairs which represent 53% of the total loans granted in 2021. Loans under the category "Other" on pie chart below representing 6% are loans taken by members for the purpose of Christmas expenses, Personal, Domestic, Funeral Expenses, Weddings etc.

Meetings continue virtually every week. Loan requests can be made online, by telephone or walk-in, to be processed by the office and sent to the Credit committee.

The past year has also been challenging because of the Covid-19 Pandemic, but we have improved slightly in terms of the value of the loans approved. Our sincere condolences to members who lost a family member or friend during this period.

Our Credit Union is making all efforts to improve our service to you, look out for our New Products and Services coming soon.

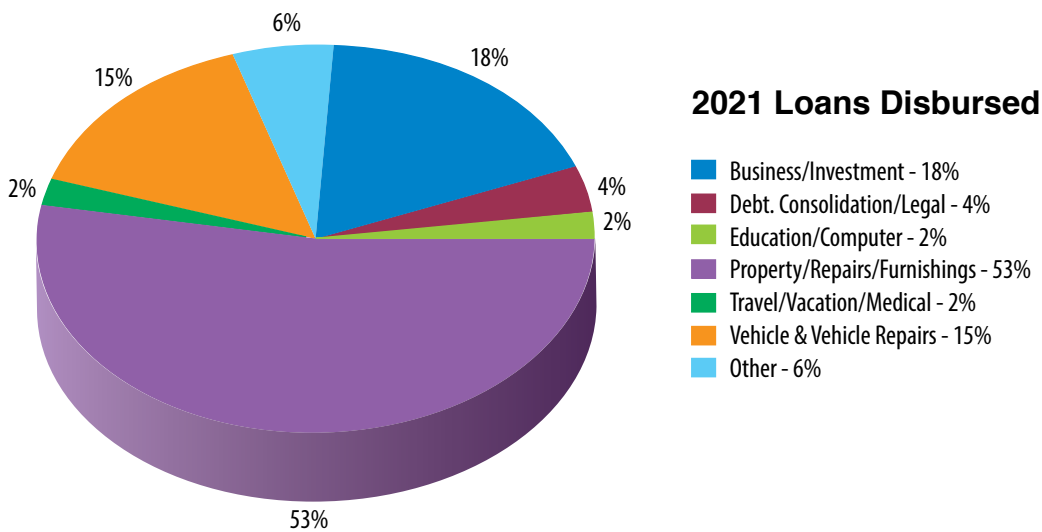
Members are reminded that for our Credit Union to succeed, you must continue to make use of the facilities available to you, such as accessing loans.

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

Calvin Sargeant
 Calvin Sargeant
 Secretary

**COMPARISON OF LOANS DISBURSED FOR PERIOD
 JANUARY - DECEMBER 2021, 2020 & 2019**

Statistical Data Related to Loans						
PURPOSE OF LOAN	TOTAL \$ (2021)	NO. OF LOANS (2021)	TOTAL \$ (2020)	NO. OF LOANS (2020)	TOTAL \$ (2019)	NO. OF LOANS (2019)
Business/Investment	2,782,547.31	51	1,556,916.20	45	2,979,592.01	38
Debt. Consolidation/Legal	593,523.22	7	404,334.47	10	947,949.84	17
Education/Computer	292,231.56	12	746,672.52	29	1,020,100.00	21
Property/Repairs/Furnishings	8,101,049.71	96	6,713,553.32	95	7,844,598.95	88
Travel/Vacation/Medical	303,700.00	18	589,660.00	52	854,024.66	44
Vehicle & Vehicle Repairs	2,343,984.98	42	2,988,636.59	20	3,030,431.79	63
Other	960,734.50	70	2,065,296.06	109	1,965,451.36	125
TOTAL	15,377,771.28	296	15,065,069.16	360	18,642,148.61	396



Supervisory Committee

CHAIRMAN



Mr. Omar Maraj

SECRETARY



Mr. Ivan Ashby

MEMBER



Mr. Danny Jattan

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 2021 for consideration and adoption at the Credit Union's 68th Annual General Meeting.

At the 67th Annual General Meeting held virtually on Saturday 26th June, 2021 and Saturday 24th July, 2021, three (3) members and two (2) alternates were elected to serve on the Supervisory Committee.

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

Mr. Omar Maraj - Chairman
Mr. Ivan Ashby - Secretary
Mr. Danny Jattan - Member

Committee Members Attendance Record

Attendance for Supervisory Committee members is recorded by calendar year. The record of attendance for outgoing members has been included.

Committee Members	Regular Meetings	All Officers	Absent
Omar Maraj	8	2	-
Ivan Ashby	8	2	-
Danny Jattan	7	2	1

Functions, Responsibilities and Activities

The Trintoc (Penal) Credit Union Supervisory Committee has the responsibility to independently assess, review and examine the affairs of the Credit Union, perform random audit of its books and make the necessary recommendations to ensure compliance in accordance with TPCU Bye-laws, the Co-operative Societies Act, Chap. 81.03 of 1971, International Financial Reporting Standard (IFRS-9), Policies, Procedures, Guidelines and Financial best practices.

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

1. **AR 01/21 – Review of Financial Statements**

Based on the analysis of the Financial Statements presented, it is the opinion of the Supervisory Committee that the internal controls over the preparation of the Financial Statements were effective at the point in time the audit was conducted.

2. **AR 02/21 – Review of Policies and Procedures**

Based on the review of the current Policies and Procedures, the Supervisory Committee noted that some of the Policies and Procedures of the TPCU appear to be outdated. Recommendations were made to have the outdated polices updated and new policies to improve the operations of the Credit Union..

3. **AR 03/21 – Audit of Petty Cash Management**

Based on the findings of this audit, it is the opinion of the Supervisory Committee that the internal controls over the Management of the Petty Cash were effective at the point in time the audit was conducted.

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4. **AR 04/21 – Review of Member’s Share and Deposit Accounts**

Based on the findings of this audit, it is the opinion of the Supervisory Committee that the internal controls over the maintenance and updating of Member’s shares and deposit accounts were effective at the point in time the audit was conducted.

5. **AR 05/21 – Audit of the Processing of Loan Applications**

Based on the findings of this audit, it is the opinion of the Supervisory Committee that the process of processing loans was effective at the point in time the audit was conducted, however, there were shortcomings in the internal controls and areas where improvements are needed. Recommendations were made to the board to improve the process and the internal controls.

6. **AR 06/21 – Review of Board of Directors Minutes of Meetings.**

Based on the findings of the report, it is the opinion of the Supervisory Committee that there are areas that can be improved. Recommendations were made to the Board of Directors, which were well received.

Based on the findings of the above reports and general observations of the operations at the office, the Supervisory Committee has set an Action Plan for the period 2022-2023 as follows:


1. Review of Financial Statements for 2022 & 2023.
2. Review of Compliance Officer’s Monthly Reports.
3. Review of Loan Applications.
4. Review of Member’s Share and Deposit Accounts.
5. Petty Cash Audits 2022 & 2023.
6. Fixed Assets Audit.
7. Audit of the Process of Debt/Delinquency Recovery.
8. Procurement Audit.
9. Review of Investments.

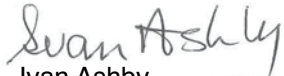
Training Seminars and Workshop Sessions

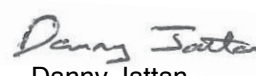
In keeping with the TPCU’s commitment for continuous training of all officers and staff, Supervisory Committee members participated in the following workshop and training session during the year.

1. Training and Development: Introduction to Accounting for Business Professionals.
2. Fire Safety Training conducted by the Education Committee.

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


Omar Maraj
Chairman


Ivan Ashby
Secretary


Danny Jattan
Member

Education Committee

CHAIRMAN



Mr. Jeremy Maraj

SECRETARY



Mr. N'kosi David

MEMBER



Mr. Dave Samlal

MEMBER



Mr. Imtiaz Mohamed

MEMBER



Mrs. Hyacinth Smith

ANNUAL GENERAL MEETING 2022

Member Focus, Future Driven

EDUCATION COMMITTEE REPORT

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

The Education Committee held fifteen (15) virtual meetings, one (1) regular meeting and attended three (3) all officers' meetings as follows: -

Record of Attendance

Name	Virtual/Regular Meetings	All Officers' Meetings	Excused
Jeremy Maraj	16	3	0
N'kosi David	16	3	0
Dave Samlal	15	0	3
Hyacinth Smith (from 2021 August 17 th)	6	0	2
Althea Brereton (from 2021 February-August)	8	0	1
Imtiaz Mohamed	12	3	4

New Member Induction

This year our team decided to help train new members who joined the organization. The Seminars were successfully done virtually, and we were able to help educate the new members on the history of the organization, fundamentals of a Credit Union, the importance of being part of a Credit Union, the organization's structure and products/services provided at the Trintoc (Penal) Credit Union. The Seminars were held quarterly.

Virtual Officers and Staff Training and Development

All committee members were invited to participate in local and foreign seminars (listed below) which were hosted virtually:

- PECB
CIA Triad in Data Governance, Information Security, and Privacy
- The Credit Union Fund Management Company (CUFMC)
Wealth Management and Investments
- The Caribbean Confederation of Credit Unions (CCCU)
Ten (10) reasons why Credit Unions fail to digitize
- SBCS Global Learning Institute
Introduction to Accounting for Business Professionals
- CQI IRCA
World Quality Week
- North-West Regional Chapter of the Co-operative Credit Union League of Trinidad and Tobago (NWRC)
National Youth Conference

- World Council of Credit Unions (WOCCU)
International Credit Union Day / Month “Building financial health for a brighter tomorrow.”
- Cipriani College of Labour & Co-operative Studies (CCLCS)
Emergency Management
- The Caribbean Confederation of Credit Unions (CCCU)
How to align your Credit Union Mission & Vision with your Digital Strategy.
- The British Standards Institution (BSI)
Ransomware: how to understand, mitigate and address the impact

Scholarship

A certificate program entitled ‘Credit Union Management’ at the Cipriani College of Labour and Co-operative Studies was offered to the membership. One person was selected to participate in this scholarship program.

Essential Life Skill

All members were invited to learn essential life skills such as - Fire Safety, First Aid Training, Defensive Driving (and more). The goal of this training was to help teach the important day-to-day hazards that one may experience in their lives. All recipients were awarded a certificate of participation.

Members Survey

Trintoc (Penal) Credit Union members are the foundation of the organization and as such our team developed a Survey with this in mind. The survey was sent electronically to members for ease of access. The purpose of the survey was to obtain general feedback from members on the organization. This feedback will be used to assist in the improvement strategy of Trintoc (Penal) Credit Union, thereby making it a dominant Credit Union for many years to come.

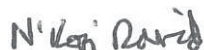
Movie Night

Faced with the on-going pandemic the Education Committee was unable to accommodate the annual summer activities carded for our young members, instead we hosted a virtual movie for all of our members. As such, the movie Luca was streamed for all members and their families to be entertained.

Conclusion

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

We wish to express our sincere appreciation to the Board of Directors, Credit and Supervisory Committees and the Administrative Staff for their unstinting support over the last financial year and we wish the Trintoc (Penal) Credit Union continued financial growth and success as we continue to navigate through these unprecedented times. We encourage you to continue to stay safe, wear your mask, wash your hands and watch your distance.



N'KOSI DAVID
Secretary

**INDEPENDENT AUDITORS' REPORT
& FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021**



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



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

Opinion

We have audited the financial statements of Trintoc (Penal) Credit Union Co-Operative Society Limited which comprises the statement of financial position as at 31st December 2021, 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 46 to 65.

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 31st December 2021 and the results of its operations and cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Other information

Management is responsible for the other information. The other information comprises the information included in the Society's annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Society's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

Maharaj Mohammed & Co.
Chartered Accountants
Trinidad & Tobago

7th March 2022

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES

Management is responsible for the following:

- Preparing and fairly presenting the financial statements of Trintoc (Penal) Credit Union Co-operative Society Limited, which comprise the statement of financial position as at 31st December, 2021, the statements of comprehensive income, changes in equity, statement of receipts and payments and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;
- Ensuring that the Credit Union keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Credit Union's assets, detection/prevention of fraud, and the achievement of Credit Union's operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that comply with laws and regulations, including the Cooperative Societies Act; and
- Using reasonable and prudent judgement in the determination of estimates.

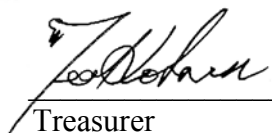
In preparing these audited financial statements, Management utilized the International Financial Reporting Standard, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where International Financial Reporting Standards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

Nothing has come to the attention of Management to indicate that Trintoc (Penal) Credit Union Co-operative Society Limited will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying financial statements have been authorized for issue, if later.

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





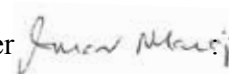
President
7th March 2022



Treasurer
7th March 2022

STATEMENT OF FINANCIAL POSITION AT 31ST DECEMBER 2021

<u>ASSETS</u>	Notes	2021 \$	2020 \$
Current assets			
Cash and cash equivalents	6	7,814,302	10,695,797
Accounts receivable and prepayments	9	<u>11,132,636</u>	<u>12,644,690</u>
		<u>18,946,938</u>	<u>23,340,487</u>
Non-current assets			
Property, plant and equipment	5	350,578	319,599
Members' loans	7	62,317,774	64,124,694
Investments	12	<u>160,423,418</u>	<u>148,818,849</u>
		<u>223,091,770</u>	<u>213,263,142</u>
Total Assets		<u>242,038,708</u>	<u>236,603,629</u>
 <u>MEMBERS' EQUITY AND LIABILITIES</u>			
Members' equity			
Reserve fund	15	17,359,813	16,542,191
Education fund	16	2,494,272	2,148,871
Building fund	17	2,340,000	2,340,000
Investment reserve	14	16,610,971	6,874,289
Dividend equalization fund	19	1,000,000	1,000,000
Retained earnings		<u>13,454,609</u>	<u>11,061,416</u>
		<u>53,259,667</u>	<u>39,966,767</u>
Current liabilities			
Accounts payable and accruals	10	<u>1,662,182</u>	<u>1,716,879</u>
		<u>1,662,182</u>	<u>1,716,879</u>
Non-current liabilities			
Members' shares	20	151,609,182	158,308,749
Members' deposits	18	<u>35,507,677</u>	<u>36,611,234</u>
		<u>187,116,859</u>	<u>194,919,983</u>
Total Liabilities		<u>188,779,041</u>	<u>196,636,862</u>
Total Liabilities and Shareholders' Equity		<u>242,038,708</u>	<u>236,603,629</u>

 : President
  : Treasurer
  : Supervisory Chairman

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER 2021

	Note	2021 \$	2020 \$
Revenue			
Interest on loans		5,856,346	6,043,909
Investment income		7,359,318	7,145,406
Other income		<u>86,729</u>	<u>33,820</u>
Total		<u>13,302,393</u>	<u>13,223,135</u>
Expenses			
Administrative and other	21	731,330	691,292
Bank charges and interest on members deposits		1,326,833	1,419,157
CUNA insurance premiums		486,055	519,417
Expected credit loss provision on loans (IFRS 9)	8	1,007,723	2,924,972
Green fund levy	2(j)	41,396	41,121
Officers' expenses	22	600,924	605,414
Staff costs	23	872,852	866,965
Trans Union		<u>8,052</u>	<u>4,342</u>
		<u>5,075,165</u>	<u>7,072,680</u>
Net surplus for the year		<u>8,227,228</u>	<u>6,150,455</u>
Appropriations			
Transfer to reserve fund (10%)	2 (k)	822,723	615,046
Transfer to education fund (5%)	2 (l)	<u>370,225</u>	<u>276,770</u>
		<u>1,192,948</u>	<u>891,816</u>
Net surplus after appropriations		<u>7,034,280</u>	<u>5,258,639</u>

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2021**

	Reserve Fund	Education Fund	Building Fund	Revaluation Reserve	Dividend Equalization Fund	Retained Earnings	Total
	\$	\$	\$	\$	\$	\$	\$
Balance as at 1 st January 2021	16,542,191	2,148,871	2,340,000	6,874,289	1,000,000	11,061,416	39,966,767
Operating surplus	-	-	-	-	-	8,227,228	8,227,228
Appropriations	822,723	370,225	-	-	-	(1,192,948)	-
Expenditure	-	(24,825)	-	-	-	24,825	-
Entrance fees	1,040	-	-	-	-	-	1,040
Payroll clearing	(6,141)	-	-	-	-	-	(6,141)
Revaluation reserve	-	-	-	9,736,682	-	-	9,736,682
Dividends paid	-	-	-	-	-	(4,665,910)	(4,665,910)
Balance at 31 st December 2021	<u>17,359,813</u>	<u>2,494,272</u>	<u>2,340,000</u>	<u>16,610,971</u>	<u>1,000,000</u>	<u>13,454,609</u>	<u>53,259,666</u>
Balance as at 1 st January 2020	15,920,544	1,948,012	2,340,000	8,874,346	-	11,696,746	40,779,648
Operating surplus	-	-	-	-	-	6,150,455	6,150,455
Appropriations	615,046	276,770	-	-	-	(891,816)	-
Expenditure	-	(75,911)	-	-	-	75,911	-
Entrance fees	460	-	-	-	-	-	460
Payroll clearing	6,141	-	-	-	-	-	6,141
Revaluation reserve	-	-	-	(2,000,057)	-	-	(2,000,057)
Dividend equalization fund	-	-	-	-	1,000,000	(1,000,000)	-
Dividends paid	-	-	-	-	-	(4,969,880)	(4,969,880)
Balance at 31 st December 2020	<u>16,542,191</u>	<u>2,148,871</u>	<u>2,340,000</u>	<u>6,874,289</u>	<u>1,000,000</u>	<u>11,061,416</u>	<u>39,966,767</u>

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER 2021

	Note	2021 \$	2020 \$
Operating activities			
Net surplus for the year		8,227,228	6,150,455
Adjustment for non-cash items			
Depreciation of property, plant and equipment		106,827	80,255
Revaluation of investments		9,736,682	(2,000,057)
Payroll clearing		(6,140)	6,141
Loss on disposal of property, plant and equipment		<u>2,519</u>	<u>5,993</u>
Operating income before working capital changes		18,067,116	4,242,787
Movements in working capital			
Decrease in loans to members		1,806,920	7,832,087
Decrease in members' deposits		(1,103,557)	(3,508,979)
Decrease / (increase) in accounts receivable and prepayments		1,512,054	(10,726,011)
Decrease in payables and accruals		<u>(54,697)</u>	<u>(225,055)</u>
Net cash generated from / (used in) operating activities		<u>20,227,836</u>	<u>(2,385,171)</u>
Investing activities			
Purchase of property, plant and equipment		(140,325)	(147,808)
Net (purchase) / sale of investments		<u>(11,604,569)</u>	<u>8,156,288</u>
Net cash (used in) / generated from investing activities		<u>(11,744,894)</u>	<u>8,008,480</u>
Financing activities			
Decrease in members' shares		(6,699,567)	(6,638,552)
Dividends paid		(4,665,910)	(4,969,880)
Membership fee		<u>1,040</u>	<u>460</u>
Net cash used in financing activities		<u>(11,364,437)</u>	<u>(11,607,972)</u>
Net decrease in cash and cash equivalents		<u>(2,881,495)</u>	<u>(5,984,663)</u>
Cash and cash equivalents			
- at the beginning of the year		10,695,797	16,680,460
- at the end of the year	6	<u>7,814,302</u>	<u>10,695,797</u>
		<u>(2,881,495)</u>	<u>(5,984,663)</u>

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2021

RECEIPTS	2021	2020	PAYMENTS	2021	2020
	\$	\$		\$	\$
Accounts receivables	2,031,619	654,478	Accounts payable	69,811	91,220
CUNA insurance claim	219,789	137,486	Advertising	32,044	25,336
Commission – CUNA	65,631	14,330	Annual general meeting	54,146	53,793
Deposit account	1,200,131	1,502,425	Audit fees	40,500	18,900
Donations/sponsorship	-	1,500	Bank charges	7,129	4,117
Entrance fee	1,020	400	Board & committee	523,327	593,939
Interest from loans	4,276,788	3,981,147	Building and repairs	77,503	94,006
Investment income	1,753,711	1,815,658	Computer maintenance	54,725	43,687
Investments	22,975,494	39,703,899	COVID 19 expenses	134,423	168,073
Loans	11,391,675	11,325,564	CUNA insurance claims	24,000	48,000
Members shares	9,018,385	7,404,774	CUNA FIP	320,659	134,270
Payroll clearing account	-	2,434,345	CUNA LP/LS premiums	446,867	476,404
Stale dated cheques	123,375	1,303,108	Deposit account	2,658,250	5,674,684
Sundry expenses	5,083	2,541	Donation and subscription	2,750	7,185
			Education committee	49,222	81,608
			Green fund levy	41,358	41,121
			Investments	20,003,354	39,927,831
			Legal and bailiff fees	32,813	23,150
			Loans	14,781,589	14,698,720
			League dues	24,317	24,967
			Members' shares	14,873,371	12,752,913
			Office stationery and supplies	46,385	71,156
			Payroll clearing (members)	-	165,000
			Property, plant and equipment	82,064	55,867
			Salary	614,245	710,033
			Security service – CIT	76,425	50,918
			Staff pension & NI	177,242	177,042
			Subscriptions	5,442	8,784
			Sundry	-	7,766
			Trinre insurance premiums	652,411	-
			Telephone and internet	37,824	35,827
	<u>53,062,701</u>	<u>70,281,655</u>		<u>55,944,196</u>	<u>76,266,317</u>
Balance at beginning of the year:			Balance at the end of the year:		
Float – Deposit withdrawal	7,000	16,000	Float – Deposit withdrawal	11,000	7,000
Petty cash	2,500	2,500	Petty cash	2,500	2,500
USD savings account	15,664	1,904,832	USD savings account	423,015	15,664
Republic current account	10,669,211	14,757,127	Republic current account	7,377,787	10,669,211
Treasury	1,422	-	Treasury	-	1,422
	<u>10,695,797</u>	<u>16,680,459</u>		<u>7,814,302</u>	<u>10,695,797</u>
	<u>63,758,498</u>	<u>86,962,114</u>		<u>63,758,498</u>	<u>86,962,114</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2021

1. Incorporation and principal activities

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

2. Significant Accounting Policies

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

(a) Basis of accounting

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

Functional and presentation currency

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

Foreign currency transactions and balances

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2021

2. Significant accounting policies (continued)

(a) Basis of accounting (continued)

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

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

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

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

(b) Revenue recognition

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

(c) Property, plant and equipment

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

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

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

The assets' residual values and useful lives are reviewed at each reporting date, and adjusted as appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2021

2. Significant Accounting Policies (continued)

(d) Cash and cash equivalents.

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

(e) Accounts receivable

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

(f) Accounts payable

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

(g) Loans to members

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2021

2. Significant Accounting Policies (continued)

(h) Financial assets

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

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

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

- *Amortised cost*

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2021

(h) Financial assets (continued)

- Fair value through profit or loss

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

1) Debt Instruments

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

Classification and subsequent measurement of debt instruments depend on:

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

Credit Union’s Business model

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2021

(h) Financial assets (continued)

Solely payments of principal and interest (SPPI)

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

2) *Equity instruments*

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2021

2. Significant Accounting Policies (continued)

(i) Impairment

Financial assets (continued)

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

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

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

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

Non-financial assets

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2021

2. Significant Accounting Policies (continued)

(j) Taxation

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

(k) Reserve fund

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

(l) Education fund

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

(m) Building fund

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

(n) Members' deposits

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

(i) Members' savings deposits

Members' savings deposits are stated at their current balance.

(ii) Members' fixed deposits

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

(o) Interest on members' loans

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2021

2. Significant Accounting Policies (continued)

(p) Unclaimed shares

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

(q) Employee benefits / pension obligations

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

(r) Provisions

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

(s) Comparative

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

3. Financial Risk Management

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

(a) Operational risk

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2021

3. Financial Risk Management (continued)

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Society is exposed to interest rate risk through the effect of fluctuations in the prevailing levels of interest rates on interest bearing financial assets and liabilities, including investments in bonds, loans, customer deposits and other funding instruments. The exposure is managed through the matching of funding products with financial services and monitoring market conditions and yields.

i) Bonds

The Society invests mainly in medium to long term bonds consisting of both floating rate and fixed rate instruments. The market values of the fixed rate bonds are not very sensitive to changes in interest rates. The market values of the floating rate bonds are sensitive to changes in interest rates. The longer the maturity of the bonds, the greater is the sensitivity to changes in interest rates. As these assets are being held to maturity and are not traded, any changes in market value will not impact the statement of comprehensive income. The society actively monitors bonds with maturities greater than ten years, as well as the interest rate policies of the Central Bank of Trinidad and Tobago.

ii) Loans

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

(c) Compliance risk

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

(d) Currency risk

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2021

3. Financial Risk Management (continued)

(e) Credit risk

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

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

(f) Liquidity risk

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

Risk management

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

(g) Reputation risk

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2021

3. Financial Risk Management (continued)

(h) Capital Risk Management

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

4. Critical Accounting Estimates and Judgments

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

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

i) Allowances for credit losses

Loans and investments accounted are evaluated for impairment.

ii) Financial assets and liabilities classification

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

iii) Impairment of assets

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2021

5. Property, plant and equipment

31st December 2021	Office Furniture & Fittings	Air Conditioning	Office Equipment	Computer Equipment	Total
Cost	\$	\$	\$	\$	\$
Balance January 1, 2021	174,664	28,248	248,542	361,580	813,033
Additions	7,779	-	7,097	125,448	140,325
Disposal	<u>(1,469)</u>	<u>(8,648)</u>	-	-	<u>(10,117)</u>
Balance December 31, 2021	<u>180,974</u>	<u>19,600</u>	<u>255,638</u>	<u>487,028</u>	<u>943,240</u>
Accumulated Depreciation					
Balance January 1, 2021	111,714	11,151	154,698	215,870	493,434
Charge for the year	6,513	1,710	19,414	79,172	106,827
Disposals	<u>(1,169)</u>	<u>(6,429)</u>	-	-	<u>(7,599)</u>
Balance December 31, 2021	<u>117,076</u>	<u>6,432</u>	<u>174,112</u>	<u>295,042</u>	<u>592,662</u>
Net book value 2021	<u>63,898</u>	<u>13,169</u>	<u>81,525</u>	<u>191,986</u>	<u>350,578</u>

31st December 2020	Office Furniture & Fittings	Air Conditioning	Office Equipment	Computer Equipment	Total
Cost	\$	\$	\$	\$	\$
Balance January 1, 2020	173,064	26,598	258,404	268,985	727,051
Additions	1,600	4,500	9,292	132,416	147,808
Disposal	-	<u>(2,850)</u>	<u>(19,154)</u>	<u>(39,822)</u>	<u>(61,826)</u>
Balance December 31, 2020	<u>174,664</u>	<u>28,248</u>	<u>248,542</u>	<u>361,579</u>	<u>813,033</u>
Accumulated Depreciation					
Balance January 1, 2020	104,723	10,319	150,176	203,795	469,013
Charge for the year	6,991	1,778	22,624	48,862	80,255
Disposals	-	<u>(945)</u>	<u>(18,102)</u>	<u>(36,787)</u>	<u>(55,834)</u>
Balance December 31, 2020	<u>111,714</u>	<u>11,152</u>	<u>154,698</u>	<u>215,870</u>	<u>493,434</u>
Net book value 2020	<u>62,950</u>	<u>17,096</u>	<u>93,844</u>	<u>145,709</u>	<u>319,599</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2021

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.

	2021	2020
	\$	\$
Petty cash	2,500	2,500
Withdrawal float	11,000	7,000
Cash at bank	<u>7,800,802</u>	<u>10,686,297</u>
	<u>7,814,302</u>	<u>10,695,797</u>

7. Members' loans

	2021	2020
	\$	\$
Fully secured	6,285,297	7,161,362
Mortgage	31,251,102	27,401,644
Ordinary	31,984,101	34,608,162
Short term	705,635	637,084
Vehicle	<u>8,770,850</u>	<u>9,987,930</u>
	78,996,985	79,796,182
Less: Expected credit loss provision (See note 8 below)	<u>(16,679,211)</u>	<u>(15,671,488)</u>
	<u>62,371,774</u>	<u>64,124,694</u>

8. Expected credit loss provision

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

	2021	2020
	\$	\$
Opening balance as at 1 st January	15,671,488	12,746,516
Current year expected credit losses	<u>1,007,723</u>	<u>2,924,972</u>
Closing balance as at 31 st December	<u>16,679,211</u>	<u>15,671,488</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2021

9. Accounts receivable and prepayments	2021	2020
	\$	\$
Trade receivables	11,125,582	12,637,636
Prepayments	<u>7,054</u>	<u>7,054</u>
	<u>11,132,636</u>	<u>12,644,690</u>

10. Accounts payable and accruals	2021	2020
	\$	\$
Trade payables	1,557,281	1,611,449
Accruals	<u>104,901</u>	<u>105,430</u>
	<u>1,662,182</u>	<u>1,716,879</u>

11. Related party transactions

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

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Society. A number of transactions are entered into with related parties in the normal course of business. These transactions were carried out on commercial terms at market prices.

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

	2021	2020
	\$	\$
Assets		
Loans to directors, key management and other	5,191,597	5,152,096
Deposits and other liabilities		
Deposits held by directors, key management and other	5,257,488	5,040,740
Shares		
Shares held by directors, key management and other	8,560,626	7,637,808
Income		
Directors and related parties	534,640	524,400
Dividends		
Directors, key management and other	247,134	224,395
Key management compensation	408,145	413,148

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2021

12. Investments

Financial assets measured at fair value through other comprehensive income

	2021	2020
	\$	\$
(a) Hold to collect		
ANSA secured fund	50,000	50,000
Aspire Fund Management	1,934,847	1,848,825
Government of Trinidad and Tobago (GOTT) bonds	46,635,015	47,473,583
Guardian Holdings Ltd 2023	112,905	119,765
Guardian Holdings Ltd 2025	2,860,000	2,860,000
Methanol Holdings Ltd	<u>-</u>	<u>9,000,000</u>
	<u>51,592,767</u>	<u>61,352,173</u>
(b) Hold to collect and sell		
ANSA TT\$ Income Fund	77,523	74,178
Caribbean Airlines Limited	203,252	202,743
First Citizens Bank Limited – Abercrombie fund	18,914	18,673
First Citizens Bank - IPO	25,001,337	17,270,951
First Citizens Bank – 2022	5,238,000	5,238,000
KCL Capital Market Brokers Limited	13,476,252	8,393,484
KCL Capital Market Brokers Limited - AUM	32,349,780	32,265,476
KCL Capital Market Brokers Limited - USD	1,799,849	1,721,064
National Investment Fund	2,271,710	2,266,552
Republic Bank Limited Money Market Fund	36,860	36,502
Trinidad and Tobago Unit Trust Corp. 2 nd unit scheme	446	441
Trinidad and Tobago Unit Trust Corp - growth & income fund	1,121	989
Trinidad and Tobago Mortgage Finance Co. Ltd.	10,000,000	10,000,000
T&T National Gas Ltd – IPO	2,025,607	1,647,623
TSTT – Tranche 1	3,330,000	3,330,000
The Maritime Financial Group	5,000,000	5,000,000
Trinidad and Tobago Mortgage Finance 2022	5,000,000	-
ANSA Merchant Bank	<u>3,000,000</u>	<u>-</u>
	<u>108,830,651</u>	<u>87,466,676</u>
Total Investments	<u>160,423,418</u>	<u>148,818,849</u>

13. Employees

The number of persons employed at year end

2021	2020
<u>6</u>	<u>6</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2021

14. Investment Reserve

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

	2021	2020
	\$	\$
Opening balance	6,874,289	8,874,346
Net change in market value for the period	<u>9,736,682</u>	<u>(2,000,057)</u>
Ending balance	<u>16,610,971</u>	<u>6,874,289</u>

15. Reserve fund

	2021	2020
	\$	\$
Opening balance as at 1 st January	16,542,191	15,920,544
Appropriations	822,723	615,046
Payroll clearing	(6,141)	6,141
New membership fees	<u>1,040</u>	<u>460</u>
Closing balance as at 31 st December	<u>17,359,813</u>	<u>16,542,191</u>

16. Education fund

	2021	2020
	\$	\$
Opening balance as at 1 st January	2,148,871	1,948,012
Appropriations	370,225	276,770
Expenditure for the period	<u>(24,825)</u>	<u>(75,911)</u>
Closing balance as at 31 st December	<u>2,494,272</u>	<u>2,148,871</u>

17. Building fund

	2021	2020
	\$	\$
Opening balance as at 1 st January	2,340,000	2,340,000
Appropriations	<u>-</u>	<u>-</u>
Closing balance as at 31 st December	<u>2,340,000</u>	<u>2,340,000</u>

18. Members deposits

	2021	2020
	\$	\$
Opening balance as at 1 st January	36,611,234	40,120,212
Net (decrease) / increase for the period	<u>(1,103,557)</u>	<u>(3,508,978)</u>
Closing balance as at 31 st December	<u>35,507,677</u>	<u>36,611,234</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2021

19. Dividend equalization fund	2021	2020
	\$	\$
Opening balance as at 1 st January	1,000,000	1,000,000
Appropriations	<u>-</u>	<u>-</u>
Closing balance as at 31 st December	<u>1,000,000</u>	<u>1,000,000</u>

The fund was established out of the net surplus, at the 2019 Annual General Meeting and in accordance with Bye Law 12(g) of the Credit Union. The fund may be used to safeguard dividend payment for future years impacted by the uncertain economic environment.

20. 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.

	2021	2020
	\$	\$
Shares at year end	<u>151,609,182</u>	<u>158,308,749</u>

21. Administrative and other	2021	2020
	\$	\$
Advertising and promotions	18,800	19,500
Annual general meeting expenses and tokens	55,651	55,477
Audit fees	43,875	52,800
Bailiffs', professional and legal fees	41,500	23,450
Computer, software maintenance and support services	75,610	44,245
Depreciation	106,827	80,255
Donations	3,100	5,685
Education committee expenses	24,825	75,912
Insurance	24,901	24,900
Loss on disposal of property, plant and equipment	2,519	5,994
League dues	24,317	24,967
Office supplies, stationery and postage	41,112	68,290
Property maintenance, land rent and facilities	98,146	82,542
Subscriptions	47,062	36,065
Security fees	85,261	57,481
Telephone and internet	<u>37,824</u>	<u>33,727</u>
	<u>731,330</u>	<u>691,292</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2021

22. Officers' expenses	2021	2020
	\$	\$
Board of directors/ committee expenses	593,741	586,679
Entertainment	283	15,135
Marketing committee	<u>6,900</u>	<u>3,600</u>
	<u>600,924</u>	<u>605,414</u>
23. Staff costs	2021	2020
	\$	\$
Insurance	7,044	5,812
Medical plan – employer contribution	23,055	21,720
National insurance – employer contribution	58,683	60,254
Pension plan – employer contribution	62,172	61,514
Salaries and travelling	708,091	703,563
Staff uniforms and welfare	-	1,152
Training	<u>13,807</u>	<u>12,950</u>
	<u>872,852</u>	<u>866,965</u>

24. Dividends

Dividends are recommended by the Board of Directors and are subject to confirmation by the members at the Annual General Meeting. The dividend is computed on the basis of the average number of shares in issue throughout the year, the average being determined on the basis of the number of shares in issue at the end of each month.

The Board of Directors has proposed a dividend of 3% of the average value of members' shares in issue throughout the year, for the year ended December 31, 2021. This dividend amounting to \$4,605,000 (projected), (2020: \$4,665,910), is not recorded as a liability in the Statement of Financial Position, consistent with IAS 10 - Events after the Reporting Period.

25. Impact of COVID-19 Pandemic

On March 11th 2020, the World Health Organization declared the novel Coronavirus (Covid-19) outbreak a global pandemic. Management has considered the consequences of Covid-19 and other events and conditions, and it has determined that they do not create a material uncertainty that casts significant doubt upon the Credit Unions ability to continue as a going concern.

As a result of the impact of the Covid-19 pandemic and the potential negative impact on the Society's loan portfolio arising from the decline in economic activity, a heightened application of judgement was exercised in the determination of whether a significant increase in credit risk (SICR) has occurred prior to granting new loans to members.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2021

26. 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, 2021.

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.

27. Subsequent events

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

28. Approval of Financial Statements

These financial statements were approved by the board of directors and authorised for issue on 7th March, 2022.

ANNUAL GENERAL MEETING 2022

Member Focus, Future Driven

PROPOSED BUDGET 2022

INCOME	Budget 2021	Actual 2021	Variance	Budget 2022
Interest on Loans	6,577,606	5,856,346	-721,260	5,747,419
Income from Investments/Fixed Deposits	7,132,341	7,359,318	226,977	6,832,785
Other Income	12,000	86,729	74,729	23,000
TOTAL INCOME	13,721,947	13,302,393	-419,554	12,603,204
EXPENDITURE				
All Officers Meeting/Social Events	15,000	284	-14,716	-
Advertising	18,000	18,800	800	100,000
Annual General Meeting	90,000	55,651	-34,349	56,000
Audit Fees	49,250	43,875	-5,375	45,000
Bank / Finance Charge	400,000	242,687	-157,313	260,000
Board & Committee Expenses	702,000	557,843	-144,157	585,000
Building Maintenance	80,000	93,647	13,647	100,000
Computer, Software & Office Equipment Maintenance	45,000	75,610	30,610	83,977
Credit Union League Dues	25,000	24,317	-684	24,500
CUNA LP/LS	520,000	486,055	-33,945	500,000
Depreciation	80,000	106,827	26,827	105,000
Disposal of Assets	-	2,519	2,519	-
Donations/ Sponsorship	15,000	3,100	-11,900	12,000
Education Committee	75,000	24,825	-50,175	135,700
Green Fund Levy	41,200	41,396	196	42,000
Insurance & Pension	220,000	197,709	-22,291	210,000
Interest on Members Fixed Deposits & Savings	1,100,000	1,084,146	-15,854	1,100,000
Office Expense	70,000	50,843	-19,157	65,000
Professional Fees	55,000	41,500	-13,500	66,250
Provision for bad and doubtful debts	3,000,000	1,007,722	-1,992,278	1,500,000
Salary/Contract Labour	850,000	708,291	-141,709	970,000
Security fees (CIT, CCTV and Guard Services)	100,000	85,261	-14,739	164,000
Subscriptions/sundry	36,000	41,829	5,829	44,000
Telephone & Internet	36,000	37,824	1,824	39,500
Training and Development	50,000	34,551	-15,449	15,000
TransUnion	33,885	8,052	-25,833	6,000
Total Operating Expenditure	7,706,335	5,075,165	-2,631,170	6,228,927
OPERATING SURPLUS	6,015,612	8,227,228	2,211,617	6,374,277
Capital Expenditure				
Building Upgrade	500,000	-	-500,000	500,000
New Building (Land Acquisition)	-	-	-	1,350,000
Capital Expenditure - computer, furniture, office equip, etc	88,950	-	-88,950	50,000
Total Capital Expenditure	588,950	-	-588,950	1,900,000
NET SURPLUS	5,426,662	8,227,228	2,800,567	4,474,277

RESOLUTIONS

Resolution 1 – Appointment of Auditors

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

And whereas Bye-Law 22(k) of the Trintoc (Penal) Credit Union 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 2022.

Resolution 2 – Distribution of Surplus

Whereas the Credit Union has realized a net surplus for the financial year ended December 31st 2021; 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 Chapter 81:03;

Be it resolved that a dividend of 3% be declared on members' shares as at December 31st 2021 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. Bye law 12 c.

Resolution 3– Building Fund (Land included)

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.

Be it resolved that \$2,000,000.00 be transferred from the retained earnings to this 'building fund' which represents a portion of the surplus for 2021.

Resolution 4 – Land Acquisition

Whereas section 45 (d) of the Co-operative Societies Act and Regulations Ch 81:03 specifies that a Society may 'invest or deposit its funds' in any other manner permitted by the Commissioner.

And Whereas, the Board of Directors has set aside funds for the purchase of land and construction of a building to house the Credit Union, in accordance to bye-law 12(g).

Be it resolved that the sum of one million three hundred and fifty thousand dollars (\$1,350,000.00) from the said building fund be approved for the purchase of two (2) lots of land, situated at Lot No. 3 Penal Rock Road, Penal and stated to comprise 929 metre square in area.

Be it further resolved that this Annual General Meeting approve the recommendation from the Board of Directors of the Trintoc (Penal) Credit Union Co-operative Society Ltd.

ANNUAL GENERAL MEETING 2022

Member Focus, Future Driven

PRODUCTS AND SERVICES

Term / Fixed Deposits

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

Shares

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

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

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

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

Benefits include:

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

Loans

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

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

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

LIFE SAVINGS INSURANCE (LS)

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

- Your savings are insured up to a maximum of \$30,000
- At no direct cost to you
- Approval is automatic
- You can leave your family an inheritance

LOAN PROTECTION INSURANCE (LP)

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

- Get insurance coverage for your loan of up to a maximum of \$60,000 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.

ANNUAL GENERAL MEETING 2022

Member Focus, Future Driven

Group Life Insurance

This life insurance replaces the previous plan held under CUNA Caribbean Insurance

Provider: TRINRE Insurance

Effective: June 2021

Coverage: **\$50,000.00**

Premiums per member: **\$294.00 (annually)**

Payment method: to be deducted once per year from the members share account

The Life coverage **guarantees** the benefit to all eligible Trintoc (Penal) Credit Union members, the criteria for eligibility will be based on the requirements decided upon by the Credit Union Board.

At the commencement of this plan all members between the ages of 1-90 are eligible for coverage.

Thereafter, any new credit union member must enroll before the age of 65.

2022 NEW Service and Product Introduced

GIA Online Banking

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

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

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

GENMED GROUP HEALTH PLAN

GENESIS Insurance Brokers and Benefits Consultants Ltd is an Insurance Brokerage firm in Trinidad and Tobago. GENESIS has negotiated a superior Group Health plan, **GENMED**, for Credit Union members in age categories:

- Members up to age 65
- Members 66-99

To join this Health plan, you must be a member of the Trintoc (Penal) Credit Union. Members wanting to join the new **GENMed** plan will need to complete and submit the Enrolment, ACH and Medical Questionnaire forms which are available at the Trintoc (Penal) Credit Union office or available online.

The plan encompasses best in class benefits at extremely competitive pricing.

Division	Member Only	Member + one	Family
Members 65 and under	\$229.50	\$394.50	\$589.50
Members 66- 99	\$320.50	\$595.25	

