

ANNUAL REPORT 2012



AMGECU

CREDIT UNION
CO-OPERATIVE SOCIETY LTD

THE KEY TO YOUR DREAMS

"PLANTING SEEDS FOR THE FUTURE"



FAMILY



EDUCATION



SAVINGS

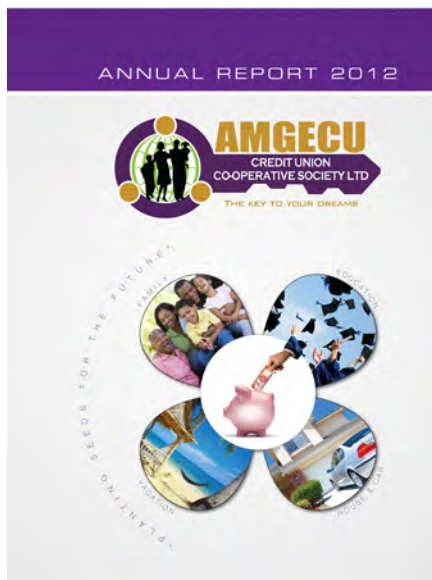
RETIREMENT



VACATION



HOUSE & CAR



Planting Seeds for the Future

“All the flowers of all the tomorrows are in the seeds of today.” Swedish Proverb

Our business has grown and passed through the stages of metamorphosis. We have grown from the stage of limited members in a specific market segment to a wider bond that facilitates intake of members from a broader market segment. Over the last sixty plus years we have prudently and deliberately steward the resources of AMGECU and have attained consistent growth. We are mature and have positioned ourselves as a portal through which our members can create a secure financial pathway for the future.

Many of us set career goals only, but very few establish a plan for success for our entire future. In 2013 and beyond we encourage you our valued member to develop a financial plan that will lead to wealth creation, in other words plant seeds now to reap a sustainable future.

At AMGECU your leadership will not only point members in the way to go, but take them there. When we plant seeds for the future, our goal is for our members to become the “Extraordinary Man and the Phenomenal Woman”. In order to help our members actualise the 2013 Theme of Planting Seeds for the Future, AMGECU will build on four pillars: the Members, Staff, Board and Committees, Youth.



57TH ANNUAL GENERAL MEETING

Saturday 23rd March, 2013

2:00 p.m.

**Andre Kamperveen Hall
Centre of Excellence
Macoya Road, Tunapuna**

The National Anthem

By: Patrick S Castagne

Forged from the love of liberty
 in the fires of hope and prayer,
 With boundless faith in our destiny
 We solemnly declare...
 Side by side we stand
 Islands of the blue Caribbean Sea,
 this our native land
 we pledge our lives to thee...

Here every creed and race
 finds an equal place
 and may God bless our nation
 Here every creed and race
 finds an equal place
 and may God bless our nation.

Credit Union Prayer

[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



MISSION STATEMENT

A co-operative providing financial and other services, which supports the socio-economic and educational needs of our stakeholders through our valued staff.

CORE VALUES

(HIPER)

- **Honesty** - We are committed to building high levels of honesty in all our relationships and known to be reliable and credible.
- **Integrity** - We are committed to being true to our word/keeping our promises, following through on our commitments/deadlines and maintaining high ethical standards in our business dealings.
- **Performance Excellence** - We will work together as a unified team with a common cause which will pervade all our activities, including relations with our customers.
- **Respect** - We will honour each person as an individual as well as respect and care for each other and each other roles.



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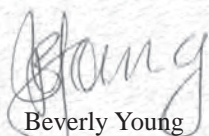
NOTICE OF 57th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 57th Annual General Meeting of AMGECU Credit Union Co-Operative Society Limited formerly ANSA McAl Group Employees Credit Union Co-Operative Society, will be held on Saturday 23rd March, 2013 at Andre Kamperveen Hall, Centre of Excellence, Macoya Road, Tunapuna at 2:00 p.m.

AGENDA

1. Call to Order – National Anthem, Invocation and Minute of Silence
2. Notice Convening Meeting
3. President's Address
4. Feature Speaker
5. Confirmation of Minutes of the 56th Annual General Meeting held on Saturday 24th March, 2012
6. Business Arising from the Minutes
7. Acceptance of Reports for 2012
8. Elections of Officers
9. Auditor's Report/Financial Statements – 2012
10. Resolutions
11. Review of Income/Expenditure Estimates for 2013
12. General Business
13. Expression of Thanks and Formal Closure

BY ORDER OF THE BOARD OF DIRECTORS



Beverly Young
Secretary/General Manager

STANDING ORDERS

1. (a) A member shall stand when addressing the chair.
(b) Speeches are 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/she 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/she rises to object or to explain (with the permission of the Chair).
5. The Mover of a “Procedural Motion” / (Adjournment, Lay on the table, Motion to postpone) shall have no right of reply.
6. No speeches are to be made after the “Question” has been put and carried or negated.
7. A member rising on a “Point of Order” shall state the point clearly and concisely (A “Point of Order”) must have relevance to the “Standing Orders”.
8. (a) A member should not “call” another member “to order” but may draw attention of the chair to a ‘breach of order’.
(b) In no event can a member call the chair “to order”.
9. Only one amendment should be before the meeting at one and the same time.
10. When a motion is withdrawn, any amendment to it fails.
11. The Chairman shall have the right to a “casting vote”.
12. If there is equality of voting on an amendment and if the Chairman does not exercise his casting vote, the Amendment is lost.
13. Provision is to be made for protection by the Chairman from vilification (personal abuse).
14. No member shall impute improper motives against another member.

GUIDELINES FOR NOMINEES:

A member offering himself/herself for office in AMGECU

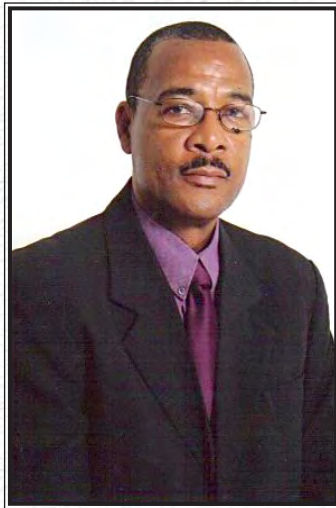
- Must not be bankrupt or an applicant for bankruptcy.
- Must be of sound mind.
- Must not be an employee of AMGECU.
- Must not have been convicted of an offence involving dishonesty.
- Must not be delinquent in repaying his/her loan.

ADDITIONALLY, IF ELECTED, A MEMBER MUST BE PREPARED TO GIVE GENEROUSLY OF HIS/HER TIME TO:

- Attend Board and Committee meetings.
- Attend seminars and training courses.
- Attend other meetings and events of the Credit Union movement.

PLEASE NOTE THAT:

- Regular Board of Directors' meetings are held on the last Wednesday of every month commencing at 5:00pm.
- The Credit Committee must meet at least once a week, every week of the year, the newly elected Committee will determine its meeting day and time.
- The Supervisory Committee will determine its meeting day and method of operations.



PRESIDENT'S MESSAGE

I would like to warmly welcome all present to the 57th Annual General Meeting. Our industry over the last financial period remained in a volatile environment, facing both internal and external challenges, uncertainties, competition and scarce opportunity for good returns on investments.

However, AMGECU has relentlessly continued to strive to succeed in achieving our mission of positioning ourselves among the top performers in providing the financial support needed by our membership and other stakeholders to cope with all of their socio-economic and educational needs.

In 2012 the trend of excess liquidity, and high inflation continued for the most part, which negatively impacted the returns on the Credit Union's investments. With good prudent financial management and the implementation of strategies to assist Management in the manipulation of our resources in this regard, the Credit Union was still able to stay the course and serve the spectrum of needs of its Members, in spite of the many environmental challenges.

The Trinidad and Tobago government's fiscal program for 2012/2013 is being implemented against the backdrop of unsettled economic conditions globally and several years of negative or negligible domestic growth. Preliminary estimates from the Central Bank suggest a turnaround in the Trinidad and Tobago economy, with real GDP growth in the third quarter of 2012 and a cautiously optimistic outlook of 2.5% growth in the non-energy sector for 2013.

Despite the fair outlook for 2013, the biggest setback for growth in the domestic economy is potentially the shortfalls in the global economy which continues to have a negative rippling impact.

The Board of Directors continues to keep a watchful eye on the global and local financial environment and to manage the affairs of the Credit Union with prudence. In spite of the prevailing environmental conditions we recorded another successful year in 2012. In accordance with the prudence concept the Central Bank of Trinidad and Tobago has recommended, that the local standard for Institutional Capital be set at 8%, the Board has again achieved an adequate level of 12%.

The Net Surplus for the period ending December 2012 was \$6,817,636 an increase of 26%. Our asset base increased by \$17.9M or 12.3% over the previous financial period. A 5.6% dividend payment is therefore proposed.

In light of the ever increasing needs of every household, we therefore urge members to exercise prudent restraint in their financial decisions.

I take this opportunity to thank the members of the Board, Management and Staff, and the general membership for your continued loyalty and dedication to AMGECU and I sincerely thank you all for the privilege to serve you.



Russell Gulston
PRESIDENT

MINUTES OF THE 56TH ANNUAL GENERAL MEETING OF ANSA McAL GROUP EMPLOYEES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

**Held On Saturday March 24, 2012 at The Andre Kamperveen Hall, Centre Of Excellence,
Macoya Road, Tunapuna.**

PRESENT WERE:

BOARD OF DIRECTORS:

Russell Gulston	-	President
Anthony Alleng	-	Vice President / Acting Secretary
Jennifer Francis Taylor	-	Director
Patrice Samuel	-	Director
Cuthbert Tracey	-	Director
Cynthia Carr-Hosten	-	Director
Debra Contaste	-	Director
Fitzroy Dove	-	Director
Soria Subran	-	Director
Denise Douglas	-	Director
Judy Raghoonanan-Williams	-	Director
Fitzherbert Noel	-	Director

CREDIT COMMITTEE:

Annette Toussaint Francis
Justin Ayoung
Bernadette Kalicharan
Veronica Toussaint
Elizabeth Ramoo

SUPERVISORY COMMITTEE:

Claudine Allert
Jennifer Cooke-Warrick
Affeiza Ogeer

INVITED GUESTS:

Gillian Lucky	Feature Speaker, Attorney at Law
Neil Alexander	Auditor, Pannel Kerr Foster, Accountants and Business Advisors
Kisha Wong	Co-operatives Development Division
Angela Ramkissoon	Co-operatives Development Division
Ronne Anderson	Co-operatives Development Division
David Greaves	Co-operatives Development Division
Resia Williams	Co-operatives Development Division
Carlyle Gaskin	Co-operatives Development Division
Shelly Charles	Co-operatives Development Division
Beville Phillanders	President, Government Printery Credit Union
Victoria Harrigin	Agricola Credit Union
Edward King	Neal & Massy North Credit Union
Wesley Francis	Vice President, Guardian Credit Union
Dianne Joseph	Office Manager, Co-operative Credit Union League of T&T
Khelana Cook	Girwar & Deonarine / Attorney at Law
Thandine Masaisai	B.D. Hewitt & Company / Attorney at Law
Kester Hamlet	CUNA Caribbean Insurance Society Limited

STAFF:

Claudia Charles	-	General Manager (Ag.)
C. Vidya Ramsawak Abdool	-	Senior Credit Officer
Parbati Bridglal-Clarke	-	Internal Auditor
Feleena Jones	-	Administrative Services Assistant
Esha-Ann Daniel	-	System Administrator
Audra Paul-Farris	-	Accounting Assistant
Dionne Peters	-	Accounts/Insurance Clerk
Vashti Sooknanan	-	Loans Customer Service Representative II
Sindy Robinson	-	Loans Customer Service Representative II
Stephanie Hutchinson-Billy	-	Computer Operator
Shelly Ann Hannibal	-	Cashier
Aneesia Ali	-	Debt Recovery Representative
Marsha Wallace	-	Receptionist/Customer Service Representative
Michael Hope	-	General Services Assistant
Naipaul Sookhan	-	Courier/Office Assistant

1.0 CALL TO ORDER

The President – Mr. Russell Gulston called the meeting to Order at 2.30 pm. He invited all to stand for the National Anthem played via the P.A. System. The recitation of the Credit Union Prayer followed and one minute of silence was observed for deceased members of the Credit Union.

2.0 OPENING REMARKS

The President extended a hearty welcome to all present including the Feature Speaker, invited guests, former Directors and Pensioners, Past Committee Members, Board of Directors, Credit and Supervisory committees and the general membership to the 56th Annual General Meeting (AGM).

3.0 GENERAL INFORMATION

- 3.1 The chits given at the registration desk entitled members to a token, door prize and a meal at the close of the meeting. All Staff who were members of AMGECU were entitled to the door prizes.
- 3.2 Members were asked to update / complete the members' data registration forms at the registration desk.
- 3.3 There were no members of the HSSE committee of the Centre of Excellence present and the President drew members' attention to the main exits in the event an emergency occurs, water stations, and location of Washroom facilities.

4.0 STANDING ORDERS

The President brought to the attention of the membership the Standing Orders as contained on page 7 that would govern throughout the meeting. The Standing Orders were adopted on a motion moved by Mr. Kenny Fraser, seconded by Mr. Harrichanda Singh and carried by a majority show of hands.

5.0 NOTICE CONVENING THE MEETING

The President invited the Acting Secretary, Mr. Anthony Alleng to read the notice convening the 56th Annual General Meeting contained on page 6 of the brochure.

6.0 PRESIDENT'S MESSAGE

The President then read his message contained on Page 9 of the brochure.

7.0 LAUNCH OF NEW NAME AND LOGO

Mrs. Jennifer Francis-Taylor led the Membership through an introduction of “Metamorphosis: A Rebirth” with its new name “AMGECU Credit Union Co-operative Society Limited”, its new logo (a key), its new colours (purple, gold, green). The new Credit Union flag was ceremoniously carried into the hall by a Retiree, Mr. Mark Chang and handed over to a junior member, Julie-Ann Subran who took it to the head table and placed it in the flag stand, since AMGECU would be focusing on the young members this year. A dancer emerged from the puma stage into a butterfly and danced to “I’m alive.”

8.0 FEATURE SPEAKER

The Ag. Secretary Mr. Anthony Alleng introduced Ms. Gillian Lucky, the Feature Speaker, for the afternoon as follows:

Ms. Gillian Lucky is an Attorney-at-Law, was a former High Court Judge, Lecturer at Hugh Wooding Law School and Director of Police Complaints Authority. Ms. Lucky is currently the Principal and a Lecturer at the Academy of Tertiary Studies. Along with her illustrious career in law, Ms. Lucky can boast of being the co-host of “Talk Time” on Radio 90.5FM, a weekly newspaper columnist in the Trinidad Guardian, a former Presenter and Co-Executive Producer of the television programme, “Caribbean Tarang” and a calypsonian in her own right, and a talk show entitled “Just Jill”.

FEATURE ADDRESS

When we think of Metamorphosis what comes to mind, rebirth, change, and if you’re young at heart - butterflies, and when we think of change and rebirth these two words attract different reactions.

New beginning can be something very positive, a new lease on life, a lifeline or as the young people would say “give them a bligh.”

Change is not always met with positive reactions and she outlined three reasons for change:

- 1) Why do we need to change if we are in a comfort zone? Human beings do not like to come out of their comfort zone. How many of you when you hear of change often times do not think positive but negative and we worry about it. If it works, why do we need to change and she gave an example of our country’s reluctance to pass legislation regarding the change from the Privy Council to the Caribbean Court of Justice. She expressed the wish that she would see this in her lifetime.
- 2) Why do we fear change? We have high expectations whether we want to change or not, we are living in a world of change and things are always changing. She gave two examples of the evolution of change: E.g. from the rotary telephone to i-phone and from one television station to 250 channels today, music records which were either 45s & 33s, and today mp3s and cds. She encouraged parents to familiarize themselves with Facebook because that is where they would know what their children were doing, in this way with Metamorphosis they would be aware.
- 3) How can we make change positive? When it’s not positive we become very disappointed. When people assume power they change. There must be something we have to do to become firmly grounded.
- 4) Lent is about reflection and change and regardless of religion there is something better. She quoted a verse from Ecclesiasticus Ch. 3 V:1-8 a season for everything, a time to plant, a time to grow, a time to live and a time to die. Whatever your faith you must find time to introspect, you must find time to do something. In the concept of survival of the fittest it is the best animal that can accept and deal with change.

Time changes, seasons change and if it does not change we are going to suffer. She gave the story / analogy of the scorpion and frog who wanted to cross the river. We are duty bound to make this place better for us, and for future generations as well as the elderly and respect for the legacy handed down to us.

Ms. Lucky made the point of adaptation of change and situations and she gave the example of the traditional marriage vows (for richer and poorer etc) amongst other things it promotes adjustment and adaptation and there is recognition that there has to be metamorphosis, flexibility.

In looking at many proverbs and statements made on change the most powerful one came from Mahatma Gandhi “you must be the change you wish to see in the world,” and this points out the deficiency to share the vision to help us be part of the solution, change and metamorphosis- sharing a common vision.

Ms. Lucky thanked the Board and AMGECU for the invitation; she wished the Credit Union the best in the future, to ensure that the butterfly soars to the highest heights, a surprise rendition of “Are you hearing me,” was sung by Ms. Lucky highlighting AMGECU, the metamorphosis and its core values, to which she received a standing ovation from the membership.

9.0 CREDENTIAL REPORT 1

At 3:00 pm there were 242 members present.

10.0 CORRECTIONS / OMISSIONS FROM MINUTES

The following corrections were made to the minutes:

10.4 Page 16: Supervisory Committee – insert “Claudine Allert” and change Tatil to “Tatil Life Assurance.”

10. Change Veronica Toussaint MBM to “Veronica Toussaint AMCO”.

Subject to the above changes/ corrections / omissions the minutes were confirmed on a motion moved by Mr. Winston Pierre, retiree, seconded by Mr. Kenny Fraser, Alstons Shipping and carried by a majority show of hands.

11.0 CONFIRMATION OF MINUTES OF SPECIAL GENERAL MEETING

A motion that the minutes of the Special General Meeting held on Tuesday October 18th, 2011 as contained on pages 22-25 be taken as read was moved by Glen Marin and seconded by Melanie Delzin and carried by a majority show of hands. There were no corrections/amendments or omissions and the minutes were then confirmed by Harrichanda Singh seconded by Denzil Parris and a majority show of hands.

Subject to the above corrections / omissions the Minutes of the 55th Annual General Meeting held on Saturday 2nd April 2011 contained on pages 10 - 21 were taken as read on a motion moved by Jeanne Pollonais– retiree and seconded by Denzil Parris and carried by a majority show of hands.

12.0 BUSINESS ARISING FROM THE MINUTES

Page 19 (17.3) Mr. Robert Durham of CDC suggested AMGECU approach SBCS to utilise the property located at Sagan Drive Champs Fleurs as car park rental space, to generate income until it is ready for development. The President responded that to date, the school had no interest to rent the space.

Page 25 (10.5) Special General Meeting: Mr. Winston Pierre, retiree suggested that a competition be held among the membership and subsidiaries for the design for the logo.

(10.6) The chairperson advised that this suggestion would be discussed at the next Board meeting.

The President replied that due to the late response from the Co-operative Division on the change of name and By-Law amendments, there was insufficient time for a competition. However, the Board wished to express its thanks to the AMGECU staff for their design of a key, which was altered to reflect the corporate image of the Credit Union with the final product presented at today's meeting.

13.0 CREDENTIAL REPORT 2

At 3:20p.m there were 488 members present.

14.0 REPORTS

A motion that all reports appearing on pages 26-41 were taken as read was moved by Mr. Harrichanda Singh, seconded by Mr. Kenny Frazer and carried by a majority show of hands.

There were no questions from the floor on the Board, Credit, Supervisory and Nominations Reports.

DELINQUENCY REPORT

- Capildeo Singh, CDC asked the question – “What would happen if the Credit Union opened up to the public wouldn't delinquency then increase?” The President replied that the Credit Union would not become a public entity. He also stated that with the name change, in the event of a collapse of the Organization Ansa McAl Limited would not be liable for costs.
- Mr. Charles Alexander posed this question: “Can other members outside of the Group join the Board of Directors?” The President responded that they approached the Commissioner who informed them that a special interim AGM was required to discuss same with the membership.

15.0 CONFIRMATION OF REPORTS

A call for confirmation of reports En-bloc was moved by Mr. Calvin Henry MBM and seconded by Ms. Annette Toussaint Francis Alstons Shipping and carried by a majority show of hands.

16.0 ELECTION OF OFFICERS

The President called on the Nominations Chairperson, Ms. Jeanne Pollanais to give the guidelines for the election process. The theme for today's meeting is “For continuity we count on you to serve”. She outlined the rules of the bye-laws on Nominations, Selection and Criteria. She then invited Ms. Kisha Wong of the Co-operatives Division, Ministry of Labour & Small & Micro Enterprise Development to facilitate the process.

The membership voted to key positions on the Supervisory Committee, Credit Committee and Board of Directors.

Whilst the ballots were being tallied, the membership was entertained with a dance entitled “Metamorphosis”.

The following members were elected to serve:

SUPERVISORY COMMITTEE

NAME	COMPANY	VOTES
Annisa Lara	ANSA McAL Ltd	253
Charmaine Theodore	Ex Employee	244
Richard Wayne Halfhide	Ex Employee	146
Rommel Subnaik	CDC	133 (1st Alternate)
Trisha Tracey	Family Member	117 (2nd Alternate)

CREDIT COMMITTEE

NAME	COMPANY	VOTES
Cuthbert Tracey	Ex Employee	273
Elizabeth Achaibar-Ramoo	SDL	272
Annette Toussaint-Francis	Alstons Shipping	268
Calvin Henry	MBM	233
Capildeo Singh	CDC	187
Anushka Alleng		159 (1st Alternate)
Heather Morris		107 (2nd alternate)

BOARD OF DIRECTORS

NAME	COMPANY	VOTES
Russell Gulston	Ex Employee	270
Cynthia Carr-Hosten	TATIL	262
Ralph Attong	CDC	239
Justin Ayoung	AMCO	209 (to serve 3 yrs)
Rosa Redon	Alstons Shipping	109 (to serve 2 years)
Harrichanda Singh	Ex Employee	221 (1st Alternate)
Arnim Phillip	Retiree	213 (2nd Alternate)

17.0 DESTRUCTION OF BALLOTS

The President called for a motion that the ballot papers be destroyed. This was moved by Kenny Fraser and seconded by Grace Rodriguez and carried by a majority show of hands.

18.0 CREDENTIAL REPORT 3

At 5:30 pm there were 408 members present.

19.0 AUDITORS REPORT AND FINANCIAL STATEMENTS

Mr. Neil Alexander Auditor, of the firm PKF Chartered Accountants and Business Advisors read the Auditor's Report contained on page 45 of the brochure. He thanked the Board for their support during the year.

Mr. Mark Chang moved a motion that the Financial Statements for the year ended December 31, 2011 be adopted. This was carried by a majority show of hands.

Mr. Chang commended the Board on the inclusion of the receipts and payments statements contained in the Financial statements.

20.0 RESOLUTIONS

1. BE IT RESOLVED that in accordance with Bye-law No. 19 (b) a dividend of five point five percent (5.5%) be approved and paid to members on their shareholdings for the period 2011, and that such dividend be credited to Loan/Interest Account of those members whose loan accounts have become delinquent.

This resolution was moved by Mr. Fitzroy Dove seconded by Mrs Cynthia Carr-Hosten and carried by a majority show of hands.

2. BE IT RESOLVED that the firm PKF Chartered Accountants & Business Advisors be retained as auditors for AMGECU Credit Union Co-operative Society Limited for the year ending 31st December 2012.

This resolution was moved by Mr. Cuthbert Tracey, seconded by Soria Subran and carried by a majority show of hands.

3. BE IT RESOLVED that an honorarium of \$136,406 be declared being approximately 2.5% of the net surplus to be shared among the Board of Directors, Elected and Appointed Committees.

This resolution was moved by Fitzherbert Noel, seconded by Debra Contaste and carried by a majority show of hands.

4. BE IT RESOLVED that the irrecoverable accounts in the sum of \$216,816.24 be written off from the Provision of Bad Debts accounts.

This was moved by Jennifer Francis-Taylor, seconded by Judy Raghoonanan-Williams and accepted and carried by a majority show of hands.

21.0 REVIEW OF INCOME AND EXPENSES AND BUDGET PROJECTIONS FOR 2011

The President called on a motion that the Budget Projections for the year 2012 be adopted and this was moved by Harrichanda Singh and carried by a majority show of hands.

- 21.1 In reply to remove an Administrative Expense, the President, Mr Gulston reported on several strategies to minimize expenses and he referred to page 70 of the brochure for further clarification.

- 21.2 Mr. H. Singh asked about the Budget allocations regarding foreign exchange gain; the President explained that Budget allocations and foreign exchange gains are different.

The resolution for the adoption of the budget was moved by the President, seconded by Mr. Harrichanda Singh and carried by a majority show of hands.

22.0 GENERAL BUSINESS

22.1 ANNOUNCEMENTS

The President shared the following:

- i. Consideration would be given to reintroduce a rebate on interest paid at the end of the next financial year, which was a recommendation of the Retirees' Club.
- ii. Part of AMGECU's Strategic Plan is to focus on the Youth of AMGECU by establishing a Youth Arm.
- iii. In addition to the Irvin Johnson Secondary Entrance Assessment Awards, an Education Bursary Programme would be implemented in three categories, namely:
Caribbean Examination Council (CXC)
 - (a) Caribbean Secondary Examination Certificate(CSEC)
 - (b) Caribbean Advance Proficiency Examination (CAPE)
 - (c) University of the West Indies (UWI) and the University of Trinidad and Tobago (UTT)
 Further information on these projects would be provided during the course of the year 2012.
- iv. In 2016, AMGECU would be celebrating its Diamond Jubilee (60 years) and this would be discussed by the Incoming Board and would take the form of a gala event.
- v. The President introduced the AMGECU staff to the membership.
- vi. There are four vacancies to be filled and those positions would be advertised shortly. The positions are; (a) General Manager / Secretary, (b) Accountant / Office Manager, (c) Marketing Representative, (d) Administrative Services Officer.
- vii. Payment of Dividend: The President announced that the date of payment of dividends would be paid or credited to members accounts on or before 2nd April 2012.
- viii. MacArthur Marquez again questioned whether the credit union considered paying interest to those people who leave their dividend in their account from the 1st January. The President replied that it could not be done as there was no surplus money to facilitate that request.
- ix. Mark Chang Pg. 73 Member Relations asked for an explanation on this item. The President replied that this related to the rental of the tea/coffee machine and that the credit union has since reverted to tea bags/ coffee and hot water to minimize on that expense.
- x. Mr. Chang: asked if retired members who are incapacitated and in need of compassion whether something can be done for them in the form of flowers or a phone call etc.
- xi. Mr. Marquez: Made a call for retirees to update the credit union when they change their telephone numbers and addresses so that they can be contacted and informed when there are functions, outings etc.

22.2 DOOR PRIZES

Door Prize #	Ticket Nos	Winner	Group Company
1st	127	Michael Warner	Trinidad Match
2nd	205	Gail Leech	PENTA Paints
3rd	251	Rhonda Garraway	Junior Member
4th	97 299	Not eligible Terrance Blake	Non member Carib Brewery
5th	128	Annemarie Lawrence	ANSA Merchant Bank
6th	261	Melissa Noel-Sealy	PENTA Paints
7th	240	Garth Webb	CDC
8th	266	Rovell Cumberbatch	Standard Distributors
9th	390	Keith Emmanuel	Trinidad Guardian
10th	396	Michel Robertson	CDC
11th	226	Judy Granville	Standard Distributors

22.3 PRESENTATIONS

Presentations were made on behalf of the Credit Union to the following persons during the course of the meeting.

1. Ms. Jillian Lucky, Feature Speaker.
2. Post-It notes were placed under specific chairs around each table, entitling the winner to the decorative centre piece.
3. Ms. Yolande Mungal and Ms. Melissa Borel, rapporteurs with floral arrangements by Anthony Alleng.

22.4 CREDENTIAL REPORT 6

At 6:25 pm there were 488 members present.

22.5 ANNOUNCEMENTS

The President extended an invitation to the membership to remain seated for the meal.

22.6 VOTE OF THANKS

Mr. Anthony Alleng on behalf of AMGECU and the Board of Directors, thanked the Feature Speaker, Students of the Oratory Foundation, Auditors (PKF), Former Board of Directors, AMGECU Staff, Mobilization Team, Committee who assisted with the Ballot count, Membership, the specially invited guests as previously listed, Retirees, Members who stood for election, Members of the media, Caterers, Management of the Centre of Excellence, Sound System Team, Rapporteurs and door prize sponsors for making this 56th AGM a success.

Special mention was made of Mr. Alleng for his nine years of untiring service to the credit union.

23.0 CONCLUSION

There being no further business to discuss, the meeting concluded at 6:50 p.m. and members were invited to remain seated, as the meal and dessert would be served to all.

BOARD OF DIRECTORS REPORT



“All the flowers of all the tomorrows are in the seeds of today.” Swedish Proverb

OVERVIEW

In 2012 the global economy continued to suffer from the fallout of the financial crisis of 2008. Some agencies reported that global growth dropped almost three (3) percent in 2012 and this trend is likely to continue in 2013. Locally investment opportunities are minimal and high levels of liquidity continue to force interest rates downward. AMGECU operates in this global interconnected environment and we are not immune from the challenges facing most financial institutions. However, despite the environmental challenges the Board of Directors is pleased to announce that in 2012 the Credit Union registered increase growth in Total Assets, Loans and Income.

2012 PERFORMANCE HIGHLIGHTS

ASSETS

The Total Asset base of the Credit Union increased by \$17.1 million or 12.3% over the previous year, this brings the Total Assets to \$156.6 million when compared to \$139.4 million as at December 31, 2012 to 2011.

LOANS

The main contributor to the growth in Assets was an increase in the Loans' portfolio, which grew by \$8.4 million or 12% when compared to 2011. The total loan balance as at December 31, 2012 was \$78.6 million

INCOME

The total income for the year 2012 was \$11.2 million. The income from loans was \$8.5 million or 73% of total income. Overall income increased by \$1.5 million or 13.4% over the previous year.

EXPENDITURE

Expenditure for 2012 was \$0.4 million or 8.9% less than budgeted, this was due to slight decrease in operating cost.

BOARD APPOINTMENTS & STAFF MOVEMENTS

On April 10th 2012 at the first statutory Board meeting of the new term, Russell Gulston was elected as President and Debra Contaste as the Vice President. Cynthia Carr-Hosten, Fitzroy Dove and Fitzherbert Noel were elected to complete the Executive Committee along with the President and Vice President.

The following staff changes took effect:

- Beverly Williams-Young was appointed as the Secretary/General Manager
- Deborah Celestine-York was appointed as the Accountant/Office Manager

TRAINING

CCCU and CUES International Convention

The Caribbean Confederation of Credit Union and the Credit Union Executive Society held its 2012 Conference in Jamaica. Three members from the Board of Directors represented AMGECU Credit Union.

The conference focused on a number of contemporary issues which were relevant to our vision of providing financial and other services, which support the socio-economic and educational needs of our stakeholders. Some of the main topics covered were:

- Cooperative Enterprises – Build a Better World
- Best Practices in Credit Union Performance
- What Do Young People Want And Need From Their Financial Institution
- Building Member Share The Key to a Sustained Credit Union
- Transformational Leadership

EDUCATION

In 2012 AMGECU continued to honour our youth members who were successful in the SEA exams through the Irvin Johnson Secondary Entrance Assessment Awards program.

The theme of 2012 award function was Supernova and the feature speaker was Winsieann Cuffie. The students accompanied by their parents received many gifts along with a cash incentive and AMGECU share certificates.

Unfortunately the Harold Smith Scholarship awards function was postponed due to circumstance beyond our control. The Committee sincerely apologised to our young members who submitted application forms for this award and assured them that their applications will be considered when the program is re-launched in 2013.

MEETINGS (PERIOD APRIL 2011 TO JANUARY 2012)

The following table indicates the number of meetings held and the attendance of the Board of Directors:-

KEY: Statutory (St) Joint (Jo.) Excused (Ex.) Absent (Ab.)

BOARD MEMBERS	St. (10)	Jo. (05)	Ex.	Ab.
Russell Gulston	13	6	0	0
Debra Contaste	13	6	0	0
Fitzroy Dove	13	6	0	0
Cynthia Carr-Hosten	12	6	1	0
Fitzherbert Noel	13	6	0	0
Patrice Samuel	9	5	4	0
Soria Subran	12	6	1	0
Denise Douglas	9	3	2	2
Judy Raghoonanan-Williams	10	4	2	0
Rosa Redon	12	6	1	0
Justin Ayoung	12	6		
Ralph Attong	5	0	3	6

- *The joint meetings were a continuation of the Statutory Board Meetings.*
There were sixteen (16) Executive Committee meetings held during the period.

CUNA COVERAGE

For the year 2012, AMGECU paid the sum of \$1.1 million in contributions to CUNA Caribbean Insurance to cover members' shares and loan balances. Claims benefits in the sum of \$603,190.43 were paid for shares and loans coverage for members who died.

FAMILY INDEMNITY

During the year, twelve (12) members joined the plan which covers up to five (5) members of their family. The number of members in the plan as at 31st December, 2012 was four hundred and seventeen (417). Sixteen (16) claims were paid totalling \$0.35million.

MEMBERSHIP

The Board of Directors welcomed 239 new members to the Credit Union during the period under review and our total membership comprising employees, ex employees and family members, stands at 4,944.

OBITUARIES

The Board of Directors extends heartfelt condolences to the families of the members who passed on during 2011.

Grace Rodriguez	Dexter Chin	Ryan Sakhan
Gloria Bailey	Patricia Joseph	Sookram Phaykoo
Christopher Mutroo	Cleveland Matthews	Bertie Latham
Calvin Browne	Kenneth Lalla	Steve Singh
Bernadette Joseph		

DELINQUENCY

In the last quarter of 2012 AMGECU implemented a new reporting and collection system to monitor delinquent accounts. The new system would improve the management (monitoring and controlling) of delinquent accounts.

OUT-GOING DIRECTORS

2010-2013	2011-2014	2012-2015
Debra Contaste	Denise Douglas	Russell Gulston
Fitzroy Dove	Fitz-Herbert Noel	Cynthia Carr-Hosten
Patrice Samuel	Judy Raghoonanan-Williams	Justin Ayoung
Soria Subran	Rosa Redon	
Ralph Attong		

FINANCIAL REVIEW

INVESTMENTS

In 2012, the Investment Committee continued to grapple with the challenge of shopping for the best investments possible under the prevailing circumstances while simultaneously adhering to the policy and recommending changes where necessary to adapt to changing market conditions.

The Board is pleased to announce that we have received our funds from the CLICO investment.

Loans continue to give our best returns and rates were reduced to meet market conditions. We took some profits from the Scotia shares less losses sustained from the Savinvest investment altogether giving a net positive gain of approximately half million dollars. This has allowed us to contribute to the dividend pool together with returns from our short term investments in trade receivables, long term bonds and equities.

We expect 2013 to see continued high liquidity with low interest rates and continued inflation despite contrary reports by economic gurus since we live in a global environment and our environment impacts our returns and investments. We continue to diversify and seek opportunities both locally and foreign to maximize returns.

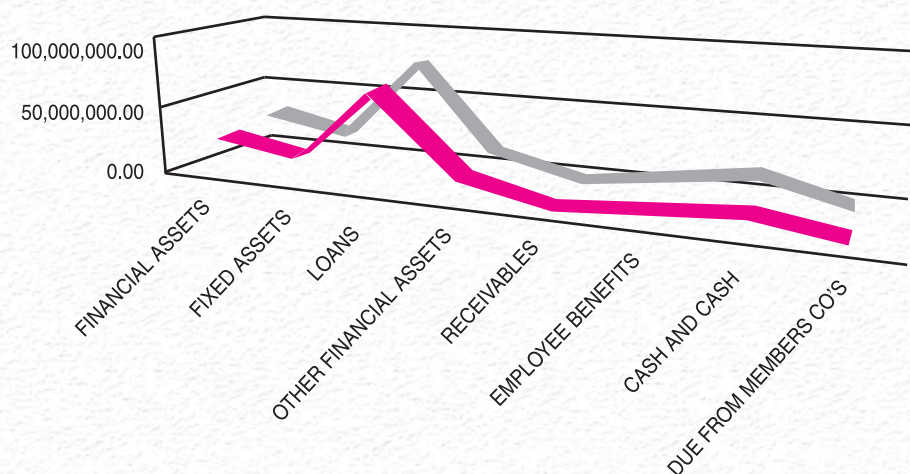
SHARES

The Share capital continued to experience steady growth in 2012. There was an increase of \$14.4M or 13.9% over the 2011 and this contributed to the increased liquidity. In keeping with our theme for 2013 members are reminded that the seed of the future harvest is bound up in the current harvest. Therefore, each member should increase their share contributions on a regular basis in order to create wealth and increase personal liquidity for the future.

ASSET MIX

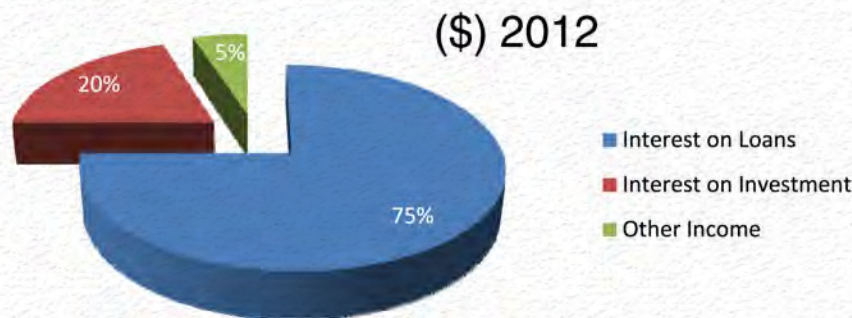
	(\$) 2012	(\$) 2011
FINANCIAL ASSETS	27,007,763.00	26,259,983.00
FIXED ASSETS	15,677,662.00	15,836,548.00
LOANS	78,642,716.00	70,231,378.00
OTHER FINANCIAL ASSETS	15,025,528.00	13,247,115.00
RECEIVABLES	575,974.00	520,592.00
EMPLOYEE BENEFITS	3,336,000.00	2,964,000.00
CASH AND CASH EQUIVALENTS	16,483,642.00	9,850,110.00
DUE FROM MEMBER Co's	717,058.00	606,471.00

Asset Mix



SOURCE OF REVENUE

	(\$)2012	(\$) 2011
Interest from loans	8,568,298 (75%)	8,098,286 (75%)
Interest from Investment	2,264,736 (20%)	1,778,666 (16%)
Other Income	543,198 (5%)	942,483 (9%)



PROPOSED DIVIDEND

The Board of Directors has recommended a five point six percent (5.6%) dividend on fully paid up shares as at 31st December 2012 and again in keeping with our theme of planting seed for the future we strongly recommend that members reinvest their dividends on their share account.

COMMITTEES

RETIREE'S CLUB

The Club held 8 meetings during the year under review and continued its mandate to ensure that the Credit Union services and benefits to our members, particularly our retirees, are of high quality and professionalism.

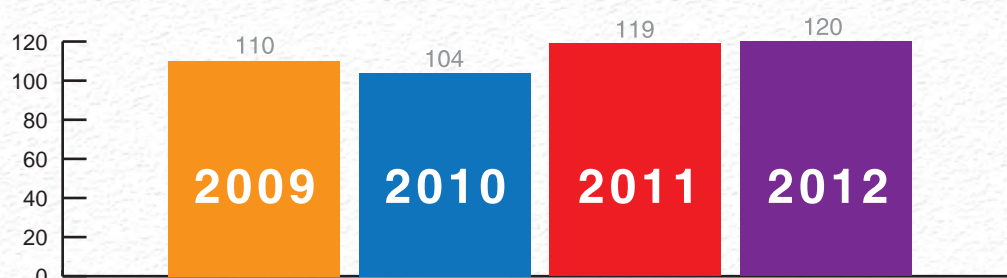
Bus Ride

On June 09, 2012 the Club organised a bus ride to Hugh Lee King's Ranch in Valencia. Sixty-four persons attended and this was the largest gathering since the Club started these outings five years ago. It was an enjoyable day, and those attending shared food and wonderful company in a scenic ambiance.

Goldenyear Frolic IV

The Frolic, which was held on November 10, 2012, was a huge success with one hundred and twenty persons attending. This year we introduced Clubolotto (a new game developed by Jennifer Francis Taylor) and our members embraced the game with enthusiasm. Rhand Credit Union for a fourth year allowed us to use its venue at no cost. Goldenyear Frolic has now become a signature event on the Club's annual calendar. Members indicated that they look forward to attending and enjoy that it improves yearly

The graph below illustrates the attendance for the four year period



Christmas Newsletter

A Club Newsletter was distributed to the members in December 2012.

Acknowledgement

The Club extend thanks to the Management of Rhand Credit Union, Carib Brewery Limited, the spouses of the Organising Committee, AMGECU and the Members for allowing the Club to continue its work. Further gratitude is extended to Esha-Ann Daniel, Tishelle Phillip and Anthony Alleng for their assistance

SPORTS AND CULTURE

The Committee held 16 meetings during the period of May to December 2012 with three activities:

Day Cruise

On the 21st October, 2012 the Membership of the AMGECU set sail abroad the Pier 1 Vessel, The Sea Prowler for its first ever Day Cruise. It was a beautiful Sunny Sunday, as we sailed along the waters of Sweet T&T heading towards Chacachacare for a fun day of Sea Bathing. This day Cruise was enjoyed by all and they look forward to other similar events.

Junior Members Christmas Party

The Junior Members Christmas Party was held Sunday 2nd December 2012, at the spacious St John's Hall Wrightson Road, Port of Spain. We hosted one hundred and seventeen children (117) who enjoyed all the goodies and entertainment on the day. The children also enjoyed the newest addition of the "Mechanical Bull" ride which was a huge success. The children were presented with their gifts by our resident Santa.

MARKETING COMMITTEE

Members of the Marketing Committee along with two (2) members of staff journeyed to Tobago during the last quarter of the year to meet and interact with members and family of four (4) Tobago subsidiaries.

This visit, perceived by our Tobago clientele as a major accomplishment, focused on the presentation of prizes to the winners of the "Harvest Loan" campaign. They also shared important information on our wide range of products and services.

The AMGECU representatives presented a comprehensive and updated list of what the credit union offers and the "Tobago friendly" efforts being adopted for easy accessibility and convenience. The participants were able to ask questions to the Loans Officer present and get immediate feedback on some of their concerns/queries.

Gift items were distributed to all attendees and seven (7) new members were enrolled.

COMMITTEE MEMBERS

Education	Delinquency	Investment	Bye-Law
Judy Raghoonanan-Williams Chairman	Fitzherbert Noel Chairman	Harrichanda Singh Chairman	Fitzroy Dove Chairman
Julie Ann Subran	Aneesia Ali	Russell Gulston	Raymond Grant
Fitzherbert Noel	Bernadette Kalicharan	Anthony Alleng	Anthony Alleng
Feleena Jones	Raymond Grant	Ranjit Singh	
Margaret Romain	Elizabeth Ramoo	Mark Chang	
Louann Sandiford		Denise Douglas	
Rosa Redon		Deborah Celestine York	
		Beverly Williams Young	

Marketing	Retirees	Sports & Culture
Cynthia Carr-Hosten Chairman	Mark Chang Chairman	Debra Contaste Chairman
Justin Ayoung	McArthur Marquez	Deborah-Ann Babb
Walter Stewart	Ronald Cape	Brian Trujillo
Judy Raghoonanan-Williams	Edna James	Nigel Neckles
C. Vidya Ramsawak-Abdul	Melony Delzin	Eshaann Daniel
Patrice Samuel	Douglas Blanche-Fraser	Winston Lawrence
	Winston Pierre	Soria Subran
		Rhonda Ayoung

ANNUAL GENERAL MEETING (AGM)

Three Committees were appointed to plan the activities of the AGM as follows:

MOBILISATION	NOMINATIONS	PROCEDURAL
Fitzroy Dove	McArthur Marques	Russell Gulston
Debra Contaste	Raymond Grant	Anthony Alleng
Debra Babb		Louisa Paul
Ian Turton		Beverly Williams Young
		Fitzherbert Noel

Acknowledgement

The Board of Directors publicly acknowledge the gallant effort and support of all stakeholders in making 2012 another successful year at AMGECU. These include all Members, Statutory and Appointed Committees, the Management and Staff, ANSA Mc AL Group of Companies, Auditors, Attorneys, Financial Institutions, CUNA and neighbouring Credit Unions. A special thank you to Ms. Claudia Charles, who continue to provide yeoman service to AMGECU Credit Union when called upon to assist. Thank you all and we look forward to productive relationships in the future.

Conclusion

The success achieved by the Credit Union in 2012 would not have been possible without the support and confidence placed in us by each member. AMEGCU will continue to be a portal through which our members can achieve financial wealth and independence. In 2013 the Board and Management will focus on training and development of all its human resources in an effort to ensure that we offer quality service. We would also revisit and revamp our strategic goals and objectives to ensure accurate alignment and fit for the challenges and changes that are taking place in the market place and the global environment.



Russell Gulston
President

CREDIT COMMITTEE REPORT

CREDIT COMMITTEE ATTENDANCE REGISTER

Period: April 2, 2012 - January 29, 2013

The Committee held Forty Nine (49) meetings during this period.

NAMES	POSITION	PLACE OF WORK	PRESENT	ABSENT	EXCUSED
Elizabeth Ramoo	Chairman	SDL	49	0	0
Calvin Henry	Secretary	MBM	47	0	2
Annette Toussaint-Francis	Member	ALSTONS SHIPPING	49	0	0
Cuthbert Tracey	Member	RETIREE	48	0	1
Caplideo Singh	Member	CDC	25	10	14

PERFORMANCE IN 2012

The year 2012 continued to be challenging as the volume of loans applied for and approved continued to decrease from 2011. While the credit union had several loan sales during 2012, with reduced interest rates, AMGECU has done well as, although the number of loan applications applied for and approved decreased (see table 1 below), the dollar value had increased by approximately Eight Hundred and Eighty Four Thousand Dollars (\$884,000.00). The Credit Committee would like to thank the members for their loyalty and faithfulness in using the services of AMGECU.

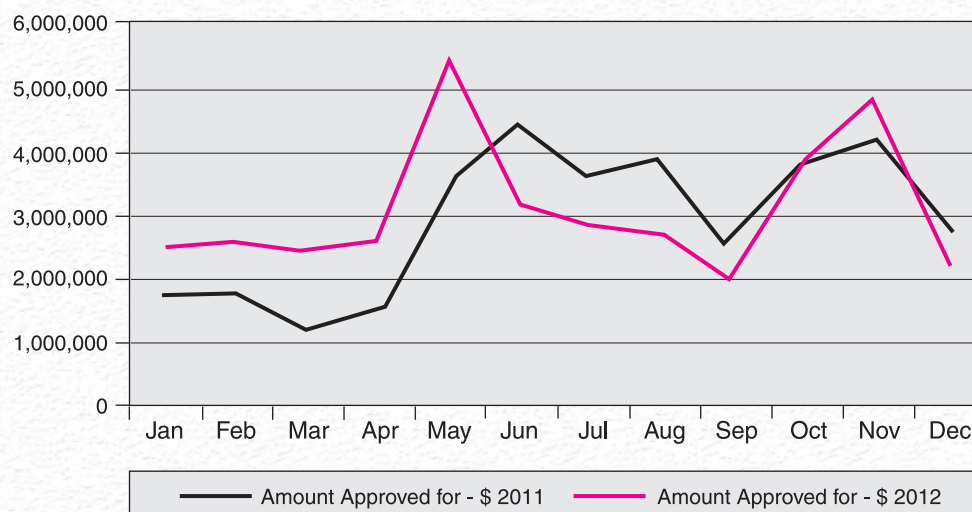
Table 1

Year	2012	2011
No. of Loan Applications	3528	3739
No. of Loans Approved	3467	3590
Value of Loans Approved	\$ 37,482,197.07	\$ 36,598,507.69

Diagram 1 below represents a Comparison of Loans Approved for 2012 with 2011. It can be seen that there was a negative growth in loan approval for the most part of 2012 with the exception of June to August where there was an increase in comparison with 2011.

Diagram 1

Comparison of Loans Approved for 2012 with 2011



LOANS GRANTED BY PURPOSE, VALUE AND NUMBER - 2011 & 2012

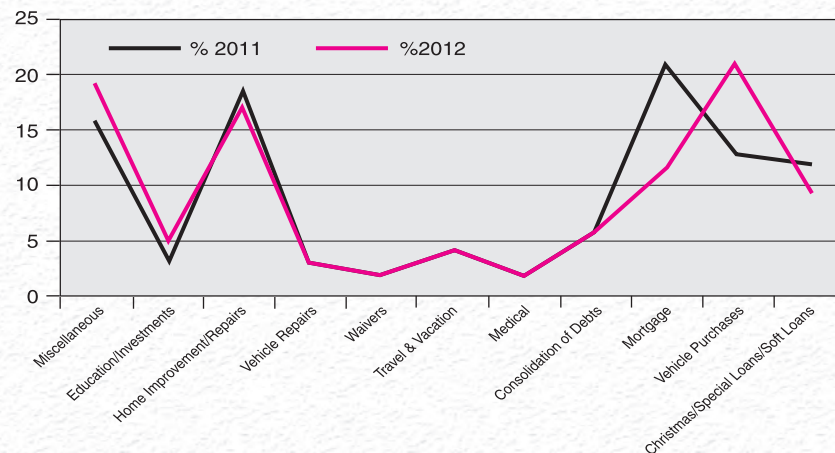
Table 2

PURPOSE OF LOAN GRANTED	\$ VALUE 2011	\$VALUE 2012	NO. 2011	NO. 2012	% 2011	% 2012
Miscellaneous/Religious/Ceremonial	\$ 6,021,353.14	\$ 7,281,122.33	1001	1050	16	19
Education/Investments	\$ 1,215,586.92	\$ 1,806,645.00	195	215	3	5
Home Improvement/Repairs	\$ 6,532,651.83	\$ 6,398,930.26	487	466	18	17
Vehicle Repairs	\$ 1,276,646.67	\$ 1,317,143.50	175	188	3	3
Waivers	\$ 653,049.00	\$ 668,493.80	600	580	2	2
Travel & Vacation	\$ 968,365.00	\$ 1,519,977.50	123	148	4	4
Medical	\$ 561,525.00	\$ 571,531.88	98	88	2	2
Consolidation of Debts	\$ 2,314,185.58	\$ 2,265,483.14	281	175	6	6
Mortgage	\$ 7,722,285.00	\$ 4,351,058.75	20	16	21	12
Vehicle Purchases	\$ 4,774,749.08	\$ 7,921,095.53	81	115	13	21
Christmas/Special Loans/Soft Loans	\$ 4,558,110.47	\$ 3,380,715.38	529	426	12	9
TOTAL	\$ 36,598,507.69	\$ 37,482,197.07	3590	3467	100	100

In comparing the percentages of 'Loans Granted by Purpose' from Table 2 above it can be noted that there was a shift in member borrowings from Mortgages in 2011 to vehicles in 2012. This was probably due to the decrease in interest rate on the vehicle loans.

Diagram 2

Comparison of Loans Granted by Purpose and Percentage for 2012 with 2011

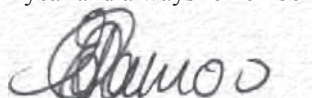


CONCLUSION

As we look towards 2013 the Committee would like to recommend to the membership that they review their financial position with AMGECU and consider investing more to building their shares which would result in greater borrowing power for those who are interested in acquiring loans.

The Credit Committee would like say a special thanks to the Members, Board of Directors, Statutory Committees and Staff for their support and dedication during 2012.

On behalf of the Committee, I would like to express our gratitude to all who have contributed to yet another successful year and always remember to put God first in everything we do.



Elizabeth Ramoo
Chairman

SUPERVISORY COMMITTEE REPORT

The Supervisory Committee hereby presents to the Annual General Meeting, its Report on the affairs of the AMGECU Credit Union Co-operative Society Limited for the period 2012-2013. During this year, the Committee examined the financial affairs of the Credit Union and paid particular attention to the Credit Union's internal controls and procedures.

YOUR SUPERVISORY COMMITTEE

The first meeting of the Committee was held on May 10th, 2012 and the Chairman and Secretary were elected in accordance with Bye-laws of the Credit Union. The Committee was as follows:

Ms. Annisa Lara	- Chairman
Ms. Charmaine Theodore	- Secretary
Mr. Richard Halfhide	- Member

Below is a summary of the key areas which were examined by the Committee:

INVESTMENTS

The Committee expressed great concern regarding the Investment in CLICO, given the financial collapse of the entity in January 2009. Our concern surrounded the ability by the Credit Union to recover at minimum the principal invested. We are at this time pleased to report that the Credit Union has since recovered the full principal invested, and has been given a promise of a further 2% interest in the next financial year.

CASH COUNTS

The Committee carried out an extensive Cash Reconciliation check to ensure that there was accuracy in recording daily receipts and payments, and that these were in compliance with the generally accepted accounting standards. The Committee also carried out a thorough check on the controls in place to minimize risk that may be associated with the accounting for and safeguarding of cash.

BANK RECONCILIATION

The Committee carried out quarterly review checks on the Bank Reconciliation records prepared by the Credit Union as compared against the bank balances shown on the official bank statements. The reconciliations were prepared with timeliness and signatures for both "approval" and "checked by" were always evident. There was segregation of duties between who handled the cash and bank receipts and payments, and the person preparing and checking the reconciliation. All reconciling items were subsequently rectified.

LOANS APPLICATIONS

The loan portfolio represents the greatest source of income for the AMGECU Credit Union and as such its meticulous management is imperative in order to ensure the overall risks to Members are eliminated. The Committee audited selected samples of loan applications in periods that of high loan applications namely July and November and found no such irregularities in the application process. The Committee expressed great satisfaction with the overall policies and procedures applied and these policies and procedures adhered to internal controls standards.

UNIDENTIFIED DEPOSITS

The Committee carried out a retroactive review exercise on the value of deposits made by members to which the Credit Union was unable to identify the depositor. This check resulted in the realization that stronger internal controls needed to be implemented to prevent or reduce the occurrence of miscellaneous deposits. It was suggested that members should be strongly advised on a quarterly basis to reconcile their balances at the Credit Union to remedy the value of miscellaneous deposits.

FINANCIAL STATEMENTS

The Credit Union's Financial Statements provide Members with a snapshot of how the Credit Union is performing at the end of a financial year. The results shown therefore should present a true and fair view of the Credit Union's financial position. The Committee's review of monthly financial statements found that they do indeed present a true and fair view of the financial position of the Credit Union and that PEARLS ratios used comply with Industry Standards relevant to the Credit Union.

DELINQUENCY

Delinquency by members is an indication that a Member has become unable to service his/her loan commitments. High delinquency reflects negatively on the Credit Union's performance.

The Supervisory Committee wishes to thank the Board, Management and Staff for their support during the past year. We would also like to thank the general membership for giving us the opportunity to serve our Credit Union



Annisa Lara
Chairman

NOMINATION COMMITTEE REPORT

The nomination committee is charged with the responsibility of ensuring that adequate number of members volunteer their service to serve for vacancies on the following committees

- A) Board of Directors
- B) Credit Committee
- C) Supervisory Committee

In order to facilitate the above, notices were published in the daily newspapers and circulated at all ANSA McAL Group of companies giving a deadline date for submission of 31st December, 2012.

The appointment of this committee was done in January and a meeting was convened on 14th February, 2013.

At this meeting there was only ONE application received for the Board of Directors. The committee decided to extend the nomination date to 1st March, 2013 and by this time eleven applications were received for various committees.

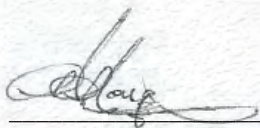
The committee would like to thank those members who have offered themselves for election and urge other members to do likewise in the future.

The committee members are made up as follows:

Mr. MacArthur Marquez (Chairman)

Mr. Raymond Grant

The committee expresses its thanks to the Members and AMGECU's Board of Directors for the opportunity to serve.



MacArthur Marquez
Chairman

NOMINATIONS

PROFILE OF NOMINEES

Contesting Supervisory Committee

Name: Cheryl Lutchman

Company: CARIB Brewery Ltd.

Occupation: Assistant Accountant

Status: Member - 2012/05/02

Summary: ACCA Qualified, Certificates in Microsoft Word and Excel 2007.

Contesting Credit Committee

Name: Calvin Henry

Company: MBM

Occupation: Warehouse Assistant Supervisor

Status: Member - Joined in 1988/12/31

Summary: Secondary School Education; Short Courses in Finance & Credit (MBM); Served on Education Committee; Delinquency Committee and at present Credit Committee.

Name: Annette Toussaint-Francis

Company: ALSTONS Shipping Ltd.

Occupation: Customs Department Supervisor

Status: Member - Joined in 1988/12/31

Summary: Secondary/Business Studies/ Customs Brokerage Classes/ Chairman of the Credit Committee/Member of Delinquency Committee

Name: Elizabeth Achaibar Ramoo

Company: Standard Distributors Ltd.

Occupation: Supervisor

Status: Member - Joined in 1990/01/29

Summary: CXC Social Studies, English, Principal of Business and currently pursuing Accounts.

Name: Bernadette Kalicharan

Company: MBM

Occupation: D.P. Supervisor

Status: Member - Joined in 1988/12/31

Summary: Primary/Secondary Education; Computer Literacy Course with Certificate; Supervisory Training with Certificate; Tech. Software Training Certificate; Served on the following committees – Credit Committee (5 years), Delinquency Committee & Education Committee

Name: Fitzroy Dove

Company: Hall of Justice Judiciary of T&T

Occupation: Assistant Count Security Officer

Status: Member - Joined in 2001/06/27

Summary: Graduate of Queens Royal College,; Cipriani College of Labour and Co-operative Studies – Human Resource Management; UWI Open Campus - O.S.H.A. Certificate, School of Practical Accounting and Accounting Services - OSHA Certificate in Marine and General Industries

Contesting Board of Directors

Name: Anthony Alleng

Company: Ex Employee - CARIB Brewery Ltd.

Occupation: N/A

Status: Member – Joined 1999/08/23

Summary: UWI School of Continuing Studies - Accounting, Office Management, Labour Relations; Past Vice President AMGECU; Past Director AMGECU; Past Chairman Supervisory Committee

Name: Deborah Ann Babb

Company: TATIL

Occupation: Regional Supervisor

Status: Member – Joined in 2005/11/07

Summary: Professional Event Planning - Arthur Lok Jack School of Business Graduate; Secretary Sports and Cultural Committee for 6 years; 2 terms & presently on Mobilization Committee; 2 Terms on Education Committee

Name: Patsy Boland

Company: TATIL Life Assurance Ltd.

Occupation: Senior Business Analyst/Coordinator

Status: Member – Joined in 1980/08/19

Summary: Cipriani Labour College – Diploma in Project Management; 5 O'Levels including Mathematics and English; FMLI Diploma - Fellow Life Management Institute; ACS-Associate Customer Service Certificate

Name: Harrichanda Singh

Company: University of the West Indies

Occupation: Commercialization Manager

Status: Member - Joined in 1988/12/31

Summary: EMBA – Master's in Business Administration; Electives – International Finance & Entrepreneurship; Computer Literate & embraces technology; Member of TECU Credit Union and UWI Credit Union; Former Member of the Board of Directors of AMGECU; Chairman of Investment Committee and former Member of Investment and Building Committee; Involved with Projects (Construction) Systems & Procedures. Former Executive & Senior Manager of ANSA McAL Group. Involved in mentorship programmes.

Name: Soria Subran

Company: MBM

Occupation: Administrative assistant

Status: Member - Joined in 1977/12/31

Summary: Past Director; Past Chairman Education Committee

Name: Cuthbert Tracey

Company: Retired

Occupation: Retired

Status: Member - Joined in 1988/12/31

Summary: Certificate in Human Resource Management; Diploma Sales Management; Certificate Customer Relations; Certificate Credit Union Management; Former President - AMGECU Board of Directors; Served on the following Committees - Supervisory, Credit, Investment, Education, Loan, Bye-Law, Research and Development & Marketing; Deacon/Board Member Open Bible; Standard Churches - Morvant (OB Lotr), Marriage Counsellor (OB/Lotr)

SNAPSHOT GALLERY



AMGECU
CREDIT UNION
CO-OPERATIVE SOCIETY LTD
THE KEY TO YOUR DREAMS





AMGECU CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

31 DECEMBER 2012

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AMGECU Credit Union Co-operative Society Limited

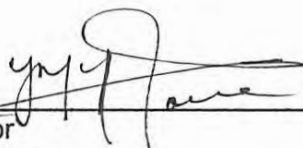
Statement of Management Responsibilities

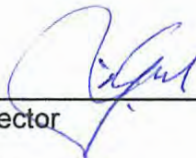
It is the responsibility of management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Credit Union as at the end of the financial year and of the operating results of the Credit Union for the year. It is also management's responsibility to ensure that the Credit Union keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Credit Union. They are also responsible for safeguarding the assets of the Credit Union.

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Management accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards. Management are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Credit Union and of its operating results. Management further accepts responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of Management to indicate that the Credit Union will not remain a going concern for at least the next twelve months from the date of this statement.


 Director
 Date 26/02/2013


 Director
 Date 26-02-13



Chartered Accountants
& Business Advisors

INDEPENDENT AUDITORS' REPORT

The Members

AMGECU Credit Union Co-operative Society Limited

We have audited the accompanying financial statements of AMGECU Credit Union Co-operative Society Limited, which comprise the statement of financial position as at 31 December 2012 and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of AMGECU Credit Union Co-operative Society Limited as of 31 December 2012, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Port-of-Spain

26 February 2013

Direct tel (868) 624-4569 | Direct fax (868) 624-4388

Email pkf-trinidad@trinidad.net

PKF | 245 Belmont Circular Road | PO Bag 250 | Belmont | Port-of-Spain | Trinidad | WI

Directors Ainsley A. Mark | Michael G. Toney | Renéé-Lisa Philip | Mark K. Superville

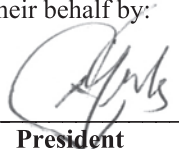
STATEMENT OF FINANCIAL POSITION**ASSETS**

		31 December	
	<u>Notes</u>	<u>2012</u>	<u>2011</u>
Current Assets:			
Cash in hand and at bank	5	\$ 16,483,642	\$ 9,850,110
Other financial assets	6	27,007,763	25,868,989
Accounts receivable and prepayments	7	575,974	520,592
Amounts due from Members' Companies	8	<u>717,057</u>	<u>606,471</u>
Total Current Assets		<u>44,784,436</u>	<u>36,846,162</u>
Non-Current Assets:			
Loans to members	9	78,642,716	70,231,378
Other financial assets	10	15,025,528	13,597,301
Employee benefit assets	11	3,336,000	2,964,000
Fixed assets	12	<u>15,677,661</u>	<u>15,836,548</u>
Total Non-Current Assets		<u>112,681,905</u>	<u>102,629,227</u>
Total Assets		<u>\$ 157,466,341</u>	<u>\$ 139,475,389</u>

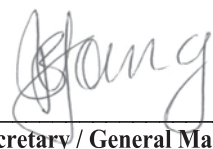
LIABILITIES AND MEMBERS' EQUITY

Current Liabilities:			
Accounts payable and accrued charges	13	\$ 469,481	\$ 447,476
Christmas Savings Plan	14	172,541	176,844
Education Savings Plan	15	<u>159,518</u>	<u>138,840</u>
Total Current Liabilities		<u>801,540</u>	<u>763,160</u>
Non-Current Liabilities:			
Members' savings and pooled funds	16	15,914,733	16,017,010
Employee benefit obligation	17	219,000	195,000
Members' shares	18	<u>117,582,459</u>	<u>103,069,525</u>
Total Non-Current Liabilities		<u>133,716,192</u>	<u>119,281,535</u>
Total Liabilities		<u>134,517,732</u>	<u>120,044,695</u>
Members' Equity:			
Reserve Fund	19	9,630,575	8,947,416
Building Fund	20	100,000	100,000
Education Fund	20	100,000	100,000
Charitable Fund	20	50,000	50,000
Investment Re-measurement Reserve	21	3,992,765	2,132,581
Property Revaluation Reserve	2(d)	834,125	834,125
Undivided surplus		<u>8,241,144</u>	<u>7,266,572</u>
Total Members' Equity		<u>22,948,609</u>	<u>19,430,694</u>
Total Liabilities and Members' Equity		<u>\$ 157,466,341</u>	<u>\$ 139,475,389</u>

These financial statements were approved by the Board of Directors and authorised for issue on 26 February 2013 and signed on their behalf by:



President



Secretary / General Manager



Supervisory Committee

(The accompanying notes form an integral part of these financial statements)

STATEMENT OF COMPREHENSIVE INCOME

		31 December	
	<u>Schedules</u>	<u>2012</u>	<u>2011</u>
Income:			
Interest on loans to members		\$ 8,568,298	\$ 8,098,286
Investment income	1	2,264,736	1,373,885
Miscellaneous income	2	<u>543,198</u>	<u>472,617</u>
Total Income		<u>11,376,232</u>	<u>9,944,788</u>
Expenses:			
Administrative expenses	3	2,004,246	1,767,417
Board and committee expenses	4	327,830	282,913
Depreciation		248,023	269,130
Fund expenses	5	128,992	130,198
Interest on members' savings and pooled funds	6	405,054	503,840
Investment property expenses		231,170	218,550
Personnel costs	7	<u>1,213,281</u>	<u>1,383,211</u>
Total Expenses		<u>4,558,596</u>	<u>4,555,259</u>
Net surplus for the year		6,817,636	5,389,529
Other Comprehensive Income:			
Net gain on equity investments		<u>1,860,184</u>	<u>1,668,160</u>
Total Comprehensive Income for the year		<u>\$ 8,677,820</u>	<u>\$ 7,057,689</u>

(The accompanying notes form an integral part of these financial statements)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2012

	Reserve Fund	Building Fund	Education Fund	Charitable Fund	Investment Re- measurement Reserve	Property Revaluation Reserve	Undivided Surplus	Total
Balance as at 1 January 2012	\$ 8,947,416	\$ 100,000	\$ 100,000	\$ 50,000	\$ 2,132,581	\$ 834,125	\$ 7,266,572	\$19,430,694
Total comprehensive income	-	-	-	-	1,860,184	-	6,817,636	8,677,820
Transfer from net surplus	<u>681,764</u>	<u>-</u>	<u>91,789</u>	<u>13,700</u>	<u>-</u>	<u>-</u>	<u>(787,253)</u>	<u>-</u>
	9,629,180	100,000	191,789	63,700	3,992,765	834,125	13,296,955	28,108,514
Entrance fees	1,395	-	-	-	-	-	(1,395)	-
Fund expenses	-	-	(91,789)	(13,700)	-	-	105,489	-
Transfer from ex-members	-	-	-	-	-	-	-	-
Dividends paid (net) - 2011	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,159,905)</u>	<u>5,159,905</u>
Balance as at 31 December 2012	<u>\$ 9,630,575</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 50,000</u>	<u>\$ 3,992,765</u>	<u>\$ 834,125</u>	<u>\$ 8,241,144</u>	<u>\$22,948,609</u>

(The accompanying notes form an integral part of these financial statements)

STATEMENT OF CHANGES IN EQUITY

	Reserve <u>Fund</u>	Building <u>Fund</u>	Education <u>Fund</u>	Charitable <u>Fund</u>	Investment Re- measurement <u>Reserve</u>	Property Revaluation <u>Reserve</u>	Undivided <u>Surplus</u>	<u>Total</u>
Balance as at 1 January 2011	\$ 8,394,789	\$ -	\$ -	\$ -	\$ 464,421	\$ 834,125	\$ 6,749,448	\$16,442,783
Total comprehensive income	-	-	-	-	1,668,160	-	5,389,529	7,057,689
Transfer from net surplus	<u>538,953</u>	<u>131,440</u>	<u>159,341</u>	<u>68,453</u>	-	-	<u>(898,187)</u>	-
	8,933,742	131,440	159,341	68,453	2,132,581	834,125	11,240,790	23,500,472
Entrance fees	1,340	-	-	-	-	-	(1,340)	-
Fund expenses	-	(31,440)	(59,341)	(18,453)	-	-	109,234	-
Transfer from ex-members	11,084	-	-	-	-	-	-	11,084
Transfer from unclaimed shares	1,250	-	-	-	-	-	-	1,250
Dividends paid (net) - 2010	-	-	-	-	-	-	<u>(4,082,112)</u>	<u>(4,082,112)</u>
Balance as at 31 December 2011	<u>\$ 8,947,416</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 50,000</u>	<u>\$ 2,132,581</u>	<u>\$ 834,125</u>	<u>\$ 7,266,572</u>	<u>\$19,430,694</u>

(The accompanying notes form an integral part of these financial statements)

STATEMENT OF CASH FLOWS

	31 December	
	<u>2012</u>	<u>2011</u>
Cash Flows from Operating Activities:		
Net surplus for the year	\$ 6,817,636	\$ 5,389,529
Unrealised pension income	(348,000)	(325,000)
Depreciation	248,023	269,130
(Gain)/loss on disposal of fixed assets	(5,739)	5,723
Gain on disposal of investments	(558,698)	(61,310)
Interest on investments	(1,242,315)	(844,603)
Provision for loan losses expense/(written back)	<u>60,000</u>	<u>(208,091)</u>
Adjusted net surplus for the year	4,970,907	4,225,378
Net change in amounts due from member companies	(110,586)	(191,570)
Net change in accounts receivable and prepayments	(55,382)	56,255
Net change in accounts payable and accruals	22,005	18,580
Net change in Christmas savings plan	(4,303)	23,922
Net change in Education savings plan	20,678	9,258
Movement in Reserve Fund	<u>-</u>	<u>12,334</u>
Cash generated from Operating Activities	<u>4,843,319</u>	<u>4,154,157</u>
Interest received	1,242,315	844,603
Cash Flows from Investing Activities:		
Net movement in members' loans	(8,471,338)	(9,901,766)
Purchase of fixed assets	(91,036)	(197,820)
Additions to investments	(10,490,945)	(9,399,654)
Sale of investments	10,342,826	8,200,732
Proceeds from disposal of fixed asset	<u>7,639</u>	<u>1,111</u>
Cash used in Investing Activities	<u>(8,702,854)</u>	<u>(11,297,397)</u>
Net cash flow before financing activities	(2,617,220)	(6,298,637)
Cash Flows from Financing Activities:		
Net change in members' savings and pooled funds	(102,277)	1,063,656
Net change in members' shares	14,512,934	10,472,350
Dividends paid (net)	<u>(5,159,905)</u>	<u>(4,082,112)</u>
Cash generated from Financing Activities	<u>9,250,752</u>	<u>7,453,894</u>
Net change in cash and cash equivalents	6,633,532	1,155,257
Cash and cash equivalents at beginning of year	<u>9,850,110</u>	<u>8,694,853</u>
Cash and cash equivalents at end of year	<u>\$ 16,483,642</u>	<u>\$ 9,850,110</u>
Represented by:		
Cash in hand and at bank	<u>\$ 16,483,642</u>	<u>\$ 9,850,110</u>

(The accompanying notes form an integral part of these financial statements)

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

1. **Incorporation and Principal Activities:**

The Society was incorporated under the Co-operative Societies Act of the Republic of Trinidad and Tobago Ch 81:03 on 28th March 1956. The registered office of the Credit Union is located at #4 Borde Street, Port of Spain. The Society operates in the capacity of a Credit Union for the benefit of employees of Ansa Mc Al Limited and its subsidiary companies.

During the year ended 31 December 2011, the Society changed its name to AMGECU Credit Union Co-operative Society Limited.

2. **Significant Accounting Policies:**

(a) **Basis of financial statements preparation**

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), and are stated in Trinidad and Tobago dollars. These financial statements are stated on the historical cost basis, except for the measurements at fair value of available-for-sale investments and certain other financial instruments.

(b) **Use of estimates**

The preparation of financial statements in conformity with International Financial Reporting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgement in the process of applying the Society's accounting policies. It also requires the use of assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of the income and expenditure during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

(c) **New Accounting Standards and Interpretations**

- i) The Society has not applied the following revised standard, which became effective during the current year, as it does not apply to the activities of the Society:

IAS 12 Income Taxes – Limited scope amendment (recovery of underlying assets)

- ii) The Society has not applied the following standards, revised standards and interpretations that have been issued but are not yet effective as they either do not apply to the activities of the Society or have no material impact on its financial statements, except for IFRS 9 Financial Instruments:

IFRS 1 First-time Adoption of International Financial Reporting Standards – Replacement of “fixed dates” for certain exceptions with “the date of transition to IFRSs” (effective for accounting periods beginning on or after 1 July 2011).

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

2. Significant Accounting Policies (Cont'd):

(c) New Accounting Standards and Interpretations (cont'd)

IFRS 1	First-time Adoption of International Financial Reporting Standards – Additional exemption for entities ceasing to suffer from hyperinflation (effective for accounting periods beginning on or after 1 July 2011).
IFRS 1	First-time Adoption of International Financial Reporting Standards – Government Loans (effective for accounting periods beginning on or after 1 January 2013).
IFRS 7	Financial Instruments: Disclosure – Amendments enhancing disclosure about transfers of financial assets (effective for accounting periods beginning on or after 1 July 2011).
IFRS 9	Financial Instruments: Classification and Measurement (effective for accounting periods beginning on or after 1 January 2015).
IFRS 9	Financial Instruments: Accounting for Financial Liabilities and Derecognition (effective for accounting periods beginning on or after 1 January 2015).
IFRS 10	Consolidated Financial Statements (effective for accounting periods beginning on or after 1 January 2013).
IFRS 11	Joint Arrangements (effective for accounting periods beginning on or after 1 January 2013).
IFRS 12	Disclosure of Interest in Other Entities (effective for accounting periods beginning on or after 1 January 2013).
IFRS 13	Fair Value Measurement (effective for accounting periods beginning on or after 1 January 2013).
IAS 1	Presentation of Financial Statements – Amendments to revise the way other comprehensive income is presented (effective for accounting periods beginning on or after 1 July 2012).
IAS 19	Employee Benefits – Amended standard resulting from the Post-Employment Benefits and Termination Benefits projects (effective for accounting periods beginning on or after 1 January 2013).
IAS 27	Consolidated and Separate Financial Statements – Reissued as IAS 27 Separate Financial Statements (effective for accounting periods beginning on or after 1 January 2013).

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

2. Significant Accounting Policies (Cont'd):

(c) New Accounting Standards and Interpretations (cont'd)

IAS 28	Investments in Associates – Reissued as IAS 28 Investments in Associates and Joint Ventures (effective for accounting periods beginning on or after 1 January 2013).
IAS 32	Financial Instruments; Presentation – Amendments to application guidance on the offsetting of financial assets and financial liabilities (effective for accounting periods beginning on or after 1 January 2014).
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine (effective for accounting periods beginning on or after 1 January 2013)

The adoption of IFRS 9 Financial Instruments may result in significant changes in the Society's classification and presentation of financial instruments.

(d) Fixed assets

Fixed assets are stated at historical cost less accumulated depreciation. Depreciation is provided on the straight-line basis except for building, which is depreciated on the declining balance method.

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

Building	-	2%
Office improvements	-	25%
Computer equipment	-	33%
Furniture and equipment	-	25%

No depreciation is provided on freehold land or capital work-in-progress.

The assets' residual values and useful lives are reviewed at each Statement of Financial Position date, and adjusted as appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within the "Gain /Loss on Disposal" account in the Statement of Comprehensive Income.

The revaluation of the Credit Union's property located at #4 Borde Street, Port of Spain was done by Brent Augustus and Associates Limited as at 19 October 2010. This resulted in an increase in the property revaluation reserve of **\$834,125**.

NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2012****2. Significant Accounting Policies (Cont'd):****(e) Financial instruments**

Financial instruments carried on the Statement of Financial Position include cash resources, investments, loans, deposits and other liabilities. The standard treatment for recognition, de-recognition, classification and measurement of the Credit Union's financial instruments are noted in notes (i) – (iv) below, whilst additional information on specific categories of this Credit Union's financial instruments are disclosed in notes 5-8,10.

i) Recognition

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

ii) De-recognition

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

iii) Classification

This Credit Union classifies its financial assets into the following categories: Cash and cash equivalents, financial assets at fair value through profit and loss; loans and receivables; held-to-maturity; and available-for sale assets. Management determines the classification of its investments at initial recognition.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, deposits with banks and short term highly liquid investments with maturities of three months or less when purchased. These are shown at cost which approximates market value.

NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2012****2. Significant Accounting Policies (Cont'd):****(e) Financial instruments (cont'd)****iii) Classification (cont'd)**Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when this Credit Union provides money directly to its members with no intention of trading the receivable. Loans to members are stated at principal amounts outstanding net of allowances for loan losses. Specific provisions are made for potential losses on non-performing loans on the basis of net realizable value. Periodic portfolio reviews are conducted during the course of each year to determine the adequacy of provisions. Loans are secured by various forms of collateral, including charges over tangible assets, certificates of deposit, and assignment of funds held with other financial institutions.

Held to maturity

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that this Credit Union's management has the positive intention and ability to hold to maturity. If this Credit Union were to sell other than an insignificant amount of held-to-maturity assets, the entire category would be compromised and re-classified as available-for-sale.

Available-for-sale

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

Members' deposits

Members' deposits are stated at the principal amounts invested by members together with any capitalised interest. Members' deposits bear interest at rates that are not significantly different from current market rates and are assumed to have discounted cash flow values which approximate carrying values.

Members' shares

Members' shares are classified as equity and stated at fair value.

NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2012****2. Significant Accounting Policies (Cont'd):****(e) Financial instruments (cont'd)****iv) Measurement**

Financial instruments are measured initially at cost, including transaction costs. Subsequent to initial recognition, all financial assets at fair value through profit and loss and available-for-sale assets are measured at fair value, based on their quoted market price, at the Statement of Financial Position date, without any deduction for transaction costs. Where the instrument is not actively traded or quoted on recognized exchanges, fair value is determined using discounted cash flow analysis.

Any available-for-sale asset that does not have a quoted market price in an active market and where fair value cannot be reliably measured is stated at cost, including transaction costs, less impairment losses. Gains and losses, both realized and unrealized, arising from the change in the financial assets at fair value through profit and loss are reported in other income.

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

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

v) Impairment of financial assets

The Credit Union assesses at each Statement of Financial Position date whether there is objective evidence that a financial asset or group of financial assets is impaired.

A financial asset or group of financial assets is impaired and impairment losses are incurred if and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2012****2. Significant Accounting Policies (Cont'd):****(e) Financial instruments (cont'd)****v) Impairment of financial assets (cont'd)**

Objective evidence that a financial assets or group of financial assets is impaired includes observable data that comes to the attention of the Credit Union about the following loss events:

- Significant financial difficulty of the issuer or obligor.
- A breach of contract, such as default or delinquency in interest or principal payments.
- It becoming probable that the borrower will enter in bankruptcy or other financial reorganization.
- The disappearance of an active market for that financial asset because of financial difficulties.
- Observable data indicating that there is a measurable decrease in the estimated cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with individual financial assets in the group, including adverse changes in the payment status of borrowers in the Credit Union or national or economic conditions that correlate with defaults on assets in the Credit Union.

(f) Income recognition

Interest on members' loans and fixed deposits are accounted for on the accrual basis. Interest on saving and current accounts and dividend income are accounted for on the cash basis.

(g) Members' special deposits

Members' special deposits bear interest at rates approved by the Board of Directors. The Board of Directors periodically reviews these rates.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

2. Significant Accounting Policies (Cont'd):

(h) **Employee benefits**

The Alston's Pension Fund Plan covers monthly paid employees. This is a contributory defined pension plan that offers members' retirement benefits in accordance with the Plan's Trust Deed and Rules. Trustees administer the pension plan and the Trust is entirely divorced from the Credit Union's finances.

The pension accounting cost for the plan is assessed using the project unit credit method. Under this method, the cost of provided pensions is charged to the statement of comprehensive income so as to spread the regular cost of a qualified actuary, who carries out a full valuation of the plan every year.

The Credit Union also provides post retirement health benefits to their retirees. The entitlement to these benefits is based on the employee remaining in service up to the retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment, using an accounting methodology similar to that of the defined benefit plan.

(i) **Unclaimed Dividends**

In accordance with Bye Law 8(a) of the Credit Union, all dividends to members remaining unclaimed after one (1) year from the date of declaration are transferred to Unclaimed Dividends. Any sum remaining unclaimed in this account for two (2) years may be transferred to the Reserve Fund.

(j) **Dividends**

Dividends are recommended by the Board of Directors and approved by the members at the Annual General Meeting. Dividends are an appropriation of retained earnings as disclosed in the Statement of Changes in Members' Equity and Reserves. In accordance with IAS #10, the dividends are not accounted for as a liability at year-end.

The dividends are computed on the basis of the average number of shares in issue throughout the year, the average being determined on the basis of the number of shares in issue at the end of each month.

(k) **Comparative figures**

Where necessary, comparative data has been adjusted to conform to changes in the presentation of data in the current year.

(l) **Foreign Currency**

Transactions in foreign currencies are translated at the rate of exchange ruling at the transaction date. Foreign monetary assets and liabilities denominated in foreign currencies are expressed in Trinidad and Tobago dollars at rates of exchange prevailing at the Statement of Financial Position date. Resulting translation differences and profits and losses from trading activities are included in the Statement of Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

3. **Financial Risk Management:**

Financial risk factors

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

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Credit Union is exposed to interest rate risk through the effect of fluctuations in the prevailing levels of interest rates on interest bearing financial assets and liabilities, including investments in fixed deposits, loans, mutual funds, short-term government securities, member deposits and other funding instruments. The exposure is managed through the matching of funding products with financial services and monitoring market conditions and yields.

(b) Credit risk

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

The Credit Union's loan portfolio is managed and consistently monitored by the Credit Committee, Management and the Board of Directors and is adequately secured by collateral and where necessary, provisions have been established for potential credit losses on delinquent accounts. Cash balances are held with high credit quality financial institutions and the Credit Union has policies to limit the amount of exposure to any single financial institution. The Credit Union also actively monitors global economic developments and government policies that may affect the growth rate and general health of the local economy.

NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2012****3. Financial Risk Management (Cont'd):****(c) Liquidity risk**

Liquidity risk is the risk that arises when the maturity dates of assets and liabilities do not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Credit Union has procedures with the object of minimizing such losses such as maintaining sufficient cash and other highly liquid current assets to meet cash requirements.

The Credit Union is able to make daily calls on its available cash resources to settle financial and other liabilities.

Risk management

The matching and controlled mismatching of the maturities and interest rates of assets and liabilities are fundamental to the management of the Credit Union. The Credit Union employs various asset /liability techniques to manage liquidity gaps.

Liquidity gaps are mitigated by the marketable nature of a substantial segment of the Credit Union's assets as well as generating sufficient cash from new and renewed members' deposits and shares.

To manage and reduce liquidity risk, the Credit Union's management actively seeks to match cash inflows with liability requirements.

(d) Currency risk

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

(e) Operational risk

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

NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2012****3. Financial Risk Management (Cont'd):****(f) Compliance risk**

Compliance risk is the risk of financial loss, including fines and other penalties, which arise from non-compliance with laws and regulations of the state. The risk is expected to be limited to a significant extent as a result of the supervision applied by the Inspector of Financial Institutions at the Central Bank of Trinidad and Tobago, as well as by the monitoring controls applied by the Credit Union. The Credit Union has a Supervisory Committee which does routine reviews on compliance.

(g) Reputation risk

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

4. Critical Accounting Estimates and Judgments:

The preparation of financial statements in accordance with International Financial Reporting Standards requires management to make judgments, estimates and assumptions in the process of applying the Credit Union's accounting policies. See Note 2 (b).

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events, which are believed to be reasonable under the circumstances. The Credit Union makes estimates and assumptions concerning the future. However, actual results could differ from those estimates as the resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Changes in accounting estimates are recognised in the Statement of Comprehensive Income in the period in which the estimate is changed, if the change affects that period only, or in the period of the change and future periods if the change affects both current and future periods.

NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2012****4. Critical Accounting Estimates and Judgments (Cont'd):**

The critical judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements, are as follows:

- i) Whether investments are classified as held to maturity investments, available for sale or loans and receivables.
- ii) Which depreciation method is used for fixed assets.

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

- i) Impairment of assets

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

- ii) Fixed assets

Management exercises judgment in determining whether future economic benefits can be derived from expenditure to be capitalised and in estimating the useful lives and residual values of these assets.

5. Cash in Hand and at Bank:

	31 December	
	<u>2012</u>	<u>2011</u>
Cash in hand	\$ 7,000	\$ 2,000
Cash in transit	359,927	103,601
Trinidad and Tobago Unit Trust Corporation		
- TT\$ Income Fund	5,152,768	5,088,379
- US\$ Money Market Fund	2,566,002	1,090,916
Bourse Savinvest Structured Fund	1,294,117	1,269,544
RBC Royal Bank (Trinidad and Tobago) Limited – Dividend Account	26,039	1,763
RBC Royal Bank (Trinidad and Tobago) Limited – Multilplier Account	<u>7,077,789</u>	<u>2,293,907</u>
	<u>\$ 16,483,642</u>	<u>\$ 9,850,110</u>

NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2012****6. Other Financial Assets:**

	31 December	
	<u>2012</u>	<u>2011</u>
<u>Held-to-maturity</u>		
Treasury Bills	\$ -	\$ 2,356,327
Caribbean Finance Company Limited	6,178,116	5,756,750
Colonial Life Insurance Company Limited	<u>-</u>	<u>2,098,836</u>
	<u>6,178,116</u>	<u>10,211,913</u>
<u>Available-for-sale</u>		
Trinidad and Tobago Unit Trust Corporation		
- Income and Growth Fund	8,202,567	7,411,013
RBC Royal Bank (Trinidad and Tobago) Limited –	1,411,005	1,280,390
ROYTRIN Mutual Funds		
Bourse Securities Limited – Savinvest India Asia Fund	-	913,394
Bourse Securities Limited – Savinvest Fund	945,656	897,842
Mutual Funds held with Republic Securities – MSCI	465,827	433,305
KCL Capital Market Brokers Limited – Pooled funds	221,132	221,132
AIC Securities Limited	3,000,000	4,500,000
Ansa Merchant Bank Limited	3,070,525	-
Firstline Securities Limited	1,500,000	-
Guardian Asset Management Limited	<u>2,012,935</u>	<u>-</u>
	<u>20,829,647</u>	<u>15,657,076</u>
	<u>\$ 27,007,763</u>	<u>\$ 25,868,989</u>

7. Accounts Receivable and Prepayments:

	31 December	
	<u>2012</u>	<u>2011</u>
Interest receivable on fixed deposits	\$ 214,814	\$ 354,649
Interest on loans	166,745	69,998
Prepayments	21,996	25,399
Bond interest receivable	86,648	68,271
Sundry debtors	-	1,775
Receivable – gift vouchers	11,500	500
Rent receivable	1,800	-
Other investment income receivable	<u>72,471</u>	<u>-</u>
	<u>\$ 575,974</u>	<u>\$ 520,592</u>

NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2012****8. Amounts due from Memebers' Companies:**

	31 December	
	<u>2012</u>	<u>2011</u>
Burmac Limited	\$ -	\$ 8,411
MBM Crown and Equipment	70,062	81,433
Alstons Marketing Company Limited	-	22,649
Alstons Shipping Ltd	55,110	-
Alstons Building Enterprises Limited	162,227	-
Ansa Finance & Merchant Bank Limited	15,912	-
Ansa Polymer	-	27,672
Ansa Technologies Limited	-	60,383
Penta Paints Caribbean Limited	105,895	41,334
Standard Distributors Limited	23,527	22,881
Tatil Life Assurance Limited	-	46,659
Trinidad Publishing Company Limited	42,050	-
Classic Motors/Diamond Motors and McEneaney Motors	-	79,111
Ansa Mc Al Limited	45,435	-
Ansa Mc Al Chemicals Limited	67,111	68,620
Brick Fource Limited/Bestere	125,501	102,879
Trinidad and Tobago Insurance Limited (TATIL)	2	44,439
Trinidad Match Factory Limited	4,225	-
	<u>\$ 717,057</u>	<u>\$ 606,471</u>

9. Loans to Members:

Loans to members are stated at principal outstanding net of provision for loan losses. The provision for loan losses is based on the Board's evaluation of the loan portfolio under current economic conditions and past loan loss experience.

	31 December	
	<u>2012</u>	<u>2011</u>
Loans to members	\$ 79,580,693	\$ 71,326,163
Less: Provision for loan losses	<u>(937,977)</u>	<u>(1,094,785)</u>
	<u>\$ 78,642,716</u>	<u>\$ 70,231,378</u>
<u>Provision for loan losses</u>		
Balance at beginning of year	\$ 1,094,785	\$ 1,302,876
Charge for the year	60,000	-
Amounts written off	(216,808)	-
Provision written back	<u>-</u>	<u>(208,091)</u>
Balance at end of year	<u>\$ 937,977</u>	<u>\$ 1,094,785</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

10. Other Financial Assets:

	31 December	
	<u>2012</u>	<u>2011</u>
<u>Held-to-maturity</u>		
Government of the Republic of Trinidad and Tobago bonds	\$ 1,086,069	\$ 1,011,662
Government of Belize – Guaranteed mortgage note	144,499	144,499
PETROTRIN bonds	3,234,496	1,511,169
Government of St. Lucia – Certificate of participation	-	319,405
KCL Capital Market Brokers Limited – Pooled funds	<u>312,465</u>	<u>312,465</u>
	4,777,529	3,299,200
Less: Provision for diminution of investment	<u>(52,450)</u>	<u>(52,450)</u>
	<u>4,725,079</u>	<u>3,246,750</u>
<u>Available-for-sale</u>		
Alstons Limited – 1,724 shares (2011: 1,724)	12,189	12,189
Angostura Holdings Limited – 1,000 shares (2011: 1,000)	8,990	7,750
Ansa Mc Al Limited – 19,000 shares (2011: 19,000)	1,265,400	1,045,000
Ansa Merchant Bank Limited – 11,500 shares (2011: 11,500)	428,145	402,845
Coca Cola Bottling Company – 2,086 shares (2011: 2,086)	892,282	780,213
East Caribbean Financial Holdings Ltd. – 25,000 shares (2011: 25,000)	603,750	650,597
First Caribbean International Bank Ltd. – 32,600 shares (2011: 32,600)	244,500	296,660
Grace Kennedy & Company Limited – 33,000 shares (2011: 33,000)	116,490	141,570
Guardian Holdings Limited – 46,047 shares (2011: 46,047)	851,870	667,681
Guardian Media Limited – 3,000 shares (2011: 3,000)	56,850	64,500
Jamaica Money Market Brokers Limited – 10,000 shares (2011: 10,000)	5,100	8,400
National Commercial Bank Jamaica Ltd. – 10,000 shares (2011: 10,000)	14,400	21,600
National Enterprises Limited – 25,000 shares (2011: 19,000)	369,750	285,000
Neal and Massy Holdings Limited – 18,900 shares (2011: 18,900)	888,489	869,211
One Caribbean Media Limited – 10,000 shares (2011: 5,000)	158,300	57,500
Point Lisas Industrial Development Co Ltd – 27,191 shares (2010: 27,191)	100,607	128,885
Prestige Holdings Limited – 15,000 shares (2011: 15,000)	139,800	105,000
Republic Bank Limited – 4,800 shares (2011: 4,800)	506,400	462,672
Royal Bank of Canada – 1,659 shares (2011: 1,659)	660,863	540,173
Sagicor Financial Corporation – 90,000 shares (2011: 90,000)	633,600	719,100
Scotiabank Trinidad and Tobago Limited – 19,000 shares (2011: 45,000)	1,244,690	2,264,850
Trinidad Cement Limited – 28,200 shares (2011: 28,200)	42,018	50,478
Unilever Caribbean Limited – 9,901 shares (2011: 9,901)	466,832	322,079
West Indian Tobacco Company Limited – 5,197 shares (2011: 5,197)	<u>441,745</u>	<u>318,836</u>
	10,153,060	10,222,789
Sagicor Financial Corporation 6.5% Preference shares – 20,000 shares (2011: 20,000)	<u>147,389</u>	<u>127,762</u>
	<u>10,300,449</u>	<u>10,350,551</u>
	<u>\$ 15,025,528</u>	<u>\$ 13,597,301</u>

NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2012****11. Employee Benefit Assets:**

	31 December	
	<u>2012</u>	<u>2011</u>
<u>Amount Recognised in the Statement of Financial Position</u>		
Present value of the Defined Benefit Obligation	\$ 2,515,000	\$ 1,946,000
Fair value of Plan assets	<u>(7,145,000)</u>	<u>(6,679,000)</u>
	(4,630,000)	(4,733,000)
Unrecognised portion	950,000	1,425,000
Unrecognised actuarial gains	<u>344,000</u>	<u>344,000</u>
(Asset) recognised on the Statement of Financial Position	<u>(3,336,000)</u>	<u>(2,964,000)</u>
<u>Amount Recognised in the Statement of Comprehensive Income</u>		
Current service cost	46,000	50,000
Interest on obligation	145,000	153,000
Expected return on Plan asset	<u>(532,000)</u>	<u>(516,000)</u>
Expense recognised in the Statement of Comprehensive Income	<u>(341,000)</u>	<u>(313,000)</u>
<u>Movement in Net (Asset) Recognised in the Statement of Financial Position</u>		
Net Asset as at beginning of year	(2,964,000)	(2,613,000)
Net expense recognised in the Statement of Comprehensive Income	(341,000)	(313,000)
Contributions	<u>(31,000)</u>	<u>(38,000)</u>
Net Asset as at end of year	<u>\$ (3,336,000)</u>	<u>\$ (2,964,000)</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

12. Fixed Assets:

Cost	Land and Building	Office Improvements	Computer Equipment	Furniture and Equipment	Total
Balance as at 1 January 2012	\$ 15,762,165	\$ 333,122	\$ 500,800	\$ 831,041	\$17,427,128
Additions	2,956	7,840	25,725	54,515	91,036
Disposal	-	-	-	(23,545)	(23,545)
Balance as at 31 December 2012	<u>15,765,121</u>	<u>340,962</u>	<u>526,525</u>	<u>862,011</u>	<u>17,494,619</u>
Accumulated Depreciation					
Balance as at 1 January 2012	170,987	328,445	411,771	679,377	1,590,580
Charge for the year	135,665	2,937	42,334	67,087	248,023
Disposal	-	-	-	(21,645)	(21,645)
Balance as at 31 December 2012	<u>306,652</u>	<u>331,382</u>	<u>454,105</u>	<u>724,819</u>	<u>1,816,958</u>
Net Book Value					
Balance as at 31 December 2012	<u>\$ 15,458,469</u>	<u>\$ 9,580</u>	<u>\$ 72,420</u>	<u>\$ 137,192</u>	<u>\$15,677,661</u>
Balance as at 31 December 2011	<u>\$ 15,591,178</u>	<u>\$ 4,677</u>	<u>\$ 89,029</u>	<u>\$ 151,664</u>	<u>\$15,836,548</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

12. Fixed Assets (Cont'd):

Cost	Land and Building	Office Improvements	Computer Equipment	Furniture and Equipment	Total
Balance as at 1 January 2011	\$ 15,744,843	\$ 333,122	\$ 397,918	\$ 761,795	\$17,237,678
Additions	17,322	-	102,882	77,616	197,820
Disposal	-	-	-	(8,370)	(8,370)
Balance as at 31 December 2011	<u>15,762,165</u>	<u>333,122</u>	<u>500,800</u>	<u>831,041</u>	<u>17,427,128</u>
Accumulated Depreciation					
Balance as at 1 January 2011	35,806	325,678	370,348	591,154	1,322,986
Charge for the year	135,181	2,767	41,423	89,759	269,130
Disposal	-	-	-	(1,536)	(1,536)
Balance as at 31 December 2011	<u>170,987</u>	<u>328,445</u>	<u>411,771</u>	<u>679,377</u>	<u>1,590,580</u>
Net Book Value					
Balance as at 31 December 2011	<u>\$ 15,591,178</u>	<u>\$ 4,677</u>	<u>\$ 89,029</u>	<u>\$ 151,664</u>	<u>\$15,836,548</u>
Balance as at 31 December 2010	<u>\$ 15,709,037</u>	<u>\$ 7,444</u>	<u>\$ 27,570</u>	<u>\$ 170,641</u>	<u>\$15,914,692</u>

NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2012****13. Accounts Payable and Accrued Charges:**

	31 December	
	<u>2012</u>	<u>2011</u>
Accounts payable and accrued charges	\$ 226,190	\$ 187,311
CUNA Insurance premium	79,822	82,670
CUNA Indemnity Insurance Plan	88,275	82,053
Suspense account	46,180	66,237
Apartment rental deposit	28,400	28,500
Member Special Deposit interest payable	333	303
Members' Education savings interest payable	135	177
Members' Christmas savings interest payable	<u>146</u>	<u>225</u>
	<u>\$ 469,481</u>	<u>\$ 447,476</u>

14. Christmas Savings Plan:

The Christmas Savings Plan is a facility established for members. This Plan runs in a twelve (12) month cycle (November to October) and paid an interest of 2% per annum. This interest rate was revised by the Board of Directors and effective November 2012, the Plan pays an interest of 1% per annum.

15. Education Savings Plan:

The Education Savings Plan is a facility established for members. This Plan runs in a twelve (12) month cycle (June to May) and paid an interest of 2% per annum. This interest rate was revised by the Board of Directors and effective June 2012, the Plan pays an interest of 1% per annum.

16. Members' Savings and Pooled Funds:

	31 December	
	<u>2012</u>	<u>2011</u>
Members' pooled fund and accrued interest	\$ 12,056,540	\$ 13,123,333
Members' savings deposits	3,227,033	2,258,509
Members' special deposit	<u>631,160</u>	<u>635,168</u>
	<u>\$ 15,914,733</u>	<u>\$ 16,017,010</u>

NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2012****17. Employee Benefit Obligation:**

	31 December	
	<u>2012</u>	<u>2011</u>
<u>Amount Recognised in the Statement of Financial Position</u>		
Present value of the Defined Benefit Obligation	\$ 293,000	\$ 232,000
Fair value of Plan assets	<u>-</u>	<u>-</u>
	293,000	232,000
Unrecognised portion	-	-
Unrecognised actuarial gains	<u>(74,000)</u>	<u>(37,000)</u>
Liability recognised on the Statement of Financial Position	<u>219,000</u>	<u>195,000</u>
<u>Amount Recognised in the Statement of Comprehensive Income</u>		
Actuarial loss recognised during the year	1,000	3,000
Current service cost	16,000	15,000
Interest on obligation	<u>18,000</u>	<u>18,000</u>
	35,000	36,000
Unrecognised portion	<u>-</u>	<u>-</u>
Income recognised in the Statement of Comprehensive Income	<u>35,000</u>	<u>36,000</u>
<u>Movement in Net asset/liability Recognised in the Statement of Financial Position</u>		
Net liability as at beginning of year	195,000	169,000
Net expense recognised in the Statement of Comprehensive Income	35,000	36,000
Contributions	<u>(11,000)</u>	<u>(10,000)</u>
Net liabilities at end of year	<u>\$ 219,000</u>	<u>\$ 195,000</u>

18. Members' Shares Account:

In accordance with existing International Financial Reporting Standards and given the substance and nature of members' shares, this balance is accounted for as a liability and not as capital of the Credit Union. The Credit Union Bye Laws 12 (a) allows for the issue of an unlimited number of shares of \$5 each.

NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2012****19. Reserve Fund:**

The Co-operatives Act 1971 Section 47 (2) requires that at least 10% of the net surplus of the Society for the year be transferred to a Reserve Fund. In accordance with Bye-Laws 19 and 22 of the Credit Union, this reserve may be used only with the approval of the Commissioner for bad loans and loans and other losses sustained through extraordinary circumstances over which the Credit Union has no control.

20. Other Funds:

At a Special Meeting of the Board of Directors held on 21 February 2011, a decision was taken to establish the following funds from January 2011:

Building Fund for construction projects	-	\$100,000
Charitable Fund for charitable donations	-	\$ 50,000
Education Fund for educational programs	-	\$100,000

21. Investment Re-measurement Reserve:

In accordance with IAS #39, the Board of Directors has created an investment re-measurement reserve which includes unrealised gains/losses on available-for-sale investments.

NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2012****22. Related Party Transactions:**

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

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Society.

A number of transactions are entered into with related parties in the normal course of business. These transactions were carried out on commercial terms at market rates.

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

	31 December	
	<u>2012</u>	<u>2011</u>
<u>Assets, Liabilities and Members' Equity</u>		
Loans and other receivables		
Loans to directors, committee members, key management personnel	\$ 3,511,939	\$ 1,983,177
Shares, deposits and other liabilities		
Directors, committee members, key management personnel	\$ 2,309,153	\$ 2,946,931
Interest and other income		
Interest on loans - directors, committee members, key management personnel	\$ 210,619	\$ 223,539
Key management compensation		
Short-term benefits	\$ 328,727	\$ 541,095

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2012

23. **Fair Values:**

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. The existence of published price quotation in an active market is the best evidence of fair value. Where market prices are not available, fair values are estimated using various valuation techniques, including using recent arm's length market transactions between knowledgeable, willing parties, if available, current fair value of another financial instrument that is substantially the same and discounted cash flow analysis.

The following methods have been used to estimate the fair values of various classes of financial assets and liabilities:

a) **Current assets and liabilities -**

The carrying amounts of current assets and liabilities are a reasonable approximation of the fair values because of their short-term nature.

b) **Members' Loans -**

Loans are net of specific provisions for losses. These assets result from transactions conducted under typical market conditions and their values are not adversely affected by unusual terms. The inherent rates of interest in the portfolio approximate market conditions and yield discounted cash flow values which are substantially in accordance with financial statement amounts.

c) **Investments -**

The fair values of investments are determined on the basis of market prices available at 31 December 2012.

d) **Members' deposits -**

Members' deposits bear interest at rates that are not significantly different from current rates and are assumed to have discounted cash flow values which approximate carrying values.

24. **Capital Risk Management:**

The Society manages its capital to ensure that it will be able to continue as a going concern while maximising the return to members, whilst providing value to its members by offering loan and savings facilities. The Society's overall strategy remains unchanged from previous years.

The capital structure of the Society consists of equity attributable to members, which comprises reserves and undivided surplus.

SCHEDULES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2012****1. Investment Income:**

	31 December	
	<u>2012</u>	<u>2011</u>
Interest on fixed deposits and savings accounts	\$ 392,891	\$ 413,044
Interest on current account	14,249	10,893
Gains on disposal of investments	558,698	61,310
CUNA commissions	56,583	47,900
Other investment income	<u>1,242,315</u>	<u>840,738</u>
	<u>\$ 2,264,736</u>	<u>\$ 1,373,885</u>

2. Miscellaneous Income:

	31 December	
	<u>2012</u>	<u>2011</u>
Loan processing fees	\$ 90,346	\$ 83,865
Rental income – Car park	63,869	70,400
Rental income – Apartments	326,000	254,950
Entrance fees	1,395	1,340
Other income	<u>61,588</u>	<u>62,062</u>
	<u>\$ 543,198</u>	<u>\$ 472,617</u>

SCHEDULES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2012****3. Administrative Expenses:**

	31 December	
	<u>2012</u>	<u>2011</u>
Advertising and promotion	\$ 39,073	\$ 59,101
Annual general meeting	206,259	199,117
Audit fees	75,900	69,000
Bad and doubtful debts	60,000	(208,091)
Bank charges	15,344	14,090
Cable expenses (Flow)	3,588	3,794
Car park expenses	-	13,500
Computer expenses	27,538	30,062
CUNA premiums	1,001,121	953,388
Electricity	30,370	38,299
Foreign exchange loss	-	4,282
Insurance	55,758	54,668
Investment Commissions and Fees	2,454	-
Legal and professional fees	8,690	25,317
Loss on disposal of fixed assets	-	5,723
Maintenance	113,047	111,515
Member relation expense	11,185	14,278
Office expenses	64,785	71,763
Postage and courier	17,071	15,339
Printing and stationery	86,311	88,544
Rates and taxes	9,377	8,124
Rental of storage facility	-	3,513
Security	69,784	66,919
Subscriptions	1,155	3,970
Telephone and internet	105,436	121,202
	<u>\$ 2,004,246</u>	<u>\$ 1,767,417</u>

4. Board and Committee Expenses:

	31 December	
	<u>2012</u>	<u>2011</u>
Committee stipend allowance	\$ 73,200	\$ 64,425
Committee meeting expenses	17,756	8,525
Honorarium	156,896	136,406
Sport Committee expenses	79,978	73,557
	<u>\$ 327,830</u>	<u>\$ 282,913</u>

SCHEDULES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2012****5. Fund Expenses:**

	31 December	
	<u>2012</u>	<u>2011</u>
Building Fund expenses	\$ -	\$ 31,440
Charity Fund expenses	13,700	18,453
Education Fund expenses	91,789	59,341
Retirees Fund expenses	<u>23,503</u>	<u>20,964</u>
	<u>\$ 128,992</u>	<u>\$ 130,198</u>

6. Interest on Members' Savings and Pooled Funds:

	31 December	
	<u>2012</u>	<u>2011</u>
Interest on members' savings and pooled funds	\$ 389,849	\$ 489,497
Special deposit interest	5,113	4,707
Education savings plan interest	1,757	2,138
Christmas savings plan interest	<u>8,335</u>	<u>7,498</u>
	<u>\$ 405,054</u>	<u>\$ 503,840</u>

7. Personnel Costs:

	31 December	
	<u>2012</u>	<u>2011</u>
Contract services	\$ 31,449	\$ 29,969
Employee Benefit Asset – IAS #19 adjustment	(348,000)	(325,000)
Group life insurance	13,542	14,409
Incentives and bonuses	115,250	134,000
Medical insurance plan	22,642	24,126
National Insurance scheme	91,266	79,412
Pension fund	30,818	38,484
Salaries	1,222,408	1,249,024
Subsistence	1,102	469
Training	19,818	99,821
Travelling	10,615	6,338
Uniforms	<u>2,371</u>	<u>32,159</u>
	<u>\$ 1,213,281</u>	<u>\$ 1,383,211</u>

STATEMENT OF RECEIPTS AND PAYMENTS FOR DECEMBER, 2012

	2012	2011
<u>RECEIPTS</u>		
Carpark	68,525	0
Cuna FIP Deposit	560,213	0
Entrance Fees	1,370	1,340
Exmembers account	112	3,433
FIP Commissions	46,976	563,954
FIP Claims Receivable	359,422	394,841
Int. on Fixed Deposit Investments	318,770	260,251
Interest Receivable - Shares	249,145	0
Interest on Current Accounts	14,249	10,893
Investment Income	413,885	550,899
Loan Interest	8,280,201	7,864,545
Loan Repayments	25,625,615	21,780,152
Members' Special Deposit	797,316	1,314,013
Members' Christmas Savings Plan	1,066,026	981,879
Members' Education Savings Plan	292,557	231,458
Members' Savings Deposits	4,650,705	4,569,117
Miscellaneous Income	128,200	51,856
New Members - Pending	1,140	66,325
Receivables - Gift Vouchers	222,300	54,200
Rental - Income apartment	320,000	314,350
Retiree's Activity Account	2,354	7,936
Share/Bond/Fixed Deposit Investment	10,312,514	7,758,963
Sundry Debtors/Apt. rental deposit	1,565	16,500
Shares Purchased	18,833,305	17,772,521
Suspense Account	103,875	73,043
	72,670,339	64,642,470
<u>PAYMENTS</u>		
Annual General Meeting Expenses	211,731	198,030
Audit Fees	69,000	69,000
Bank Charges	15,769	14,306
Ap. Rentat Deposit	0	8,428
Dividends Distributed	2,516,454	2,080,462
Ex Members	0	3,636
Members' Fixed Deposits Withdrawn	0	0
Building & Grounds Maintenance	0	19,730
Cable	3,588	0
Carpark - Rent charges	0	13,500
Charitable Fund	13,700	17,340
Committee Meeting Exps	23,765	8,526
Committee Stipend	56,175	66,528
Computer Operating Exps.	7,513	69,898
Contract Services	15,948	27,368
CUNA LP/LS Premiums	997,758	1,869,643
CUNA FIP Claims	350,000	0
CUNA Premiums FIP	570,790	0
Education Fund/Course Fees Expenses	103,635	62,627
Electricity	52,430	0
Equipment Maintenance	38,226	0
Honorarium	136,406	115,351
Insurance Charges	55,758	54,668
Internet charges	13,836	19,963
Investment Commission	2,255	0

STATEMENT OF RECEIPTS AND PAYMENTS FOR DECEMBER, 2012

PAYMENTS	2012	2011
Legal & Professional Fees	32,839	46,497
Loans Disbursed	36,469,978	35,115,153
Loss on Foreign exchange rate	0	4,282
Marketing, Advertising & Promotions	31,049	46,196
Members' Christmas Savings Plan	1,087,543	982,926
Member Relation Services	11,185	17,060
Members' Education Savings Plan	272,280	233,185
Members' Savings Deposits W/drawn	4,068,831	4,186,518
Members's Special deposit	1,211,922	1,236,653
Members' Payment Protector	2,693	0
Office & General Expenses	64,218	126,315
Personnel cost	1,355,362	1,456,291
Postage/Courier Services	16,691	0
Printing & Stationery	88,933	94,072
Purchase of Fixed Assets	76,022	135,433
Prepayments	40,975	0
Purchase of Investments	9,769,270	8,598,784
Rates & Taxes	19,571	8,912
Retirees Fund Expenses	25,967	24,734
Rental of Storage facilities	0	3,513
Repairs and maintenance	121,946	165,332
Security Expenses	203,612	188,557
Shares Withdrawn	5,481,294	5,674,900
Subsistence	2,977	0
Subscriptions	1,155	0
Sundry Debtors	2,937	0
Suspense account	22,243	0
Sports & Cultural committee	80,122	76,889
Telephone Charges/(Electricity)	99,027	154,447
Travel Exps./Allow	10,615	0
Ex-Member	228	0
	65,926,220	63,295,651
NET SURPLUS / (DEFICIT)	6,744,119	1,346,824
CLOSING BALANCE	17,200,700	10,456,581
REPRESENTED BY:		
Petty Cash Control	2,000	2,000
Cashier	5,000	0
RBTT Bank Dividend Account	26,039	1,763
RBTT Bank Disbursement Account	7,077,789	2,293,907
Cash in Transit	359,927	103,601
Second Scheme	5,152,768	5,088,378
US Money Market	2,566,002	1,090,916
Savinvest Structure	1,294,117	1,269,544
Due from member companies	717,058	606,471
	17,200,700	10,456,581

BUDGET PROJECTION FOR THE YEAR 2013

INCOME	BUDGET 2013	ACTUAL 2012	BUDGET 2012
Interest on Loans (Personal, Vehicle & Comp)	8,402,916	7,562,540	8,000,000
Mortgage Interest	1,008,664	960,633	700,000
Soft Loan Interest	47,381	45,125	150,000
Miscellaneous	0	24,435	0
Carpark	71,952	63,869	70,000
Gain on Foreign Exchange	0	38,547	0
Loan Processing fees	88,500	90,346	88,500
Gain/(Loss) on Disposal Assets/Inv.	0	558,698	0
Pension Fund Plan (IAS 19)	300,000	372,000	280,000
Fixed Deposit Interest	334,708	392,891	408,000
Interest on Current Accounts	14,961	14,249	11,400
FIP Commission	49,324	56,583	48,000
Investment Income	960,744	914,995	992,000
Dividends from Share Investments	252,000	327,321	252,000
Rental Income	342,300	326,000	316,800
TOTAL INCOME	11,873,450	11,748,232	11,316,700
<u>Administrative Expenses:</u>			
Salaries / Wages	1,353,000	1,222,408	1,326,000
Incentive Bonus	134,000	115,250	134,000
Pension Fund Contribution	39,548	30,818	48,000
Staff Insurance & N.I.S.	144,139	127,451	128,500
Staff Uniforms	25,000	2,371	6,200
Staff Training	30,000	19,818	130,000
Travel Allowances	10,000	10,615	6,900
<u>Finance Costs:</u>			
Interest on Mem. F/Deposits	315,000	389,849	455,232
Interest on Mem. Christmas Fund	10,400	8,335	4,300
Interest on Mem. Education Fund	2,500	1,757	1,750
Interest on Special Deposit	6,350	5,113	4,725

<u>Operational Expenses:</u>			
A.G.M. Expenses	215,000	206,259	206,675
ANSA Group Sports	0	0	10,000
Audit Fees	75,900	75,900	64,992
Bad & Doubtful Debts	100,000	60,000	60,000
Bank charges	16,116	15,344	14,400
Cable	3,600	3,588	3,600
Charitable Fund Expenses	14,400	13,700	0
Committee Meeting Expenses	24,960	17,756	8,800
Committee Meeting Stipends	76,860	73,200	66,500
Computer Expenses	28,920	27,538	27,000
Contract Services	32,760	31,449	32,400
CUNA premiums	1,051,200	1,001,121	1,016,000
Depreciation	282,000	248,023	273,000
Diminution of Investments	100,000	0	100,000
Education Fund Expenses	109,200	91,788	0
Electricity	30,000	36,847	53,000
Employee Benefit	30,000	24,000	30,000
Equipment Maintenance	30,000	32,755	36,000
Honorarium Expenses	156,000	156,896	132,000
Insurance	59,132	55,758	54,668
Internet	22,560	13,836	15,600
Investment Commission & fees	0	2,454	0
Loss/Gain on Foregin exchange	4,800	0	4,800
Legal & Professional Expenses	34,500	8,690	34,500
Marketing, Advertising & Promotion	75,000	39,073	75,000
Member Relations	12,000	11,185	18,000
Office & General Expenses	65,400	62,244	70,800
Postage & Courier expenses	17,940	17,071	15,500
Printing & Stationery	80,000	86,311	80,000
Prior Year Expenses	0	2,541	0
Rates & Taxes	23,115	19,571	9,600
REPAIRS AND MAINTENANCE			
Office	66,000	81,687	93,600
Apartment Building	18,000	43,951	36,000
Sagan Drive	7,200	7,200	7,200
Dundonald Street	3,600	1,250	3,600
Retirees Fund Expenses	25,300	23,503	25,300
Security	327,072	230,488	213,000
Subscriptions	2,990	1,155	4,600
Subsistence allowance	1,200	1,102	1,200
Sports Committee Expenses	100,000	79,979	76,000
Telephone	70,000	91,600	99,600
TOTAL EXPENSES	5,462,662	4,930,598	5,318,542
NET SURPLUS	6,410,788	6,817,636	5,998,158

RESOLUTIONS

1. BE IT RESOLVED that in accordance with Bye Law #19 (b) a dividend of five point six percent (5.6%) be approved and paid to members on their shareholdings for the period of 2012 and that such dividend be credited to Loan/Interest Account of those members whose Loan Accounts have become delinquent.
2. BE IT RESOLVED that the firm PKF Chartered Accountants & Business Advisors be retained as Auditors for AMGECU for the year ending 31st December 2013.
3. BE IT RESOLVED that an honorarium of \$156,896 be declared being approximately 2.5% of the Net Surplus to be shared among the Board of Directors, Elected and Appointed Committees.

Payment of Dividends

Dividends will be paid/credited on or before April 5, 2013.

AMGECU DIRECTORY

Registered: 28th March 1956 / Registration #239
 Office: 4 Borde Street, Port of Spain
 Postal Address: P.O. Box 1587, Port of Spain
 Telephone/Fax: (868) 627-2907, 627-1054, 623-2397, 624-4464
 (868) 782-3922, 782-3983
 E-Mail: amgecu@flowtrinidad.com
 Website: www.amgecu.com

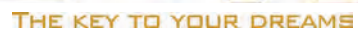
STAFF

Mrs Beverly Williams-Young	General Manager
Ms Deborah Celestine York	Accountant/Office Manager
Mrs C. Vidya Ramsawak-Abdool	Senior Credit Officer
Mrs Parbati Bridglal-Clarke	Internal Auditor
Ms Feleena Jones	Administrative Services Assistant
Ms Esha Ann Daniel	System Administrator
Mrs Audra Paul-Farris	Accounting Assistant
Mr Michael Hope	Accounts/Insurance Clerk (Ag)
Ms M. Vashti Sooknanan	Loans Customer Service Representative II
Ms Sindy Robinson	Loans Customer Service Representative I
Mrs Stephanie Hutchinson-Billy	Computer Operator
Ms Shelly Ann Hannibal	Cashier
Ms Nicole Hernandez	Debt Recovery Representative
Ms Marsha Wallace	Receptionist/Customer Service Representative
Mr Naipaul Sookhan	Courier/Office Assistant

Office Hours: 7:30 a.m. – 4:00p.m.

Credit Committee Meetings: Tuesdays at 5:00p.m.

N.B: All loan applications for consideration by the Credit Committee must reach the Senior Loans Officer no later than 4:00p.m. Monday of each week, latest.

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