



**BARBADOS TEACHERS' CO-OPERATIVE
CREDIT UNION LIMITED**



2018

2019

ANNUALREPORT



**RE-ENGAGING FOR FUTURE GROWTH:
Spreading Our Wings**

AUDITORIUM

Hyperten

- There is a
- Normal E
- BP above
- This caus
- The he
- The kid
- The eye
- The bra
- The bic

Stroke

Chronic high blood pressure (hypertension) left untreated can lead to:

- Blood vessel disease (arteriosclerosis)
- Heart attack or heart failure
- Kidney failure

Regular blood pressure checks

DON'T PRESSURE ME!

Low sodium diet

Hypertension

DR. BRIAN MARSHALL
FAMILY PHYSICIAN

Management of high blood pressure



Dr. Brian Marshall making a presentation on the effects of hypertension.

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*Welcome to
The Annual General Meeting
of
The Barbados Teachers'
Co-operative Credit Union Ltd
2018-2019*

Prayer of St. Francis of Assisi

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.

*This favourite prayer of **Saint Francis of Assisi** is often used by
Credit Union members at the beginning or at the end of their meetings.
It is even referred in some places as the "**Credit Union Prayer**"*

NOTICE

All members of the **Barbados Teachers' Co-operative Credit Union Limited** are invited to attend the **Annual General Meeting** at the **Hilton Barbados Resort, Needhams Point, St. Michael on Saturday, June 22, 2019** commencing at **3:30 p.m.**

Agenda

1. Ascertainment of quorum
2. Call to Order
3. Prayers
4. Welcome
5. Adoption and Confirmation of the Minutes of the last Annual General Meeting held on June 09, 2018
6. Matters Arising Therefrom
7. Reports for the Financial Year Ending March 31, 2019
 - (a) Board of Directors
 - (b) Credit Committee
 - (c) Supervisory Committee
 - (d) Audited Financial Statements
 - (e) Treasurer's Report
8. Amendment to By-Laws
9. Resolutions
10. Appointment of Auditors
11. Setting the Maximum Liability
12. Distribution of Surplus
13. Report of Nominating Committee
14. Election to Committees
 - (a) Appointment of Returning Officer
 - (b) Election of Officers
 1. Board of Directors
 2. Credit Committee
 3. Supervisory Committee
15. Any other Business
16. Closure of Meeting

REFRESHMENTS WILL BE SERVED



Anthony Alleyne
Secretary

**ATTENDANCE 2018 ANNUAL GENERAL MEETING
BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LIMITED**

Marline Abrams	Angeline Catling	Winston Haynes
Anthony Alleyne	Anjelica Catling	Lenora Headley
Claudine Alleyne	Athelstone Catling	George Herbert
Zondeen Alleyne	Ayo Clarke	Kellie Herbert
Michael Allman	Kirkland Clarke	Corliss Hinds
Linda Archer	Philip Clarke	Jacqueline Hinds
Maria Archer	Rosina Clarke	Lavonne Hinds
Graeme Atherley	Margaret Connell	Juliet Holder
Imani Austin	Sherrill Connell-Roberts	Clayton Hope
Jewel Austin	Natasha Corbin	Monsell Horton
Sheila Babb	Arthur Crawford	Diana Howell
Merlene Barrow	Ronell Crichlow	Janice Hutchinson
Carl Bascombe	Donelle Daniel	Victor Hutchinson
Walter Bayne	Trevor Daniel	Rhonda Ishmael
Felicite Belle	Mark Dias	Charmaine Jones
Martin Belle	Winston Dowrich	Quincy Jones
Victor Benn	Glyne Drakes	Amelia King
Marion Blunt	Ian Drakes	Joseph King
Oliver Boyce	Andrea Ellis	Kamla Knight
Anita Brathwaite	Angela Fenty	Heather Koeiman
Errol Brathwaite	Shalyn Firebrace	Antoinette Lashley
Merton Brathwaite	Shirnell Gamble	Dario Lashley
Shontall Brathwaite	Jamarri Gaskin	Mary Lashley
Joslyn Brewster	Janice Gibbs	Ucilma Lashley
Vincent Broomes	Ovid Gibbs	Aileen Lavine
Orville Bruce	Patricia Goodridge	Trudy Layne
Gloria Bryan	Ian Graham	Ronald Leacock
Sonia Burgess-Haynes	Lorian Graham	Kia Lewis
Lorraine Burke	Lorton Graham	Ainsley Lovell
Audrey Burrowes	Cindy Grant	Cameron Lovell
Angela Butcher	Diana Grant	Rudy Lovell
Orry Butcher	Rebekah Grant	Patricia Lowe
Shane Butcher	Thomas Grant	Jasmine Maloney
Lorna Bynoe	Marlene Y. Griffith	Noel Manning
Benjamin Cadogan	Sonia Griffith	Eric Mapp
Elizabeth Cadogan	Whitfield Griffith	Patrice Marshall
Gloria Cadogan	Thora Grosvenor	Brenda Mascoll
Jason Cadogan	Deborah Harding-Hoyte	Craig Mascoll
Jason Jesse Cadogan	C. Walter Harper	Eudora Mascoll
Cortez Callender	Deborah Harper	Shaena Mayers
Serline Callender	Francilla Haynes	Cheryl Mayers-Goddard
Cheryl Carter	Petra Haynes	Henderson McClean

**ATTENDANCE 2018 ANNUAL GENERAL MEETING
BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LIMITED CONT'D**

Brenda Merritt
Camille Merritt
Rodney Millington
Cheryll Moseley
John Morodore
Rosalind Murray
Alexandra Noel-Bowen
Frank Odle
Valencia Olliviere-Campbell
Monica Parris
Whitley Parris-Harper
Margaret Pestaina-Jeffers
Andrew Porte
Brian Porte
Celeste Porte
Jacqueline Prescod
Judy Ann Pritchard
Carveane Proverbs-Estwick
Rudolph Reid
Leon Robinson
Sophia Sayers-Austin
Kirley Scantlebury

Sherry-Ann Scott-King
Anthony Sealy
Jacqueline Sealy
Jeffrey Shepherd
Lorraine Shepherd
Pedro Shepherd
Rynicia Shorey
Brent Shuffler
Andrew Simpson
Reynaldo Simpson
Neville Small
Neasia Speedwell
Harold Straughn
Hallam Stuart
William Stuart
Fay Tannis
Jasmin Taylor
Norma Thorington
Audrey Trotman
Rodley Trotman
Lemuel Tull
Marcia Tull

Jeanette Vaughn
Olivia Walcott
Cora Waldron
Naomi Weekes
Eugenie Whitehead
Lennox Wiggins
Charlene Williams
Anthony Wiltshire
Stephen Wiltshire
Edvada Yearwood

**MINUTES OF ANNUAL GENERAL MEETING OF THE BARBADOS TEACHERS'
CO-OPERATIVE CREDIT UNION LIMITED, HELD ON SATURDAY,
09 JUNE 2018 AT THE HILTON BARBADOS RESORT, NEEDHAMS POINT, ST MICHAEL**

1.0 ASCERTAINMENT OF QUORUM

1.1 The meeting commenced at 3:59 pm after confirmation that a quorum had been achieved. The President, Mr. Victor Hutchinson chaired the proceedings.

2.0 PRAYERS

2.1 A word of prayer was said by Mr. Clayton Hope after which the attendees said the prayer of St Francis of Assisi.

3.0 EXCUSES

3.1 There were no excuses of absence.

4.0 WELCOME ADDRESS

4.1 The President, Mr. Victor Hutchinson extended a pleasant welcome to attendees. He acknowledged the presence of Property Manager Mr. Stephen Wiltshire, Mr. Keith Jones of the Barbados Co-operative & Credit Union League Limited, Attorney-at-Law Mr. Cecil McCarthy QC, Acting Operations Manager Mr. Mark Dias, Internal Auditor Mr. Leon Robinson, IT Manager Mr. Victor Benn, Founding Member Mrs. Cora Waldron and Auditor Mr. Peter J. Carter.

5.0 INTRODUCTION

5.1 Mr. Hutchinson commented on the year under review. He noted that there had been a number of high points but also a number of low points. One of the high points was the 50th Anniversary Celebrations. One major low point was the passing of Mr. Hudson Lucas, former Operations Manager. He also referred to other challenges, including decreased borrowing by members and decreasing interest rates on investments. He pointed out that net income had increased to \$417, 839 but that more work was needed to increase loans and to attract more business to the Credit Union. Mr. Hutchinson applauded the organizers of the Anniversary Week and mentioned the signature events held, including:

- Church Service – September 24, 2017
- Panel Discussion – September 27, 2017
- Anniversary Dinner and Awards Ceremony – September 30, 2017

He reminded members of the anniversary theme “Exceeding the Vision” and referenced the theme for 2018, “A Stronger Future Together”.

Mr. Hutchinson spoke of the passing of stalwarts of the Credit Union Mrs. Juanita Hinkson and Mrs. Velda Husbands who were founding members, as well as Mr. Hudson Lucas who was Operations Manager from 1994 – 2018. He noted that these occurrences had had a dampening effect on the year and asked members to observe a moment's silence in their memory.

5.2 Mr. Hutchinson reminded the members of the Standing Orders for conduct of meetings on page 63 of the conference booklet.

5.3 Mr. Hutchinson recognized the presence of Mr. Patrick McDonald of University of the West Indies Credit Union and Mr. Kevin Whittaker of Endeavour Credit Union.

6.0 MINUTES OF ANNUAL GENERAL MEETING OF JUNE 4, 2017

6.1 Errors and Omissions

The following amendments were made

6.2 Page 11, Item 10.4 – Change “Mr. Walter” to “Mr. Harper”

6.3 Page 15, Item 19.0 – Change “CCCV” to “CCCU”

6.4 There were no other errors and omissions.

6.5 A motion for the adoption of the Minutes was proposed by Mrs. Sheila Babb and seconded by Mr. Lemuel Tull. The motion was carried unanimously with a vote of sixty-one (61) “For,” zero (0) “Against” and zero (0) “Abstentions”.

7.0 MATTERS ARISING FROM MINUTES OF JUNE 4, 2017

7.1 **Page 8, Item 8.4 Re. Zone Meetings.** Mr. Rodley Trotman asked about zoning in order to promote the Credit Union more. Mr. Hutchinson said that it had been discussed but there was a need for persons to assist with execution of such a venture. He mentioned that there was an idea for semi-professional help in the area of marketing for 2018-2019.

7.2 **Page 14, Item 21.1 Re. Donations.** - Mr. Brent Shuffler asked about the level of donations for the year under review. Mr. Hutchinson replied that \$17,012 had been donated to various organisations and that, where needed, a rotation system was employed to ensure equity of contributions.

7.3 There were no other matters arising.

8.0 REPORT OF THE BOARD OF DIRECTORS

8.1 The Board of Directors' Report for the period April 2017 to March 2018 was presented by the President, Mr. Victor Hutchinson.

8.2 Mr. Hutchinson drew the members' attention to the increase in income, but cautioned that the Credit Union would be challenged to maintain this in the future. He noted the number of loans versus the value of money borrowed as well as the increasing age of members and an ongoing need for members to borrow more.

At this point, the President welcomed Mr. Hally Haynes, President of Caribbean Confederation of Credit Unions and Police Credit Union, Mr. Kevin Lashley of United Enterprise Credit Union and Miss Judy Holder of UWI Co-operative Credit Union.

8.3 Mr. Hutchinson drew members' attention to the success of the 50th Anniversary Celebrations, the Cora Waldron Scholarship Presentations and Educational Sessions that had been held during the year. He invited suggestions for topics for future educational meetings. He also asked members to consider ideas for keeping the memory of Mr. Lucas alive.

8.4 Mr. Shuffler stated that the Credit Union needed to have an online platform. Mr. Anthony Alleyne referenced the Credit Union's website as its online presence. Mr. Anthony Alleyne noted that discussions were ongoing with respect to updating the Credit Union's website and laying a foundation for other online services if agreed. Mr. Shuffler further noted the need for user login and other such services. Mr. Walter Harper stated his enthusiasm for technology but warned that it came with a significant cost at times and could erode surplus if not dealt with properly. He further noted the expense associated with card and online services and gave his view that any such move would need careful examination and significant discussion.

Mr. Shuffler went on to highlight the need for a strategic mindset regarding these issues and suggested that other successful Credit Unions in the region should be analysed.

Mr. Hutchinson said that the Barbados Co-operative & Credit Union League Limited was currently looking at shared services.

Mr. Victor Benn pointed out the distinction between banks and Credit Unions as well as the impact of the volume of transactions each performed on the cost of expanding technology. Mr. Benn further noted the need to consider security risks and to take small steps when implementing any new systems.

8.5 Ms. Jeanette Vaughn queried the use of paid personnel for marketing. She suggested that schools should be targeted and teachers encouraged to join the Credit Union. She also mentioned the possible use of union shop stewards to speak to teachers in order to attract persons who would positively add to the Credit Union, as opposed to contributing to bad debt.

Mr. Hutchinson informed members that much of the Credit Union's bad debt was based on old loans and that there needed to be a change in the way the Credit Union approached the issue of delinquency.

8.6 A motion for the acceptance of Board of Directors' Report was proposed by Ms. Sherrill Connell-Roberts and seconded by Mr. C. Walter Harper.

The motion was carried by a vote of seventy (70) 'For', zero (0) "Against" and zero (0) "Abstentions".

9.0 REPORT OF THE CREDIT COMMITTEE

9.1 The Credit Committee Report was presented by the Chairman Ms. Sherry-Ann Scott-King.

9.2 Ms. Scott-King noted that 811 loans were approved at a value of \$7,955,277.47. She referenced (1) an improvement in Mortgages and (2) changes which were made to some loan categories. She highlighted disbursements which were outlined on pages 30 and 31 of the conference booklet and pointed out the popularity of the Line of Credit and School Supplies loans.

Ms. Scott-King stated that if left unchecked, delinquency could become a significant issue. She thanked members of her committee and the Credit Union for their support during the year.

9.3 A motion for the acceptance of the Credit Committee Report was proposed by Mr. C. Walter Harper and seconded by Mr. Henderson McClean.

9.4 The vote taken was seventy-three (73) “For”, zero (0) “Against” and zero (0) “Abstentions”. The motion was carried.

10.0 REPORT OF THE SUPERVISORY COMMITTEE

10.1 Mr. C. Walter Harper, Chairman of the Supervisory Committee presented the Committee’s Report which was contained on page 35 of the conference booklet.

10.2 He outlined the duties of the committee and introduced members who had served for the year. Key points from the report included:-

- The assignment of committee members to monitor specific areas of the Credit Union’s operations.
- The querying of areas of interest and concern to the smooth operation of the society.
- The acknowledgement of the difficult and competitive economic conditions in Barbados.
- The view that the Credit Union was well run during the period under review.
- The need for restructuring services and operations to meet current challenges.

10.3 A motion for the acceptance of the Report was proposed by Ms. Sherry-Ann Scott King and seconded by Mr. Trevor Daniel.

10.4 The vote taken was sixty-nine (69) “For”, zero (0) “Against” and one (1) “Abstention”. The motion was unanimously carried.

11.0 AUDITED FINANCIAL STATEMENTS

11.1 Mr. Peter J. Carter from the firm Peter J. Carter & Co. Chartered Accountants presented the Auditor’s Report which was highlighted on Pages 40 – 59 of the Conference Booklet.

11.2 He thanked the Credit Union and its members for allowing the Accounting Firm Peter J. Carter & Co. to audit the Financial Statements for the year 2017- 2018. He read their

“Opinion” which was stated on Page 40 of the Report and concluded that all the audited the Financial Statements for the period were in accordance with International Financial Reporting Standards (IFRS).

11.3 A motion for the acceptance of the Report was proposed by Mr. Victor Benn and seconded by Ms. Trudy Layne.

11.4 The vote taken was seventy-one (71) “For”, zero (0) “Against” and zero (0) “Abstentions”. The motion was unanimously carried.

12.0 TREASURER’S REPORT

12.1 Mr. Lorton Graham, Treasurer presented the Treasurer’s Report.

12.2 He complimented the Auditors for their work and highlighted the growth in assets, the increase in cash deposits and the need for greater borrowing by members. Special mention was made of the continuing reduction in interest rates for investments and its impact on the Credit Union.

Mr. Graham also mentioned the decision to reduce interest rates on large cash deposits at the Credit Union. He ended by reminding members that delinquency was an area that needed focus in the new financial year.

12.3 Mr. Shuffler asked whether there was a limit on the Central Fund Facility and also asked about the imminent impact of new financial standards on provision for bad loans. Mr. Graham indicated that provision for bad loans would have to be increased in the upcoming year as a result of the new IFRS standards.

The Accountant Mr. Dias stated that there was no assessment of this impact for the current financial year and that accounting firm Deloitte had been contracted to develop a formula to show the actual impact on the League.

Mr. Dias informed members that there was an aggressive push with respect to bad loans over the past 6-12 months and that an analysis had been made of the age of arrears so as to clarify the actual position of the Credit Union.

Mr. Shuffler repeated his view that full disclosure was needed, especially for loans which were delinquent for more than 12 months.

12.4 A motion for the adoption of the Treasurer’s Report was proposed by Mr. Lemuel Tull and seconded by Mrs. Sheila Babb.

12.5 The vote taken was seventy-four (74) “For”, zero (0) “Against” and zero (0) “Abstentions”. The motion was unanimously carried.

13.0 DISTRIBUTION OF SURPLUS

13.1 President Mr. Victor Hutchinson announced that \$555,568.00 in surplus was available for distribution. Treasurer Mr. Lorton Graham proposed that 0.5% (approximately \$316,883.00) for Dividends and 6% (approximately \$179,289.00) for Patronage Refund be paid. The motion was seconded by Mr. Brent Shuffler.

13.2 The vote taken was eighty-six (86) “For”, zero (0) “Against” and one (1) “Abstention”. The motion was carried.

14.0 AMENDMENTS TO THE BY-LAWS

14.1 There were no amendments to the By-Laws.

15.0 RESOLUTIONS

15.1 There were no Resolutions.

16.0 APPOINTMENT OF AUDITORS FOR 2016 - 2017

16.1 A motion to appoint the firm of Peter J. Carter & Co as Auditors for 2018-2019 was proposed by Mr. Lorton Graham and seconded by Mr. Lemuel Tull.

16.2 The vote taken was seventy-seven (77) “For”, zero (0) “Against” and zero (0) Abstentions”. The motion was carried unanimously.

17.0 SETTING THE MAXIMUM LIABILITY

17.1 Mr. Lorton Graham proposed that the maximum liability remain at \$10,000,000.00. This motion was seconded by Mr. C. Walter Harper.

17.2 The vote taken was seventy-one (71) “For”, zero (0) “Against” and zero (0) “Abstentions”. The motion was carried unanimously.

18.0 ELECTIONS

The Chairperson invited Mr. Hally Haynes, President of CCCU to function as the Returning Officer. This was unanimously approved by members. He was assisted by Mr. Keith Jones and Mr. Patrick McDonald.

Mr. Haynes referenced the new Financial Services Commission Guidelines with respect to Nominating Committees which would be necessary for the next Annual General Meeting election.

18.1 BOARD OF DIRECTORS

Mr. Hally Haynes, Returning Officer, announced that from the Board of Directors there were two (2) vacancies. Messrs Merton Brathwaite and Atherley Burrowes were ineligible for re-election, having served two successive periods.

The following nominations were received:

Nominees	Proposed by	Seconded by	Votes received
Sherry-Ann Scott King	Merton Brathwaite	Victor Benn	89
Lorton Graham	Merton Brathwaite	Victor Benn	102
C. Walter Harper	Merton Brathwaite	Victor Benn	38
Sheila Babb	Lemuel Tull	Henderson McClean	24
Rodney Millington	Errol Brathwaite	Winston Dowrich	40

A motion to close the nominations had been proposed by Mr. Athelstone Catling and seconded by Mr. Henderson McClean. This was approved by a unanimous vote.

It was declared that Mr. Lorton Graham and Ms. Sherry-Ann Scott-King were duly elected to the Board of Directors for a period of two years.

18.2 CREDIT COMMITTEE

Nominations to fill three (3) vacancies were invited. It was stated that two persons had completed two consecutive terms of office while one other officer, Ms. Audrey Burrowes was not interested in re-election at this time.

The following persons were nominated, receiving the votes indicated below:

Nominees	Proposed by	Seconded by	Votes received
Rodney Millington	Errol Brathwaite	Anthony Alleyne	83
Winston Dowrich	Errol Brathwaite	Anthony Alleyne	58
Quincy Jones	Errol Brathwaite	Anthony Alleyne	43
C. Walter Harper	Athelstone Catling	Lorton Graham	81
Henderson McClean	Athelstone Catling	Lorton Graham	81

A motion to close the nominations had been proposed by Mrs. Sheila Babb and seconded by Mr. Athelstone Catling. The motion was carried.

It was declared that Messrs Rodney Millington, C. Walter Harper and Henderson McClean were duly elected to serve on the Credit Committee for a period of two years.

18.3 SUPERVISORY COMMITTEE

It was stated that there were three (3) vacancies on the Supervisory Committee. Mr. C. Walter Harper and Captain Rodney Millington had served two terms in office, while Mr. Henderson McClean was elected earlier to the Credit Committee.

The following were nominated:

Nominees	Proposed by	Seconded by
Sheila Babb	Lemuel Tull	Trudy Layne
Winston Dowrich	Audrey Burrowes	Rodney Millington
Quincy Jones	Errol Brathwaite	Juliet Holder

A motion to close the nominations had been proposed by Mr. Lorton Graham and seconded by Mr. Athelstone Catling. The motion was carried.

It was declared that Messrs Quincy Jones and Winston Dowrich along with Mrs. Sheila Babb were duly elected unopposed to the Supervisory Committee for two years.

19.0 DONATIONS

Mr. Victor Hutchinson resumed the chairmanship of the proceedings. He thanked Mr. Haynes and his committee for their assistance with the election.

19.1 Mr. Lorton Graham proposed that the annual allocation for Donations remain at the amount of \$20,000.00. This motion was seconded by Ms. Sherrill Connell-Roberts

19.2 The vote taken was fifty-five (55) “For”, zero (0) “Against” and zero (0) “Abstentions. The vote was unanimously carried.

20.0 HONORARIA

20.1 Mr. Lorton Graham proposed that the monthly honoraria for committee members remain at the following amounts:

Board of Directors	\$350.00
Credit Committee	\$275.00
Supervisory Committee	\$275.00.

20.2 He also proposed that special honoraria be paid as follows:

Committee Member	\$1,000.00
Chairperson of Credit and Supervisory	\$1,300.00
Chairperson of the Board of Directors	\$1,500.00
Secretary and Treasurer	\$2,000.00 each

This motion was seconded by Mr. C. Walter Harper.

20.3 The motion was carried unanimously with fifty-seven persons voting in favour (57), zero (0) “Against” and zero (0) “Abstentions.”

21.0 ANY OTHER BUSINESS

21.1 Mr. Hutchinson informed new committee members of a meeting scheduled for Monday, June 5, 2018 at 5:30 p.m. to confirm positions on the various committees.

21.2 Mr. Hutchinson reminded the meeting of the guidelines of the FSC regarding the appointment of a Nominating Committee for the process of election guide election of members to committees. He mentioned that proposals would be discussed at an upcoming educational session.

21.3 Mr. Brent Shuffler asked about the possibility of financial statements being emailed. He also suggested that scholarships could be used for the development of teachers or in recognition of outstanding teachers.

22.0 TERMINATION

22.1 The meeting was terminated at 8:12 p.m. on a motion by Mr. Glyne Drakes which was seconded by Ms. Claudia Alleyne.

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LIMITED

SPECIAL GENERAL MEETING

Minutes Of A Special General Meeting Of The Barbados Teachers' Co-operative Credit Union Limited On Saturday, February 09, 2019 At 3:30 pm At The "John W. Lovell Building", Lower Collymore Rock, St. Michael.

1.0 CALL TO ORDER

- 1.1 The meeting was called to order at 4:07 pm by President, Mr. Lorton Graham, who explained that the gathering was being reconvened after original efforts to discuss the matters at hand had suffered from the lack of a quorum on Saturday, January 26, 2019.

2.0 PRAYER

- 2.1 Prayers were led by Mr. Lemuel Tull.

3.0 INTRODUCTION

- 3.1 The President outlined the main purpose of the meeting as being a proposal to amend By-Laws 14, 16, 21, 24 and 41. Proposed Amendments to By-Laws 14, 16, 21 and 24 sought to reduce the Qualifying Shares for membership from sixty (60), or three hundred dollars (Bds \$300.00) to ten (10) or fifty (50) dollars (Bds \$50.00). The proposed amendments to By-Law 41 were needed for compliance with new requirements for Election of the Board of Directors and of Committee Members which included the establishment of a Nominating Committee to receive and to vet all nominations of candidates to serve on the Board of Directors, the Credit Committee and the Supervisory Committee.

4.0 NOMINATING COMMITTEE

- 4.1 President Mr. Lorton Graham secured agreement with the members present to discuss By-Law 41 first.

He then explained that the establishment of a Nominating Committee was a requirement under the relevant guidelines of the Financial Services Commission for Credit Unions. The Committee had to be in place for the next Annual General Meeting in June 2019.

- 4.2 Members were then led through a discussion of the proposed amendments by use of a power point presentation and reference to a handout with the proposed changes that had been circulated prior to the meeting.

4.3 (1) It was proposed by Mr. Lemuel Tull, and seconded by Mrs. Sheila Babb, that the By-Law 41(d) be amended to read as follows: No member is eligible to be elected to the Board, the Credit Committee or the Supervisory Committee unless:

(d) “he is in good financial standing with the Society;”

The resultant vote was: For: Fifty-Two (52) votes
Against: Zero (0)
Abstentions: Zero (0)

4.3 (2) It was proposed by Lieutenant Colonel Errol Brathwaite and seconded by Mr. Roosevelt Taitt that By-Law 41 (2) be amended to read:

“Members of the Board of Directors, Credit and Supervisory Committees, employees and agents shall sign within one (1) month of the commencement of their term of office, but not less frequently than once every two (2) years, declarations relating to faithful performance of duties, secrecy of transactions with members, confidentiality, and loyal and faithful support of the Society.”

The resultant vote was: For: Fifty-Two (52) votes
Against: Zero (0)
Abstentions: Zero (0)

4.3 (3) It was proposed by Mr. Cameron Walter Harper and seconded by Mr. Roosevelt Taitt that a new By-Law 41 (3) be adopted as follows:

41(3) “The following shall apply to the conduct of elections in accordance with Sections 56, 57, 205 and 211 of the Act, paragraph 13 of the Regulations, and these By-Laws;

- (a) not less than 90 days prior to the Annual General Meeting, the Board of Directors shall appoint a Nominating Committee.
- (b) the Committee shall consist of at least three (3) persons of whom no more than one (1) may be a member of the Board of Directors, and who is not a nominee for any vacancy during the elections.
- (c) the committee shall ensure that all nominees for office are qualified pursuant to the Act, Regulations and the By-Laws of Credit Union;
- (d) the committee shall ensure that all nominees have consented to the nomination;
- (e) the committee shall present to the Board, and to the A.G.M. a list of all valid nominees for vacancies for which elections are to be held;
- (f) all elections shall be by ballot and shall be determined by a majority vote except where the number of nominees does not exceed the number of persons to be elected;
- (g) the Board of Directors may establish guidelines for the Nominating Committee that are consistent with the Act, the Regulations and the By-Laws;

- (h) in the event that a position on the Board or on the Credit Committee is not filled at the A.G.M. subject to Section 56 and Section 205 of the Act, the Board of Directors may fill such position;
- (i) in the event that a position on the Supervisory Committee is not filled at the A.G.M., subject to Section 215 of the Act, the Supervisory Committee may fill such position.”

The resultant vote was: For: Fifty-Two (52) votes
Against: Zero (0)
Abstentions: Zero (0)

- 4.3 (4) It was proposed by Mr. Cameron Walter Harper and seconded by Ms. Juliet Holder that a new By-Law 41 (4) be included as follows:

“Not less than one hundred and twenty (120) days prior to the Annual General Meeting, the Board, by public advertisement, shall give notice of the upcoming elections.”

The resultant vote was: For: Fifty-One (51) votes
Against: Zero (0)
Abstentions: Zero (0)

- 4.4 (1) The President then drew members attention to By-Laws 14 (2), 16 (3), 17 (c) and 24, which included reference to Qualifying Shares. The Board was suggesting that the requirement of sixty (60) such shares should be adjusted to ten (10) shares. This would facilitate plans for a fresh recruitment drive.

- 4.4 (2) Ms. Sherrill Connell-Roberts proposed that By-Law 14 (2) be amended to read as follows:
“The approval of applicants for membership shall be by a majority decision of the Board.

No applicant shall be admitted and enrolled as a member or entitled to any rights or privileges of membership until he has paid an entrance fee of not exceeding fifty (50) dollars, or as the Board may from time to time fix, and subscribe to ten (10) qualifying shares.”

The motion was seconded by Mrs. Eudora Mascoll.

The resulting vote was: For: Fifty (50) votes
Against: Zero (0)
Abstentions: Zero (0)

- 4.4 (3) It was proposed by Lieutenant Colonel Errol Brathwaite and seconded by Ms. Lenora Headley that By-Law 16 (3) be amended to read:

“The joint applicants, upon acceptance and the purchase of ten (10) qualifying shares, shall be enrolled as a member and shall be entitled to any of the rights and privileges of membership.”

The vote was: For: Fifty (50) votes
Against: Zero (0)
Abstentions: Zero (0)

4.4 (4) It was proposed by Captain Rodney Millington and seconded by Mrs. Sheila Babb that By-Law 17 (c) be amended to read as follows:

(A person ceases to be a member of the Society :)

“c- On ceasing to hold at least ten (10) qualifying shares in the Society.”

The resulting vote was: For: Fifty-Two (52) votes

Against: Zero (0)

Abstentions: Zero (0)

4.4 (5) It was proposed by Ms. Claudine Alleyne and seconded by Ms. Heather Craig-Gill that By-Law 24 be amended to read as follows:

“New members shall pay contributions to the value of ten (10) qualifying shares upon acceptance of membership.”

The vote taken was: For: Fifty-Two (52) votes

Against: Zero (0)

Abstentions: Zero (0)

4.4 (6) After some discussion on the merit of the inclusion of a section in the By-Laws for Appendices, it was proposed by Mr. Cameron Walter Harper and seconded by Mr. Lemuel Tull that the By-Laws be amended to provide for such Appendices. This would be By-Law 94.

The Existing By-law 94 would become By-Law 95.

The proposed resolution was:

“Be it resolved that the By-Laws be amended to include provision for the use of Appendices as deemed desirable in order to reflect by-law amendments, guidelines to policies, and so on.

Be it further resolved that this By-Law be By-Law 94.

Be it further resolved that the Guidelines for the Nominating Committee be one such Appendix:

Be it further resolved that existing By-Law 94 become By-Law 95.

The resulting vote was: For: Fifty-Two (52) votes

Against: Zero (0)

Abstentions: Zero (0)

4.5 The President then declared all the foregoing amendments to be duly passed.

4.6 In response to a query, the President indicated that candidates for elections at the A.G.M would be required to submit a completed ‘Fit & Proper’ questionnaire, a resume, a certificate of character from the Royal Barbados Police Force, and a certified copy of his/her passport picture page or other Government issued identification.

- 4.7 After informing the meeting that the A.G.M was scheduled for Saturday, June 22, 2019, the President thanked members for their presence and participation in the discussion.
- 4.8 The meeting was adjourned at 5:15 p.m.

SIGNED BY THE PRESIDENT AND SECRETARY AS A TRUE RECORD ON THE 20th DAY OF FEBRUARY, 2019.



.....
Mr. Lorton Graham
President



.....
Mr. Anthony Alleyne
Secretary

REPORT OF THE BOARD OF DIRECTORS OF THE BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LIMITED FOR THE FINANCIAL YEAR 2018 – 2019

1. DIRECTORS	APRIL 2018 TO JUNE 2018	JUNE 2018 TO APRIL 2019
President	Victor Hutchinson	Lorton Graham
1 st Vice President	Merton Brathwaite	Victor Hutchinson
2 nd Vice President	Clayton Hope	Clayton Hope
Secretary	Anthony Alleyne	Anthony Alleyne
Assistant Secretary	Trevor Daniel	Trevor Daniel
Treasurer	Lorton Graham	Sherry-Ann Scott-King
Assistant Treasurer	Athelstone Catling	Athelstone Catling

2. INTRODUCTION

The year in review coincided with the implementation of The Barbados Economic Recovery and Transformation program (BERT) which had a severe impact on our business. The Board of Directors inspired by our fiftieth anniversary theme “Exceeding The Vision”, determined that with careful management the Society would overcome the challenge and have that “Stronger Future Together”. Hence we stuck to our established model of paying careful attention to issues of governance, regulatory compliance and member concerns.

The Board in this year has been responsible for developing a number of policy documents. Regulatory Compliance drove the development of a policy on Sexual Harassment in the Workplace and one for the establishment of a Nominating Committee. Operational concerns led to the modification of the Loan Policy.

The income stream from loans in our Society for the last few years has not been as strong as the Board would have liked. This may be attributed in part to our existing demographics. As a consequence we have continued to modify our loan policy with special emphasis on interest rates to make loans more attractive for our members. We have also amended our By-Laws to reduce the cost and other requirements previously required to become members.

Rental income is not substantial and our returns from private sector investments have been sluggish as the interest offered continues to decline with each successive maturing period. The BERT programme has now impacted very negatively on our income from Government investments (debentures, bonds and fixed deposits).

3. CORA WALDRON SCHOLARSHIP AWARDS 2018

The Juanita Hinkson Auditorium was the venue for the 2018 presentation of the Cora Waldron Scholarship. The awardees - Miss Tayeshanna Alexander, Mr. Delano Edwards, Miss Rasheda Harding, Mr. Nathan Lovell and Mr. Asher Payne - gathered with elected officers and staff on Saturday, September 29th, 2018 to receive their awards and were treated to a touching reflection on life and education by Mrs. Cora Waldron herself.

4. DONATIONS

The Society has continued to respond to calls for help as many institutions can testify. One major outlay continues to be the support of athletics at the Primary and Secondary level.

5. CONFERENCES

Five members represented the Society at the Caribbean Confederation of Credit Unions (CCCU) convention held in Trinidad and Tobago. They were Clayton Hope, Lorton Graham, Linda Archer, Walter Harper and Shirnell Gamble. These persons were treated to a range of educational experiences in subjects as diverse as Customer Service, Succession Planning and the Implementation and Impact of the accounting system known as IFRS9. Needless to say they enjoyed the hospitality of the twin island republic.

6. EDUCATIONAL SESSIONS

The Board sought throughout the year to educate the general membership through Educational Meetings. Two areas which received attention were Sexual Harassment in the Workplace and the introduction of a Nominating Committee for the process of elections to fill vacancies on the Board of Directors, the Credit Committee and the Supervisory Committee. The latter could not have been achieved without amendments to our By-Laws.

Members doing business on October 10th had their Blood Sugar, Blood Pressure and Cholesterol tested by a team of Health Care professionals from Coverley and Sandy Crest Medical Centres. The findings prompted a follow-up session which took place in April. The focus of this session was hypertension: the disease and its impact on our community.

7. STAFF AND CONSULTANTS

The BTCCULtd has continued to provide service to its members with what is really a small team. With the passing of Mr. Hudson Lucas the team was led by the Accountant Mr. Mark Dias for six months. This acting assignment ended with the recruitment of Mr. Davidson Ishmael to the post of Operations Manager in July 2018. The Board welcomes Mr. Ishmael and wishes him well in his term as Operations Manager.

Staff development being critical in our demanding environment, the services of BIMAP were employed to do a staff training exercise. The team was highly complimentary of the exercise.

During the month of October Mr. Victor Benn tendered his resignation as our IT consultant. This was a role he had managed singlehandedly and successfully since 1998. The IT responsibilities were contracted to Lumisol. The Board looks forward to a mutually beneficial partnership with Lumisol. The Board expresses deep gratitude to Mr. Benn and extends best wishes for a healthy and happy retirement. The Internal Auditor and the Property Manager continue to make their services available to the society.

8. CONCLUSION


Whereas the Credit Union’s respected position in the movement remains intact, it is a regret that the desired growth in membership and general business has not been realised. There was a 4% decline in loans sought by members when compared with the corresponding period last year, with a drop of 11% in their dollar value.

TABLE 1: A TABLE SHOWING THE NUMBER AND VALUE OF LOANS FOR THE PERIOD APRIL 2018 TO MARCH 2019

	Year Ending			%
	March 2019	March 2018	Difference	
Number of Loans	775	811	-36	-4.4%
Value of Loans	\$7,045,180	\$7,955,227	\$-910,047	-11.4%

A marketing strategy has been discussed with a view to reversing this trend and the proposed activities have begun, which we anticipate will bear fruit in the near future.


The Board thanks the Staff, Committee Members and Consultants for their service and the Members for their patronage.




 Lorton Graham
 President



 Victor Hutchinson
 1st Vice President



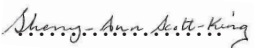
 Clayton Hope
 2nd Vice President



 Anthony Alleyne
 Secretary



 Trevor Daniel
 Assistant Secretary



 Sherry-Ann Scott-King
 Treasurer



 Athelstone Catling
 Assistant Treasurer

**REPORT OF THE CREDIT COMMITTEE
BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LIMITED
FOR THE FINANCIAL YEAR 2018-2019**

Membership

APRIL 2018-MAY 2018

CHAIRMAN: Sherry-Ann Scott-King

SECRETARY: Juliet Holder

MEMBERS: Linda Archer
Sheila Babb
Audrey Burrowes

MAY 2018 – MARCH 2019

CHAIRMAN: Juliet Holder

SECRETARY: Capt. Rodney Millington

MEMBERS: Linda Archer
C. Walter Harper
Henderson McClean

The Barbados Teachers' Co-operative Credit Union Limited has continued to maintain its competitiveness despite the prevailing challenging economic environment.

During the period under review, April 1, 2018 to March 31, 2019, the Credit Committee met on a monthly basis to review and process loan applications. All the applications that met the lending criteria were approved.

A total of 775 loan disbursements, totaling \$7,045,180.88, were approved and disbursed during the twelve month period ending March 31, 2019.

Charts and tables included in this report show the values disbursed per month, as well as the loan categories for the financial year under review April 1, 2018- March 31, 2019.

Table 1: A COMPARATIVE TABLE SHOWING THE NUMBER AND VALUE OF LOANS FOR THE PERIOD APRIL 2016 TO MARCH 2019

	2018-2019		2017-2018		2016-2017	
	No.	Value	No.	Value	No.	Value
April	63	\$585,245.77	51	\$ 431,254.45	65	\$643,880.17
May	56	\$441,132.22	61	\$929,005.06	49	\$435,435.55
June	86	\$800,754.50	97	\$922,757.06	68	\$925,392.41
July	66	\$503,075.78	73	\$661,373.40	105	\$783,022.46
August	85	\$768,379.86	81	\$627,395.49	93	\$983,925.72
September	47	\$541,198.45	61	\$684,741.02	34	\$376,499.29
October	67	\$1,238,072.16	57	\$580,296.04	51	\$505,830.02
November	83	\$564,567.11	81	\$724,857.68	72	\$1,148,656.74
December	85	\$558,504.54	87	\$410,754.80	113	\$882,567.00
January	53	\$343,637.64	56	\$674,778.13	42	\$424,852.33
February	54	\$258,468.07	51	\$536,890.04	55	\$740,135.64
march	30	\$442,144.78	55	\$771,124.30	60	\$978,198.21
TOTAL	775	\$7,045,180.88	811	\$7,955,277.47	807	\$8,828,395.54

Analysis of Table 1 shows that the months of June, August, November and December continue to be the months with the highest number of loans disbursements. During the period 2018-2019, the highest cash disbursements occurred in October, with a total of \$1,238,072.16.

The number of loans disbursed in the period 2018-2019 declined by 36. The value of the loans also declined by \$910,096.59 when compared to the corresponding financial period in 2017-2018. This decline in the values of the loans taken reflects a continuation of a trend seen over that last two years.

Table 2: VARIANCE ANALYSIS OF THE LOAN PORTFOLIO FOR THE FINANCIAL PERIODS APRIL 1, 2018- MARCH 31, 2019 AND APRIL 1, 2017-MARCH 31, 2018

LOAN CATEGORY	2018-2019		2017-2018		DIFFERENCE	
	NO	VALUE	NO	VALUE	NO	VALUE
Agriculture	-	-	1	\$3,500.00	-1	\$3,500.00
Car	16	\$761,397.25	32	\$1,644,873.09	-16	\$883,475.84
Home Improvement	33	\$498,319.08	47	\$423,697.42	-14	\$74,621.66
Other	147	\$919,389.43	144	\$931,049.07	3	\$11,659.64
Special Loan	114	\$897,664.32	91	\$724,781.10	23	\$172,883.22
School Supplies	195	\$610,625.11	173	\$441,349.02	22	\$169,276.09
Green Loan	-	-	-	-	-	-
Education	8	\$141,000.00	5	\$100,000.00	3	\$41,000.00
Debt Consolidation	2	\$23,146.28	.	-	2	\$23,146.28
Medical	1	\$3,000.00	1	\$20,000.00	0	\$17,000.00
Funeral	-	-	4	\$40,000.00	-4	\$40,000.00
Mortgages	32	\$2,044,438.75	39	\$2,196,506.85	-7	\$152,068.10
Travel	2	\$10,000.00	1	\$7,376.00	1	\$2,624.00
Land(non-mortgage)	1	\$11,440.00	1	\$70,000.00	0	\$58,560.00
Christmas	36	\$155,100.00	54	\$219,800.00	-18	\$64,700.00
Line of Credit	188	\$969,660.66	214	\$865,194.90	-26	\$104,465.76
Investment	-	-	1	\$50,000.00	-1	\$50,000.00
Small Business	-	-	3	\$217,100.00	-3	\$217,100.00
Total	<u>775</u>	<u>\$7,045,180.88</u>	<u>811</u>	<u>\$7,955,227.47</u>	<u>-36</u>	<u>\$910,046.59</u>

A variance analysis of the loan portfolio (Table 2) explains the decline of \$910,096.59 recorded in the period 2018- 2019.

PERCENTAGE OF TOTAL LOAN VALUE BY LOAN CATEGORY FOR THE FINANCIAL YEAR APRIL 1, 2018 – MARCH 31, 2019

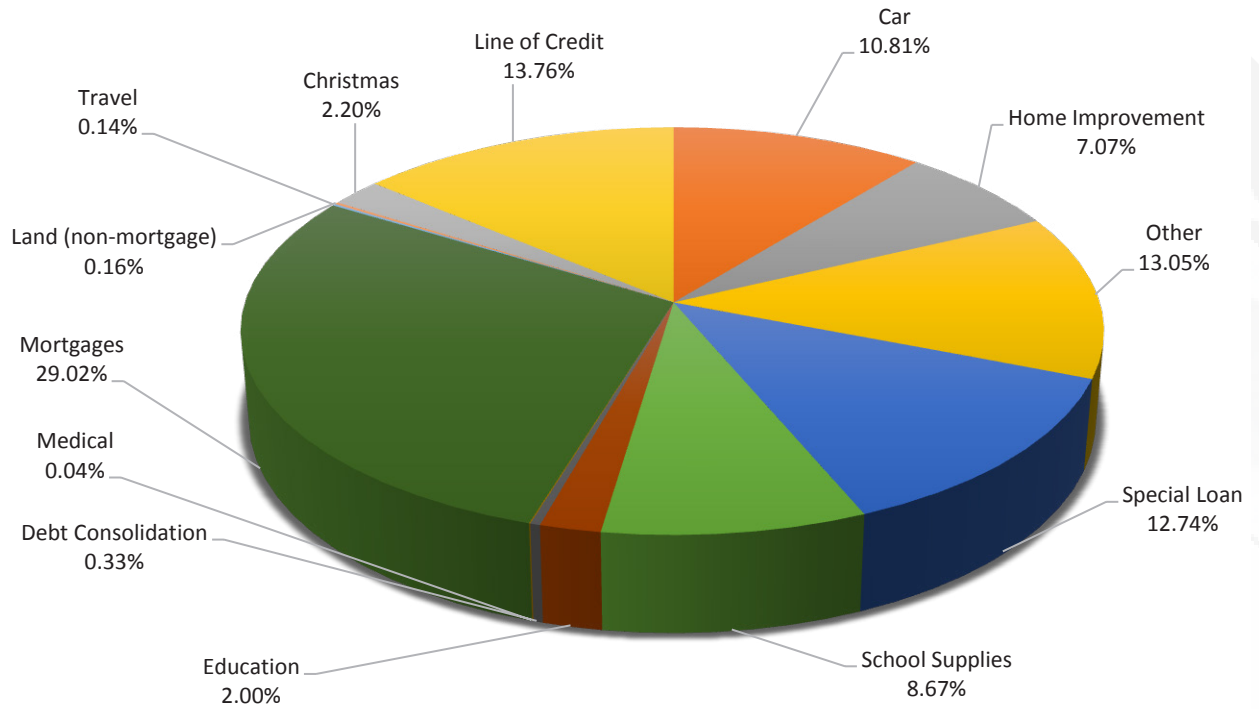


Figure 1: THE TOTAL LOANS DISBURSED APRIL 1, 2018 – MARCH 31, 2019

Analysis of the loan portfolio indicates that 29.02% of the total dollar value of the loan portfolio was attributed to Mortgage loans and 13.76% to Line of Credit. These two categories represent 42.78% of the total loans disbursed during the period under review.

THE NUMBER AND PERCENTAGES OF LOANS DISBURSED BY CATEGORY FOR THE FINANCIAL YEAR, APRIL 1, 2018 – MARCH 31, 2019

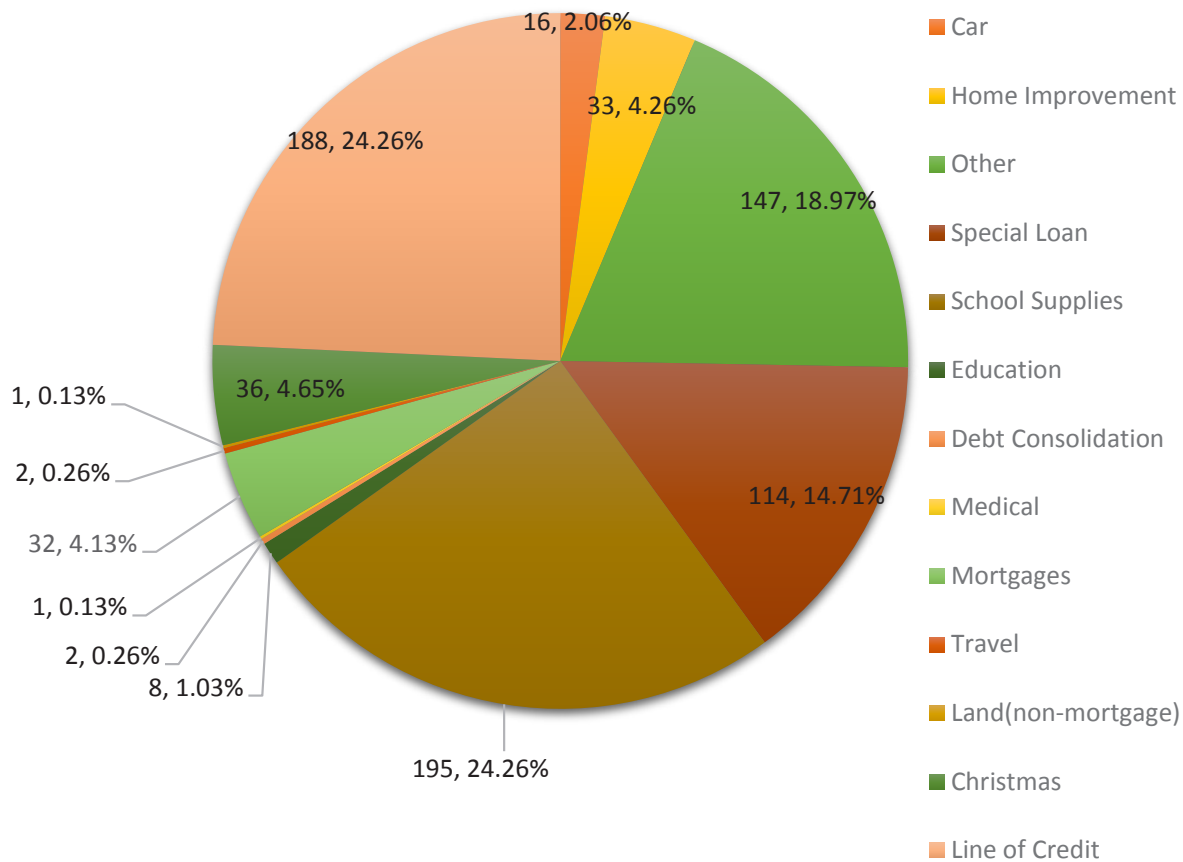


Figure 2: NUMBER AND PERCENTAGES OF LOANS DISBURSED, APRIL 1, 2018 – MARCH 31, 2019

The loan categories with the highest number of loans disbursed were the School Supplies (195) and the Line of Credit (188), accounting for 48.52% of the total number of loans distributed and 22.43% of the total dollar value of loans distributed. (Table 2).

DELINQUENCY

The Credit Union has been addressing the matter of delinquency and has implemented measures in an effort to reduce the number of delinquent loans. Table 3 shows the total number and value of delinquent loans on the Credit Union books for the period under review. As of **March 31, 2019**, there were **43** delinquent loans with a value of **\$1,374,143.77**, with an accrued interest of **\$65,650.05**. Delinquent loans consisted of **3.61%** of the loans in the loan portfolio.


TABLE 3: DELINQUENCY BY CATEGORY SUMMARY

LOAN CATEGORY	TOTAL AMOUNT OF LOANS	TOTAL AMOUNT DELINQUENT	PERCENT OF TOTAL	TOTAL INTEREST ACCRUED	TOTAL NO. OF LOANS	DELINQUENT LOANS	DELINQUENCY %
AGRICULTURE	\$124,857.94	\$45,640.00	36.55%	\$2,588.93	2	1	50.00%
CAR	\$4,066,053.01	\$257,569.76	6.33%	\$21,812.37	125	7	5.60%
CHRISTMAS SHOPPING	\$97,058.72	-	0.00%		36	0	0.00%
CONSOLIDATED DEBT LOANS	\$139,461.08	-	0.00%		5	0	0.00%
EDUCATIONAL	\$608,487.08	-	0.00%		22	0	0.00%
FUNERAL EXPENSES	\$10,173.73	-	0.00%		3	0	0.00%
GREEN LOAN	\$14,531.30	-	0.00%		2	0	0.00%
HOME IMPROVEMENT	\$2,762,775.26	\$33,927.62	1.23%	\$531.15	106	2	1.89%
HOUSE INSURANCE	\$50,768.37	-	0.00%			0	0.00%
HOUSING AND LAND MORTGAGE	\$21,688,616.36	\$307,436.23	1.42%	\$18,670.99	125	9	7.2%
INVESTMENT LOAN	\$48,875.42	-	0.00%		1	0	0.00%
LAND PURCHASES	\$3,320,079.39	\$277,169.00	8.35%	\$5,430.12	34	2	5.88%
LINE OF CREDIT	\$2,829,054.28	\$88,625.16	3.13%	\$4,540.96	217	12	5.53%
MEDICAL BILLS	\$48,111.38	-			6	0	0.00%
OTHER LOANS	1,598,843.66	\$16,906.92	1.06%	\$639.63	162	4	2.47%
RESCHEDULED MORTGAGE	\$289,063.53	\$69,106.00	23.91%	\$4,989.29	1	1	100.00%
SCHOOL SUPPLIES	\$615,363.88	\$3,439.84	0.56%	\$188.82	136	1	0.74%
SMALL BUSINESS LOANS	\$729,197.15	\$273,014.10	37.44%	\$6,249.79	10	3	30.00%
SPECIAL LOAN FACILITY	\$2,005,493.22	\$1,309.14	0.07%	\$7.99	138	1	0.72%
TRAVEL	\$4,951.45	-	0.00%		2	0	0.00%
TOTAL	\$41,051,816.21	\$1,374,143.77	3.35%	\$65,650.05	1192	43	3.61%

CONCLUSION

I would like to acknowledge the diligence of the members of the Credit Committee over the past year, as well as the Board of Directors, the Supervisory Committee, Management and Staff for their cooperation and able assistance during this financial year.

I would also like to thank the membership, on behalf of the Credit Committee, for entrusting us with this important task. As I conclude my first term of service on the Credit Committee, I would like to express my gratitude to you members, as it was a pleasure for me to have served on the Credit Committee.


 Juliet Holder
 Chairperson

REPORT OF THE SUPERVISORY COMMITTEE OF THE BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LIMITED FOR THE FINANCIAL YEAR APRIL 2018 TO MARCH 2019

MEMBERSHIP

APRIL – JUNE 2018

CHAIRMAN: C. Walter Harper
SECRETARY: Capt. Rodney Millington
MEMBERS Lt. Col. Errol L. Brathwaite
Sherrill Connell-Roberts
Henderson McClean

JUNE – MARCH 2019

CHAIRMAN: Lt. Col. Errol Brathwaite
SECRETARY: Quincy Jones
MEMBERS: Winston Dowrich
Sherrill Connell-Roberts
Sheila Babb

DUTIES

The functions of the Supervisory Committee are outlined in (i) Section 212 of the Co-operative Societies Act CAP.378A of the Laws of Barbados and (ii) in Section 73 of the By-Laws of the Barbados Teachers' Co-operative Credit Union Limited.

The Supervisory Committee's duties require it to:

- examine the books of the Credit Union;
- appraise the policies and operating procedures of the Society in order to make recommendations to the Board of Directors and to the Credit Committee;
- verify the assets of the Society;
- confirm the cash instruments, property and security of the Society;
- confirm the shares, deposits and other holdings or balances of members;
- monitor the management of the Society;
- verify the assets of the Society and monitor whether the assets are properly protected;
- receive and investigate any complaint made by any member affecting the proper management of the Society;
- at least once a year have the accounts of members verified with the records of the Society.

OPERATIONS

The Supervisory Committee met monthly to examine the business of the Credit Union. This was to ensure that members' assets and savings were at all times safeguarded through maintaining safe internal control procedures and policies.

Individual supervisors were assigned specific tasks for the monitoring of all areas of the Credit Union's operations. Reports on all findings were presented and thoroughly discussed at the monthly meetings of the Supervisory Committee. The areas of examination included, but were not limited to:

- the books of the Credit Union;
- correspondence;

- the Minutes of the Board of Directors and of the Credit Committee;
- reports of the Internal Auditor;
- the loan portfolio;
- the delinquency portfolio.
- the reports

FINDINGS

The Supervisory Committee is satisfied that the Board of Directors, Credit Committee, Staff and other supporting entities performed their tasks in an efficient and professional manner, in accordance with applicable Laws and By-Laws.

The Supervisory Committee also acknowledges the efforts by the Board to ensure greater competitiveness, the educational meetings, the introduction of new, and the upgrade of existing policies.

RECOMMENDATIONS

The Supervisory Committee is of the view that the BTCCUL continues to maintain a high level of financial safety and reliability.

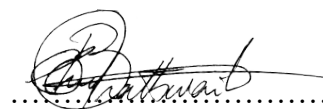
The Board must continue to develop and implement new and exciting strategies to ensure sustainable growth of membership and ultimately of the Societies assets. This can be achieved through greater visibility of the Credit Union and an initiative to recruit junior savers.

CONCLUSION

The Supervisory Committee affirms the resilient state of the Barbados Teachers' Co-operative Credit Union Limited and can confidently attest to the fact that during the period under review the management of the Society was very sound.

During the current difficult economic climate facing our country it is important that the business of the Credit Union continues to be prudently managed. This is critical to ensure continued growth during the coming year.

Finally, we wish to express our thanks to the Board of Directors, Credit Committee, Staff and Members of the BTCCUL and its stakeholders for their hard work in ensuring the success of the Society during this financial year.



Errol L. Brathwaite
Chairman



Quincy Jones
Secretary

The Passing Parade

The Barbados Teachers' Co-operative Credit Union Limited extends heartfelt condolences to the relatives and friends of all the members who passed into eternity during the year just ended.

Among these individuals were:

Mrs. Ethney Armentha Burke

Mrs. Merlene Marva Edwards

Ms. Faith Patricia Elliott

Ms. Marina O'Donna Foster

Mrs. Eula Elaine Lorde

Mr. Terence Fernando Moore

Mr. Cedric Clement Shepherd

Ms. Gerine Everne Simpson

May they Rest in Peace, and may light perpetual shine upon them.





**BARBADOS TEACHERS'
CO-OPERATIVE CREDIT UNION LTD.**

**FINANCIAL STATEMENTS
MARCH 31, 2019**

PJC

**Chartered Accountants
Barbados**

“we reckon but people count”

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.

**FINANCIAL STATEMENTS
MARCH 31, 2019**

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Independent Auditors' Report

The Members

Barbados Teachers' Co-operative Credit Union Ltd.

Opinion

We have audited the financial statements of Barbados Teachers' Co-operative Credit Union Ltd., which comprise the Balance Sheet as at March 31, 2019, and the Statement of Changes in Equity, Statement of Comprehensive Income and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Credit Union in accordance with the ethical requirements that are relevant to our audit of the financial statements in Barbados, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Credit Union's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the entity to cease to continue as a going concern.

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.

Other information

Management is responsible for any other information that is presented or distributed with the audited financial statements. Other information may comprise, for example, the content of a Company's Annual Report except for the financial statements and our Auditors' Report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read any other information as identified above and, in doing so, consider whether such other information appears to be materially misstated or inconsistent with the financial statements. If, based on the work we have performed, we conclude that there is a material misstatement in the other information, then we are required to report that fact. At the time of reporting we have not seen any other information and so we cannot offer any comment thereon.

Other Matter

This report is made solely to the Members of Barbados Teachers' Co-operative Credit Union Ltd., as a body, in accordance with Section 123 of the Co-operative Societies Act of Barbados. Our audit work has been undertaken so that we might state to the Members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Credit Union and its Members as a body, for our audit work, for this report, or for the opinion we have formed.



PETER J. CARTER & CO.
Chartered Accountants
Barbados

May 27, 2019

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.

Balance Sheet

March 31, 2019

Expressed in Barbados Dollars

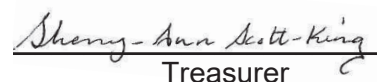
	<u>2019</u>	<u>2018</u>
Assets		
Current assets		
Cash and cash equivalents - Note 8	19,700,277	10,039,386
Accounts receivable and prepayments - Note 9	416,265	512,463
Current investments - Note 11	15,762,569	23,754,040
	<u>35,879,111</u>	<u>34,305,889</u>
Non-current assets		
Loans to members - Note 10	38,892,755	41,652,029
Non-current investments - Note 11	15,259,512	8,223,660
Property, plant and equipment - Note 12	3,342,523	3,329,269
Pension Plan asset - Note 13	124,063	117,733
	<u>93,497,964</u>	<u>87,628,580</u>
Total assets		
	<u>93,497,964</u>	<u>87,628,580</u>
Liabilities and equity		
Liabilities		
Accounts payable and accruals - Note 14	56,781	62,267
Deposits payable - Note 15	76,438,405	74,077,358
Qualifying shares - Note 16	974,019	957,080
	<u>77,469,205</u>	<u>75,096,705</u>
Total liabilities		
	<u>77,469,205</u>	<u>75,096,705</u>
Equity		
Statutory reserve	9,349,797	8,762,858
Undivided earnings	6,678,962	3,769,017
	<u>16,028,759</u>	<u>12,531,875</u>
Total equity		
	<u>16,028,759</u>	<u>12,531,875</u>
Total liabilities and equity		
	<u>93,497,964</u>	<u>87,628,580</u>

See notes to financial statements.

Approved by the Board of Directors, May 27, 2019, and signed on their behalf by:



President



Treasurer

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.

**Statement of Changes in Equity
Year ended March 31, 2019
Expressed in Barbados Dollars**

	Statutory reserve	Undivided earnings	Total
Balance - March 31, 2017	8,558,068	3,821,364	12,379,432
Bonus - 0.4%	-	(239,102)	(239,102)
Patronage refund - 5%	-	(164,117)	(164,117)
Entrance fees	94	-	94
Net income for year	-	555,568	555,568
Transfer to statutory reserve	204,696	(204,696)	0
Balance - March 31, 2018	8,762,858	3,769,017	12,531,875
Bonus - 0.5%	-	(316,787)	(316,787)
Patronage refund - 6%	-	(195,290)	(195,290)
Entrance fees	142	-	142
Net income for year	-	4,008,819	4,008,819
Transfer to statutory reserve	586,797	(586,797)	0
Balance - March 31, 2019	9,349,797	6,678,962	16,028,759

See notes to financial statements.

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.

Statement of Comprehensive Income
Year ended March 31, 2019
Expressed in Barbados Dollars

	<u>2019</u>	<u>2018</u>
Interest income		
Loans to members	3,178,126	3,285,788
Investments	875,968	1,281,801
Bank deposits	10,154	12,825
	<u>4,064,248</u>	<u>4,580,414</u>
Interest expense		
Demand deposits - 1% to 2% p.a. (prior year 2%)	1,465,885	1,510,507
Term deposits - 2% p.a. (prior year 2%)	19,158	817
Qualifying shares - 2% p.a. (prior year 2%)	384	19,696
	<u>1,485,427</u>	<u>1,531,020</u>
Net interest income	<u>2,578,821</u>	<u>3,049,394</u>
Other income		
Dividends	82,244	75,759
Rent	57,600	57,600
Sundry	27,102	32,520
	<u>166,946</u>	<u>165,879</u>
Other expenses		
Depreciation	100,609	91,726
Staff costs - Note 6	523,741	585,640
Other operating expenses	1,916,017	1,973,350
	<u>2,540,367</u>	<u>2,650,716</u>
Net income for year	205,400	564,557
Other comprehensive income		
Pension re-measurements	4,612	(8,989)
Fair value change through OCI	3,798,807	0
Net comprehensive income for year	<u><u>4,008,819</u></u>	<u><u>555,568</u></u>

See notes to financial statements.

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.

Statement of Cash Flows
Year ended March 31, 2019
Expressed in Barbados Dollars

	<u>2019</u>	<u>2018</u>
Cash provided / (used) by:		
Operating activities		
Net comprehensive income for year	4,008,819	555,568
<i>Add items not involving cash</i>		
Depreciation	100,609	91,726
Pension Plan expense	4,395	21,023
	<u>4,113,823</u>	<u>668,317</u>
<i>Change in non-cash operating items</i>		
Accounts receivable and prepayments	96,198	56,350
Accounts payable and accruals	(5,486)	(2,722)
Deposits payable	2,361,047	1,882,631
Qualifying shares	16,939	15,548
Pension Plan contributions	(10,725)	(14,919)
Net cash provided by operating activities	<u>6,571,796</u>	<u>2,605,205</u>
Investing activities		
Loan repayments - net	2,759,274	1,360,673
Increase in investments	955,619	(936,949)
Purchase of plant and equipment	(113,863)	(34,256)
Net cash provided by investing activities	<u>3,601,030</u>	<u>389,468</u>
Financing activities		
Bonus on savings	(316,787)	(239,102)
Entrance fees	142	94
Patronage refund	(195,290)	(164,117)
Net cash used by financing activities	<u>(511,935)</u>	<u>(403,125)</u>
Increase in cash and cash equivalents	9,660,891	2,591,548
Cash and cash equivalents - start of year	<u>10,039,386</u>	<u>7,447,838</u>
Cash and cash equivalents - end of year	<u><u>19,700,277</u></u>	<u><u>10,039,386</u></u>

See notes to financial statements.

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.

Notes to Financial Statements

March 31, 2019

Expressed in Barbados Dollars

1. Registration

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD. was registered on August 01, 1989 in accordance with the Co-operative Societies' Act, Cap 378. The Society was continued on September 02, 1994 under the Co-operative Societies Act 1990. The principal place of business is located at John Lovell Building, Lower Collymore Rock, St. Michael, Barbados.

2. Principal activities

The principal activities are as follows:

- (a) The provision of means whereby savings can be effected by members and whereby shares in the Credit Union can be purchased;
- (b) The education of members in Co-operative principles and methods and the efficient management of the Credit Union's affairs;
- (c) The creation, out of savings of members and otherwise, of a source of credit available to members on reasonable terms and conditions.

3. Significant accounting policies

(a) *Basis of accounting*

These financial statements are stated in Barbados dollars and have been prepared in accordance with International Financial Reporting Standards ("IFRS").

(b) *Critical accounting judgments and key sources of estimation uncertainty*

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements and reported amounts of revenues and expenses during the period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Key sources of estimation uncertainty include provision for bad debts, determination of appropriate rates for depreciation of plant and equipment and estimation of the fair value of unquoted equity investments. The credit union's critical accounting policies and estimates, and their application, are reviewed periodically by management.

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.

Notes to Financial Statements

March 31, 2019

Expressed in Barbados Dollars

3. Significant accounting policies (continued)

(c) *Measurement basis*

The measurement basis used is historical cost except for equity investments which are stated at their fair values.

(d) *Changes in accounting policies*

Management has reviewed the new standards, amendments and interpretations to published standards that are not yet effective and which the Credit Union has not adopted early. Management has assessed the relevance of all such new standards, amendments and interpretations and has concluded that no such amendments are likely to have a material effect on its financial statements.

(e) *Taxation*

The Credit Union is not required to pay taxes on its net income under Section 9(g) of the Income Tax Act of Barbados.

(f) *Depreciation*

Depreciation is provided on building, plant and equipment on a straight-line basis at rates designed to reduce the cost of assets to their residual value at the end of their useful lives in the business. The annual rates used are: Furniture and equipment - 10%, 12.5% and 33.33%, Vehicles - 20% and Building - 1%.

(g) *Investments*

Investments are initially recorded at cost. For subsequent measurement, investments that are classified as being held to maturity are recorded at cost or amortized cost. Available-for-sale equity investments are shown at fair value. All investments are subject to adjustment for any impairment of value. Impairment occurs where the estimated recoverable amount of an asset is less than its carrying value. Management makes an assessment of whether any assets are impaired in value as at each Balance Sheet date.

(h) *Statutory Reserve*

The credit union is required to establish and maintain reserves consisting of the greater of one half of one per cent (0.5%) of assets or twenty-five per cent (25%) of surplus until the capital of the Society equals ten percent (10%) of the total assets of the Society, in accordance with the Co-operative Societies' legislation. Similarly, Entrance Fees are taken to a Reserve Account.

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.

Notes to Financial Statements

March 31, 2019

Expressed in Barbados Dollars

3. Significant accounting policies (continued)

(i) *Education Fund*

A provision is made for Education as stipulated by the Barbados Co-operative & Credit Union League Ltd. The amount provided is three percent (3%) of net income or \$15,000, whichever is the lesser.

(f) *Impairment provision*

The level of impairment of the loan portfolio is determined using an Expected Credit Loss (ECL) Model. All outstanding loans are taken into account, as well as loan commitments.

(g) *Foreign currency transactions*

Monetary assets and liabilities expressed in foreign currencies are translated into Barbados dollars at the exchange rate ruling at the Balance Sheet date. Transactions arising during the year involving foreign currencies are translated into Barbados dollars at the rate of exchange prevailing on the date the transactions occurred. Differences arising from fluctuations in exchange rates are included in the Statement of Comprehensive Income.

(h) *Income recognition*

Interest, rent and sundry income are recognized on the accrual basis of accounting. Dividend income is recognized when it is declared by the investee company.

(i) *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand, bank deposits and other deposits on call.

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.

Notes to Financial Statements

March 31, 2019

Expressed in Barbados Dollars

3. Significant accounting policies - continued

(j) *Pension costs*

The company operates a contributory defined benefit Pension Plan for its eligible employees which is funded through payments from the employees and the company as determined by actuarial calculations every five years.

Contributory defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The asset recognized in the balance sheet in respect of the contributory defined benefit pension plan is the fair value of the plan assets less the present value of the defined benefit obligation at the end of the financial year, together with adjustments for unrecognized actuarial gains or losses and past service costs. The fair value of plan assets is calculated every five years by an independent actuary using the projected unit credit method. The present value of the contributory defined benefit obligation is determined by discounting the estimated future cash flows using interest rates of long-term government securities. All actuarial gains and losses are charged or credited to the Statement of Comprehensive Income in the period in which they arise.

Past service costs are recognized immediately in the Statement of Comprehensive Income.

4. Fair value of financial instruments

(a) *Financial instruments*

Financial instruments consist of financial assets and liabilities. Financial assets include cash and cash equivalents, accounts receivable, loans to members and investments. Financial liabilities include accounts payable and accruals, deposits payable and qualifying shares.

(b) *Fair value*

Fair value represents the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair value is best evidenced by a quoted market value. An estimate, based on assumptions, is made of the fair value of each class of financial instrument for which it is practical to make an estimate. The fair values of the financial instruments are estimated to be not materially different from their carrying values in the financial statements.

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.

Notes to Financial Statements

March 31, 2019

Expressed in Barbados Dollars

4. Fair value of financial instruments - continued

(c) *Credit Risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. As part of the risk management process, bank deposits are placed only with reputable financial institutions. Loans limits are established and approved by Management and security is generally required for loans granted. Credit risk on accounts receivable is limited by the provision made for doubtful debts.

(d) *Liquidity Risk*

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. It arises because of the possibility that the entity could be required to pay its liabilities earlier than expected. Management reviews the liquidity position of the credit union periodically to assess the availability of cash resources as compared to the projected cash outflows.

(e) *Market Risk*

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes interest rate risk. Interest rate risk is the risk of fluctuations in interest rates. The entity's exposure to market risk on financial instruments is disclosed in Notes 8, 10 and 11.

5. Related parties

(a) Related parties exist where one party has the ability to control or exercise significant influence over the financial or operating decisions of another party. Transactions with related parties may be entered into in the normal course of business. Any such transactions are undertaken on commercial terms and conditions and are conducted at market rates.

(b) The Credit Union has a related party relationship with its directors, key management personnel and the pension scheme. As at the Balance Sheet date, related parties' balances were as follows:

	<u>2019</u>	<u>2018</u>
Loans	251,872	207,056
Deposits payable and qualifying shares	488,331	568,492

(c) Honoraria paid to the directors totaled \$46,625 (prior year \$46,675).

(d) Key management personnel compensation is included in Staff Costs, and is as follows:

	<u>2019</u>	<u>2018</u>
Employee benefits	223,702	296,202

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.

Notes to Financial Statements
March 31, 2019
Expressed in Barbados Dollars

6. Staff costs	<u>2019</u>	<u>2018</u>
	<u>523,741</u>	<u>585,640</u>

The number of employees during the year was seven (prior year - seven).

7. Commitments	<u>2019</u>	<u>2018</u>
Loans approved but not yet disbursed	<u>1,332,748</u>	<u>200,000</u>

8. Cash and cash equivalents	<u>2019</u>	<u>2018</u>
Current accounts	13,891,204	4,225,790
Savings account - 0.05% p.a. (prior year 0.15%)	5,532,511	5,529,864
Cash	36,745	44,992
<i>Demand deposits</i>		
Central Fund Facility Trust:		
Ordinary deposit - 1% p.a. (prior year 2.75%)	19,260	18,183
Statutory Reserve deposit - 1.5% p.a. (prior year 3%)	19,226	19,226
Barbados Co-operative & Credit Union League Ltd.:	201,331	201,331
	<u>19,700,277</u>	<u>10,039,386</u>

9. Accounts receivable and prepayments	<u>2019</u>	<u>2018</u>
Interest receivable	429,349	516,506
Sundry accounts	56,356	48,447
Less provision for impairment	(158,158)	(101,240)
Prepayments	88,718	48,750
	<u>416,265</u>	<u>512,463</u>

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.

Notes to Financial Statements

March 31, 2019

Expressed in Barbados Dollars

10. Loans to members	<u>2019</u>	<u>2018</u>
Gross loans	41,051,816	43,189,583
Less provision for impairment	<u>(2,159,061)</u>	<u>(1,537,554)</u>
Net value of loans	<u><u>38,892,755</u></u>	<u><u>41,652,029</u></u>

(a) Loans to members are granted at interest rates varying from 5% to 10% per annum, except for line of credit loans which totaled \$2,829,054 (prior year \$2,806,600) and which carry an interest rate of 15% per annum. All interest is charged on the reducing balance basis.

(b) Impairment provision	<u>2019</u>	<u>2018</u>
Balance - start of year	1,537,554	950,427
Increase in provision	<u>621,507</u>	<u>587,127</u>
Balance - end of year	<u><u>2,159,061</u></u>	<u><u>1,537,554</u></u>

(c) As at the Balance Sheet date, the maturity profile of loans to members was as follows:

<i>Amount due in:</i>	<u>2019</u>	<u>2018</u>
Less than one year	508,930	967,113
One to five years	9,590,191	9,518,118
Over five years	<u>30,952,695</u>	<u>32,704,352</u>
Total	<u><u>41,051,816</u></u>	<u><u>43,189,583</u></u>

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.

Notes to Financial Statements

March 31, 2019

Expressed in Barbados Dollars

11. Investments	<u>2019</u>	<u>2018</u>
<i>(a) Current investments</i>		
<i>Held to maturity</i>		
Government Debentures - prior year 8.5%	-	1,000,000
Treasury Bills - prior year 3.5%	-	6,879,600
<i>Term deposits:</i>		
Barbados Public Workers Co-operative Credit Union Ltd. - 2.25% to 3% p.a. (prior year 3% to 3.25%)	1,750,000	1,750,000
Barbados Agricultural Management Co. Ltd. - prior year 6.5%	-	1,000,000
Barbados Police Co-operative Credit Union Ltd. - prior year 3.75%	-	1,000,000
First Citizens Investment Services (Barbados) Ltd. - 2% to 2.5% p.a. (prior year 2.9%)	4,000,000	4,000,000
Co-operators General Management Co. Inc. - 7% p.a. (prior year 7%)	1,412,569	1,524,440
Capita Financial Services Inc. - 2.4% to 3% p.a. (prior year 3% to 3.4%)	6,600,000	4,600,000
City of Bridgetown Co-operative Credit Union Ltd. - 2.15% p.a. (prior year 2.8%)	<u>2,000,000</u>	<u>2,000,000</u>
	<u>15,762,569</u>	<u>23,754,040</u>
<i>Non-current investments</i>		
<i>Held to maturity</i>		
Barbados Police Co-operative Credit Union Ltd. - 3% p.a.	1,000,000	0
Government Securities Series B - 1% p.a.	8,149,688	0
Government Securities Series D - 1.5% p.a.	1,005,417	0
Government Debentures, prior year - 4.25% to 6.125 %	-	7,000,000
<i>Available-for-sale</i>		
Co-operators General Insurance Company Limited: - 8,767 shares (prior year 8,675)	2,734,515	972,960
Co-operators General Management Co. Inc. - 15,656 (prior year 12,525 shares)	2,369,692	250,500
Barbados Co-operative & Credit Union League Ltd. - 20 membership shares	<u>200</u>	<u>200</u>
	<u>15,259,512</u>	<u>8,223,660</u>
Total investments	<u>31,022,081</u>	<u>31,977,700</u>

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.

Notes to Financial Statements

March 31, 2019

Expressed in Barbados Dollars

11. Investments (continued)

(b) The Credit Union adopted the International Financial Reporting Standard #9 (IFRS9), which took effect for accounting periods beginning on or after January 01, 2018. Accordingly, the available-for-sale, unquoted equity investments are shown at their fair value and the resulting unrealized gain is included in the Statement of Comprehensive Income. The fair value of unquoted equity investments is based on a valuation done by the Consulting Division of the Cave Hill School of Business (CHSOB). CHSOB performed a valuation as at May 31, 2018 for each of these unquoted investments, using a range of generally accepted valuation models. The "best estimate" of the fair market value was estimated as the median value of the fair market values generated from the various models used. The valuation models used were Book Value, Market to Book, Trailing Price Earnings, Price to Sales, Price to Earnings Before Tax and Dividend Growth, Price to Earnings Before Tax, Depreciation and Amortization, Dividend Growth Model and Free Cash Flows to Equity. The Directors consider that the valuation of the unquoted equity investments arrived at by the process described above reflects their fair value as at the balance sheet date.

(c) In September 2018, the Government of Barbados (GoB) announced the launch of an exchange offer open to holders of Barbados dollar-denominated debt issued by the GoB and certain state-owned enterprises (SOEs), as part of its Comprehensive Debt Restructuring. As at October 01, 2018, the old securities were exchanged for new securities which were issued in special Series based on the holders of such securities. The Credit Union's old securities were exchanged for new Series B and Series D securities. Series B securities consist of eleven (11) amortizing strips with maturities ranging from five (5) to fifteen (15) years. Interest is payable quarterly from December 31, 2018. Interest rates are 1% p.a. for the first three (3) years, 2.5% p.a. for year four (4) and thereafter 3.75% p.a. until maturity. The principle of each strip will be repaid in four equal quarterly instalments commencing one year prior to the maturity date of that strip. Series D securities consist of twenty (20) amortizing strips with maturities ranging from sixteen (16) to thirty-five (35) years. Interest is payable quarterly from November 30, 2018. Interest rates are 1.5% p.a. for the first five (5) years, 4.25% p.a. for years six (6) through ten (10), 6% p.a. for year eleven (11) through fifteen (15) and 7.5% p.a. for year sixteen to maturity. The principle of each strip will be repaid in four equal installments in the final year prior to maturity commencing November 30, 2033, with the exception of the final strip, which will be repaid in three installments, with a final payment on August 30, 2053.

(d) The maturity profile of the securities is shown below:

<i>Maturity Profile</i>	Series B	Series D	Securities - 2018
Up to one year	0	0	2,000,000
Greater than one to 5 years	610,412	0	7,000,000
Greater than 5 to 10 years	3,419,609	0	0
Greater than 10 to 15 years	4,119,667	0	0
Greater than 15 to 35 years	0	1,005,417	0
Total	8,149,688	1,005,417	9,000,000

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.

Notes to Financial Statements March 31, 2019 Expressed in Barbados Dollars

12. Property, plant and equipment

	Total	Furniture & equipment	Vehicles	Property
As at March 31, 2017				
Cost	5,233,345	1,179,663	121,757	3,931,925
Accumulated depreciation	(1,846,606)	(890,088)	(121,757)	(834,761)
Net book value	<u>3,386,739</u>	<u>289,575</u>	<u>0</u>	<u>3,097,164</u>
Year ended March 31, 2018				
Net book value - start of year	3,386,739	289,575	0	3,097,164
Purchases	34,256	34,256	0	0
Depreciation charge	(91,726)	(55,907)	0	(35,819)
Net book value - end of year	<u>3,329,269</u>	<u>267,924</u>	<u>0</u>	<u>3,061,345</u>
As at March 31, 2018				
Cost	5,260,577	1,206,895	121,757	3,931,925
Accumulated depreciation	(1,931,308)	(938,971)	(121,757)	(870,580)
Net book value	<u>3,329,269</u>	<u>267,924</u>	<u>0</u>	<u>3,061,345</u>
Year ended March 31, 2019				
Net book value - start of year	3,329,269	267,924	0	3,061,345
Purchases	113,863	113,863	0	0
Depreciation charge	(100,609)	(64,790)	0	(35,819)
Net book value - end of year	<u>3,342,523</u>	<u>316,997</u>	<u>0</u>	<u>3,025,526</u>
As at March 31, 2019				
Cost	5,316,028	1,262,346	121,757	3,931,925
Accumulated depreciation	(1,973,505)	(945,349)	(121,757)	(906,399)
Net book value	<u>3,342,523</u>	<u>316,997</u>	<u>0</u>	<u>3,025,526</u>

- (a) The property is located at Lower Collymore Rock, St. Michael and consists of land and a building. The property was valued at \$7,000,000 by the Government's Valuers in March 2017 in accordance with the Land Valuation Act 1969-20. The valuation is considered by the Directors to be a reasonable estimate of the fair value of the property as at the Balance Sheet date.

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.

Notes to Financial Statements

March 31, 2019

Expressed in Barbados Dollars

13. Pension plan asset

The Credit Union maintains a contributory defined benefit pension plan for its eligible employees. The assets of the plan are invested in a deposit Administration Fund managed by Sagicor Life Inc. The last actuarial review of the pension plan was carried out as at March 31, 2018.

	<u>2019</u>	<u>2018</u>
<i>Net assets at end of year</i>		
Present value of funded obligation	(416,155)	(393,478)
Fair value of Plan assets	<u>540,218</u>	<u>511,211</u>
Net Pension Plan asset recognized in balance sheet	<u><u>124,063</u></u>	<u><u>117,733</u></u>
<i>Movement in the net assets</i>		
Pension Plan net asset - start of year	117,733	123,837
Amount recognized in Statement of Income	(4,395)	(3,108)
Re-measurements recognized in Other Comprehensive Income	4,612	(8,989)
Contributions - Employer	<u>6,113</u>	<u>5,993</u>
Pension Plan net asset - end of year	<u><u>124,063</u></u>	<u><u>117,733</u></u>
Contributions - Employees	<u><u>6,113</u></u>	<u><u>5,993</u></u>
<i>Amount recognized in Statement of Income</i>		
Interest income on net defined benefit liability	38,799	36,499
Interest expense on net defined benefit liability	<u>(30,892)</u>	<u>(28,076)</u>
Net interest on net defined benefit liability	7,907	8,423
Current service costs (reduced by employee contributions)	<u>(12,302)</u>	<u>(11,531)</u>
Amount recognized in Statement of Income	<u><u>(4,395)</u></u>	<u><u>(3,108)</u></u>
<i>Re-measurements recognized in Other Comprehensive Income</i>		
Actuarial gain on obligation	26,630	8,945
Return on Plan assets excluding interest income	<u>(22,018)</u>	<u>(17,934)</u>
Amount recognized in Other Comprehensive Income	<u><u>4,612</u></u>	<u><u>(8,989)</u></u>
Actual return on Pension plan assets	<u><u>16,781</u></u>	<u><u>18,565</u></u>

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.

**Notes to Financial Statements
March 31, 2019
Expressed in Barbados Dollars**

13. Pension Plan Asset- continued

Assumptions used in determining the present value of obligation at start of year

	2019	2018
Discount rate - start of year	7.5%	7.5%
Future salary increases	6.5%	6.5%
Future pension increases	0%	0%
Future changes in NIS ceilings	3.5%	3.5%
Mortality	1994 Group Annuity Mortality Static Tables for Males and Females	

Amounts for current and previous four periods are as follows:

	2015	2016	2017	2018	2019
Present value of the obligation	(303,038)	(335,848)	(356,823)	(393,478)	(416,155)
Fair value of Pension Plan assets	427,322	453,284	480,660	511,211	540,218
Surplus	<u>124,284</u>	<u>117,436</u>	<u>123,837</u>	<u>117,733</u>	<u>124,063</u>

Sensitivity Analysis

If the main assumptions were changed, the present value of the obligation would be as follows:

Present value of obligation

% Change of Assumption	+0.25%	-0.25%
Discount rate	394,451	439,368
Salary increase and NIS increase	428,995	403,812

14. Accounts payable and accruals

	2019	2018
Sundry accounts	56,719	62,206
Interest payable	62	61
	<u>56,781</u>	<u>62,267</u>

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.

Notes to Financial Statements

March 31, 2019

Expressed in Barbados Dollars

15. Deposits payable	<u>2019</u>	<u>2018</u>
Demand deposits	76,418,948	74,058,284
Term deposits	<u>19,457</u>	<u>19,074</u>
	<u>76,438,405</u>	<u>74,077,358</u>

(a) There is no pre-determined rate of interest payable on the demand and term deposits. The rates are set from time to time by the Board of Directors.

16. Qualifying shares	<u>2019</u>	<u>2018</u>
	<u>974,019</u>	<u>957,080</u>

(a) There is no limit to the number of shares that the Credit Union is authorized to issue. The number of shares held by a member does not determine the member's voting rights since each member is entitled to one vote only at any general meeting.

(c) The Credit Union does not have the right to refuse to repay shares when a member so requests. Consequently, shares are classified in the Balance Sheet as Liabilities instead of Equity.

17. Comparative amounts

Certain of the comparative amounts have been reclassified to conform to the current year's presentation.

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.

Schedule of Other Operating Expenses
Year ended March 31, 2019
Expressed in Barbados Dollars

	<u>2019</u>	<u>2018</u>
50 th Anniversary celebrations	0	62,151
Advertising	56,629	55,969
Bank charges	6,156	5,132
Cleaning	37,218	32,318
Computer supplies	448	637
Conventions	41,288	83,165
Cora Waldron Scholarship Fund	19,000	18,000
Donations	4,100	17,012
Development Fund	6,788	6,705
Education Fund	15,000	15,000
Equipment maintenance	940	9,461
General expenses	6,274	7,188
Honoraria	93,100	92,875
IFRS 9 Project fee	0	6,288
Impairment of loans - increase in provision	678,425	589,674
Insurance	30,232	29,999
League dues	53,284	51,809
Maintenance - building	28,849	31,582
Management Information Systems consultancy	29,475	41,100
Meeting expenses - Annual General Meeting	55,047	70,749
Meeting expenses - other	23,130	20,544
Members' education	3,523	1,416
Mutual Benefits Plan (MBP) expense	291,077	306,148
Office supplies and postage	33,637	39,677
Professional fees - legal and audit	53,988	37,455
Professional fees - other	62,105	51,850
Property consultancy	46,970	45,159
Property tax	44,100	44,100
Security	21,380	22,330
Software license fee	30,803	28,826
Subscriptions	5,158	2,570
Utilities	47,380	57,127
Value Added Tax	80,009	75,422
Vehicle expenses	10,504	13,912
	<u>1,916,017</u>	<u>1,973,350</u>

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.
MARCH 31, 2019
PEARLS BENCHMARKS

		Benchmark	2019	2018
Protection				
Allowance for loan losses	2,035,328	100%	100	77
Delinquency >12 months	2,035,328			
Effective Financial Structure				
Net Loans	38,892,755	70% - 80%	42	48
Total Assets	93,497,964			
Liquid Investment	21,899,442	Max 20%	23	34
Total Assets	93,497,964			
Member Savings	77,412,424	70% - 80%	83	86
Total Assets	93,497,964			
Institutional Capital	16,028,759	Min 10%	17	14
Total Assets	93,497,964			
Structure/Asset Quality				
Non-earning assets	14,344,214	< 5%	15	5
Total assets	93,497,964			
Total Loan Delinquency	2,338,644	< 5%	6	6
Gross Loan Portfolio	41,051,816			
Rates of Return & Costs				
Total Operating Expenses	4,025,794	< 5%	4	5
Average Total Assets	90,563,272			
Net comprehensive income	4,008,819	> 10%	4	1
Average Assets	90,563,272			
Signs of Growth				
Savings growth rate		10% - 20%	3	3
Loan growth rate		8% - 15%	(5)	(3)
Growth in membership		> 5%	1	0

Notes

Non earning assets include the following:

Non interest earning bank and cash accounts

Interest receivable - net of provision for doubtful interest receivable

Accounts receivable - net of provision for doubtful accounts receivable

Prepaid expense

Savings growth rate includes the change in Shares, Ordinary deposits and Term deposits

Treasurer's Report For the Year Ended March 31, 2019

OVERVIEW

The Barbados Teachers' Co-operative Credit Union Limited had another reasonably successful year despite the socio-economic challenges namely, the Government of Barbados Debt Restructuring Program (BDRP) which took effect on October 1, 2018.

The Auditor's Report and Financial Statements preceding this report provide essential information to analyse the performance of the Credit Union. The **PEARLS** (Protection, Earnings, Asset Quality, Rate of Growth, Liquidity and Structure) benchmark is used to guide the financial Performance of Credit Unions. In addition, tables and charts will be used to analyse the financial period under review.

Table 1: Summary of Progress of Key Indicators over the Five Year Period 2015 – 2019							
INDICATOR	2015 \$	2016 \$	2017 \$	2018 \$	2019 \$	Increase \$	%
Total Assets	79,213,086	82,731,538	85,580,680	87,628,580	93,497,964	5,869,384	6.70%
Cash and Bank Deposits	7,126,508	8,564,472	7,447,838	10,039,386	19,700,277	9,660,891	96.23%
Net Loans to Members	45,184,465	44,162,611	43,012,702	41,652,029	38,892,755	-2,759,274	-6.62%
Investments	22,821,070	25,855,977	31,040,751	31,977,700	31,022,081	-955,619	-2.99%
Deposits and Shares	65,434,114	69,911,389	73,136,259	75,034,438	77,412,424	2,377,986	3.17%
Loan Interest Income	3,602,471	3,429,505	3,302,259	3,285,788	3,178,126	-107,662	-3.28%
Net Comprehensive Income	480,276	508,697	417,839	555,568	4,008,819	3,453,251	621.57%

ASSETS

As at March 31, 2019 the credit union assets were valued at **\$93,497,964** in comparison to **\$87,628,580** in the previous year. *See Table 1 and Figure 2.* This shows an increase of **\$5,869,384 or 6.7 %**. This increase in assets is attributable mainly to the revaluation of shares in Co-operators General Insurance and Co-operators General Management Company Inc. **Note 11** under the sub heading *Non-Current Investments – Available for Sale* gives further details of the re-valuation of shares in these two entities.

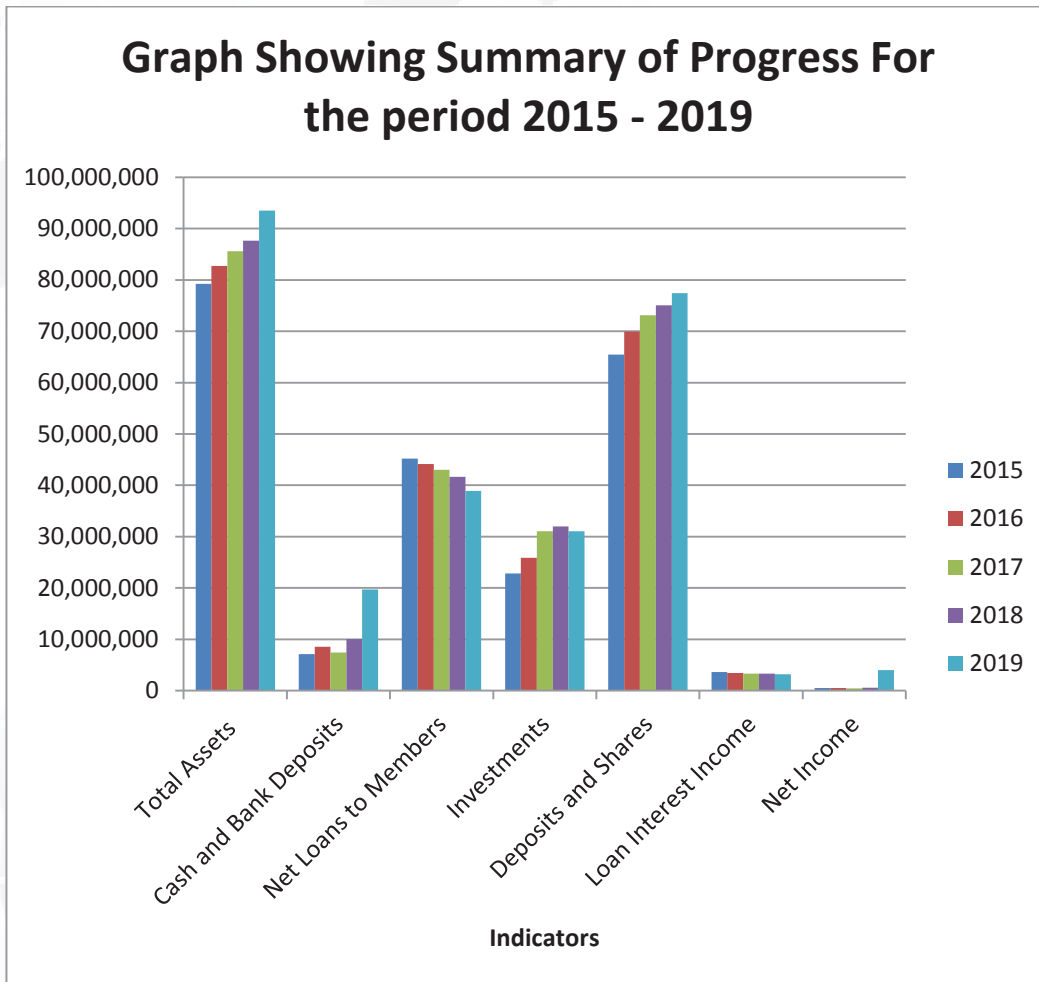


FIGURE 1

CASH AND BANK DEPOSITS

In **Table 1**, a steady trend can be seen over the five year period In Cash and Bank Deposits. The increase from 2018 to 2019 was **\$9,660,891** or **96.3%**. The comparative graph below (Figure 2) clearly depicts the significant increase. This is attributed to investments maturing during the last financial year.

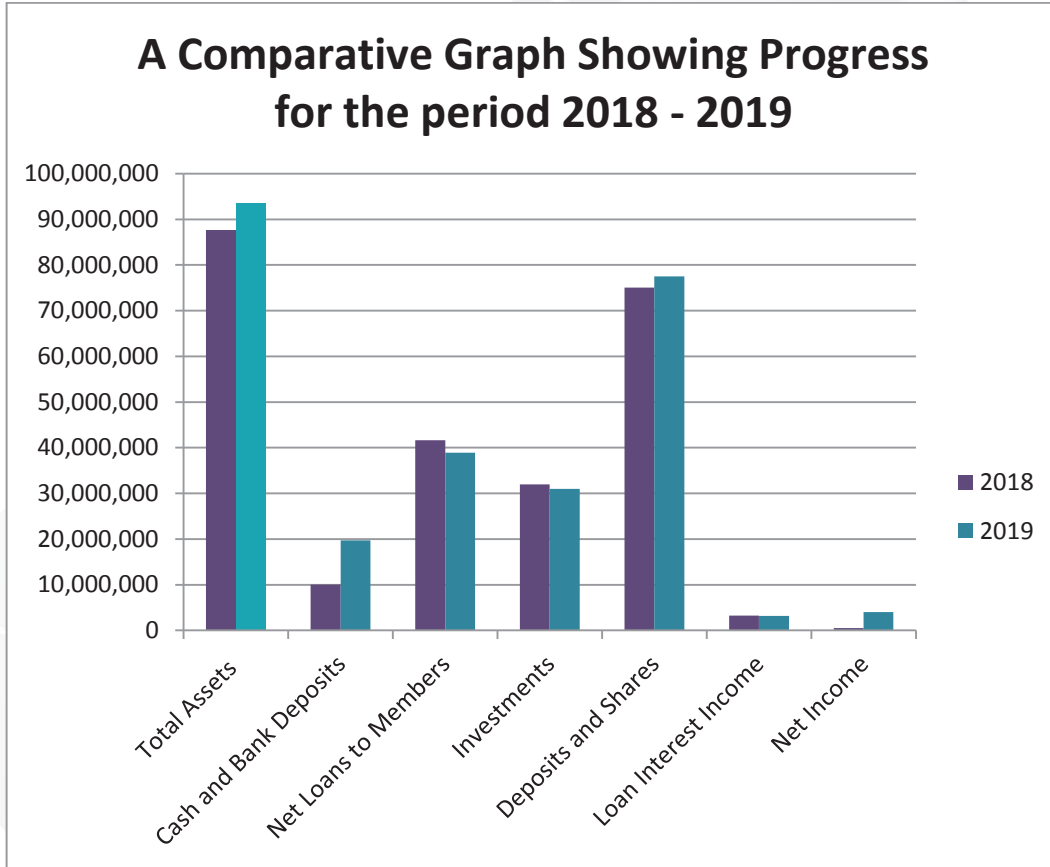


FIGURE 2

INVESTMENTS

The Credit Union's investment portfolio has been affected by BERT as well the BDRP of Government. It has also been affected somewhat by the lowering of interest rates offered to us by the other entities in which we have invested.

Investments have declined slightly, moving from **\$31,977,700** to **\$31,022,081**, a decrease of **\$955, 619** or **3%**. A comprehensive analysis on the investment portfolio and its yields can be found in **Note 11**.

MEMBER SAVINGS

Member Savings grew by **3.2 %** over the previous financial year. The increase in savings realised for 2019 was **\$2,377,986**. The PEARLS Benchmark for member savings is **70% - 80%**. The Credit Union has achieved **83%** and **86%** benchmarks for Member Savings in 2019 and 2018 respectively.

LOAN PORTFOLIO

Loans to members decreased by over **\$2,000,000** in 2019. Gross loans for 2019 was **\$41,051,816** when compared to **\$43,189,583** in 2018. The PEARLS Benchmark for net loans is **70% - 80%**; for 2019 the Credit Union in accordance with PEARLS had a mere **42%**. A vigorous marketing strategy has to be implemented to attract members to borrow more.

The Loans Interest Income decreased due to the fact that members are borrowing less, and the Credit Union had also reduced interest rates on some loans. Loan Interest decreased by **\$107,662** or **3.3%** for the financial year under review.

The Loans growth rate for the Credit Union is negative **5% (-5%)**. The PEARLS Benchmark for this category is **8% - 15%**.

STATEMENT OF COMPREHENSIVE INCOME

The net income or operating income for the year 2019 has been reported as **\$205,400** in comparison to **\$564,557** for 2018. This represented a decrease of **\$359,157** or **-63.6%**. This can be attributed mainly to the fact of the lower interest earned as a result of Government of Barbados Debt Restructuring Program. **IFRS 9** required that shares in Co-operators General Insurance Company Limited and the Co-operators General Management Company Inc. be revalued to reflect their current fair value; the unrealised gain as at March 31, 2019 was **\$3,798,807**. As a result, Net Comprehensive income for 2019 was **\$4,008,819** as compared to **\$555,568** for 2018. This was an increase of **622%**. Since this is not an operating surplus, prudence is required where disbursement decisions are concerned.

Table 2: Balance of Delinquent Loans for 2018 - 2019

Time period	2019		2018	
	Number	Amount \$	Number	Amount \$
< 6 Months	5	295,246	8	523,899
6 – 12 Months	2	8,070	2	270,028
Over 12 Months	36	2,035,328	38	1,985,054
TOTAL	43	2,338,644	48	2,778,981

DELINQUENCY AND PROVISION FOR BAD DEBTS

The delinquency rate of the credit union continues to be high in relation to the **PEARLS** Benchmark. The **PEARLS** Benchmark is **<5%** and our delinquency percentage as at March 31, 2019 was **6%**. The total loan delinquency amount for this period was some **\$2,338,644**. Table 2 shows the balance due on delinquent loans under an aging schedule as at March 31, 2019 in comparison to March 31, 2018. There has been a slight decrease in the number of delinquent loans, which came about as a result of the Credit Union implementing collection measures to recover some long outstanding debts.

The total balance on all outstanding loans before impairment was **\$41,051,816** for March 2019 and **\$43,189,583** for March 2018. The Provision for Bad Debts stood at **\$1,537,554** in 2018 and moved to **\$2,159,061** in 2019. [See Note 10 (b)]. This represented an increase of **40.4%** or **\$621, 507** in comparison to 2018. As at March 31, 2019 The Bad Debts Allowance was also within the **PEARLS** Benchmark. The **PEARLS** Benchmark for Bad Debts Allowance is **100%**. **The Credit Union's provision was also 100%**, as compared to **77%** at March 31, 2018.

SAVINGS ACCOUNT

Table 3 Showing Earnings From Savings Account						
Year	2014	2015	2016	2017	2018	2019
Deposits	\$5,090,763	\$5,167,131	\$5,012,665	\$5,524,979	\$5,529,864	\$5,532,511
Interest	\$60,115	\$76,393	\$74,629	\$12,324	\$4,964	\$2,765

The interest rate of the Savings Account for the last financial year was a mere 0.05% compared to the previous year of 0.15%. The lowering of interest rates by the bank has significantly impacted on the interest income the Credit Union has been receiving over the last three years (2017 -2019).

CONCLUSION

The Barbados Teachers' Co-operative Credit Union Limited, even though faced with economic challenges, has been able to record a positive Net Income in the financial year under review. The Credit Union continues to offer members an attractive rate on both shares and deposits.

A review of the **PEARLS** Benchmark as it relates to key indicators shows that the Credit Union needs to improve in several areas, especially the Loan Growth Rate and Growth in Membership.

It is very important that the Board of Directors, Supervisory Committee, Credit Committee, Management and Staff work in collaboration to improve these areas.

I would like to express my sincere gratitude to the Board, Committees, Staff and Members for their continued support and cooperation during my tenure as Treasurer.

Sherry-Ann Scott-King
 Sherry-Ann Scott-King
 Treasurer

your credit union



You may have seen this symbol before, on our posters perhaps, or in our newsletters, or in a newspaper, or even on Credit Union Buildings islandwide, but you may not know what it means.

We think it's important that you know and we'd like to give you a formal introduction. The "hands, family and globe" symbol, as it is called, stands for Credit Unions everywhere – whether it's a Credit Union where you work or live, no matter if you work or live in Timbuktu or Barbados.



Credit Unions are world-wide financial organizations. That's why we've included a globe as part of the overall symbol.

As a matter of fact, there are more than 38,000 Credit Unions all over the world.



The four silhouettes represent the family unit – the family of mankind working for the mutual benefit of all. Care was taken in the actual design

to avoid differences between national dress or custom and other details because Credit Unions serve all people all over the world.

So when you feel the urge to save money or borrow money, think of the Credit Union – where you get low interest loans and all the surplus is returned to you.



A pair of hands? The hands represent the self-help nature of all Credit Unions. When you become a Credit Union member you become part of a group of people

who save together and make low-cost loans plus several other services to each other from the accumulated funds. Credit Unions engender democracy in the truest sense of the word – as a member you are part owner of the business and exercise control of its policies. It is your organization.



Altogether now the "hands, family and globe" symbol was selected as a trademark that

stands for Credit Unions in any language, in any country. The theme is universal and conveys the image of all Credit Unions graphically, accurately and instantly.

Your credit union –

It's where you belong!

STANDING ORDERS

1. (a) A member to stand when addressing the chair.
(b) Speeches to be clear and relevant to the subject before the meeting.
2. A member shall only address the meeting when called upon by the Chairman to do so, after which he shall immediately take his seat.
3. No member shall address the meeting except through the Chairman.
4. A member may not speak twice on the same subject except:-
 - (a) The Mover of a Motion – who has the right to reply.
 - (b) He rises to object or to explain (with the permission of the Chair).
5. The Mover of a Procedural Motion – (Adjournment laid on the table, Motion to Postpone) to have no right to reply.
6. No speeches to be made after the “Question” has been put and carried or negatived.
7. A member rising on a “Point of Order” to state the point clearly and concisely. (A “Point of Order” must have relevance to the “Standing Orders”).
8. (a) A member should not “call” another member “to order” – but may draw the attention to the Chair to a “Breach of Order”.
(b) In no event can a member call the Chair “to order”.
9. A “Question” should not be put to the vote if a member desires to speak on it or move an amendment to it – except, that a “Procedural Motion”, “The Previous Question”, “Proceeds to the Next Business” or the “Closure”: “That the Question be Now Put”, may be moved at any time.
10. Only one amendment should be before the meeting at one and the same time.
11. When a motion is withdrawn, any amendment to it fails.
12. The Chairman to have the right a “Casting Vote”.
13. If there is equality of voting on an amendment, and if the Chairman does not exercise his Casting Vote, the amendment is lost.
14. Provision to be made for protection by the Chairman from vilification (personal abuse).
15. No member shall impute improper motives against another member.



Democratic Structure

Open and Voluntary Membership

Membership in a credit Union is voluntary and open to all within the accepted common bond of association that can make use of its services and are willing to accept the corresponding responsibilities.

Democratic Control

Credit Union members enjoy equal rights to vote (One member, one vote) and participate in decisions affecting the credit union, without regard to the amount of savings or deposits or the volume of business. Voting in credit union support organizations or association may be proportional or representational in keeping with democratic principles. The credit union is autonomous within the framework of law and regulation, recognizing the credit union as a cooperative enterprise serving and controlled by its members. Credit union elected officers are voluntary in nature and incumbents should not receive a salary. However, credit unions may reimburse legitimate expenses incurred by elected officials.

Non-Discrimination

Credit unions are non-discriminatory in relation to race, nationality, sex, religion and politics.

These Credit Union Operating Principles are founded in the philosophy of cooperation and its central values of equality, equity and mutual self-help. Recognizing the varied practices in the implementation of credit union philosophy around the world at the heart of these principles is the concept of human development and the brotherhood of man expressed through people working together to achieve a better life for themselves and their community.



INTERNATIONAL

CREDIT UNION OPERATING PRINCIPLES

Service to Members

Service to Members

Credit Union Services are directed to improve the economic and social well-being of all members.

Distribution to Members

To encourage thrift through savings and thus to provide loans and other services, a fair rate of interest is paid on savings and deposits, within the capability of the credit union.

The surplus arising out of the operations of the credit union after ensuring appropriate reserve levels and after payment of limited dividends on permanent equity capital where it exists, belongs to and benefits all members with no member or group of members benefiting to the detriment of others. This surplus may be distributed among members in proportion to their transactions with the credit union as interest or patronage refunds, or directed to improve or additional services required by the members.

Building Financial Stability

A prime concern of the credit union is to build the financial strength including adequate reserves and internal controls that will ensure continued service to membership.

Social Goals

On-Going Education

Credit Unions actively promote the education of their members, officers, and employees along with public in general, in the economic, social, democratic and mutual self-help principles of credit unions. The promotion of thrift and the wise use of credit as well as education on the rights and responsibilities of members are essential to the dual, social and economic character of credit unions in serving member needs.

Cooperation Among Cooperatives

In keeping with their philosophy and the pooling practices of cooperatives, credit unions within their capability actively cooperate with other credit unions cooperatives and their associations at local, national and international levels in order to best serve the interest of their members and their communities.

Social Responsibility

Continuing the ideals and beliefs of cooperative pioneers, credit unions seek to bring about human and social development. Their vision of social justice extends both to the individual members and to the larger community in which they work and reside. The credit union ideal is to extend service to all who need and can use it. Every person is either a member or a potential member and appropriately part of the credit union sphere of interest and concern. Decisions should be taken with full regard for the interest of the broader community within which the credit union and its members reside.



WORLD COUNCIL OF CREDIT UNIONS, INC.

Approved 24 August, 1984
by WOCCU Membership Council



CORA WALDRON SCHOLARSHIP WINNERS 2018

Back row from left: Mark Payne (collecting on behalf of his son Asher Payne), Rasheda Harding, Tayeshanna Alexander, Delano Edwards and Nathan Lovell. Sitting is Mrs. Cora Waldron.



Members at an Educational Session on Hypertension presented by Dr. Brian Marshall



Cora Waldron 2018 Scholarship Winners, Relatives and Committee Members