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*Welcome to
The Annual General Meeting
of
The Barbados Teachers'
Co-operative Credit Union Ltd
2022 - 2023*

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

ANNUAL GENERAL MEETING

Notice is hereby given of the Annual General Meeting of the **Barbados Teachers' Co-operative Credit Union Limited, (BTCCUL)** to be held on **Saturday, July 22, 2023 at the Hilton Barbados Resort, Needhams Point, St. Michael at 3:30 p.m.**

AGENDA

1. Ascertainment of Quorum
2. Call to Order
3. Prayers
4. Apologies for Absence
5. Welcome and President's Remarks
6. Report of the Nominating Committee
7. Appointment of Returning Officer
8. Commencement of Voting for Election to the Board of Directors, Supervisory and Credit Committees.
9. Adoption and Confirmation of the Minutes of the Annual General Meeting held on July 02, 2022
10. Matters Arising from The Minutes of July 02, 2022
11. Reports for the Financial Year Ending March 31, 2023
 - (a) Board of Directors
 - (b) Credit Committee
 - (c) Supervisory Committee
 - (d) Audited Financial Statements
 - (e) Treasurer's Report
12. Appointment of Auditors
13. Close of Voting for Election to the Board of Directors, Supervisory and Credit Committee.
14. Setting the Maximum Liability
15. Distribution of Surplus
16. Results of Election to Committees:
 - a. Board of Directors
 - b. Credit Committee
 - c. Supervisory Committee
17. Any other Business
18. Termination

Yours co-operatively,



Glyne Blanchette
Secretary



MESSAGE

RONALD DAC. JONES, JR.

RESPECT THE PAST – IMPACT THE FUTURE

“Respect the past – Impact the future” is a theme that emphasizes the importance of acknowledging and appreciating the lessons, achievements and experiences of the past while actively working towards creating a positive impact on the future. It requires that we should honor and learn from the wisdom, knowledge and mistakes of those who came before us while striving to shape a better future for generations to come.

However, simply dwelling on the past or being nostalgic is not sufficient. It is equally important to focus on the future and to take considered action to make a positive impact on that future. It is our obligation to learn from past mistakes, build upon past accomplishments and work towards a better future.

Respect for the past and impact on the future are two elements of institutional behaviour that are critical for the sustainability of an organisation. By respecting the past, we honor the efforts and legacies of those who came before us. By actively working towards creating a positive future, we ensure that the progress achieved in the past is advanced in such a manner as to have a meaningful impact on the present and the future. It is through our actions in the present that we can shape a future that builds upon the wisdom of the past while addressing the challenges and grasping the opportunities of our time.

Respecting the past means acknowledging and appreciating the efforts, values and achievements of the Credit Union’s founders and early members. Understanding the Credit Union’s roots and the vision of its predecessors can help shape its future direction and ensure that the organization stays true to its original purpose of serving the needs of teachers, their families and friends.

Respecting the past also means recognizing the importance of sound governance and ethical practices. The Credit Union’s historical journey can serve as a guide for upholding strong governance principles, such as transparency, accountability and responsible financial management. By adhering to these principles, the BTCCUL ensures its sustainability and sets a positive example for other financial institutions in the industry.

Respecting the past involves reflecting on past successes, challenges and lessons learned. By analyzing the Credit Union’s historical performance, the BTCCUL can identify areas for improvement, develop innovative strategies and adapt to changing market conditions. This forward-thinking approach based on insights from the past enables the Credit Union to stay relevant and resilient in an evolving financial landscape.

Values such as member-centricity, community involvement and social responsibility form the foundation of the Credit Union’s identity. Upholding and promoting these values in its present and future endeavors ensures that the BTCCUL remains a trusted and impactful institution within the financial community.

Impacting the future requires prioritizing professional development and education. The BTCCUL must ensure that its staff members and volunteers are up to date with industry trends, best practices and evolving regulatory requirements. Investing in continuous training and educational programs will enhance the skills and knowledge of the Credit Union's workforce, enabling it to provide quality service, accurate information and financial guidance to members. Additionally, member education initiatives help to promote financial literacy, empowering members to make informed decisions and effectively manage their finances.

Adhering to applicable laws, regulations and industry standards is crucial for the BTCCUL's long-term success and sustainability. Compliance ensures that the Credit Union operates within the legal framework and upholds the highest ethical standards. By having robust compliance measures in place, the BTCCUL can mitigate regulatory risks, protect members' interests and maintain trust within the financial community. Regular monitoring, internal controls and compliance audits are essential components of a strong compliance framework.

Ensuring a successful future requires a recognition that sound risk management practices are essential for the BTCCUL to identify, assess and mitigate potential risks in its financial dealings. This includes managing credit risk, operational risk, liquidity risk and other relevant risks. By implementing comprehensive risk management frameworks, the BTCCUL can make informed decisions, develop an appropriate risk appetite and ensure the overall financial health and stability of the credit union.

It is important for the BTCCUL to regularly review and update its policies, procedures and risk management strategies to remain aligned with evolving regulatory requirements and industry standards. By continuously evaluating and improving its practices, the Credit Union can confidently navigate future challenges, seize opportunities and deliver sustainable value to its members and the community it serves.

The future of BTCCUL rests in our hands. Let us go forward with integrity and faith.



Ronald Jones

President

ATTENDANCE 2022 ANNUAL GENERAL MEETING

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LIMITED

Acima Alleyne	Brian Clarke	Diana Howell	Jacqueline Prescod
Anthony Alleyne	Marcia Clarke	Gia Howell	Edward Prescott
Azaria Alleyne	Neshell Clarke-Prescott	Nicole Husbands	Rudolph Reid
Donna Allman	Margaret Connell	Janice Hutchinson	Leon Robinson
Michael Allman	Sherrill Connell-Roberts	Victor Hutchinson	Patricia Rock
Maria Archer	Heather Craig-Gill	Quincy Jones	Tamunoririnaomie Ronabere
Graeme Atherley	Arthur Crawford	Ronald Jones	Rosina Rowe
Sherrie Barrow	Kathy-Ann Crichlow	Margo Jordan	Hazel-Ann Sandy
Carl Bascombe	Kazwell Cutting	Donna King	Kirley Scantlebury
Walter Bayne	Donelle Daniel	Joseph King	Sharon Scott
Rian Beckles	Jasmay Daniel	Sylina King-Ward	Sherry-Ann Scott-King
Felicite Belle	Trevor Daniel	Heather Koeiman	Anthony Sealy
Martin Belle	Alicia Deane	Aileen Lavine	Jacqueline Sealy
Orlaine Benn	Dennis Depeiza	Trudy Layne	Lorraine Shepherd
Kamara Bennett	Mark Dias	Natasha Layne-Slinger	Marielle Shorey
Tamara Bernstein	Winston Dowrich	Veronica Leacock	Melissa Smith
David Best	Glyne Drakes	Kia Lewis	Ryan Smith
Karen Best	Haldene Evelyn	Michael Lewis	Jennifer Sparrock
Kenneth Best	Angela Fenty-Fraser	Shenelle Louis	Harold Straughn
Chad Blackman	Shalyn Firebrace	Rudy Lovell	William Stuart
Glyne Blanchette	Richard Forde	Tricia Lucas	Deborah Swanston
Marion Blunt	Shirnell Gamble	Eric Mapp	Roylyn Taitt
Stacey Blunte	Herbert Gittens	Brenda Mascoll	Norma Thorington
Richild Boyce	Ian Graham	Colvin Mascoll	Christa Thornhill
Nicole Branch	Lorian Graham	Eudora Mascoll	Shakira Toppin
Alicia Brathwaite	Lorton Graham	Cheryl Mayers-Goddard	Audrey Trotman
Sarah Brathwaite	Tricia Grannum	Henderson McClean	Rodley Trotman
Shawn Brathwaite	Cindy Grant	Hugh McClean	Jeanette Vaughn
Stephanie Brathwaite	Rebekah Grant-Carter	Rodney Millington	Olivia Walcott
Jeffrey Broomes	Penney Greene	Andre Moore	Adrian Ward
Orville Bruce	Dadrian Griffith	John Morodore	Neesha Ward
Sonia Burgess-Haynes	David Seon Griffith	Rosalind Murray	Tawana Weekes
Lorraine Burke	Sonia Griffith	Janelle Noel	Eugenie Whitehead
Andrey Burrowes	Whitfield Griffith	Henderson Nurse	Colvin Willett
Angela Butcher	Dawn Grosvenor-Davis	Roderick Nurse	Charlene Williams
Camilla Cabey	C. Walter Harper	Stephanie Nurse	Stephen Wiltshire
Benjamin Cadogan	Deborah Harper	Frank Odle	Linda Worrell
Elizabeth Cadogan	Winston Haynes	Charlene Osbourne	Vernon Worrell
Jason J. Cadogan	Lenora Headley	Monica Parris	
Troy Carrington	Corliss Hinds	Whitley Parris-Harper	
Caleb Carter	Juliet Holder	Jefferson Phillips	
Ronnie Carter	Clayton Hope	Celeste Porte	
Andre Clarke	Monsell Horton	Lloyd Powlett	

**MINUTES OF THE ANNUAL GENERAL MEETING OF
THE BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LIMITED,
HELD ON SATURDAY, 2 JULY 2022
AT THE HILTON BARBADOS RESORT, NEEDHAMS POINT, ST MICHAEL**

1.0 ASCERTAINMENT OF QUORUM

1.1 The meeting commenced at 4:07 pm, after confirmation that a quorum had been achieved. The President, Ms. Sherry-Ann Scott-King, chaired the proceedings.

2.0 PRAYERS

2.1 A word of prayer was said by Ms. Donna King, after which the attendees recited the prayer of St Francis of Assisi.

2.2 A minute of silence was observed as a mark of respect for sixteen (16) departed members whose names were listed on page 34 of the Annual General Report of 2021-2022.

3.0 EXCUSES

3.1 There were no excuses.

4.0 WELCOME REMARKS

4.1 The President, Ms. Sherry-Ann Scott-King said it gave her great pleasure to welcome the members to the Annual General Meeting of 2022. She acknowledged the presence of visiting representatives, including Messrs. Hally Haynes, President of Barbados Co-operative Credit Union League, and Keith Jones of BARTEL Credit Union, as well as Ms. Gloria Grant of Light & Power Employees Credit Union Limited. Also acknowledged were Mr. Peter J Carter, Auditor, representing Peter J Carter & Co., Ms. Stephanie Brathwaite and Mr. Kenneth Best, Attorneys-at-Law for the credit union, Mr. Mark Dias, Operations Manager (Ag), Ms. Hazel-Ann Sandy, Compliance Officer, Mr. Leon Robinson, Internal Auditor, as well as the credit union staff and members present.

4.1.2 She extended a special welcome to the Delion's Project team, Mr. Chandler and his staff who would be responsible for the supervision of the Electronic Vote-Counting.

5.0 PRESIDENT'S MESSAGE

- 5.1 Ms. Scott-King invited the members to review her message on page 4 and reiterated the AGM Theme "Steering the Course: Facing the Challenges through the Ever-Changing Financial Industry". She added that as the Credit Union would be celebrating 55 years, it could only get to the desired destination based on members' resilience, sound financial management and best practices. She hoped that the seventeen (17) committee members would continue their commitment to improve the operational function of the Credit Union and work with all the stakeholders so that they might have a greater sense of ownership, cohesiveness and cooperation.
- 5.2 She said the Credit Union was able to accomplish the targets set, adding that the projects currently in progress were the Strategic Plan, Customer Risk Rating, the Prepaid Debit Master Card project and Online and Mobile banking.
- 5.3 Ms. Scott-King expressed thanks and gratitude for the advice, constructive feedback and support given to her as President during her three-year tenure.

6.0 MINUTES OF ANNUAL GENERAL MEETING OF 26 JUNE 2021 – ERRORS AND OMISSIONS

- 6.1 Page 14, Item 18.1 should read: "...commenced on 1 June 2021 and would end on 31 December 2021."
- 6.2 Page 25, Report of the Credit Committee entitled "Performance" – Line 6 should read: "The main plank of"

7.0 ADOPTION OF THE MINUTES

- 7.1 A motion for the adoption of the Minutes was proposed by Ms. Donna King and seconded by Mr. Henderson McClean.
- 7.2 The vote taken was forty-four (44) "For", zero (0) "Against" and zero (0) "Abstentions". The motion was carried.

8.0 MATTERS ARISING FROM THE MINUTES

- 8.1 There were no matters arising from the Minutes.

9.0 REPORT OF THE BOARD OF DIRECTORS

- 9.1 The President, Ms. Sherry-Ann Scott- King, presented the Board of Directors' Report for the financial year ending 31 March 2022 (found on page 19.)

- 9.2 She told the members that the Board continued to adhere to the Governance Principles as outlined in the International Credit Union Governance Principles, Barbados Cooperative Societies Act and the Financial Services Commission. Also, during the period, there were nineteen (19) Board meetings, three (3) Committee meetings and one (1) staff meeting to address staff concerns.
- 9.3 She highlighted the various policies revised during the period. She said that some of the delinquent loans were being addressed by the two Attorneys-at-Law, Mr. Kenneth Best and Ms. Stephanie Brathwaite, who had achieved some success in collecting outstanding funds.
- 9.4 Ms. Scott-King continued that the Loans Fair, launched in June 2021, attracted several applicants due to the low interest rates on all products and services. Vehicle and Real Estate loans were in great demand. Also, she stated that income should increase next financial year from loans, BOSS investments and the rental of the vacant offices.
- 9.5 She said with regards to the infrastructure, the Credit Union's website was further enhanced to allow members to complete forms online and submit them for quick processing. In March 2022, the conversion of the computer financial systems to Sharetec software programs took place and the online and mobile banking features should be introduced in November. Additionally, the ShareRing Electronic Know Your Customer (eKYC) contactless verification application was implemented and a booth was set up at the entrance of the office for the members to download the App, which would allow members to download in a secure environment for future reference and access.
- 9.6 She added that the Credit Union had engaged an electrician who was able to correct some of the electrical faults on the building. In addition, the generator was serviced regularly, cameras were upgraded, and flood lights were replaced. With the resignation of the Operations Manager, Mr. Mark Dias was given the responsibility to act in that post and the other staff members had some of their duties reassigned for the smooth operation of the Credit Union.
- 9.7 In addition, the Cora Waldron Scholarship presentation was held, with three (3) recipients awarded, while a congratulatory message was given by Mrs. Cora Waldron, MBE.
- 9.8 Ms. Scott-King concluded that sound investment planning would be the key to reaping beneficial returns. On behalf of the Board, she thanked the members, staff and committee members for their commitment and unwavering support.
- 9.9 Mr. Dennis Depeiza said the late provision of the AGM documentation resulted in a lack of meaningful contribution. He felt there should be more communication and queried what methods were used to inform members of the various loans available, and what measures were being undertaken to attract new members.

Ms. Scott-King replied that the Annual Report was posted on the website several days before the AGM and the standard methods such as emails and the print media were used to inform members of the various loans. She told the meeting that during the period the Credit Union was able to attract three hundred (300) new members.

- 9.10 A motion for the adoption of the Report of the Board of Directors was proposed by Ms. Donna King and seconded by Mr. C Walter Harper, JP.
- 9.11 The vote taken was forty-four (44) “For”, zero (0) “Against” and zero (0) “Abstentions”. The motion was unanimously carried.

10.0 REPORT OF THE CREDIT COMMITTEE

- 10.1 The Report was presented by the Committee Chairman, Mr. Lorton Graham.
- 10.2 He asked the members to review the Report of the Credit Committee on pages 25–30. He outlined the duties of the Credit Committee and stated that the Committee had met more frequently due to the increase in loan applications generated by the Loans Fair which commenced in June 2021. He stated the Fair caused an influx of new members because of the low interest rates offered and the shorter turn-around time between joining and accessing financing for their desired projects. He pointed out that with the absence of an established national credit rating agency it was difficult to assess the credit worthiness of new members.
- 10.3 He briefly explained the various tables and charts for the period 2019–2022 which showed a three-year performance of the Society. Table 1 showed that there were 828 loans in 2019-2020 but only 728 in 2021-2022. However, the Mortgage category consumed \$6,076,470 or 44% of the total loans disbursed. He added that this figure also represented a 303% increase over the preceding fiscal year which was concerning, especially since these significant funds applied to just 10% of the borrowers. Also, the Vehicles and School Supplies categories had increased significantly.
- 10.4 He concluded that the work of the Committee had been challenging during the year under review. He said the Committee wished to thank the staff and colleagues for all the assistance given, especially Ms. Shirnell Gamble, Loans Officer. He advised members to provide as much information as required when requesting loans as it would allow the Committee to process applications more efficiently.
- 10.5 Mr. Andre Moore asked what the Credit Union was doing regarding the Credit Rating of new members. Mr. Graham responded that this question should be directed to the Board.
- 10.6 Mr. Ronald Jones, JP commented that in regards to the new members, he somewhat understood that there might be trepidation because of the low interest on investment, but through that mechanism, the Credit Union was able to attract new

members. However, there was still a need to physically go into the schools and get young teachers to join.

- 10.7 A motion for the adoption of the Report of the Credit Committee was proposed by Mr. Ronald Jones, JP and seconded by Ms. Donna King
- 10.8 The vote taken was forty-four (44) “For”, zero (0) “Against” and zero (0) “Abstentions”. The motion was unanimously carried.

11.0 REPORT OF THE SUPERVISORY COMMITTEE

- 11.1 Mr. Ronald Jones, JP, Chairman of the Supervisory Committee, presented the Supervisory Report found on pages 31–33 of the Annual Report.
- 11.2 He stated in his introduction that the Credit Union must operate within a framework of integrity, anti-corruption, fairness, equity and justice. Policies should embrace openness, clarity in business and employment dealings, communication with members and the most efficient ways by which committee members might protect the institution. He outlined the functions and duties of the Supervisory Committee.
- 11.3 Mr. Jones, JP drew the members’ attention to the findings of the Supervisory Committee and outlined the recommendations of the Committee. He expressed reservations about the quality of record keeping, inadequate communication between Committees, and at times a lack of timeliness in regards to the filing of Minutes of Board meetings. In addition to improvements in those areas, he recommended training for committee members and staff, as well as a resumption of educational sessions for general members.
- 11.4 Mr. Jones, JP thanked all those persons with whom the Committee had interacted during the last financial year.
- 11.5 A motion for the adoption of the Report of the Supervisory Committee was proposed by Ms. Donna King and seconded by Mr. Henderson McClean.
- 11.6 The vote taken was sixty-three (63) “For”, zero (0) “Against” and zero (0) “Abstentions”. The motion unanimously was carried.

12.0 REPORT OF THE NOMINATION COMMITTEE

- 12.1 The Nomination Committee Report was presented by the Chairman, Mr. Anthony Alleyne who introduced the members as follows:

Chairperson: Mr. Anthony Alleyne
 Secretary: Mr. C Walter Harper, JP
 Members: Mr. Victor Benn
 Mr. Frank Odle

12.2 Mr. Alleyne acknowledged the specially invited guests and members, and stated that the Committee was established on February 11, 2022 according to the By-Law 41 (1) (c). He reported that nominations had commenced on March 25 and closed on April 22, 2022. Further, he stated that the Committee had received ten (10) nominations, but one (1) was deemed invalid. The Committee raised three concerns that had arisen: - (1) the determination of the eligibility of persons, (2) tenure, and (3) acceptance of electronic documents from prospective candidates. The matters were determined and a list of candidates accepted in accordance with the By-laws. He suggested that in the future a closing time should be set in accordance with the day of the deadline for the submission of documents.

12.3 Mr. Alleyne read the names of the nominees as follows: -

Board of Directors (2 vacancies)

- Dennis Depeiza
- C. Walter Harper. JP
- Ronald Jones, JP
- Henderson McClean

Credit Committee (3 vacancies)

- Jason Blunte
- Lorton Graham
- C. Walter Harper. JP
- Ronald Jones
- Donna King
- Melissa King

Supervisory Committee (3 vacancies)

- Jason Blunte
- Lorton Graham
- C. Walter Harper. JP
- Donna King
- Henderson McClean
- Melissa King

12.4 Mr. Alleyne informed the members that there would be electronic voting utilising ballots which were signed by him. Mr. Victor Benn explained the voting process and outlined how persons would be notified to cast their vote.

12.5 Mrs. Kia Lewis queried how the credit union would deal with the possibility of persons being voted on to more than one committee. Mr. Alleyne replied that this would be addressed by the Returning Officer.

12.6 A motion for the acceptance of the Nomination Committee Report was proposed by Mr. Jeffrey Broomes and seconded by Mr. C. Walter Harper, JP.

12.7 The motion was carried by a vote of thirty-eight (38) “For”, zero (0) “Against” and zero (0) “Abstentions”. The motion was unanimously carried.

13.0 ELECTION TO COMMITTEES

13.1 Appointment of Returning Officer

13.1.1 It was moved by Mr. Ronald Jones, JP that Mr. Keith Jones, of BARTEL Credit Union Ltd should act as Returning Officer. The motion was seconded by Mr. Jeffrey Broomes.

13.1.2 The motion was carried by a vote of thirty-eight (38) “For”, zero (0) “Against” and zero (0) “Abstentions”. The vote was unanimous.

14.0 ELECTION OF OFFICERS

14.1.1 Election to the Board of Directors

The tally of votes was announced as follows:

·	Dennis Depeiza	50
·	C Walter Harper, JP	53
·	Ronald Jones, JP	70
·	Henderson McClean	69

It was declared that Messrs. Ronald Jones, JP, and Henderson McClean were duly elected to the Board of Directors for a period of two (2) years.

14.1.2 Election to the Credit Committee

The tally of votes was as follows:

·	Jason Blunte	47
·	Lorton Graham	62
·	C Walter Harper	46
·	Donna King	56
·	Melissa King	46

It was declared that Messrs. Jason Blunte and Lorton Graham, along with Ms. Donna King were duly elected to the Credit Committee for a period of two (2) years.

14.1.3 Election to the Supervisory Committee

The votes tallied were reported as follows:

·	C Walter Harper, JP	42
·	Melissa Smith	41

There were zero (0) spoilt votes. Since there were three (3) vacancies and just two candidates remaining, it was declared that Mr. C. Walter Harper, JP and Mrs. Melissa Smith were duly elected unopposed to the Supervisory Committee for a period of two (2) years.

There was one (1) vacancy which could be filled by the Supervisory Committee and the person selected would sit on the Committee until the Annual General Meeting of 2023, at which time he/she would be eligible to contest the election to complete the term of office.

14.1.4 Mr. Keith Jones was thanked for his assistance.

15.0 DOOR PRIZE

15.1 A gift of a Safety Kit was presented to Mr. Hugh McClean for being the 55th person registered as attending the AGM.

16.0 SPECIAL AWARD

16.1 It was announced that the Board had decided to make a special award to the Honourable Justice Cecil McCarthy for his long and meritorious service to the credit union in various capacities, in particular as the Attorney for the credit union. Mr. C. Walter Harper, JP read the impressive Biography of the Hon. Justice Cecil McCarthy. Mrs. Deborah Swanston, Director, presented a special gift to the Hon. Justice Cecil McCarthy, recognising his ascension to the Bench and thanking him for his loyalty, service and commitment to the Credit Union over a period of twenty (25) years. The Hon. Justice McCarthy thanked the members for the opportunity to serve the Organisation at various levels in the course of its history.

17.0 AUDITED FINANCIAL STATEMENTS

17.1 Mrs. Alicia Holder-Corbin, External Auditor from the firm Peter J Carter & Co. Chartered Accountants presented the Auditor's Report for the year ending March 31, 2022, found on pages 37–39 of the conference booklet.

17.2 Mrs. Holder-Corbin stated that the Auditor had audited the B.T.C.C.U.L financial statements, which comprised the Balance Sheet as at March 31, 2022 and the Statement of Changes in Equity, Statement of Comprehensive Income and Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. In the Auditor's opinion the

documents presented fairly, in all material respects, the financial position of the Credit Union for the period, its final performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS9).

- 17.3 A motion for the adoption of the Report was proposed by Major Rodney Millington and seconded by Ms. Donna King.
- 17.4 The vote taken was sixty-five (65) “For”, zero (0) “Against” and zero (0) “Abstentions”. The motion was carried unanimously.

18.0 TREASURER’S REPORT

- 18.1 Mr. C. Walter Harper, JP, Treasurer, presented the Treasurer’s Report.
- 18.2 He drew the members’ attention to page 59 of the Treasurer’s Report and gave a brief review. He reported that the Credit Union had ended the last financial year with a Net Loss of \$746,593 and a Net Comprehensive Income of \$3,443. He said this occurred due largely to its failure over the years to deal effectively with delinquencies, as well as property valuation, declining demand for loans, high liquidity, or growing non-working capital, no interest being paid on bank deposits and very little membership growth. Therefore, the resulting outcome was a Net Loss.
- 18.3 Mr. Harper, JP commented that the membership was aging and many members had reached the age of 65 years old, having large deposits and low demand for loans. However, interest must be paid on these funds, and the Board had introduced measures to mitigate the situation, including a Membership Drive and a Loans Fair. Approximately, three hundred (300) new members had been attracted, a 10% growth, and some of them borrowed for mortgages which would last for 20 and 30 years and should bring in steady income to the Credit Union. He referred members to the Table 1 which showed the growth of membership over a 5-year period.
- 18.4 He added that new investments were sought with the BOSS Bonds of over \$7 million at a return rate of 5%. Also, legal action was instituted to combat delinquencies, and he advised members who secured loans to pay their loans. Further, Total Assets now stood at \$106 million compared to \$104 million in 2021 as outlined in Table 2 for the years 2017 to 2022.
- 18.5 Mr. Harper, JP stated that Expenditure had grown by approximately \$500,000 which was due to an increase in the impairment provision, major refurbishments of the Credit Union’s headquarters and the purchase of new computer hardware and software. Further, Statutory Reserves increased to \$10.6 million as required by law.

- 18.6 He stated that Deposits and Shares had increased from \$83 million to \$86 million. Gross Loans had increased from \$37.5 million to \$43.1 million.
- 18.7 He concluded that the Credit Union would need to be innovative, competitive, and should continue to find ways to reduce idle cash while being more effective in managing delinquencies. However, the Board was satisfied that Bonus and Patronage Refund could be paid from unrealized gains.
- 18.8 Mr. Frank Odle queried the loss figure over the last year. He stressed that it was always a balancing act in hard economic times where the market was unforgiving. With Covid 19, low interest rates, and decrease in investments, managers have to be mindful of the market, otherwise what happened in the credit union before could easily happen again. He said it was good to have the Loans Fair but more loans mean bigger provisions and the likelihood of losses and unrecoverable debts. He added we were living in hard times and managers have to manage institutions well. Mr. Harper, JP, explained that the loss was recorded according to accounting practice.
- 18.9 Mr. Hugh McClean added it was important to grow the Loan portfolio and agreed the Fair was a good initiative. Further, the Credit Union League was coordinating access to the Credit Bureau for credit unions to assess persons who wished to access loans. He also noticed the total size of the membership had grown by ten per cent (10%) and suggested a review of the bond of association noted on the website, as it could hinder members from joining.
- 18.10 Mrs. Kia Lewis suggested more use of social media platforms such as Instagram and Facebook to attract members and recommended the creation of a Delinquency Department.
- 18.11 Mr. Quincy Jones asked if the Board had a Plan B, if the government defaulted in repaying the bond investment. Ms. Scott-King responded that careful research was done before investing in BOSS bonds which were a savings scheme and a very secure investment. Also, the Credit Union had other investments with other credit unions and banks.
- 18.12 A motion for the adoption of the Treasurer's Report was proposed by Ms. Donna King and seconded by Mr. Jeffrey Broomes.
- 18.13 The vote taken was sixty-five (65) "For", zero (0) "Against" and zero (0) "Abstentions". The motion was unanimously carried.
- 19.0 APPOINTMENT OF AUDITORS FOR 2022 - 2023**
- 19.1 A motion to appoint the firm of Peter J Carter & Co. as Auditors for 2022-2023, was proposed by Ms. Sherrill Connell-Roberts and seconded by Ms. Donna King.

19.2 The vote taken was sixty-five (65) “For”, zero (0) “Against” and zero (0) “Abstentions”. The motion was carried unanimously.

20.0 SETTING THE MAXIMUM LIABILITY

20.1 Mr. C. Walter Harper, JP proposed that the maximum liability should remain at \$10,000,000.00. This motion was seconded by Ms. Sherrill Connell-Roberts.

20.2 The vote taken was sixty-five (65) “For” and zero (0) “Against” and zero (0) “Abstentions”. The motion was carried unanimously.

21.0 DISTRIBUTION OF SURPLUS

21.1 Mr. C. Walter Harper, JP proposed a 0.25% Bonus and 5% Patronage Refund (totaling \$287,000) be paid to the membership. The motion was seconded by Ms. Donna King.

21.2 The vote taken was forty-five (45) “For”, zero (0) “Against” and zero (0) “Abstentions”. The motion was carried.

22.0 DONATIONS

22.1 Mr. C. Walter Harper, JP proposed that the annual allocation for Donations remain at the amount of \$20,000.00. This motion was seconded by Mr. Ronald Jones, JP.

22.2 The motion was carried by a vote of thirty-six (36) “For”, zero (0) “Against” and zero (0) “Abstentions”. The vote was unanimous.

23.0 AMENDMENT TO BY-LAWS

23.1 There were no proposed amendments to the By-Laws.

24.0 HONORARIA

24.1 Mr. C. Walter Harper, JP proposed that the monthly honoraria for committee members remain the same as last year. This was seconded by Mr. Lorton Graham. The amounts were:

Board of Directors	\$400.00
Credit Committee	\$325.00
Supervisory Committee	\$325.00.

No Special Honoraria were proposed.

24.2 The vote taken was forty-one (41) “For”, zero (0) “Against” and zero (0) “Abstentions”. The motion was carried unanimously.

25.0 RESOLUTIONS

25.1 There were no Resolutions.

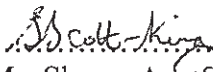
26.0 ANY OTHER BUSINESS


26.1 Certificates of Appreciation were presented to members for consistent attendance at annual general meetings.

26.2 Mr. Quincy Jones applauded the Board of Directors for introducing the electronic voting.

27.0 TERMINATION

27.1 The meeting was terminated at 7:46 pm. on a motion by Mr. Jeffrey Broomes, seconded by Mr. Ronald Jones, JP. The motion was adopted unanimously.


.....
Ms. Sherry-Ann Scott-King
President


.....
Sherrill Connell-Roberts
Secretary

**REPORT
BOARD OF DIRECTORS**

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

FOR FINANCIAL YEAR 2022- 2023

REPORT OF THE BOARD OF DIRECTORS
BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LIMITED
FOR FINANCIAL YEAR 2022- 2023

1. MEMBERSHIP	April 2022 – July 2022	July 2022 – June 2023
President	Ms. Sherry-Ann Scott-King	Mr. Ronald Jones. JP.
1 st Vice President	Miss Juliet Holder	Mr. Henderson McClean
2 nd Vice President	Mrs. Deborah Swanston	Mrs. Deborah Swanston
Secretary	Ms. Sherrill Connell-Roberts	Mr. Glyne Blanchette
Treasurer	Mr. C. Walter Harper. JP.	Miss Juliet Holder
Asst Secretary	Mr. Jeffrey Broomes
Asst Treasurer	Mr. Glyne Blanchette
Director	Mr. Jeffrey Broomes
Director	Ms. Sherrill Connell Roberts

INTRODUCTION

The Barbados Teachers' Co-operative Credit Union Limited encountered several challenges during the year under review but was able to achieve quite reasonable success as it tried to meet the needs of its members.

The economic conditions existing in the country for several years have continued to impact on the organization. The high inflation rate affected the individual members' capacity to meet their domestic needs and save with the Credit Union at the same levels as in previous years. In some cases, members withdrew shares from the Credit Union to meet some of their more pressing needs and money coming into the Credit Union, even with an increase in membership, only marginally offset this withdrawal.

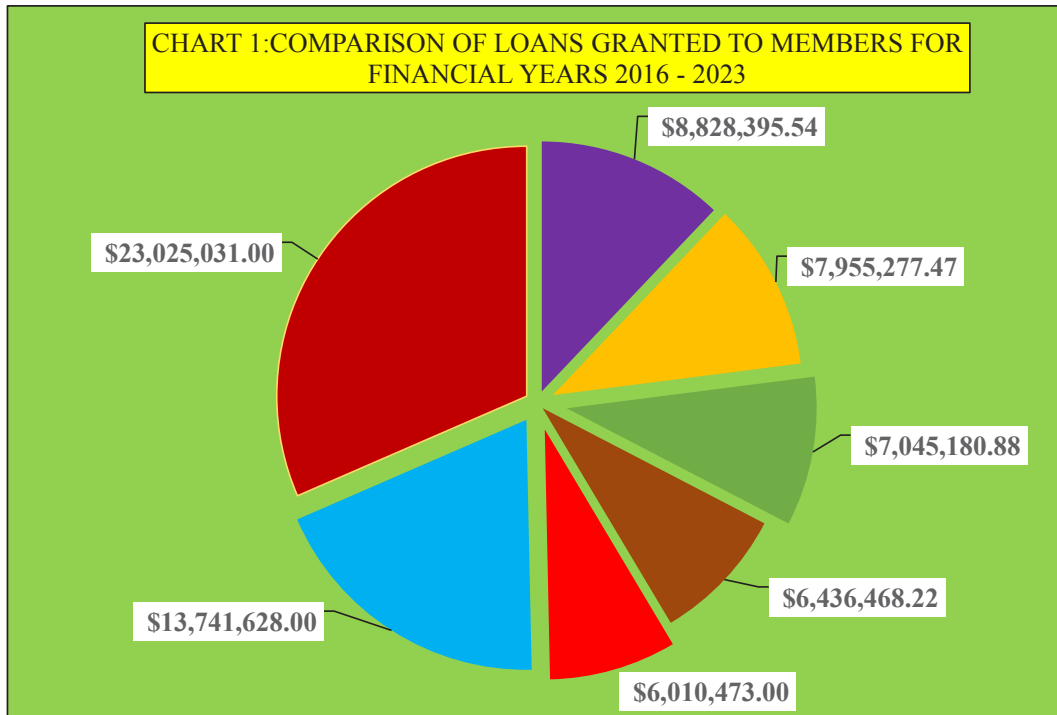
Increased oversight by the Financial Services Commission called for greater efforts in regards to regulatory compliance and conformity, thus the Credit Union had to be responding to these requests on a continuous basis. In this regard, the Credit Union has produced several policies and is working on others to stay as current and as compliant as possible.

The rapid advancement in technology requires the Credit Union to adapt and invest in modern infrastructure, digital platforms, and cybersecurity measures. These upgrades can be costly and time-consuming. With the ubiquitous use of technology in the business environment, the Credit Union has been updating both its software and hardware to increase protection and provide greater safeguards for its operations.

Engaging and attracting new members while retaining existing ones is a constant challenge. The Board is satisfied that its products remain highly competitive and easily accessible to members. The Credit Union was able to okay most applications for loans. For non-mortgage and uncomplicated application processing, applications were generally satisfied in under 24 hours. The Board recognizes that swift personalized services, competitive interest rates and convenient access to financial products and services are essential to meet members' needs.

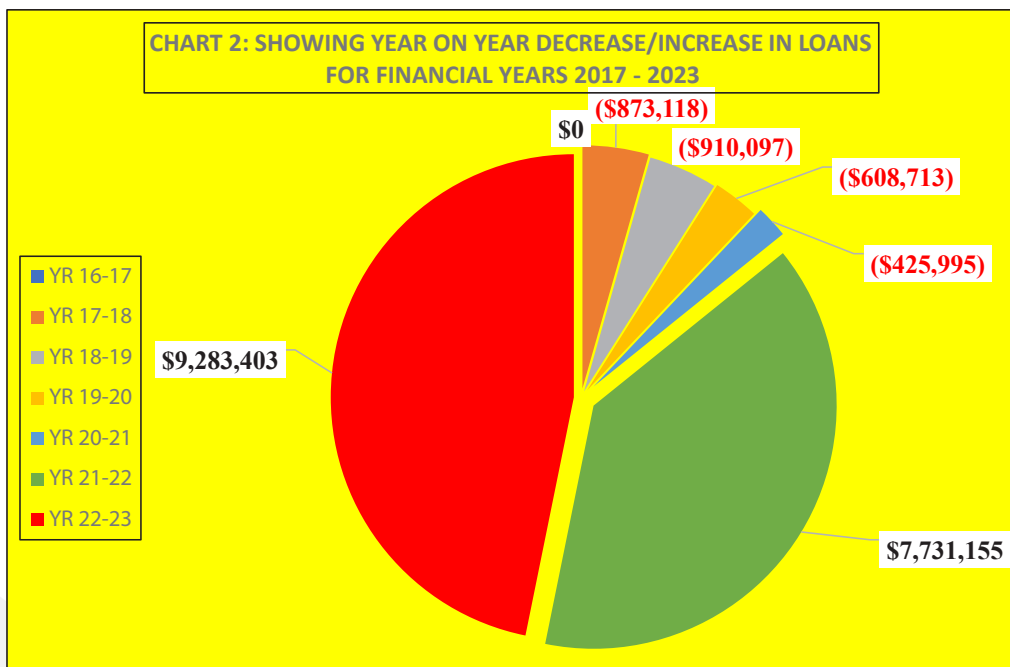
FINANCIAL PERFORMANCE

The financial performance of the Credit Union for 2022 – 2023 shows impressive improvements in several areas. Loans to members increased significantly. During the financial year approximately 23 million dollars were granted in loans, the majority for mortgages and vehicle loans. This represents the highest annual loan amount ever paid out by the BTCCUL. Chart 1 below shows the comparative data for loans granted during the period 2016 to 2023. Prior to 2023, the highest loan disbursement for a single year was experienced in 2021, when members borrowed \$13,741,628.00.



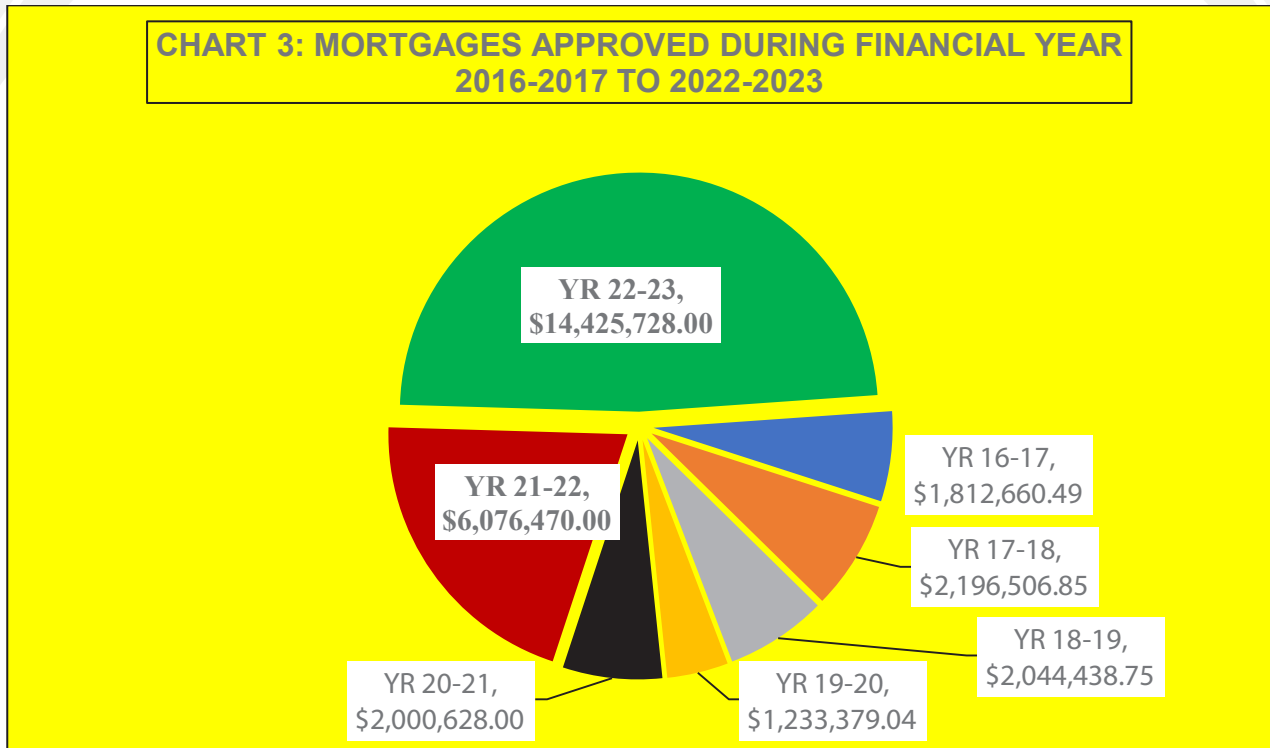
Year on year decreases in the value of loans granted to members occurred during the financial year 2017 – 2018 and continued until the end of financial year 2020-2021. The loan portfolio showed some acceleration during the financial year 2021-2022 and then again in 2022-2023. (see Chart 2 below).

“RESPECT THE PAST – IMPACT THE FUTURE”

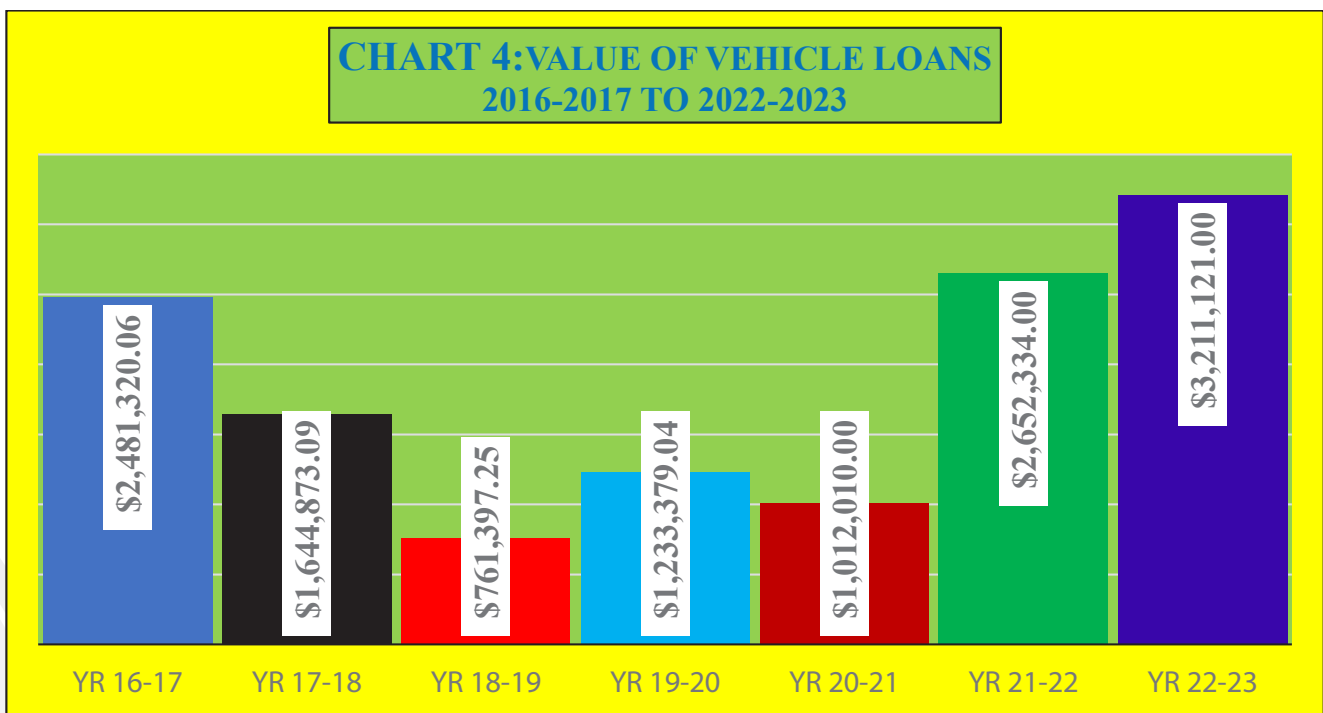


Respect The Past – Impact The Future

The unprecedented demand by members in the year under review was as a result of low interest rates and the granting of 100 % loans to those who qualified under the Loans Fair Policy. A comparison of the performance of these areas over the period 2016 -2017 to 2022 – 2023 highlights this scenario as shown in Chart 3 below.

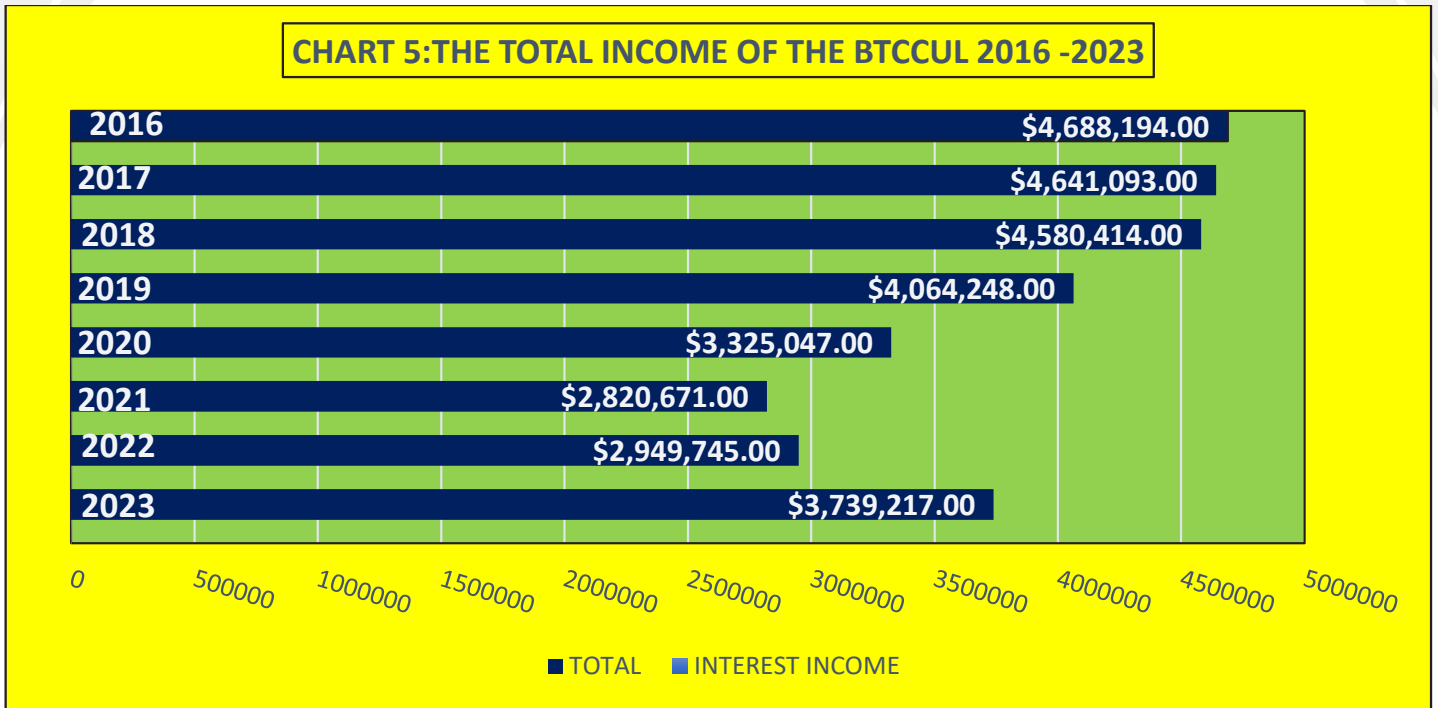


In addition, vehicle loans continue to be a major category for borrowers. In the financial year this category of loan accounted for disbursements to the value of \$3,211,121.00. This was the highest for the past six (6) financial years, and it eclipsed the previous year by some \$558,787.00. (see Chart 4 below).



INCOME

It is encouraging to note that BTCCUL has been able to generate sufficient income to support its operations effectively. The Credit Union’s revenue streams are robust and sustainable, enabling it to cover its expenses and maintain financial stability. (see Chart 5 below).



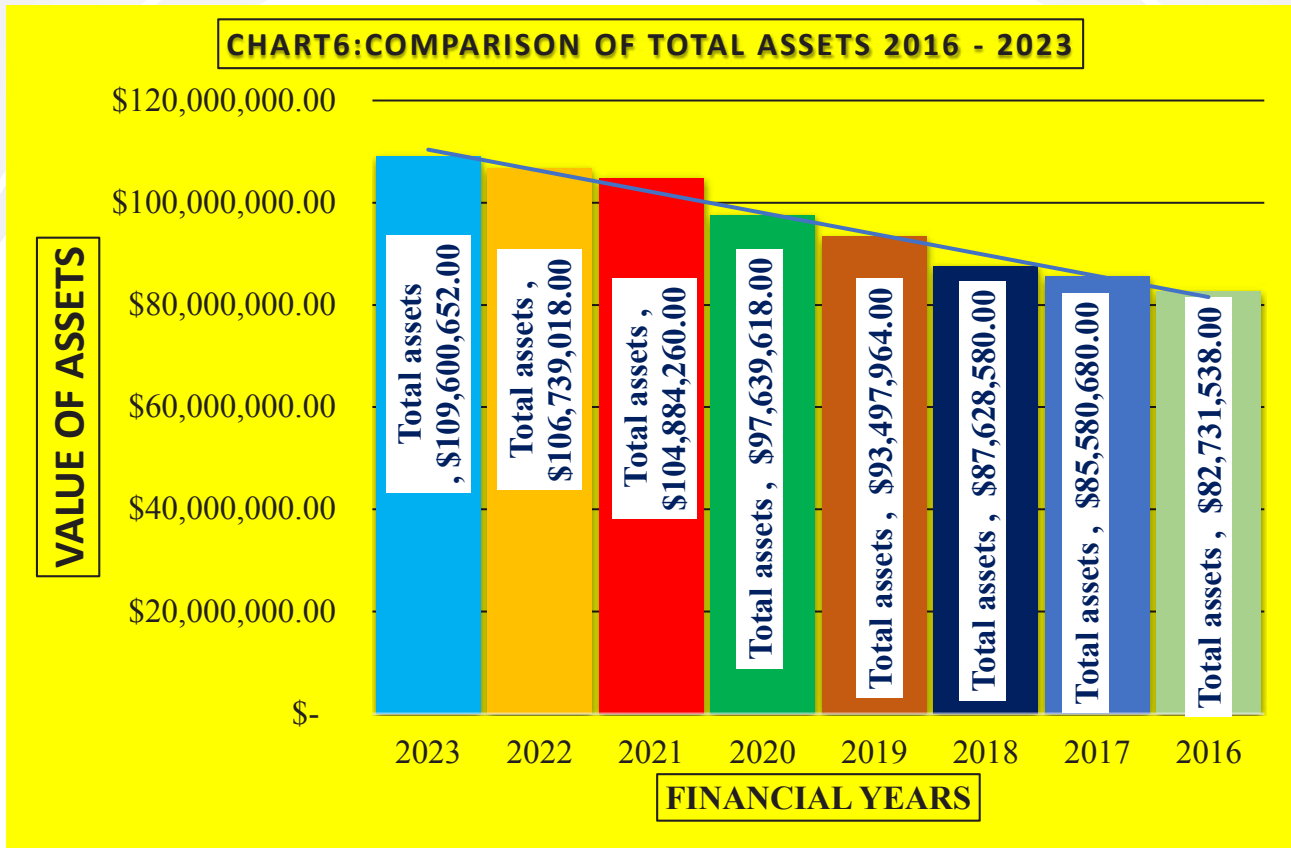
The surplus generated by the Credit Union is an important factor in meeting its obligations and objectives. It affects the institution’s ability to maintain appropriate capital levels, which is essential for its long-term viability and compliance with regulatory standards.

The ability to pay dividends and reasonable interest to members is a positive outcome for the Credit Union. It reflects the fact that the institution is not only meeting its financial obligations but also sharing its success with its members.

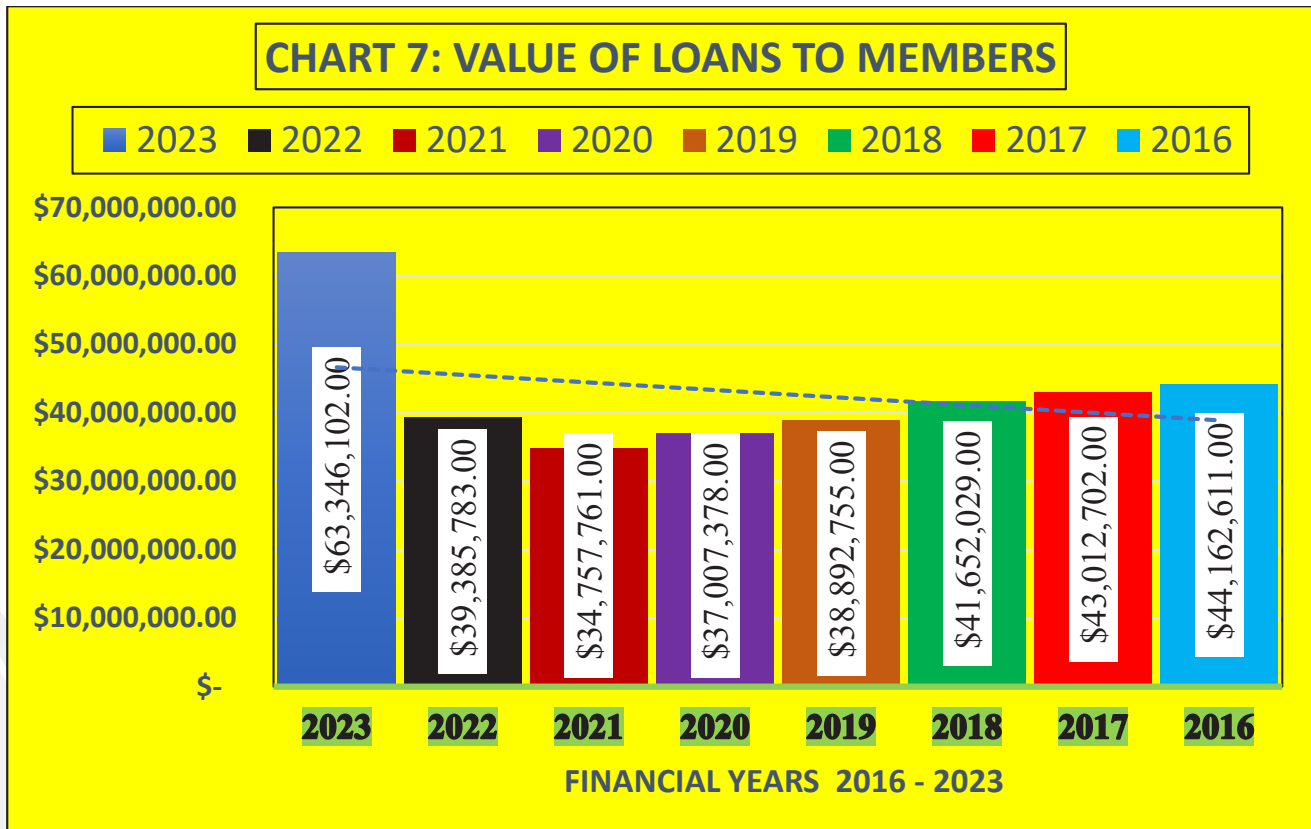
By leveraging the momentum gained over the past financial year in particular, the Credit Union is well positioned to meet the needs of its members effectively. This will support the institution’s commitment to maintaining its viability and ensuring its long-term success.

ASSET GROWTH

The BTCCUL continues to grow its assets over time. During the year under review Total Assets grew from **\$106,739,018.00 to \$109,600,652.00**. This is \$2,861,634.00 more than in the previous financial year. (see Chart 6)



In this financial year the Society returned to a position of having a significant comprehensive income, thus benefitting its members and making it possible for the Credit Union to continue its growth trajectory. The increase in interest income from loans is expected to continue in the immediate future. (see Chart 7 below, which shows the trajectory)



DELINQUENCY

The Credit Union continues to take note of the level of delinquency. It is positive to note that the majority of the loan portfolio remains unaffected by delinquency, but those persons who are averse to meeting their credit commitments affect the overall viability of the Credit Union. The Credit Union is taking proactive measures to address the issue and has achieved some success in the process.

By aggressively tackling delinquent loans, the Credit Union aims to minimize losses and protect the overall financial health of the institution. This approach demonstrates a responsible and diligent approach to managing the loan portfolio.

Furthermore, the Credit Union's willingness to engage with members and discuss various options is an indication of its commitment to assisting borrowers in resolving their delinquency issues. By offering alternative solutions, the Credit Union aims to prevent loans from becoming impaired and ultimately being referred to collection agencies. However, there should be no doubt that the Credit Union will be resolute in pursuing the collection of monies owed to it.

The Credit Union's emphasis on managing risk and limiting exposure to negative impacts has allowed it to safeguard its assets. By this approach, the Credit Union continues to protect its financial stability and minimize potential losses.

IFRS 9

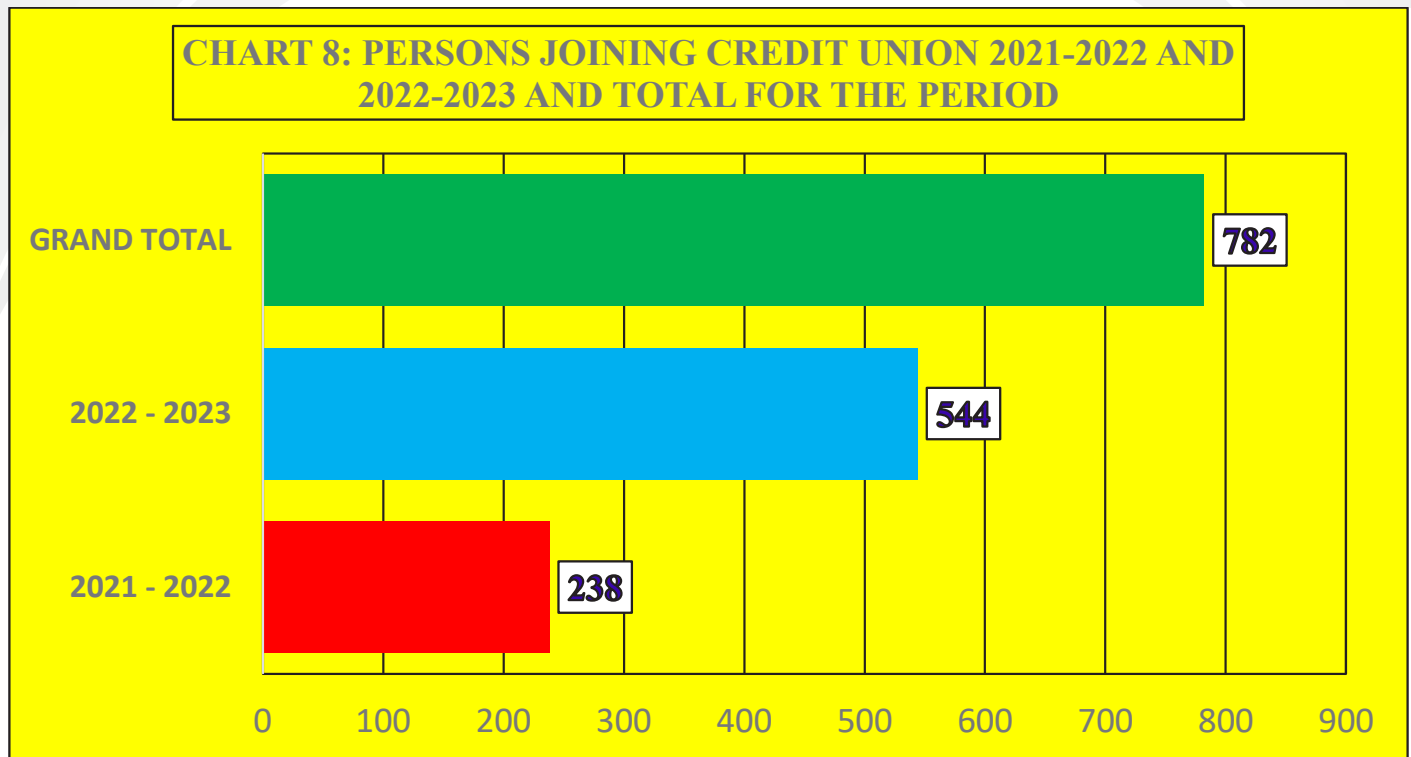
In the year under review the BTCCUL signed a new agreement with A&S TechnoSoft Solutions in order to provide for its obligations re Doubtful Loan Provisions under the accounting system IFRS 9. The specific attributes of the software easily satisfy the needs of the BTCCUL.

GROWTH IN MEMBERSHIP

The BTCCUL has shown an increase in membership. From 2021 to 2022, the Credit Union experienced an increase in membership, and this trend continued in the subsequent year. There was a 228% increase in new members during the 2022-2023 period compared to the previous year.

The overall growth in membership from 2400 to 3182 members in the two-year period represents an increase of 782 members, or 32 %. This growth rate is good and suggests that the Credit Union's efforts in expanding its customer base can be successful.

Furthermore, an expanding membership base strengthens the Credit Union's position within the community it serves. It allows the Credit Union to have a more significant impact, offer more personalized services and better understand the diverse needs of its members. Of critical importance, however, is the need for all members, including new ones, to appreciate the importance of a healthy savings profile if the Credit Union is to derive maximal benefits from an increased membership base. (see Chart 8 below)



COMMUNITY OUTREACH

The BTCCUL has actively supported members as well as institutions within the community. By providing donations and support, the Credit Union demonstrates its commitment to giving back and to fostering community development.

Specifically, the BTCCUL provided assistance to BSSAC (Barbados Secondary Schools Athletics Championship) and an educational 11+ initiative, highlighting the Credit Union's involvement in promoting education and sports within the community.

Additionally, financial support was provided to several other entities, demonstrating the Credit Union's broad and diverse involvement in the community, and extending its support beyond more traditional events.

CORA WALDRON SCHOLARSHIP FUND

In the financial year, three (3) individuals benefitted from the Cora Waldron Scholarship Fund. The establishment and utilization of the scholarship demonstrate the Credit Union's continued commitment to supporting educational opportunities and the advancement of individuals within the community.

The beneficiaries during this financial year were Jon-Mykul Bowen, pursuing an Associate Degree (Acting on Stage and Film), Quincy Jones, pursuing a Legal Certificate and Fallon Miller, reading for a Bachelor of Fine Arts (Animation).

**RECEIPIENTS OF THE CORA WALDRON SCHOLARSHIP FOR 2022-2023,
ALONG WITH MEMBERS OF THE CREDIT UNION COMMITTEES.**



From Left to Right: Mr. Victor Hutchinson, Mr. Henderson McClean, Mr. Quincy Jones JP. Mr. Julian Bowen (representing his son, Jon-Mykul Bowen), Ms. Nicole Husbands (representing her daughter Fallon Miller), Miss Juliet Holder, Mr. Lorton Graham, Ms. Donna King, Mr. Trevor Daniel and Mr. Ronald Jones. JP.

CORPORATE GOVERNANCE

During the period under review several new policies were adopted while others are in the process of being completed. These include a new Loans Policy, a Data Security Policy, an Internet Policy, an Online Privacy Policy, a Social Media Policy, a Whistle Blower Policy, a Conflict-Of-Interest Policy, an Interest Rate Policy and an Investment Policy.

1. **Loans Policy:** This policy outlines the principles and guidelines governing the Credit Union's lending activities, including loan application procedures, criteria for loan approval, interest rates, repayment terms and risk management practices. It helps to ensure responsible lending and protects the interests of both the Credit Union and its members.
2. **Data Security Policy:** This policy focuses on safeguarding sensitive data and protecting it from unauthorized access, disclosure or misuse. It addresses data storage, encryption, access controls, employee training, incident response procedures and compliance with relevant data protection laws and regulations.
3. **Internet Policy:** This policy establishes guidelines for the appropriate and secure use of the internet within the Credit Union. It covers acceptable internet usage, online behaviour, protection against malware and cyber threats and adherence to legal and ethical standards while utilizing internet resources.
4. **Online Privacy Policy:** This policy informs members and other stakeholders about how their personal information is collected, stored, used and shared when interacting with the Credit Union's online platforms. It demonstrates a commitment to respecting individuals' privacy rights and complying with applicable data protection regulations.

5. **Social Media Policy:** This policy outlines the Credit Union's guidelines for using social media platforms professionally and responsibly. It addresses issues such as appropriate content, brand representation, confidentiality, employee conduct and the management of online interactions with members and the public.
6. **Whistleblower Policy:** This policy encourages employees and stakeholders to report any misconduct, unethical behavior, or violations within the Credit Union. It establishes procedures for confidential reporting, protection against retaliation and subsequent investigation of reported concerns.
7. **Conflict of Interest Policy:** This policy aims to identify, manage and mitigate conflicts of interest that may arise among Board members, employees and stakeholders. It promotes transparency and integrity by setting guidelines for disclosing and addressing potential conflicts.
8. **Interest Rate Policy:** This policy governs the determination and adjustment of interest rates for deposits, loans and other financial services provided by the Credit Union. It helps to ensure fairness, competitiveness and compliance with regulatory requirements.
9. **Investment Policy:** This policy outlines the Credit Union's investment objectives, strategies and risk tolerance for managing its investment portfolio. It establishes guidelines for investment decisions, diversification, monitoring and compliance with relevant laws and regulations.

A New Governance Policy, an Enterprise Risk Management Policy, an amended Strategic Plan, a Contingency Policy and an Emergency Policy are at different stages of completion and, once finalized, will help the Credit Union with its compliance protocols.

TRAINING AND PROFESSIONAL DEVELOPMENT.

Staff and members of committees within the Credit Union have had the opportunity to benefit from training courses offered by reputable organizations such as the Cooperative Department, Caribbean Confederation of Credit Unions (CCCU) and the Barbados Co-operative & Credit Union League (BCCUL).

1. **AML/CTF Training:** AML stands for Anti-Money Laundering, and CTF stands for Countering the Financing of Terrorism. This training focused on educating participants about the laws, regulations and best practices for preventing money laundering and detecting and combating the financing of terrorism within the financial sector.
2. **Trainer of Trainers - Governance Principles:** This training program aims to equip individuals with the knowledge and skills necessary to become trainers on governance principles within the Credit Union. By participating in these courses, staff and committee members have the opportunity to enhance their understanding of important topics related to financial regulation, risk management and governance.

The participation of staff and committee members in these training programs reflects the Credit Union's dedication to staying abreast of industry standards, fostering a culture of compliance and ensuring the highest level of professionalism and expertise within the organization.

CELEBRATING 55 YEARS

The Barbados Teachers’ Co-operative Credit Union Limited produced a newspaper supplement as part of its 55 years celebration.

The attainment of its 55th year is a significant milestone for the Barbados Teachers’ Co-operative Credit Union Limited (BTCCUL). The release of the newspaper supplement as part of the celebration was designed to recognize the Credit Union’s achievements, share its history and engage with its members and the community.



Members of Staff from Left to Right: Miss Trudy Layne, Mrs. Margo Jordan (Temporary), Mrs. Maria Archer, Ms. Kirley Scantlebury, Mrs. Angela Fenty-Fraser, Miss Shirnell Gamble and Mr. Mark Dias.

STAFF APPRECIATION

The BTCCUL recognizes and appreciates the long service of its staff members. As a means of acknowledging and honoring employees who have dedicated a significant portion of their careers to the Credit Union, such recognition is an important gesture that can foster a positive work environment and reinforce employee loyalty and commitment. During the financial year staff were presented with tokens of appreciation for long service as a way of demonstrating the organisation’s gratitude for their service, hard work and loyalty.



Members of Staff: (L-R) Mrs. Angela Fenty-Fraser, (30 years), Miss. Trudy Layne, (20 years), Ms. Kirley Scantlebury, (24 years), Mr. Mark Dias, (23 years), Mrs. Maria Archer, (15 years), and Miss. Shirnell Gamble, (30 years)

MAINTENANCE

The fact that the Barbados Teachers' Co-operative Credit Union Limited building is 30 years old raises the matter of the importance of maintenance. As buildings age, regular maintenance becomes crucial to ensure their structural integrity, functionality and safety. It is essential to prioritize maintenance activities to prevent deterioration, address wear and tear and maintain a pleasant and conducive environment for staff and members. The Credit Union has maintained the functionality of the structure by doing major repairs to the roof, repairs to leaks in the plumbing, replacement of some plumbing fixtures and constant cleaning of the air condition vents. The Credit Union will develop a maintenance plan to ensure the structural soundness, functionality and aesthetics of the property.

EDUCATIONAL SESSIONS

The BTCCUL resumed its educational sessions during the year. These educational sessions play a vital role in supporting the Credit Union's overall principles and objectives, as they provide participating members with a comprehensive understanding of current trends and developments in the Credit Union movement.

By offering educational sessions, the BTCCUL demonstrates its commitment to empowering its members with knowledge and insights related to the Credit Union industry. The sessions included: -

- I. Understanding the Credit Union Financial Statement.
- II. Know Your Customer protocols and eKYC.
- III. Legislation Affecting the Operations of the Credit Union.
- IV. Risk Management, AML and CFT issues and the Impact on Members.

PROJECTIONS

The Barbados Teachers' Co-operative Credit Union Limited (BTCCUL) will concentrate its efforts during the next financial year on realizing some of the projections of the draft strategic plan. Some of these include.

1. Membership Growth: This projection will involve targeting specific segments, such as students, young professionals, student teachers and unserved sections of the self-employed.
2. Delinquency: The Credit Union will seek to decrease its loan delinquency and provide increased levels of financial counselling.
3. Asset Growth: There will be renewed focus on increasing deposits and investment growth.
4. Technology and Digital Transformation: The Credit Union will continue to invest in technology infrastructure, upgrade online banking platforms, enhance mobile banking capabilities, join the Automated Clearing House (ACH) and provide convenient digital services to meet the evolving needs and expectations of members.
5. Member Engagement and Satisfaction: The Credit Union will seek to improve member engagement and satisfaction levels and increase member participation in Credit Union activities, such as educational meetings, online outreach, etc.
6. Financial Education and Community Outreach: The Credit Union will emphasize financial education and general education for staff, committees and the general membership.
7. Regulatory Compliance and Risk Management: The Credit will prioritize compliance with regulations and managing potential risks. Efforts will focus on implementing measures to ensure regulatory

compliance, enhancing risk management frameworks and maintaining the highest standards of governance and transparency.

- 8. Profitability and Financial Performance: The Credit Union will maintain financial sustainability. Plans will include targets for profitability ratios, cost management strategies and interest-income growth.

CONCLUSION

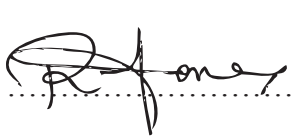
The Board’s report for the period 2022-2023 reflects a strong commitment to corporate governance, regulatory compliance and the overall well-being of the Credit Union. The Board’s special interest in corporate governance is evident through its adherence to International Credit Union Standards, the By-Laws of the Credit Union and the stipulations set forth by the Financial Services Commission.

During this period, the Board took significant steps to enhance governance practices by adopting and developing several new policies. These policies address important areas such as loans, data security, internet usage, online privacy, social media, whistleblowing, conflict of interest, interest rates and investment. Adoption of these policies demonstrates a proactive approach towards transparency, accountability, risk management and protecting the interests of the Credit Union and its members.

The Board’s focus on staff and committee member development is also important. Participation in training courses offered by reputable organizations such as the Cooperative Department, CCCU and BCCUL showcases a dedication to continuous learning, professional growth and remaining up to date with industry best practices.

In conclusion, the Board’s report for 2022-2023 highlights a strong commitment to corporate governance, regulatory compliance and the overall advancement of the Credit Union. Through the adoption of new policies and the investment in staff and committee member training, the Board demonstrates its dedication to upholding the highest standards of integrity, transparency and accountability. By respecting the past through adherence to established standards and policies, the Board is actively impacting the future by building a solid foundation for the Credit Union’s continued success and positive contribution to its members and the community at large.

The Board thanks all staff, consultants and other committee members for their service to the Credit Union during the year under review.



Mr. Ronald Jones JP.
President



Mr. Glyne Blanchette
Secretary



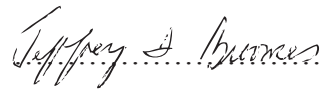
Mr. Henderson McClean
1st Vice President



Mrs. Deborah Swanston
2nd Vice President



Miss Juliet Holder
Treasurer



Mr. Jeffrey Broomes
Director



Ms. Sherrill Connell-Roberts
Director

REPORT OF THE CREDIT COMMITTEE**BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LIMITED****FOR THE FINANCIAL YEAR 2022-2023****MEMBERSHIP**

PERIOD	April 2022 – July 2022	July 2022 – March 2023
CHAIRMAN	Mr. Lorton Graham	Mr. Lorton Graham
SECRETARY	Mr. Clayton Hope	Ms. Donna King
MEMBERS	Mr. Trevor Daniel	Mr. Trevor Daniel
	Mr. Henderson McClean	Mr. Clayton Hope
	Major Rodney Millington	Mr. Jason Blunte

DUTIES

The duties of the Credit Committee are outlined in Section 58 to 69 of the By-Laws of the Barbados Teachers' Co-operative Credit Union Limited and in Section 205 of the Co-operative Societies Act CAP. 378A of the Laws of Barbados. These laws and by-laws guided the function of the Credit Committee during the period under review.

By-Law 63 states in part that “the Credit Committee shall hold such meeting as the business of the Credit Union may require but not less frequently than once per month.” This was honoured.

In the pursuit of good governance, the FSC requested that consequent upon meetings of the Committee, the minutes be submitted to them within five working days. This mandate has been adhered to.

PERFORMANCE

This report provides a record of the Barbados Teachers' Co-operative Credit Union Limited for the period ending 31st March 2023. The report identifies the categories through which members accessed funds and the quantities approved.

The Committee met twice monthly for a significant part of the financial year. The loans fair which drove business in the previous reporting period was still in operation for the first four months and remained impactful. This interest could be attributed to the attractive rates offered and the fast turnaround time for business.

All applications that met the criteria set by the Board were approved. Thirteen applications were rejected. Among the reasons for rejection was the perceived inability to service the loan.

The Extra Ordinary Credit Committee was convened when necessary and was always expeditious in its deliberations.

This report identifies some of the factors which affect the work of the Credit Committee. A significant challenge to our progress was that members were not properly completing the application forms. The Committee's function is not to make any assumptions. There is a good reason why the application instruments are structured as they are.

There was a shortage of information on the budget form as well which is part of the process. Some members stated that they earned additional income but were averse to declaring the source or show any documentation to support such a claim. It is important that the Society can verify the source of income of its members because of

the Society’s commitment to respecting the Anti-Money Laundering (AML) protocols.

There were instances too of incorrect employment data. This was evident when the Committee in pursuing its due diligence check tried to contact the workplace of some members. The Credit Committee advises borrowing members to keep the Society abreast of any circumstance which may affect the Committee’s ability to contact them.

The data presented in the accompanying tables and charts reflect the comparative performance of this Credit Union over the last two financial periods.

Table 1 Showing Number of Loans Processed		
CATEGORY	2021-2022	2022-2023
SCHOOL SUPPLIES	200	290
PERSONAL EFFECTS	139	93
LINE OF CREDIT	89	77
CHRISTMAS	43	55
VEHICLE	46	58
PROPERTY	76	45
HOME IMPROVEMENT	54	25
SPECIAL LOAN FACILITY	48	21
DEBT CONSOLIDATION	11	14
TRAVEL	3	3
EDUCATION	8	2
FUNERAL	2	1
GREEN	2	5
AGRICULTURE	1	1
SMALL BUSINESS	1	1
WEDDING	1	0
LEGAL FEES	1	0
MEDICAL	2	0
FESTIVAL	1	0
GRAND TOTAL	728	691

The category with the highest percentage increase in loan processing was “Green,” with a 250% increase from 2 loans in 2021-2022 to 5 loans in 2022-2023. This category, however, has not captured the members’ interest as was envisaged. The “School Supplies” category had the second-highest percentage increase, with a 145% increase from 200 loans in 2021-2022 to 290 loans in 2022-2023.

The category with the highest number of loans processed in the two years was “School Supplies,” with 200 loans in 2021-2022 and 290 loans in 2022-2023. The second highest was “Personal Effects,” with 139 loans in 2021-2022 and 93 loans in 2022-2023.

On the other hand, Table 1 showed that “Weddings”, “Legal Fees” and “Medicals” had little or no activity in the two year period.

In summary, the “School Supplies”, “Personal Effects” and “Line of Credit” categories were the most popular in terms of loan processing. There was a 5% drop in the number of loans processed in 2023 when compared with the previous reporting period 2022.

CATEGORY	2021-2022	2022-2023
PROPERTY	\$6,076,470	\$14,425,733
VEHICLE	\$2,652,334	\$3,211,121
SCHOOL SUPPLIES	\$1,241,409	\$2,234,909
PERSONAL EFFECTS	\$1,099,133	\$840,393
HOME IMPROVEMENT	\$952,196	\$477,500
SPECIAL LOAN FACILITY	\$466,176	\$450,858
DEBT CONSOLIDATION	\$284,708	\$410,956
CHRISTMAS	\$260,613	\$306,500
LINE OF CREDIT	\$309,784	\$279,799
GREEN	\$51,900	\$164,059
EDUCATION	\$203,780	\$135,000
AGRICULTURE	\$50,000	\$50,000
SMALL BUSINESS	\$6,000	\$16,000
TRAVEL	\$8,500	12000
FUNERAL	\$37,625	\$10,203
MEDICAL	\$32,000	\$0
WEDDING	\$4,000	\$0
LEGAL FEES	\$2,500	\$0
LAND (within shares		\$0
FESTIVAL	\$2,500	
GRAND TOTAL	\$13,741,628	\$23,025,031

In Table 2, the total value of loans processed in the last two years was \$13,741,628 in 2021-2022 and \$23,025,031 in 2022-2023. This represents an increase of 68%.

Looking at the categories, some notable features in loan activity over the last two years include:

Property loans had the highest increase in value processed, with a 137% increase from 2021-2022 to 2022-2023. These are loans which are secured by mortgages and hence represent long term commitments. The committee approved more money to secure property in the last financial year than it did for all the categories in the previous year.

Vehicle loans also showed significant growth, with a 26% increase in the number of loans processed (Table 1) and a 21% increase in value from 2021-2022 to 2022-2023 (Table 2).

Personal Effects loans decreased by 33% in value from 2021-2022 to 2022-2023 (Table 2).

Christmas loans had a 17% increase in the number of loans processed (Table 1) and a 17% increase in value from 2021-2022 to 2022-2023 (Table 2).

Chart 1. Number of Loans Processed in Financial Years Ending 2022 & 2023

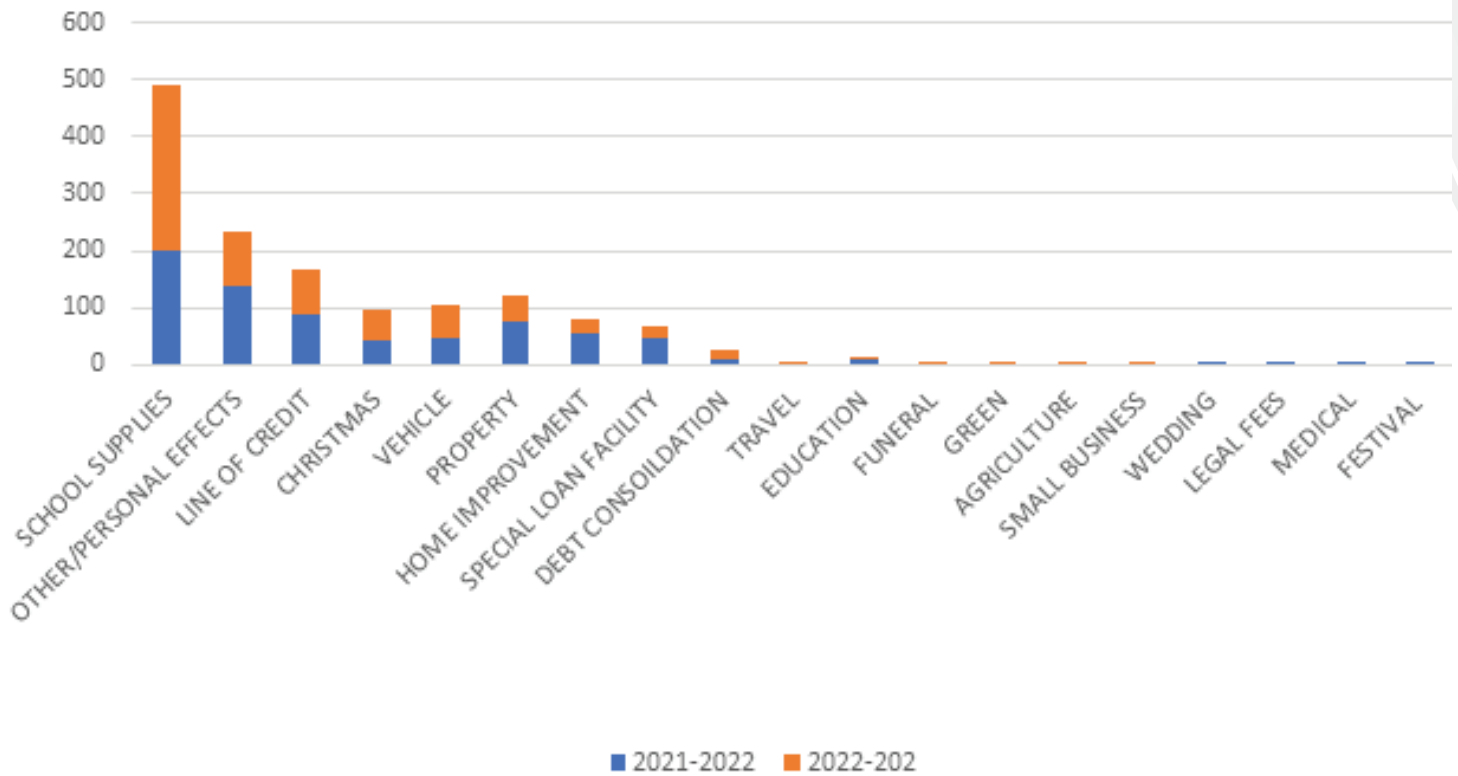
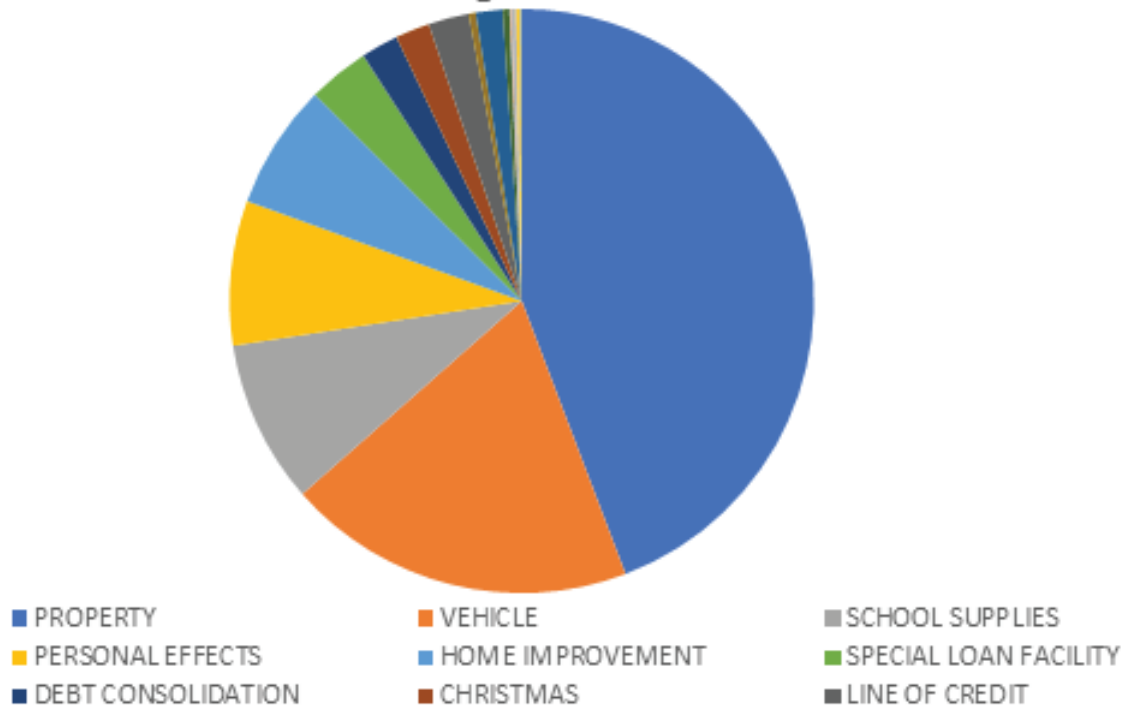
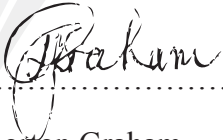


Chart 2. Value of Loans Processed in Financial Years Ending 2022 & 2023



CONCLUSION

The Chairman of the Credit Committee thanks the members of the Committee for the commitment to tasks during the year in review. Thanks are extended as well to the Board, the Supervisory Committee and the Staff for the co-operative spirit which pervaded all interactions. Finally, thanks to the members whose vote gave us the chance to serve.



Lorton Graham

Chairman



Donna King

Secretary

**REPORT OF THE SUPERVISORY COMMITTEE OF THE
BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LIMITED
FOR THE FINANCIAL YEAR APRIL 2022 TO MARCH 2023.**

1 - MEMBERSHIP

Supervisory Committee Members

Committee Membership

July 2021 - July 2022

Mr. Ronald Jones - Chairman

Mr. Philip Clarke - Secretary

Mr. Victor Hutchinson- Member

Dr. Karen Best - Member

Mr. Quincy Jones - Member

Committee Membership

July 2022 - March 2023

Mr. Victor Hutchinson - Chairman

Mrs. Melissa Smith - Secretary

Dr. Karen Best - Member

Mr. Anthony Gittens - Member

Mr. C. Walter Harper - Member

2 - INTRODUCTION

The Committee met at least once per month as a full Committee, while meetings were held more frequently as required by the needs of the moment. In addition, there were meetings of smaller sub-groupings of the committee to conduct activities in furtherance of the duties of the Supervisors under the Co-operative Societies Act (the Act) and the By-Laws of the Credit Union.

It should be noted that there was one (1) vacancy on the Committee after the Annual General Meeting of July 2022 which was filled in accordance with the relevant provisions of the Act and the By-Laws. This resulted in Mr. Anthony Gittens joining the Committee on 24 November 2022.

3 - DUTIES

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

The Supervisors' duties require them to:

- examine the books and relevant documents of the Credit Union;
- appraise the policies and operating procedures of the Society to make recommendations to the Board of Directors and the Credit Committee;
- confirm the cash instruments, property and securities 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.

4 - METHODOLOGY

The Supervisors held regular meetings to evaluate the adherence of the Credit Union to the requirements of the Act, the Regulations and the By-Laws of the Society, as well as to assess the commitment of the organisation to best practice.

In addition, the Committee assigned certain responsibilities to individuals and/or to smaller sub-groupings to facilitate the monitoring and evaluation of specific areas of the operations of the Credit Union, including:

- Office Operations
- Compliance Matters
- Delinquency
- Record Keeping
- Correspondence
- Communication

Consultations were held also with the Operations Manager (Ag), the Internal Auditor, with members of the Board of Directors and of the Credit Committee on issues related to their specific roles, or to the business of the Credit Union in general.

Regular examination of the Minutes of meetings of the Board of Directors and the Credit Committee, as well as routine checks of Voucher Books and other record books of the Society also helped the Supervisors to monitor developments in the Credit Union.

Committee members participated in joint meetings of the Three Committees, meetings of the Extra-Ordinary Credit Committee and the Educational Sessions conducted from time to time by the Directors.

Approved Minutes of the Committee's meetings were shared with the Directors, along with letters raising questions about any matter adjudged to require clarification or further discussion, or making recommendations for improvement in any area identified as requiring such.

Investigations were carried out into any matter referred to the Supervisors, whether by the Board or by an individual member of the Society.

5 - FINDINGS

The Supervisors are of the opinion that the business of the Credit Union was conducted generally in accordance with the Act and the By-Laws of the Credit Union and, for the most part, in keeping with acceptable business and financial standards.

The quality and frequency of communication practised by the Board helped to keep Committees abreast of developments in the Credit Union and represented a pleasing phenomenon that should be emulated by future Boards.

However, there were times when actions required to deal with particular matters could have benefitted from a more expeditious approach.

In addition, the Supervisors would like to see improved consistency and neatness in some areas of record-keeping.

6 - RECOMMENDATIONS

- (1) The Educational sessions for the general membership should be continued, with a serious effort to achieve a monthly frequency.

Both the face-to-face and virtual modalities are worthy of consideration.

- (2) Whereas Committee members must take the initiative to avail themselves of the training opportunities offered locally, especially by the Barbados Co-operative & Credit Union League Limited, there is scope for greater internal sensitization of Committee members to the workings of the Credit Union in general, and to their individual roles within the Barbados Teachers' Co-operative Credit Union Limited. More Three-Committee sessions to effect this would be salutary.
- (3) Whereas some effort was made to tackle the problem of delinquency, a comprehensive, sustained strategy needs to be developed to reduce radically the levels of delinquency observed.
- (4) Generally, timeliness of action must be a feature of the operations of the Credit Union. This applies to the work of the Board, the other Committees and the operations as a whole.

7 - CONCLUSION

The Supervisory Committee salutes the efforts by Committees and Management to maintain the stability of the Credit Union in the face of the obstacles and issues that confront the Society and the Credit Union movement in general.

The Supervisors are grateful for the co-operation received from the various functionaries with whom they interacted in the course of the period under review.

A special word of appreciation is extended to Mr. Leon Robinson, Internal Auditor, and to Mr. Mark Dias, Operations Manager (Ag).

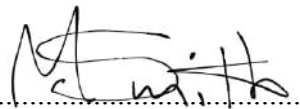
The Committee also thanks all staff members for their co-operation during the past year.

Finally, we must never forget that the essence of the co-operative effort entails ordinary persons working together to accomplish positive, extra-ordinary outcomes.

The Committee thanks the general membership for the opportunity to serve and wishes the Society and its individual members a healthy, happy, successful future.



Mr. Victor Hutchinson
Chairman



Mrs. Melissa Smith
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:

Mr. Lionel Hyvester Hancock Carrington

Mr. David Elon Clarke

Mr. Edsil Clarke

Mrs. Angela Rochelle Davis

Mr. Joseph Zachariah Davis

Mrs. Heather Ometa Fergusson

Mr. Wesley Leroy Garnes

Mr. Nicholas Dacosta Hall

Ms. Janice Adelle Hinds

Mrs. Euris King

Mr. Laurie O'Neal King

Mr. Darnley Macdonald Marshall

Mrs. Waple Eileen Reid

Mr. Nigel Ethelbert Reece

Ms. Annette Evadne Seifert

Mr. Anthony Carlisle Trotman

Ms. Sandra Diane Thompson

Mrs. Joan Cynthia Tull

Mr. Ricci Jarrod Wilkinson

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

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

**FINANCIAL STATEMENTS
MARCH 31, 2023**



Chartered Accountants
we reckon, people count

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.**FINANCIAL STATEMENTS
MARCH 31, 2023****Contents**

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“We reckon but people count”

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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, 2023, 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, 2023, 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 International Ethics Standards Board for Accountants’ (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.



Chartered Accountants

Independent Auditors' Report

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.



Chartered Accountants

Independent Auditors' Report

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 in respect of the financial statements for the year ended March 31, 2023. 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

July 12, 2023

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.**Balance Sheet****March 31, 2023****Expressed in Barbados Dollars**

	<u>2023</u>	<u>2022</u>
Assets		
Current assets		
Cash and cash equivalents - Note 7	7,885,151	20,350,503
Accounts receivable and prepayments - Note 8	221,713	410,557
Current investments - Note 9	<u>5,831,123</u>	<u>15,293,073</u>
	13,937,987	36,054,133
Non-current assets		
Non-current investments - Note 9	27,373,303	23,004,304
Loans to members - Note 10	60,170,941	39,385,783
Pension Plan asset - Note 11	199,361	208,582
Property, plant and equipment - Note 12	<u>7,919,060</u>	<u>8,086,216</u>
Total assets	<u><u>109,600,652</u></u>	<u><u>106,739,018</u></u>
Liabilities and equity		
Liabilities		
Accounts payable and accruals - Note 13	318,809	188,372
Deposits payable - Note 14	87,729,731	86,166,270
Qualifying shares - Note 15	<u>945,367</u>	<u>950,844</u>
Total liabilities	<u>88,993,907</u>	<u>87,305,486</u>
Equity		
Statutory reserve	10,960,065	10,673,902
Revaluation reserve - Note 11(b)	4,721,583	4,750,010
Unrealized gain reserve - Note 9(b)	3,796,071	3,909,620
Undivided surplus	<u>1,129,026</u>	<u>100,000</u>
Total equity	<u>20,606,745</u>	<u>19,433,532</u>
Total liabilities and equity	<u><u>109,600,652</u></u>	<u><u>106,739,018</u></u>

See notes to financial statements.

Approved by the Board of Directors, July 12, 2023, and signed on their behalf by:



President


Treasurer

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.

**Statement of Changes in Equity
Year ended March 31, 2023
Expressed in Barbados Dollars**

	Statutory reserve	Revaluation reserve	Unrealized gain reserve	Undivided surplus	Total
Balance - March 31, 2021	10,488,426	4,778,693	4,323,671	278,536	19,869,326
Bonus on savings - 0.5%	0	0	0	(327,962)	(327,962)
Patronage refund - 5%	0	0	0	(111,821)	(111,821)
Entrance fees	546	0	0	0	546
Net loss for year	0	0	0	(746,593)	(746,593)
Fair value gain on unquoted equity shares	0	0	658,038	0	658,038
Depreciated portion of revalued property	0	(28,683)	0	28,683	0
Transfer of unrealized gain	184,930	0	(1,072,089)	887,159	0
Pension re-measurements	0	0	0	91,998	91,998
Balance - March 31, 2022	10,673,902	4,750,010	3,909,620	100,000	19,433,532
Bonus on savings - 0.25%	0	0	0	(166,721)	(166,721)
Patronage refund - 5%	0	0	0	(106,779)	(106,779)
Entrance fees	900	0	0	0	900
Net income for year	0	0	0	1,408,131	1,408,131
Fair value gain on unquoted equity shares	0	0	58,735	0	58,735
Depreciated portion of revalued property	0	(28,427)	0	28,427	0
Pension re-measurements	0	0	0	(21,053)	(21,053)
Transfer from statutory reserve	285,263	0	0	(285,263)	0
Transfer to unrealized gain	0	0	(172,284)	172,284	0
Balance - March 31, 2023	10,960,065	4,721,583	3,796,071	1,129,026	20,606,745

See notes to financial statements.

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.**Statement of Comprehensive Income
Year ended March 31, 2023
Expressed in Barbados Dollars**

	<u>2023</u>	<u>2022</u>
Interest income		
Loans to members	2,567,582	2,135,966
Investments	957,682	808,146
Cash and cash equivalents	<u>6,476</u>	<u>5,633</u>
	<u>3,531,740</u>	<u>2,949,745</u>
Interest expense		
Demand deposits - 0.75% p.a. (prior year 0.75%)	651,329	632,998
Term deposits - 0.75% p.a. (prior year 0.75%)	70	82
Qualifying shares - 0.75% p.a. (prior year 0.75%)	<u>6,455</u>	<u>7,079</u>
	<u>657,854</u>	<u>640,159</u>
Net interest income	<u>2,873,886</u>	<u>2,309,586</u>
Other income		
Dividends	91,901	161,300
Rent	57,600	57,600
Sundry	<u>25,037</u>	<u>17,386</u>
	<u>174,538</u>	<u>236,286</u>
Other expenses		
Depreciation	228,225	213,905
Staff costs - Note 6	483,828	574,704
Other operating expenses	<u>928,240</u>	<u>2,503,856</u>
	<u>1,640,293</u>	<u>3,292,465</u>
Net income / (loss) for year	1,408,131	(746,593)
Other comprehensive income (OCI)		
Pension re-measurements	(21,053)	91,998
Fair value gain on unquoted equity shares - Note 9(b)	<u>58,735</u>	<u>658,038</u>
Net comprehensive income for year	<u><u>1,445,813</u></u>	<u><u>3,443</u></u>

See notes to financial statements.

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.**Statement of Cash Flows****Year ended March 31, 2023****Expressed in Barbados Dollars**

	<u>2023</u>	<u>2022</u>
Cash provided / (used) by:		
Operating activities		
Net comprehensive income for year	1,445,813	3,443
<i>Add items not involving cash</i>		
Depreciation	228,225	213,905
Pension re-measurements	21,053	(91,998)
Pension Plan expense	(5,249)	5,692
	<u>1,689,842</u>	<u>131,042</u>
<i>Change in non-cash operating items</i>		
Accounts receivable and prepayments	188,844	82,377
Accounts payable and accruals	130,437	33,404
Deposits payable	1,563,461	2,260,575
Qualifying shares	(5,477)	(3,427)
Pension Plan contributions	(6,583)	(6,360)
Net cash provided by operating activities	<u>3,560,524</u>	<u>2,497,611</u>
Investing activities		
Loan repayments - net	(20,785,158)	(4,628,022)
Decrease / (increase) in investments	5,092,951	(6,773,980)
Purchase of plant and equipment	(61,069)	(244,765)
Net cash used by investing activities	<u>(15,753,276)</u>	<u>(11,646,767)</u>
Financing activities		
Bonus on savings	(166,721)	(327,962)
Entrance fees	900	546
Patronage refund	(106,779)	(111,821)
Net cash used by financing activities	<u>(272,600)</u>	<u>(439,237)</u>
Decrease in cash and cash equivalents	(12,465,352)	(9,588,393)
Cash and cash equivalents - start of year	<u>20,350,503</u>	<u>29,938,896</u>
Cash and cash equivalents - end of year	<u><u>7,885,151</u></u>	<u><u>20,350,503</u></u>

See notes to financial statements.

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.**Notes to Financial Statements****March 31, 2023****Expressed in Barbados Dollars****1. Registration**

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD. was registered on July 01, 1967 in accordance with the Co-operative Societies' Act, Cap 378. The Society was continued on August 12, 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 affected 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 impairment of loans, determination of appropriate rates for depreciation of property, plant and equipment, estimation of the unrealized gain on property, estimation of the fair value of unquoted equity investments and computation of the amortized cost of long-term securities. 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, 2023****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) *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.
- (g) *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.
- (h) *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.
- (i) *Cash and cash equivalents*
Cash and cash equivalents comprise cash on hand, bank deposits and other deposits on call.
- (j) *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.

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.**Notes to Financial Statements****March 31, 2023****Expressed in Barbados Dollars**

- (k) *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.
- (l) *Pension Plan*
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. 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 annually 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. Actuarial gains and losses are recognized in Other Comprehensive Income (OCI) and excluded permanently from profit and loss. Interest income is calculated using the discount rate used to measure the pension obligation. All past service cost is recognized at the earlier of when the amendment/curtailment occurs or when the entity recognizes related restructuring or termination costs. The pension items recorded in Other Comprehensive Income are taken to Undivided Surplus in the Consolidated Statement of Equity.
- (m) *Property, plant and equipment*
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 as follows: Furniture and equipment - 10%, 12.5% and 33.33%, Vehicles - 20% and Building - 1%.
- (n) *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, 2023****Expressed in Barbados Dollars****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.

(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 7, 9 and 10.

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.**Notes to Financial Statements****March 31, 2023****Expressed in Barbados Dollars****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 Plan. As at the Balance Sheet date, related parties' balances were as follows:

	<u>2023</u>	<u>2022</u>
Loans	<u>727,711</u>	<u>1,050,064</u>
Deposits payable and qualifying shares	<u>493,918</u>	<u>445,147</u>

(c) Honoraria paid to the directors totaled \$48,700 (prior year \$48,700).

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

	<u>2023</u>	<u>2022</u>
Employee benefits	<u>151,385</u>	<u>247,313</u>

6. Staff costs

	<u>2023</u>	<u>2022</u>
	<u>483,828</u>	<u>574,704</u>

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

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.

Notes to Financial Statements

March 31, 2023

Expressed in Barbados Dollars

7. Cash and cash equivalents	<u>2023</u>	<u>2022</u>
Current accounts	2,038,354	14,492,271
Savings account - 0.05% p.a. (prior year 0.05%)	5,543,598	5,541,017
Cash	61,394	75,807
<i>Demand deposits</i>		
Central Fund Facility Trust deposits:		
- Ordinary deposit - 0.75% p.a. (prior year 0.75%)	21,248	20,851
- Statutory Reserve - 1.25% p.a. (prior year 1.25%)	19,226	19,226
Barbados Co-operative & Credit Union League Ltd.	<u>201,331</u>	<u>201,331</u>
	<u>7,885,151</u>	<u>20,350,503</u>
8. Accounts receivable and prepayments	<u>2023</u>	<u>2022</u>
Interest receivable	315,315	427,985
Other receivable	75,708	97,500
Less impairment provision	(227,595)	(181,706)
Prepayments and security deposits	<u>58,285</u>	<u>66,778</u>
	<u>221,713</u>	<u>410,557</u>
(a) Impairment provision	<u>2023</u>	<u>2022</u>
Balance - start of year	181,706	155,676
Increase in provision	<u>45,889</u>	<u>26,030</u>
Balance - end of year	<u>227,595</u>	<u>181,706</u>

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.**Notes to Financial Statements****March 31, 2023****Expressed in Barbados Dollars**

9. Investments	<u>2023</u>	<u>2022</u>
<i>Current investments</i>		
<i>Held to maturity term deposits</i>		
Barbados Public Workers Co-operative Credit Union Ltd. - prior year 1.50% p.a.	0	750,000
Barbados Police Co-operative Credit Union Ltd. - prior year 2.50% p.a.	0	1,000,000
First Citizens Investment Services (Barbados) Ltd. - 1.30% p.a. (prior year 2%)	3,000,000	6,000,000
Co-operators General Management Co. Inc. - 7% p.a. (prior year 7%)	208,895	943,073
Capita Financial Services Inc. - 1.9% to 2.15% p.a. (prior year 1.9% to 2.15%)	2,000,000	6,600,000
Barbados Government Securities	<u>622,228</u>	<u>152,602</u>
	<u>5,831,123</u>	<u>15,445,675</u>
<i>Non-current investments</i>		
<i>Held to maturity term deposits</i>		
Barbados Police Co-operative Credit Union Ltd. - prior year 2.5% p.a.	1,000,000	0
Co-operators General Management Co. Inc. - 7% p.a.	539,474	0
Capita Financial Services Inc. - 2.15% p.a.	3,600,000	0
Barbados Government securities	14,752,737	15,520,905
<i>Available-for-sale</i>		
Co-operators General Insurance Company Limited: - 9,440 shares (prior year 9,380)	3,630,435	3,693,656
Co-operators General Management Co. Inc.: - 19,350 (prior year 18,879 shares)	3,850,457	3,636,851
Barbados Co-operative & Credit Union League Ltd.: - 20 membership shares	<u>200</u>	<u>200</u>
	<u>27,373,303</u>	<u>22,851,612</u>
Total investments	<u>33,204,426</u>	<u>38,297,287</u>

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.**Notes to Financial Statements****March 31, 2023****Expressed in Barbados Dollars****9. Investments - continued**

- (a) 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, 2022 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.
- (b) In September 2018, the Government of Barbados announced the launch of an exchange offer open to holders of Barbados dollar-denominated debt issued by the Government 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 old securities were exchanged for new Series B and Series D securities.
- i. Series B securities consisting of eleven (11) amortizing strips with maturities ranging from five (5) to fifteen (15) years. Interest is payable quarterly. Interest rates are 1% per annum for the first three (3) years beginning October 01, 2018 and ending September 30, 2021, 2.5% per annum for year four (4), beginning October 01, 2022 and ending September 30, 2022, and thereafter 3.75% per annum, starting October 01, 2022 until maturity on September 30, 2033. The principal of each strip will be repaid in four equal quarterly instalments commencing one year prior to the maturity date of that strip.
 - ii. 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.
 - iii. In keeping with generally accepted accounting policies and standards, Management has applied a Net Present Value (NPV) calculation to its holdings of the securities mentioned above. This calculation resulted in the adjustment shown below.

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.**Notes to Financial Statements****March 31, 2023****Expressed in Barbados Dollars***(c) Barbados Optional Savings Scheme (BOSS) bonds*

- i. The BOSS bonds are issued by the Government of Barbados. The bonds were issued in monthly tranches over an eighteen (18) month period from July 2020 to December 2021. The bonds carry an annual interest rate of 5% per annum, with the interest being paid in two (2) half-yearly instalments in January and July. Each issue carries a maturity period of four (4) years

(d) The maturity profile of government securities is as follows:

	<u>2023</u>	<u>2022</u>
Current		
Series B bonds - Up to one year	<u>622,228</u>	<u>152,602</u>
Non-current		
<i>Series B bonds</i>		
Greater than 1, up to 5 years	2,734,628	2,609,734
Greater than 5, up to 10 years	4,044,283	3,860,100
Greater than 10, up to 15 years	443,343	1,527,252
<i>Series D bonds</i>		
Greater than 15, up to 35 years	1,005,417	1,005,417
<i>BOSS bonds</i>		
One to 5 years	<u>7,410,066</u>	<u>7,403,492</u>
Non-current government securities - gross	15,637,737	16,405,995
Net present value adjustment	<u>(885,000)</u>	<u>(885,000)</u>
Non-current government securities - net	<u>14,752,737</u>	<u>15,520,995</u>

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.

Notes to Financial Statements

March 31, 2023

Expressed in Barbados Dollars

10. Loans to members	<u>2023</u>	<u>2022</u>
Gross loans	63,346,102	43,139,149
Less impairment provision	<u>(3,175,161)</u>	<u>(3,753,366)</u>
Net value of loans	<u>60,170,941</u>	<u>39,385,783</u>

(a) Impairment provision	<u>2023</u>	<u>2022</u>
Balance - start of year	3,753,366	2,770,707
(Decrease) / increase in provision	<u>(578,205)</u>	<u>982,659</u>
Balance - end of year	<u>3,175,161</u>	<u>3,753,366</u>

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

	<u>2023</u>	<u>2022</u>
<i>Amount due in:</i>		
Less than one year	780,729	800,714
Greater than one, less than five years	13,101,376	12,576,850
Five years and over	<u>49,463,997</u>	<u>29,761,585</u>
Total	<u>63,346,102</u>	<u>43,139,149</u>

(c) Loans to members are granted at interest rates varying from 3.5% to 10% per annum, including line of credit loans which totaled \$1,514,803 (prior year \$1,378,021) and which also carry an interest rate of 10% per annum. All interest is charged on the reducing balance basis.

(d) The impairment provision in respect of loans receivable was calculated using an Expected Credit Loss (ECL) model developed by external consultants. The model was designed to enable compliance with the requirements of International Financial Reporting Standards (IFRS 9).

(e) Commitments	<u>2023</u>	<u>2022</u>
Loans approved but not yet disbursed	<u>8,770,125</u>	<u>9,136,154</u>

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.**Notes to Financial Statements****March 31, 2023****Expressed in Barbados Dollars****11. 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, 2023.

<i>Net assets at end of year</i>	<u>2023</u>	<u>2022</u>
Present value of funded obligation	(468,149)	(423,077)
Fair value of Plan assets	<u>667,510</u>	<u>631,659</u>
Net Pension Plan asset recognized in balance sheet	<u>199,361</u>	<u>208,582</u>

<i>Movement in the net assets</i>	<u>2023</u>	<u>2022</u>
Pension Plan net asset - start of year	208,582	115,916
Amount recognized in Statement of Income	5,249	(5,692)
Re-measurements recognized in Other Comprehensive Income	(21,053)	91,998
Contributions - Employer	<u>6,583</u>	<u>6,360</u>
Pension Plan net asset - end of year	<u>199,361</u>	<u>208,582</u>
Contributions - Employees	<u>6,583</u>	<u>6,360</u>

Re-measurements recognized in Other Comprehensive Income

	<u>2023</u>	<u>2022</u>
Actuarial gain on obligation	0	32,347
Return on Plan assets excluding interest income	<u>(25,183)</u>	<u>(23,755)</u>
Amount recognized in Other Comprehensive Income	<u>(21,053)</u>	<u>91,998</u>
Actual return on Pension plan assets	<u>22,685</u>	<u>21,528</u>

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.

Notes to Financial Statements

March 31, 2023

Expressed in Barbados Dollars

11. Pension Plan Asset - continued

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

	<u>2023</u>	<u>2022</u>
Discount rate - start of year	7.5%	7.5%
Rate of Return on Plan Assets	7.5%	7.5%
Future salary increases	4.5%	4.5%
Future changes in NIS ceilings	2.5%	2.5%
Mortality	1994 Group Annuity Mortality Static Tables for Males and Females	

Amounts for current and previous four periods are as follows:

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Present value of the obligation	(416,155)	(448,049)	(481,495)	(423,077)	(468,149)
Fair value of Pension Plan assets	<u>540,218</u>	<u>568,789</u>	<u>597,411</u>	<u>631,659</u>	<u>667,510</u>
Surplus	<u>124,063</u>	<u>120,740</u>	<u>115,916</u>	<u>208,582</u>	<u>199,361</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	448,855	488,602
Salary increases and NIS increase	477,226	459,381

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.**Notes to Financial Statements****March 31, 2023****Expressed in Barbados Dollars****12. Property, plant and equipment**

	Total	Furniture & equipment	Vehicles	Property
As at March 31, 2021				
Cost	9,228,388	1,324,443	135,545	7,768,400
Accumulated depreciation	(1,173,032)	(1,086,964)	(86,068)	0
Net book value	<u>8,055,356</u>	<u>237,479</u>	<u>49,477</u>	<u>7,768,400</u>
Year ended March 31, 2022				
Net book value - start of year	8,055,356	237,479	49,477	7,768,400
Purchases	244,765	244,765	0	0
Depreciation charge	(213,905)	(142,333)	(16,492)	(55,080)
Net book value - end of year	<u>8,086,216</u>	<u>339,911</u>	<u>32,985</u>	<u>7,713,320</u>
As at March 31, 2022				
Cost	9,472,244	1,568,299	135,545	7,768,400
Accumulated depreciation	(1,386,028)	(1,228,388)	(102,560)	(55,080)
Net book value	<u>8,086,216</u>	<u>339,911</u>	<u>32,985</u>	<u>7,713,320</u>
Year ended March 31, 2023				
Net book value - start of year	8,086,216	339,911	32,985	7,713,320
Purchases	61,069	61,069	0	0
Depreciation charge	(228,225)	(156,653)	(16,492)	(55,080)
Net book value - end of year	<u>7,919,060</u>	<u>244,327</u>	<u>16,493</u>	<u>7,658,240</u>
As at March 31, 2023				
Cost	9,533,312	1,629,367	135,545	7,768,400
Accumulated depreciation	(1,614,252)	(1,385,040)	(119,052)	(110,160)
Net book value	<u>7,919,060</u>	<u>244,327</u>	<u>16,493</u>	<u>7,658,240</u>

(a) The property is located at Lower Collymore Rock, St. Michael and consists of land and buildings.

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.

Notes to Financial Statements

March 31, 2023

Expressed in Barbados Dollars

12. Property, plant and equipment - continued

(b) Revaluation surplus

The revaluation surplus results from the revaluation of land and buildings as at May 17, 2021 by an independent Valuer. The valuation was done using both the Depreciated Replacement Cost Method and the Income Approach Method. The excess of the appraised value over the Net Book Value of the assets immediately prior to revaluation, amounting to \$4,778,693, was recorded in members' equity. This amount is being reduced annually by the depreciation charged on the revaluation amount.

13. Accounts payable and accruals	<u>2023</u>	<u>2022</u>
Sundry accounts	131,388	133,179
Interest payable	<u>187,421</u>	<u>55,193</u>
	<u>318,809</u>	<u>188,372</u>

14. Deposits payable	<u>2023</u>	<u>2022</u>
Demand deposits	87,721,457	86,155,971
Term deposits	<u>8,274</u>	<u>10,299</u>
	<u>87,729,731</u>	<u>86,166,270</u>

(a) There is no pre-determined rate of interest payable on the demand deposits. The rates are set from time to time by the Board of Directors. At the balance sheet date, the interest rate on term deposits was 0.75%.

15. Qualifying shares	<u>2023</u>	<u>2022</u>
	<u>945,367</u>	<u>950,844</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.

(b) 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.

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.

Schedule of Other Operating Expenses
Year ended March 31, 2023
Expressed in Barbados Dollars

	2023	2022
Advertising	44,563	54,160
Compliance - Anti-Money Laundering	57,000	59,000
Bank charges	33,040	26,614
Cash transport services	11,645	4,100
Cleaning	32,143	36,791
Computer maintenance	2,770	361
Computer supplies	348	329
Cora Waldron Scholarship Fund	18,750	8,120
Donations	5,050	8,194
Development Fund	8,313	15,654
Education Fund	15,000	106
Equipment maintenance	7,083	23,113
General expenses	10,162	8,468
Financial Services Commission annual fee	53,644	52,743
Honoraria	81,547	83,500
Impairment provision - (decrease) / increase	(532,316)	1,011,998
Insurance	30,458	30,754
League dues	64,555	60,558
Maintenance - building	84,942	135,610
Management Information Systems consultancy	13,833	11,648
Meeting expenses - Annual General Meeting	53,933	45,747
Meeting expenses - other	20,582	18,995
Members' education	1,105	828
Mutual Benefits Plan (MBP) assessments	308,011	240,054
Office supplies	37,659	33,041
Postage	6,420	8,438
Professional fees - legal and audit	38,075	83,563
Professional fees - other	72,480	68,892
Property consultancy	42,043	48,430
Property tax	59,850	59,850
Security	29,434	34,143
Software license fee	89,413	96,963
Subscriptions	1,038	2,190
Utilities - electricity	34,215	33,563
Utilities - telephone	15,611	13,446
Utilities - water	7,611	7,450
Value Added Tax	62,381	68,555
Vehicle expenses	5,849	7,887
	928,240	2,503,856

BARBADOS TEACHERS' CO-OPERATIVE CREDIT UNION LTD.
MARCH 31, 2023
PEARLS BENCHMARKS

		Benchmark	2023	2022
Protection				
Allowance for loan losses	3,175,161	100%	116	146
Delinquency >12 months	2,737,448			
Effective Financial Structure				
Net Loans	60,170,941	70% - 80%	55	37
Total Assets	109,600,652			
Liquid Investment	11,476,589	Max 20%	10	20
Total Assets	109,600,652			
Member Savings	88,675,098	70% - 80%	81	82
Total Assets	109,600,652			
Institutional Capital	20,606,745	Min 10%	19	18
Total Assets	109,600,652			
Structure/Asset Quality				
Non-earning assets	2,461,398	< 5%	2	14
Total assets	109,600,652			
Total Loan Delinquency	3,453,950	< 5%	5	7
Gross Loan Portfolio	63,346,102			
Rates of Return & Costs				
Total Operating Expenses	2,298,147	< 5%	2	4
Average Total Assets	108,169,835			
Net comprehensive income	1,445,813	> 10%	1	0
Average Assets	108,169,835			
Signs of Growth				
Savings growth rate		10% - 20%	2	3
Loan growth rate		8% - 15%	47	15
Growth in membership		> 5%	15	10

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

**BARBADOS TEACHERS’ CO-OPERATIVE CREDIT UNION LIMITED
TREASURER’S REPORT
FOR THE FINANCIAL YEAR APRIL 1ST 2022 – MARCH 31ST 2023**

We are delighted to present the financial performance report for the fiscal year that ended on March 31, 2023. Despite the challenges posed by the local economy and the prevailing high inflation rate, we are pleased to announce that the Barbados Teachers’ Co-operative Credit Union Limited (BTCCUL) has achieved commendable results, demonstrating our resilience and dedication to serving our valued members.

Throughout the financial year, we encountered several obstacles that demanded our unwavering commitment and innovative strategies to overcome. The adverse economic conditions presented significant hurdles, affecting the operations of the Credit Union. However, through diligent management and the unwavering support of our members, we successfully navigated these challenges and achieved favorable outcomes. We are pleased to share with you the latest update on the assets of the Barbados Teachers’ Co-operative Credit Union Limited (BTCCUL) as of March 31, 2023. Our assets have continued to grow, demonstrating the sound financial management and strategic decisions made by the Credit Union.

As of March 2023, the total assets of the BTCCUL amounted to \$109,600,652.00. This marks a significant increase compared to the previous year, where our assets stood at \$106,739,018.00 at March 2022. The year-on-year growth represents a substantial 2.7% increase in our asset base. This asset growth compares favorably with those achieved over the period 2017 to 2022. (See chart 1 and 2 below)

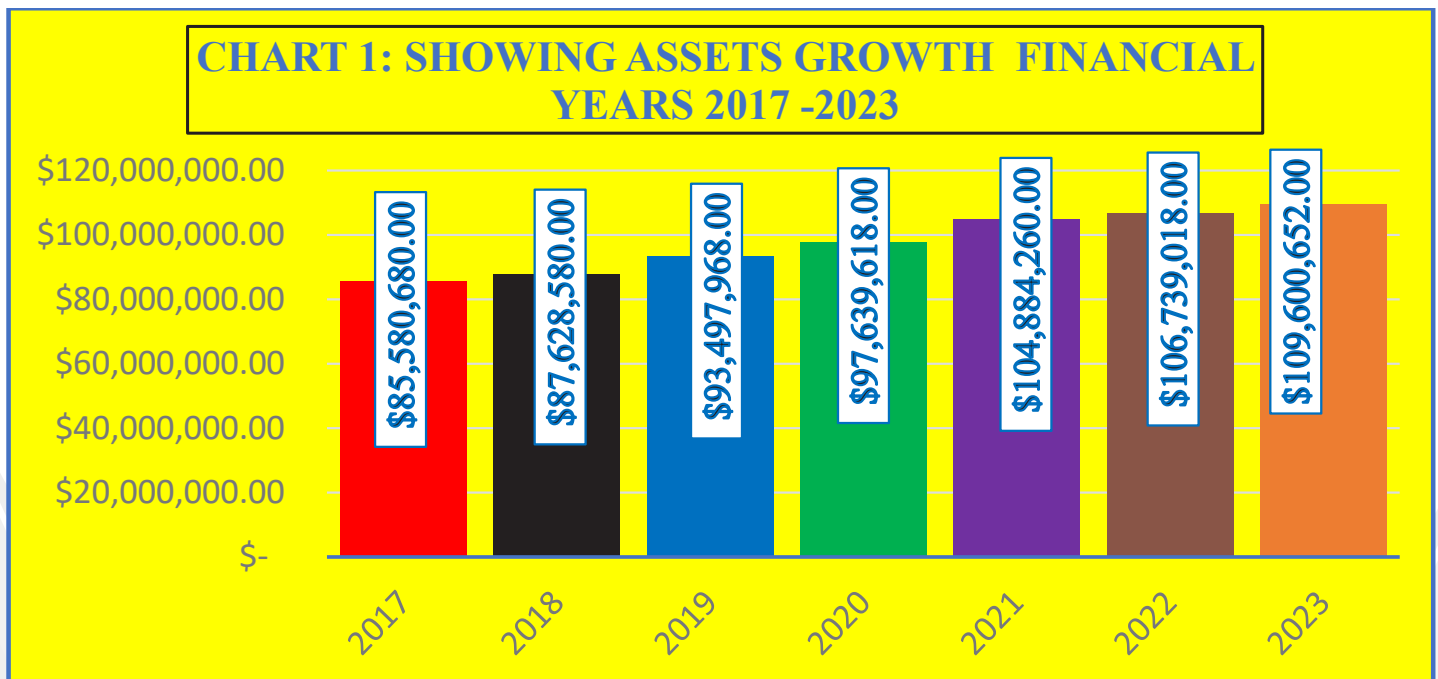
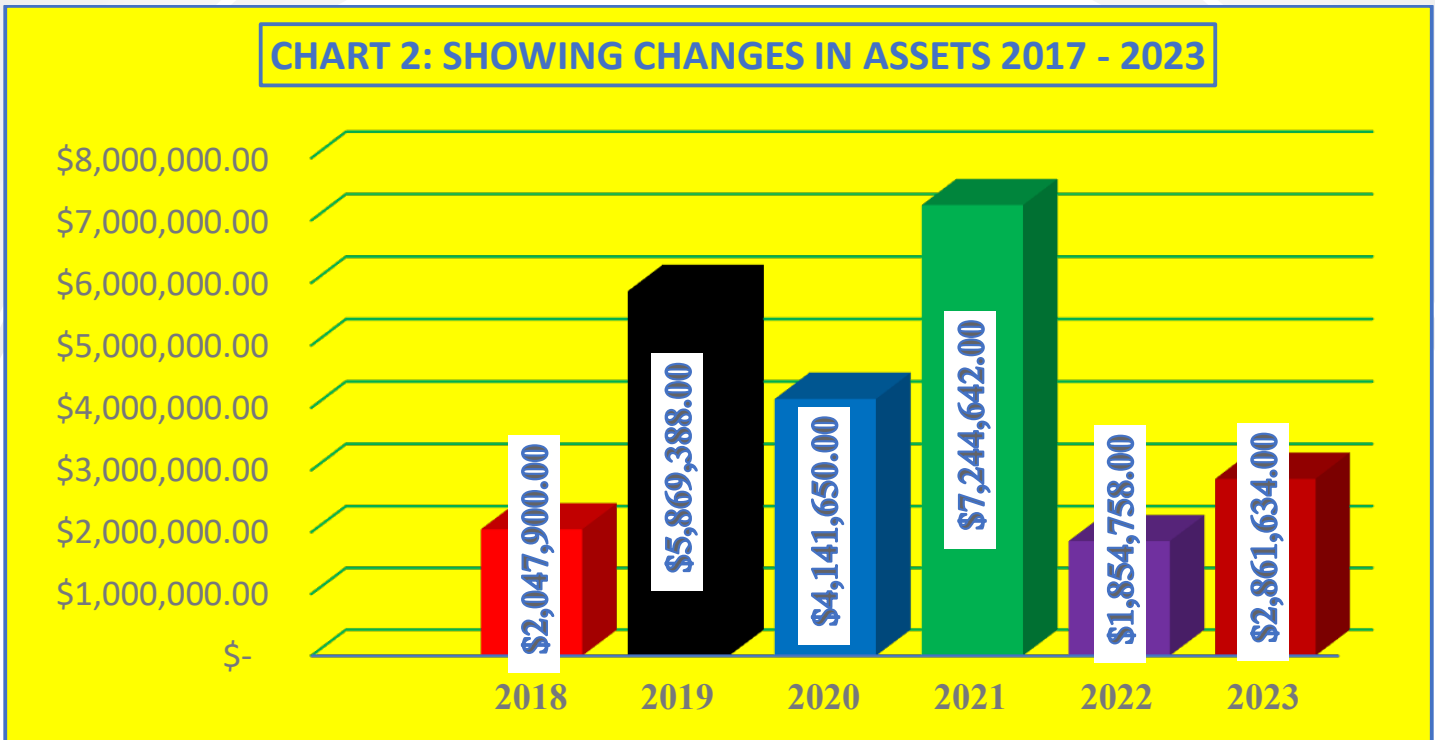


CHART 2: SHOWING CHANGES IN ASSETS 2017 - 2023

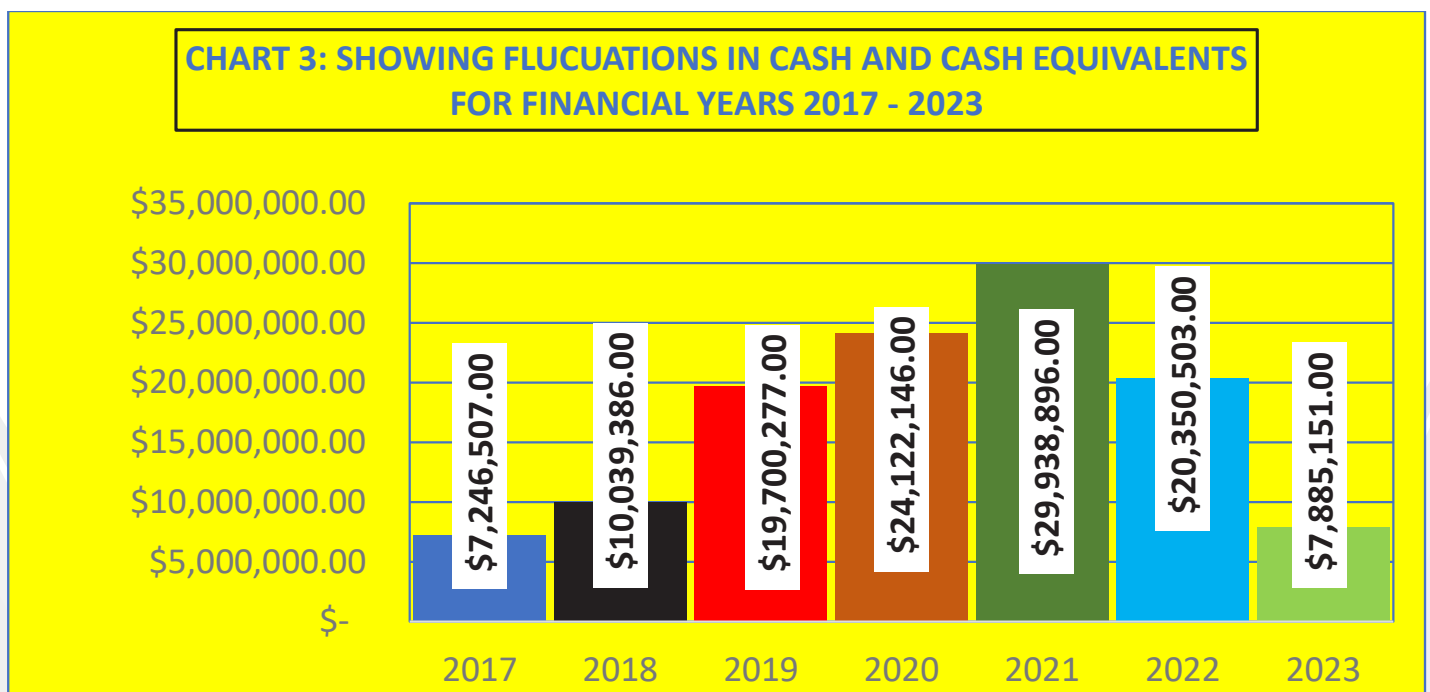


CASH AND BANK DEPOSITS

It is important to note that there has been a decline in the value of our cash and bank deposits compared to the previous year. As of March 2022, our cash and bank deposits stood at \$20,350,503.00. However, in March 2023, this value decreased to \$7,885,151.00. The decline in cash and bank deposits can be attributed to the increased demand for loans by our membership.

We want to assure you that despite the decrease in cash and bank deposits, the BTCCUL remains financially stable and committed to fulfilling our obligations to all our members. Our prudent financial management practices and strategic decision-making have allowed us to navigate these changes while maintaining our financial sustainability. (See chart 3 below.)

CHART 3: SHOWING FLUCUATIONS IN CASH AND CASH EQUIVALENTS FOR FINANCIAL YEARS 2017 - 2023



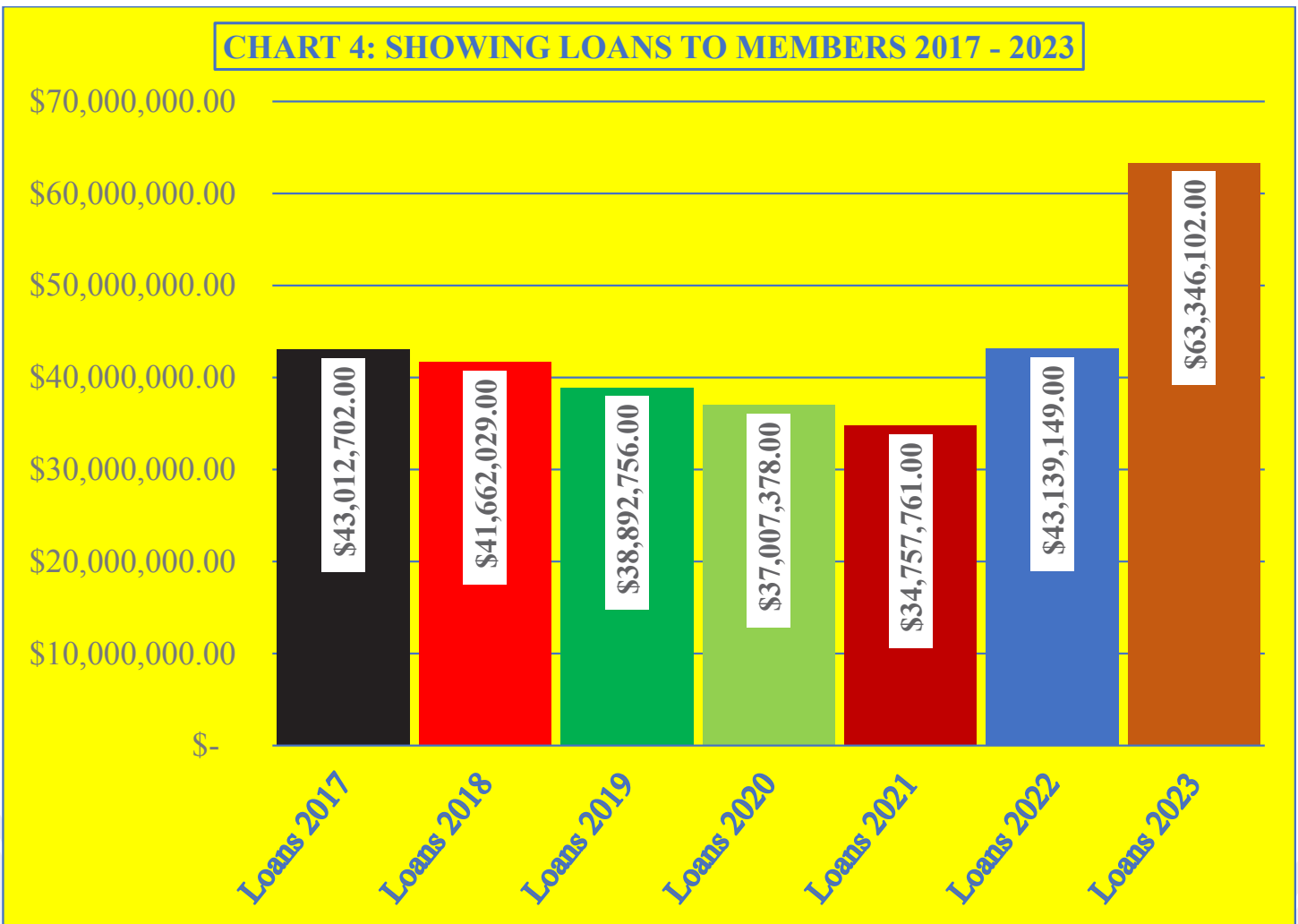
LOANS TO MEMBERS

There was a significant increase in loans to members at the Barbados Teachers’ Co-operative Credit Union Limited (BTCCUL) for the period between April 2022 and March 2023. The loans to our valued members have experienced substantial growth, reflecting the trust and confidence placed in our institution.

During this period, gross loans to members saw a remarkable rise of \$20,206,953.00, reaching a total of \$63,346,102.00 by March 31, 2023, compared to \$43,139,149.00 at the end of March 2022.

This significant increase can be attributed to multiple factors that have contributed to the upsurge in loan activity. One of the key factors driving this growth was the influx of new members who have chosen to join our cooperative.

Additionally, our attractive interest rates and Loan Fair terms played a crucial role in attracting borrowers. The net growth in loans over the 2017 – 2023 period is instructive of members’ needs, particularly in the area of housing and vehicle loans. (See Chart 4 Below)



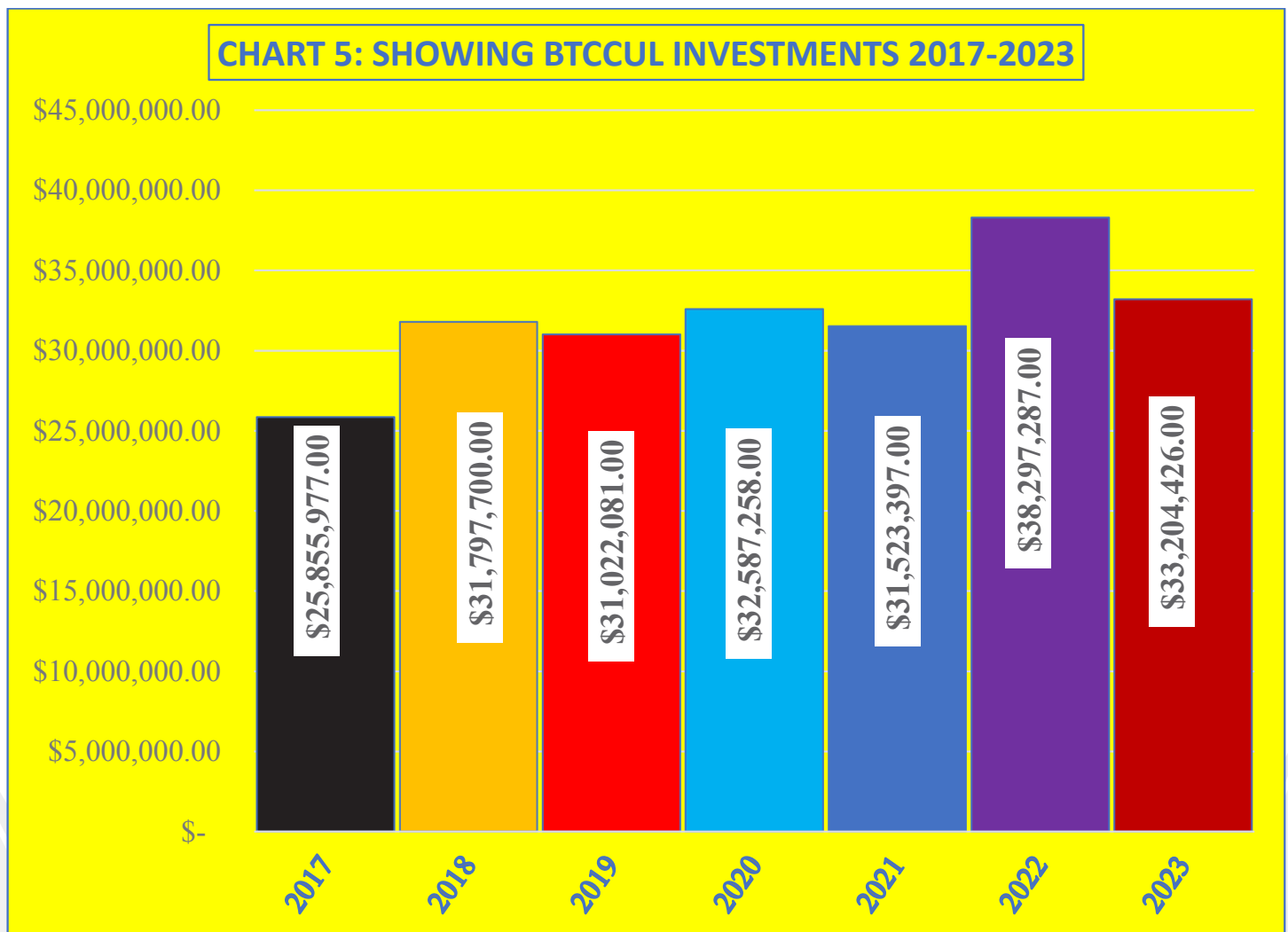
INVESTMENTS

There was a decline in our investment portfolio as of March 2023. During this period, the Credit Union experienced a decline in investments compared to March 2022.

The limited availability of suitable investment options in the financial market, combined with persistently low interest rates, has continued to impact on our current investments. We have faced challenges in identifying high-yielding investment opportunities that meet our rigorous risk and return criteria.

Due to the high demand for loans, particularly for mortgages and vehicles, we have strategically converted some of our low-yielding investments into cash. This decision was made to allocate resources towards servicing loans that offer more attractive interest rates, ranging between 3.5% and 5%.

We prioritize the financial well-being of our members and strive to provide competitive loan products that meet your needs. By redirecting our certain investments towards loan servicing, we can better support the financial aspirations of our members while maintaining the necessary liquidity and financial stability of the Credit Union. The Credit Union still has a fairly substantial amount in a diversified investment portfolio. (See Chart 5 below)



SHARES AND DEPOSITS

As of March 2023, the BTCCUL reported a 1.8% increase in deposits and shares compared to the previous financial year. This growth reflects the commitment of our members to save and invest with the BTCCUL albeit at a reduced rate. This situation is also related to the slow rate of growth of personal income and withdrawal of member shares to satisfy some of their financial needs.

A view of the growth in Deposits and shares will show that there was cumulative growth during the 6-year period of \$15,538,839.00 in shares and deposits or a 20% overall growth. (See Chart 6 showing Growth in Deposits and shares 2017 – 2023).

A greater growth in shares and deposits is needed by the BTCCUL, if it is to meet the expanding needs of its current and potential members. This would mean that the rate of withdrawal of shares must be slowed and members will need to save more with the Credit Union.

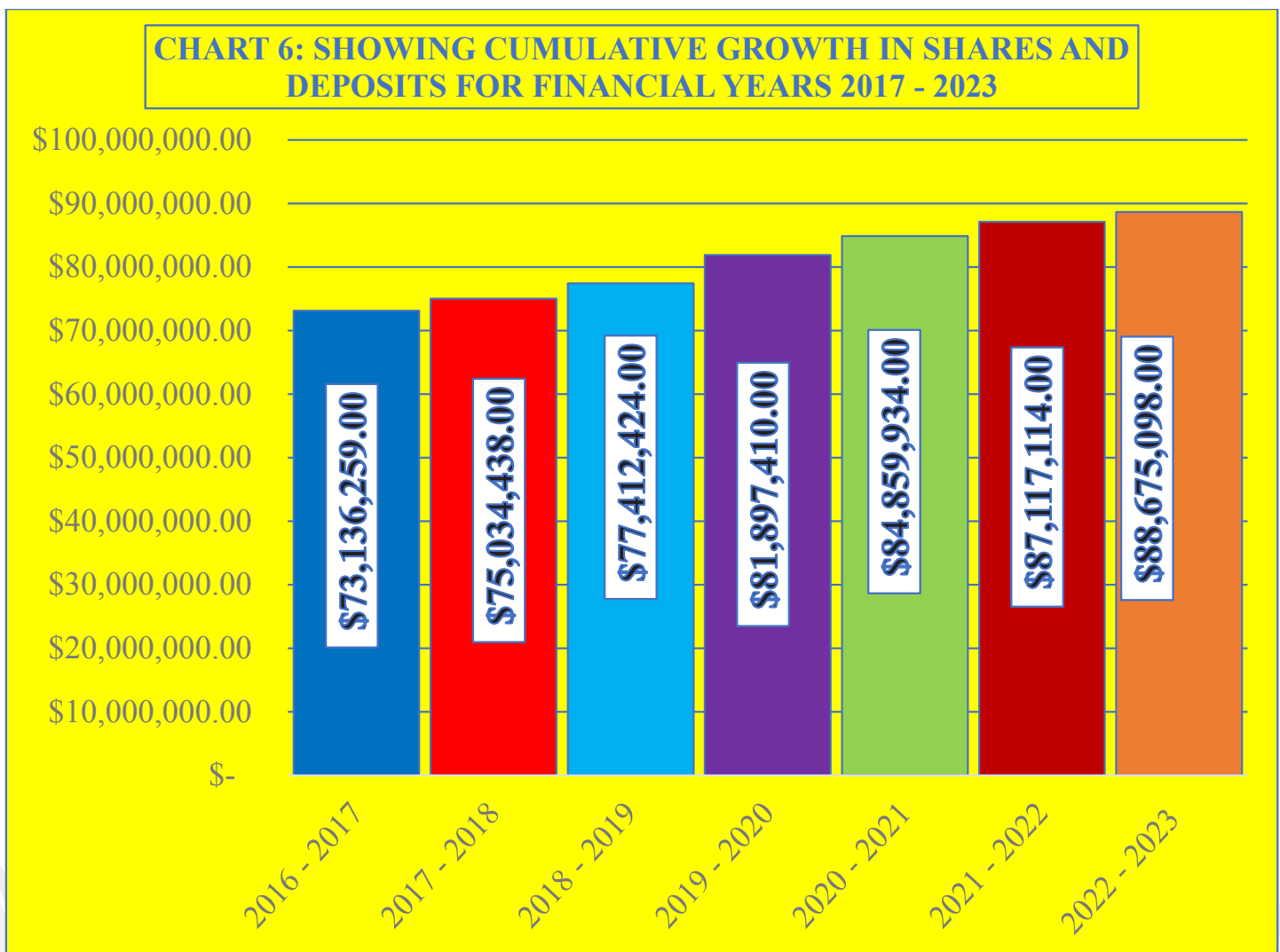
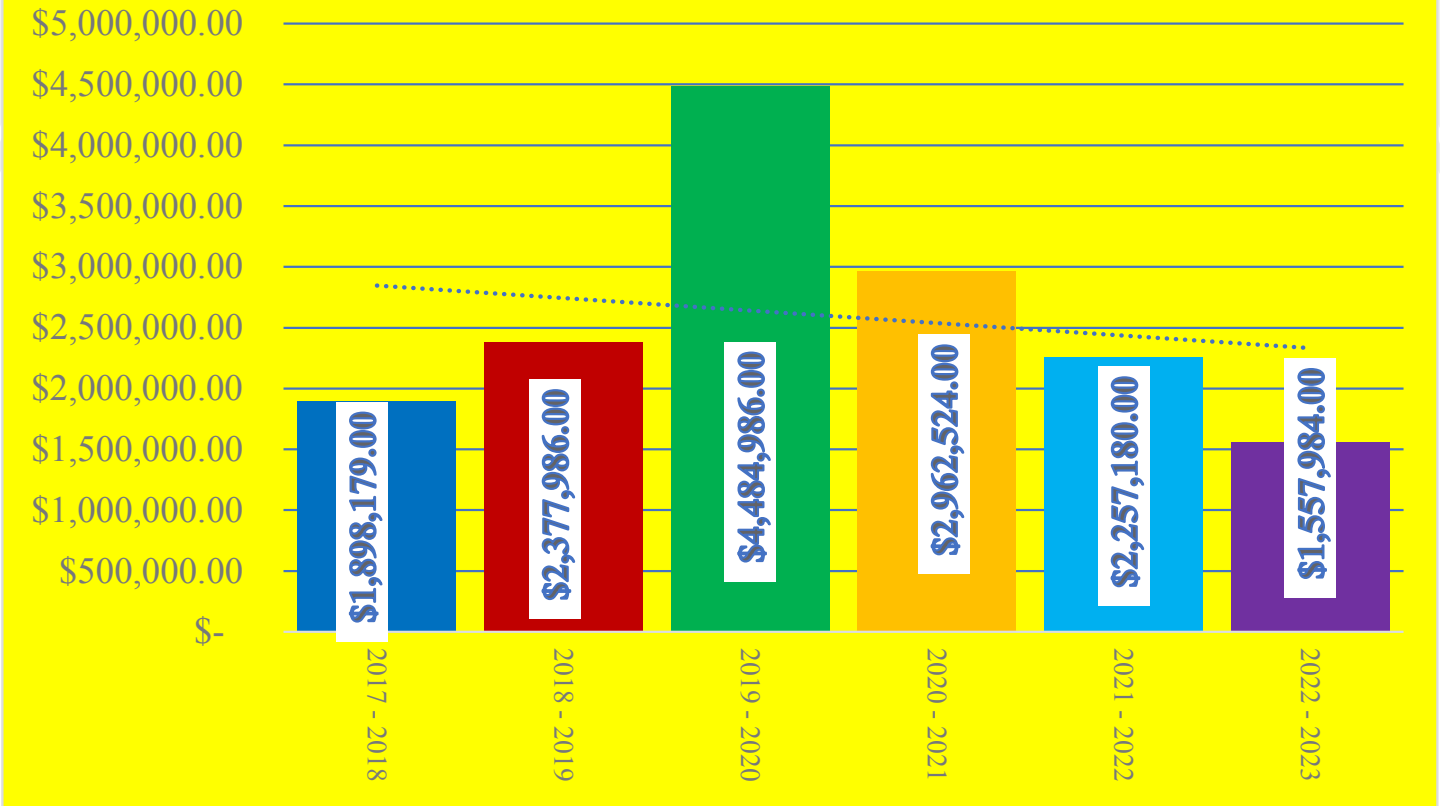


CHART 7: SHOWING NUMERICAL GROWTH IN SHARES AND DEPOSITS 2017 - 2023

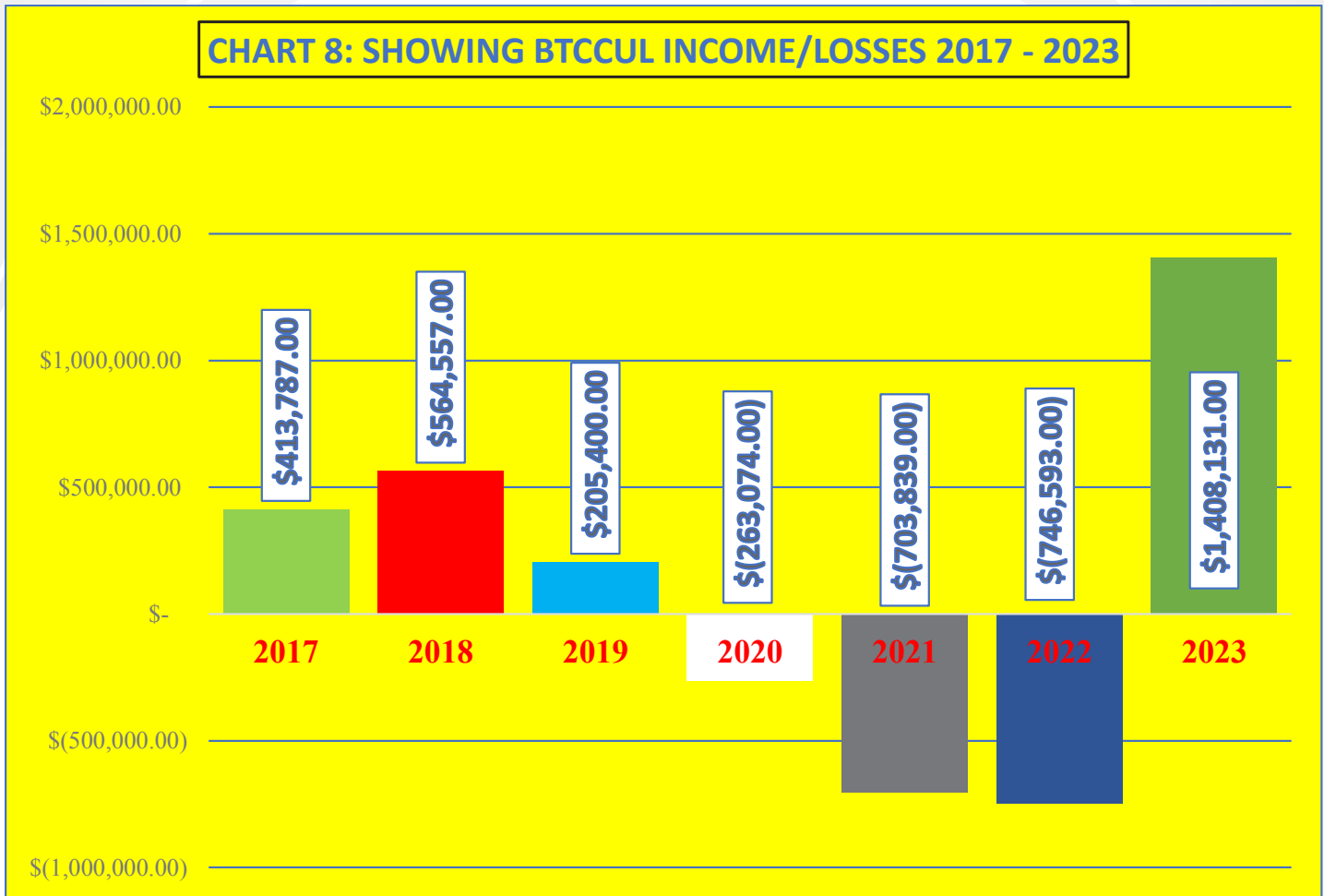


INCOME

The BTCCUL generated positive financial results for the last financial year. We have generated a net income of \$1,408,131.00, marking a significant turnaround from the operating losses experienced in the past three financial periods. (See chart 8 below)

This positive income result is a testament to the collective efforts of our dedicated team and the support of our members. It reflects the effectiveness of our strategic initiatives, prudent financial management practices and the resilience of our cooperative in adapting to evolving market conditions.

Looking forward, we are focused on maintaining this positive trajectory and ensuring the long-term financial sustainability of the BTCCUL. Our goal is to continue providing you with excellent service, competitive financial products and innovative solutions that meet your evolving needs.

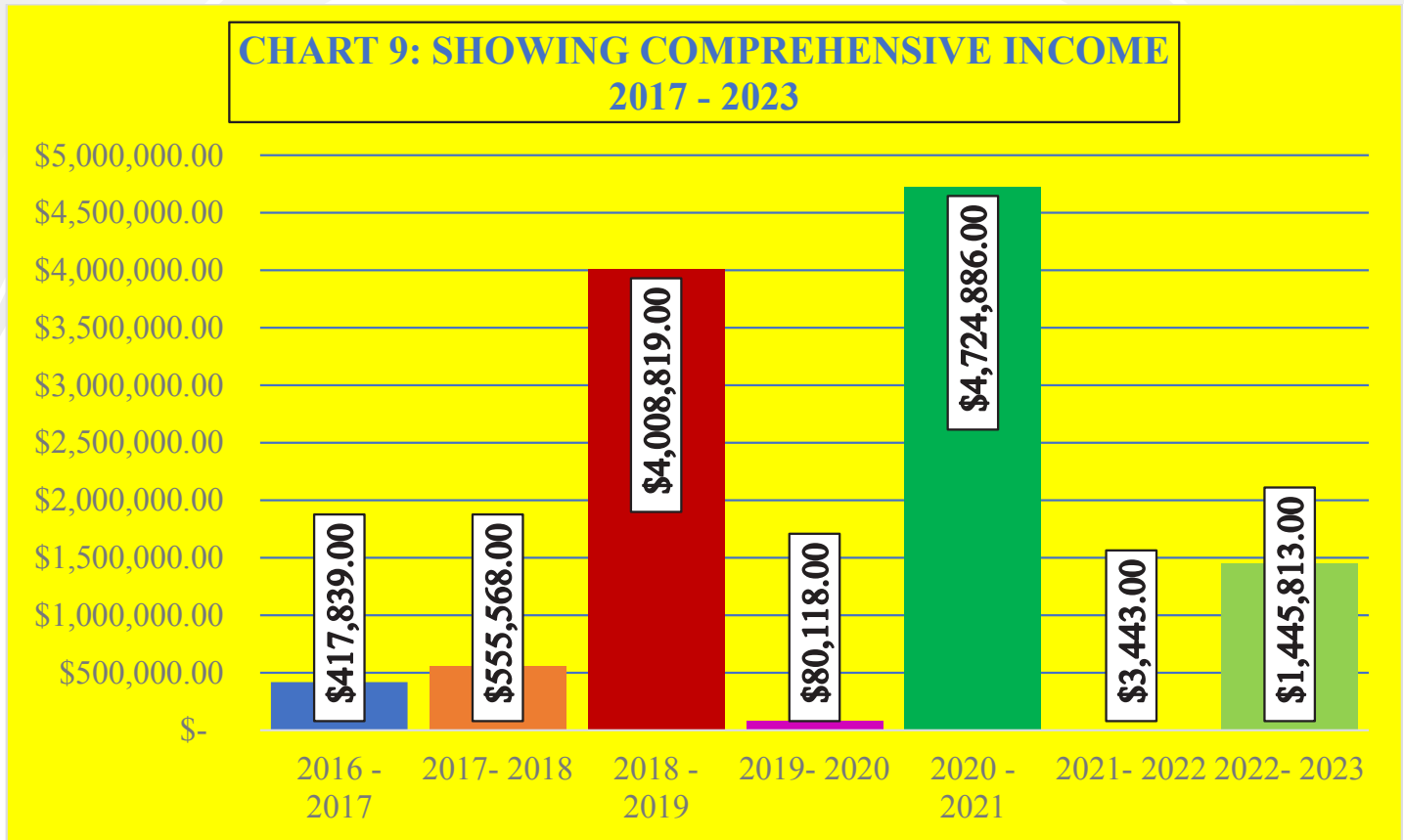


COMPREHENSIVE INCOME

The Barbados Teachers’ Co-operative Credit Union Limited (BTCCUL) achieved a comprehensive income that closely mirrors its operating income. The comprehensive income for the last financial year amounted to \$1,445,813.00.

Comprehensive income reflects the overall financial performance of our Credit Union, taking into account not only the operating income but also other factors such as gains or losses from investments, loss or gains in share value, revaluation of property and other comprehensive income items. (See Chart 9 below)

**CHART 9: SHOWING COMPREHENSIVE INCOME
2017 - 2023**



CONCLUSION

The Barbados Teachers’ Co-operative Credit Union (BTCCUL) remains dedicated to fulfilling the needs of our members and the broader community. Our commitment to excellence, growth, and providing exceptional financial services continues to be at the forefront of our operations.

Throughout the last financial year, we have witnessed remarkable achievements and growth. Our membership has expanded, and we are proud to welcome new members into our cooperative family. This growth reflects the trust and confidence placed in the BTCCUL as a reliable financial institution.

Furthermore, our assets have seen steady growth, indicating the sound financial management and strategic decisions made by the Credit Union. We are committed to maintaining a strong financial position, providing stability and delivering growth opportunities to our members.

The success of the BTCCUL would not be possible without the dedication and commitment of our members, staff and consultants. Your unwavering support has been instrumental in driving our growth and ensuring the satisfaction of our valued members.

Looking ahead, we are confident that the BTCCUL will continue to thrive. We remain focused on providing innovative solutions, excellent customer service and competitive financial products that meet the evolving needs of our members.

We will continue to adapt to market changes, embrace technology and strengthen our relationships with members and the community. Our goal is to be at the forefront of the industry, setting a high standard for cooperative financial institutions in our region.

As we embark on the upcoming years, we invite all members, staff and consultants to join us in our commitment to building a stronger and more prosperous Society. Together, we can achieve even greater success and create a positive impact on the lives of our members and the community we serve.



.....
Juliet Holder
Treasurer

Governance Principles

External Governance

All financial institutions, regardless of type, are expected to comply with these basic standards of transparency, auditing and financial reporting. Credit unions should comply with the International Credit Union Safety and Soundness Principles and their national legal and regulatory frameworks.

Internal Governance

Unlike for-profit entities, credit unions exist to serve their members. Thus, credit unions must address this additional layer of governance related to their democratic, member-driven nature. This includes a commitment to “one member, one vote,” as well as adherence to the International Credit Union Operating Principles and the role of the general assembly as the highest governing body.

Individual Governance

In order to perform their collective duties, the individual board members and managers have an obligation to maintain ethical conduct and professionalism and to speak with a single voice once board decisions have been made. Board members are also expected to possess the skills and technical capacity necessary to fulfill their duties.



Governance is the system designed to control and distribute power within an organization. The International Credit Union Governance Principles are ideals to be achieved and are intended to apply to credit unions, not to credit union associations. These Principles address the challenges of organizational power within credit unions at three separate levels. The board and managers, as a cohesive unit, ensure the credit union’s compliance with issues related to external and internal governance. In order to achieve this goal, each board member has a duty to adhere to the principles of individual governance.



External Governance

Transparency

- The board should commit to regular, honest communication of its activities with members, regulators and the general public in the spirit of full disclosure.
- Financial statements, compliant with generally accepted accounting principles and local regulatory standards, should be made available to members and the public.

Compliance

- The board is expected to comply with both the letter and spirit of regulation, to cooperate fully with its regulatory body and to comply with national laws.
- The board should ensure that the credit union meets or exceeds the International Credit Union Safety and Soundness Principles as well as any other relevant standards for financial institutions.
- The credit union should undergo annual external audits within 90 days of the end of each fiscal year.
- The audit relationship should be reexamined frequently and consideration be given to changing the auditor at least every 3-5 years in a competitive bidding process.

Public Accountability

- The board of directors and management must be constantly cognizant of responsibilities to governmental structures, including but not limited to regulators, legislative bodies, the media, the community and the public.



Internal Governance

Structure

- The board of directors should be composed of an odd number, no less than five and no greater than nine.
- Consideration should be given to the rotation of directors.
- Interested general members who comply with the standards of individual governance can stand for nomination.
- The board should encourage dialogue with general members at the annual general meeting.
- The annual general meeting of the general assembly of members should be adequately promoted to ensure sufficient member participation.

Continuity

- The board should create strategies to maintain the competitiveness and sustainability of the credit union.
- The board should create succession plans for both directors and management that ensure the continued existence of the credit union.
- The board should approve a disaster management and recovery plan.

Balance

- The composition of the board should aim to adequately reflect the demographic makeup of its members and balance the financial service demands of members.
- The board should seek to balance diversity and experience, but all directors must meet the standards of individual governance.

Accountability

- The board is formally accountable to the general assembly of members, which is the highest governing body.
- The roles and responsibilities of the board, committees and managers should be established clearly in the bylaws or other policies.
- It is the duty of the board to establish strategic direction, approve policies and monitor management's implementation of these policies and achievement of targets.
- It is the duty of management to prepare the plan and budget, undertake operations, implement the policies approved by the board and achieve the targets set forth.



Individual Governance

Integrity

- The credit union should adopt a standardized code of conduct clearly explaining proper behavior.
- Directors or managers must not have criminal backgrounds, recent bankruptcies or penal backgrounds.
- Immediate family members should not serve on the board or in management at the same time.
- Board members must excuse themselves from participating in discussions and voting on matters from which they or their family have a potential conflict of interest.
- The board must approve loans to directors or management. All such insider loans must be made within the approved credit policy parameters and will be reported on a regular basis to the full board.
- Directors with delinquent loans more than three months will be removed from their position.

Competence

- All members of the board should have basic financial literacy, including the ability to interpret financial statements and standards, or commit to acquiring these skills through education or training within the first year of service.
- Individual members should have specialized financial or business skills and/or a member-focused viewpoint.

Commitment

- Directors should be willing and able to commit the necessary time to the credit union. Failure to attend board meetings may result in dismissal.
- Directors must respect the decisions of the board, adhering to all policies that have been adopted, regardless of personal opinion.

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

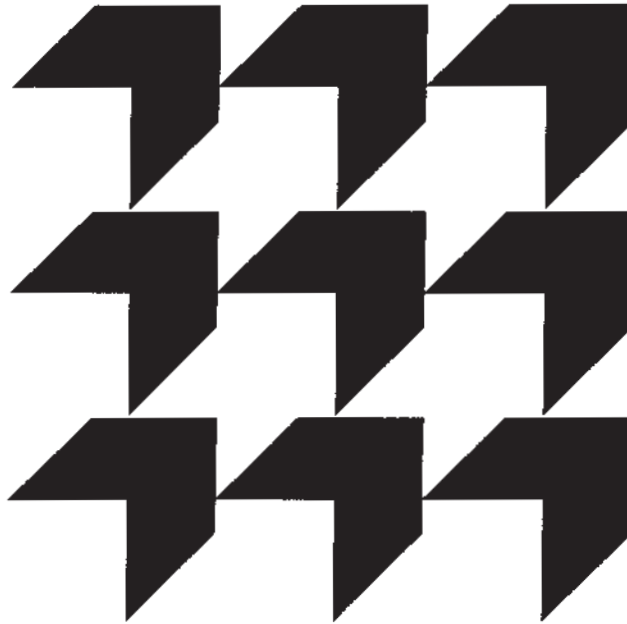
stands for Credit Unions in any language, in any country. The theme is universal and conveys the image of all Credit Unions graphically, accurately and instantly.

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 WCCU Membership Council

NOTES





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