



"Achieving Growth through Strategic Transformation"

2023 Annual Report



Our Purpose

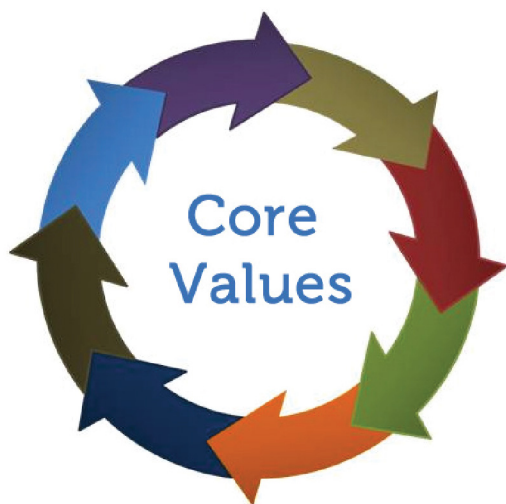
We meaningfully improve the lives of our members, stakeholders and communities through innovation, sustainability and integrated cutting-edge financial solutions

Our Vision

From generation to generation, we are your trusted provider of Financial Services through our People, Partnerships and Personalized Solutions

Our Mission

Unlocking socio-economic value for our members through optimal financial solutions, innovation, education and positive life-long experiences.



- **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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2023
*Annual
Report*



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



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



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Notice of 68th Annual General Meeting

NOTICE is hereby given that the 68th Annual General Meeting (AGM) of AMGECU Credit Union Co-Operative Society Limited will be held on Saturday April 13th, 2024 at the Radisson Hotel Trinidad, Wrightson Road Port of Spain 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. Confirmation of Minutes of the 67th Annual General Meeting held on Saturday April 15th, 2023
5. Business Arising from the Minutes
6. Acceptance of Reports for 2023
7. Elections of Officers
8. Auditor's Report and Financial Statements for year ended December 31, 2023
9. Resolutions
10. Review of Budget for year ending December 31, 2024
11. General Business
12. Vote of Thanks and Formal Closure

BY ORDER OF THE BOARD OF DIRECTORS

Beverly Young (Mrs)
Secretary/General Manager

Note:

- Registration begins at 1:00 p.m. on the day of the AGM.
- Only members in good financial standing will be admitted to the meeting.
- Non-members will not be allowed to attend the AGM.
- Members are required to present proper identification when registering.





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Standing Orders

1. (a) A member shall stand when addressing the chair and identify himself/herself
(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 Chair to do so, after which, he/she shall immediately take his/her seat.
3. No member shall address the meeting except through the Chair.
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 shall not "call" another member "to order" / but may draw the 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 shall be before the meeting at one and the same time
10. When a motion is withdrawn, any amendment to it falls
- 11 The Chair shall have the right to a "casting vote"
12. If there is an equality of voting on an amendment and if the Chair does not exercise his/her casting vote, the Amendment is lost
13. Provision is to be made for protection by the Chair 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 and fiduciary nature
- Not be delinquent in repaying his/her loan
- Must be FIU compliant

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 the events of Credit Union movement

PLEASE NOTE THAT:

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

Guidelines for Nomination

A member offering himself/herself for office in AMGECU Credit Union Co-operative Society Limited must:

- I. Have sufficient knowledge and understanding of the business of a Credit union;
- II. Be an individual no less than 18 years old;
- III. Not be an employee of AMGECU;
- IV. Never have been a director, officer or manager of a Credit Union whose license was revoked during his tenure in office, unless the revocation was due to voluntary winding up or voluntary amalgamation with another Credit Union;
- V. Be a citizen of Trinidad and Tobago or a person lawfully admitted for permanent residency who is ordinarily a resident of Trinidad & Tobago;
- VI. Be of sound mind and not have been found by any court to be of unsound mind;
- VII. Not be delinquent in repaying his/her loan;
- VIII. Never have been convicted by a court for an offence involving violence, fraud, or any form of dishonesty;
- IX. Never have been adjudicated bankrupt by a court in any jurisdiction;
- X. Meet the fit and proper criteria.

Fit and Proper Criteria

A member of the Board of Directors and Officers must meet and, where relevant, maintain the following Fit and Proper criteria:

- a. Honesty, integrity, fairness and reputation;
- b. Competence, diligence, capability, soundness of judgment;
- c. Financial soundness, that is, the member should demonstrate prudence in the management of his/her own financial affairs;
- d. With regard to the previous conduct, business activities and financial matters of the person, there is no evidence that he/she has:
 - i. Committed an offence involving fraud, violence or other dishonesty;
 - ii. Engaged in business practices that appear to be deceitful, oppressive or improper (whether lawful or not) or which otherwise reflect discredit on his/her method of conducting business;
 - iii. An employment record which shows that he/she carried out an act of impropriety in the handling of his employer's business;
 - iv. Engaged in or been associated with any other business practices or otherwise conduct himself/herself in such a way as to cast doubt on his/her competence and soundness of judgment.

Requirements

Elected members must be prepared to give generously of his/her time to attend:

- a. Board and Committee meetings;
- b. Seminars and training courses;
- c. Other meetings and events of AMGECU

Vacant Position

Board of Directors

The Board shall consist of twelve (12) members to be elected at the Annual General Meeting in accordance with:

1. By rotation annually, there shall be four (4) vacancies.
2. In accordance with (a) (i) members elected to fill the vacancies shall serve for a term of three (3) years.
3. Other vacancies arising on the Board whether by resignation, death or disqualification shall be filled at the next Annual General Meeting for the unexpired term.
4. Not more than one (1) member of any family shall be eligible to serve on the Board and any one (1) committee of the Society.
5. No member of the Board may serve for more than three (3) consecutive terms.

Supervisory Committee

1. The Supervisory Committee shall consist of three (3) members to be elected annually by the members at each annual general meeting, none of whom shall be eligible for service on the Board or the Credit Committee.
2. No member shall serve for more than three (3) consecutive terms.



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Credit Committee

1. The Committee shall consist of five (5) members elected by the members at each Annual General Meeting.
2. No member may serve for more than five (5) consecutive terms.

Screening Exercise

A screening exercise will be conducted for all candidates.

Orientation

An orientation programme on the business of a Credit Union will be held for all candidates before the Annual General Meeting.

Nomination System

1. Applications
 - Applications for nomination of candidates to the Board of Directors, Supervisory Committee and Credit Committee shall be in writing on a form approved by the Nominations Committee. Also it must be signed by the candidate and two (2) AMGECU members – a "PROPOSER" and a "SECONDER", and should be accompanied by the candidate's resume (on the attached form).
 - All nomination applications must be sent to the Nominations Committee no later than March 31, 2024.
 - Nomination forms are available at the Credit Union office and also from Liaison Officers within each ANSA McAL Group Company or Affiliate Companies.
2. The candidates will be notified of the dates of the "Screen Exercise" and 'Orientation Programme'.
3. The complete list of applicants and their resumes, together with the recommendations of the Nominations Committee, shall be made available to the Board of Directors in time to be reviewed at the board's meeting in the month of **MARCH 2024**. The complete list of **ALL** nominees shall be made available to the Annual General Meeting.
4. Members who have been nominated for office are expected to be present at the Annual General Meeting. If a Nominee is unable to attend the Annual General Meeting, such Nominee must submit in writing his/her accepting the nomination **PRIOR** to voting.
5. Outgoing members on 'elected' committees are required to submit a Nomination form if they wish to serve for another term, on or before March 31, 2024.





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President's Address



My Dear Fellow Members, it gives me great pleasure, to welcome you to our 68th Annual General Meeting.

The Board's thrust for the term 2023-2024, was to continue working towards achieving the goals and objectives of our Strategic Planning and Implementation Framework, mainly through growth and digital transformation.

2023 was another challenging year for most of the economies. Despite the external challenges, AMGECU completed another commendable year.

Aiming to increase our membership base and offer competitive rates and products, we changed our mindset, risk appetite, and investment decisions, creating a growth orientation across the organization. We believe as a Growth Oriented Board, we have to shape our thinking and actions towards growth, over both the short and long-term horizons.

These initiatives which the Board has outlined, would not be possible without the leadership skills and ongoing support of the Management and staff of AMGECU.

The wise King Solomon in Proverbs 24:3,4 says "Through wisdom, a house is built and by understanding it is established and by knowledge, the rooms shall be filled with all precious and pleasant riches".

We intend to satisfy members' needs through creativity and foresight by providing competitive financial services for you, our valued members.

In 2024, we will continue to explore and pursue new opportunities along with completing the implementation of our Strategic Plan (2022-2025) to generate new income streams and increase our surplus for the benefit of our membership. As we move forward, the Board and I are committed to providing you with greater service and support. As a member-owned financial institution, we will always put the needs of our members to the forefront. AMGECU believes in shared success. Your economic participation helps build our collective prosperity. Your savings grow and so does our financial community. It's a win-win! As previously highlighted, we are continuously working to improve our products and services to ensure we give you the - **Key To Your Dreams**.

In conclusion, the astute management of our Credit Union's resources permitted AMGECU to realize a healthy surplus, which allowed your Board to propose a competitive dividend payment of four percent (4%)

As President of this esteemed Institution, I want to say a special thank you to our loyal Members, Board of Directors, Credit Committee, Supervisory Committee, ANSA Mc Al Group of Companies, Associated Companies, and Liaison Officers for the support over the last year.

Cynthia Carr-Hosten
President





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**Minutes OF THE 67TH ANNUAL GENERAL MEETING
OF AMGECU CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
HELD ON SATURDAY APRIL 15TH 2023 AT THE GRAND BALLROOM, HILTON TRINIDAD
AND CONFERENCE CENTRE, LADY YOUNG ROAD, PORT OF SPAIN.**

PRESENT WERE:

BOARD OF DIRECTORS:

- | | |
|---------------------------|----------------------|
| Russell Gulston | - President |
| Cynthia Carr-Hosten | - Vice President |
| Steve Woodley | - Director |
| Arnim Phillips | - Director |
| Garth Bowen | - Director (online)* |
| Jennifer Felix-Norton | - Director |
| Khama Mohammed-Sooknanan | - Director |
| Cheryl Lutchman | - Director |
| Arkiebah Peters-Alexander | - Director |
| Claudine Allert | - Director |
| Ria Jamurath | - Director |
| Tenika Cordner | - Director |

* This Board member attended the meeting virtually.

CREDIT COMMITTEE:

- Justin Ayong
- Marissa Blackman
- Michelle Hayde-Gopee
- Kevin Jeremiah
- Jason Marcano

SUPERVISORY COMMITTEE:

- Colleen Caseman
- Wendy Cadiz-Clarke
- Eartha Self-Pierre

INVITED GUESTS:

- | | |
|--------------------------|---|
| Pamela Alcazar | Co-operative Officer Ministry of Labour and Small Enterprise Development |
| Paula La Barrie-Mitchell | Co-operative Officer Ministry of Labour and Small Enterprise Development |
| Dianne Joseph | Returning Officer Co-Operative Credit Union League of T&T |
| Leslie Ramcharitar | Auditor - Bakertilly Chartered Accountants and Business Advisors |

AMGECU STAFF

- | | | | |
|-----------------------|---------------------------------|-----------------|----------------------------|
| Beverly Young | General Manager | Dionne Peters | Accountant |
| Chitra Vidya Ramsawak | Senior Credit Officer | Esha Ann Daniel | System Administrator |
| Felicia Reviero | Administrative Services Officer | Crystal Dyer | Administrative Assistant |
| Ann Martin | Accounts Clerk | Akeeme Williams | Member Relations Officer |
| Jesus Badal | Courier | Ronald Contaste | General Services Assistant |



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Minutes of the 67th Annual General Meeting (continued)

1.0 CREDENTIAL COMMITTEE REPORT 1

1.1 The President advised the meeting as follows:

1.1.1 **QUORUM:** In accordance with the Bye-Laws a quorum for the meeting would constitute fifty persons and at 2:07 p.m., there were sixty-six (66) members present. The required quorum was met, and the meeting was declared open.

1.1.2 **HSE ANNOUNCEMENT:** In keeping with HSE requirements and effective response to health and safety incidents and other emergencies that might occur, a voice recording from the HSE Management Team of Hilton Trinidad and Conference Centre was shared with the membership. It outlined the building layout and security including emergency exits from the Grand Ballroom, following all the Covid-19 protocols.

2.0 CALL TO ORDER

2.1 The President – Mr. Russell Gulston called the meeting to order at 2:07 p.m.

2.2 He invited all to stand for the playing of an instrumental version of the National Anthem of Trinidad and Tobago assisted by Dynamic Audio Visual. This was followed by the recitation of the Credit Union Prayer contained on page 2 of the 2022 Annual Report.

2.3 The President asked all to remain standing as one minute's silence was observed for deceased members of the Credit Union, who departed during the year 2022. Mention was made of Ms. Claudia Charles, past Secretary/General Manager, who died earlier this month. He also informed the meeting of the death of Mrs. Vashti Sooknanan who passed away on 2nd March, 2023. The list of these past members was mentioned on page 31, of the Annual Report under the Board of Directors Report.

3.0 OPENING REMARKS

3.1 The President extended a whole-hearted welcome to the specially invited guests, who included: Pamela Alcazar and Paula LaBarrie-Mitchell, Co-Operative Officers of Ministry of Labour and Small Enterprise Development; Dianne Joseph and Team, Returning Officer from the Co-Operative Credit Union League of T&T and Leslie Ramcharitar, representing the Auditors Bakertilly Chartered Accountants and Business Advisors. He commented that it was a pleasure also to have physically in the meeting the membership present, former Directors and Pensioners and members of the Board of Directors, Credit and Supervisory Committees.

4.0 GENERAL INFORMATION

The President shared with the membership the following general information:

4.1 Director Garth Bowen was joining the meeting online.

4.2 The location of the washroom facilities and water stations.

4.3 The requirement that Members wear their face masks for the duration of the meeting.



Minutes of the 67th Annual General Meeting (continued)

4.4 The chits given at the registration desk entitled members, including the staff of the Credit Union, to door prizes and a to-go boxed meal after the meeting.

4.5 The Know Your Member Form was available at the Registration Desk for members to supply the Credit Union with any updated information, if it had not been done in the past two years.

5.0 ANNUAL REPORT 2022 CORRECTIONS / AMENDMENTS / OMISSIONS

The following corrections were made to the Annual Report:

- Page 6 - Correction - item IX: **Change** from Never have adjudicated bankrupt to **Never have been adjudicated bankrupt.**
- Page 6 - Correction- item d.i. **Change** and to **an: Committed an offence...**
- Page 8 - Correction – Orientation: **Add full stop to the end of the sentence.**
- Page 9 - Correction 2nd paragraph, end of 2nd line: **Change** which has also been to **which have also been**
- Page 15 & 19 - Error “Debra Nemar Tracey should be **Deborah Neemar Tracey**
- Page 20 - Error – 26.2.5 Should be **Financial Ombudsman**
- Page 20 - Correction item 26.2.7.1. **Change** the print media to **the printed media**
- Page 20 - Correction – item 26.2.8 **Change** members’ share to **members’ shares**
- Page 26 - Correction - 1st paragraph, 3rd line **Change** day to **Day (Capital D)**
- Page 26 - Correction – last paragraph, 2nd sentence: **Change** mandate is geared toward to **mandate is geared towards**
- Page 27 - Insertion-2nd paragraph, 4th sentence: **Add** full stop after leadership experiences. (start new sentence): The intent is
- Page 28 - Correction 1st paragraph, 3rd sentence: **Change** Members shares to **Members’ Shares.**
- Page 34 - Error – Paragraph five “COVID” should be **“COVID-19”**
- Page 34 - Correction – CONCLUSION, 1st paragraph, 2nd sentence: **Change** to name fa ew to **“to name a few”.**
- Page 34 - Correction – CONCLUSION, 4th paragraph, 2nd sentence: **Change** al-19ong to **“along”**
- Page 36 - Corection-CONCLUSION, 1st paragraph, 3rd sentence: **Change** measure to **“measures”**
- Page 95 - Correction-Resolution 2 AMGECU should include “Credit Union Co-Operative Society Limited”

6.0 ADOPTION OF STANDING ORDERS

6.1 The President brought to the attention of the meeting the Standing Orders numbered 1-14 as contained on Page 4 of the 2022 Annual Report that would rule throughout the meeting.

6.2 Cheryl Lutchman moved a motion for the Adoption of the Standing Orders numbered 1-14, on page 04 of the 2022 Annual Report.

6.3 Members present voted in favour by a show of hands. No members abstained or voted against the motion. The President confirmed that the motion was carried.



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Minutes of the 67th Annual General Meeting (continued)

7.0 NOTICE CONVENING THE MEETING

7.1 Beverly Young, Secretary/General Manager, read the notice convening the 67th Annual General Meeting contained on Page 3 of the 2022 Annual Report.

8.0 PRESIDENT’S ADDRESS

8.1 The President, Russell Gulston then read his message contained on Pages 9 and 10 of the Annual Report.

9.0 MOTION FOR MINUTES TO BE TAKEN AS READ

9.1 Cuthbert Tracey moved a motion that the minutes of the 66th Annual General Meeting held on Saturday May 21st, 2022 as contained on pages 11-21 be taken as read.

9.2 Anthony Alleng seconded the motion.

9.3 Members present voted in favour by a show of hands. No members abstained or voted against the motion. The President confirmed that the motion was carried.

10.0 CONFIRMATION OF MINUTES

10.1 Subject to the correction on the errata sheet, the minutes were confirmed on a motion moved by Judy Ragoonanan Williams seconded by Debra Prince.

10.2 Members present voted in favour by a show of hands. No members abstained or voted against the motion. The President confirmed that the motion was carried.

11.0 BUSINESS ARISING FROM THE MINUTES OF THE 66th AGM 2022

11.1 The President reported that there was no business arising from the minutes of the 66th Annual General Meeting held on May 21st, 2022. He invited the membership to ask any questions regarding the minutes, however, no questions or comments were forthcoming.

12.0 REPORTS FOR 2022

12.1 Claudine Allert moved a motion that all reports (Board, Credit, Supervisory, Nominations) appearing on pages 22-37 be taken as read.

12.2 Ria Jamurath seconded the motion.

12.3 Members present voted in favour by a show of hands. No members abstained or voted against the motion. The President declared the motion as carried.



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Minutes of the 67th Annual General Meeting (continued)

13.0 QUESTIONS/COMMENTS ON REPORTS

- 13.1 The President opened the floor for questions to seek clarification from the respective Committee Chairpersons of the Board, Credit, Supervisory or Nominations Committees on any of the reports presented in the 2022 Annual Report.
- 13.2 There were no questions or comments by the membership on any of the following reports: Board (Marketing and Product Development, Sports, Education and Youth), Credit, Supervisory and Nominations.

14.0 CONFIRMATION OF REPORTS EN-BLOC

- 14.1 Khama Mohammed moved a motion that the reports from pages 22-37 of the 2022 Annual Report be confirmed en-bloc.
- 14.2 Anthony Alleng seconded the motion.
- 14.3 Members present voted in favour by a show of hands. No members abstained or voted against the motion. The President declared the motion carried and the reports confirmed.

15.0 CREDENTIAL COMMITTEE REPORT 2

- 15.1 At 2:30 p.m. there were one hundred and two (102) members present at the meeting.

16.0 ELECTION OF OFFICERS

- 16.1 The President advised the membership to view a tutorial video presentation on How to Use the Ballot Paper.

17.0 CREDENTIAL COMMITTEE REPORT 3

- 17.1 At 2:50 p.m. there were one hundred and twenty (120) members present.

18.0 VOTING PROCESS

- 18.1 A video was shown on how the voting process would be carried out and how to use the Ballot Papers.

19.0 ELECTION OF OFFICERS

- 19.1 The President introduced Dianne Joseph, Chief Operations Officer of the Co-Operative Credit Union League of Trinidad and Tobago, as the Returning Officer, for the Election Process. Accompanying Ms. Joseph were Esha-Ann Daniel, the Electronic Ballot Machine Operator and other personnel from the Co-operative Development Division, who offered support for the process.
- 19.2 Ms. Joseph thanked Mr. Gulston for the invitation to again assist with the Credit Union's Election Process. She highlighted Bye-Law 33, which would govern the guidelines for the election.



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Minutes of the 67th Annual General Meeting (continued)

19.3 Ms. Joseph then declared all seats vacant for the following:

- (a) Directors whose term of office was completed
- (b) Members of the Supervisory Committee
- (c) Members of the Credit Committee

19.4 Nominations were opened for additional members from the floor for the Supervisory Committee. Alexandria Bachan was nominated and accepted from the floor by Mr. Badal and seconded by Deborah Neemar -Tracey. Ms. Bachan, a young member gave a brief description of herself

19.5 Anthony Alleng moved a motion that nominations from the floor cease and Debra Prince seconded the motion. The motion was carried.

19.6 Ms. Joseph confirmed that there were now five candidates for the positions of members of the Supervisory Committee, with three members to form the committee and two alternates.

19.6 Ms. Joseph confirmed that the Nomination Committee had submitted six members for the Credit Committee but only five members were required. No additional members were required to be nominated from the floor.

19.7 The Nominations Committee had submitted six prospective candidates to fill four vacant Board positions for the next three years.

19.8 All the candidates’ profiles were displayed on the screens, while members were encouraged to vote.

20.0 ELECTION RESULTS

20.1 Dianne Joseph declared the Election of Officers concluded and in announcing the results, stated that three (3) ballots were spoilt. The following members were elected to serve in their respective committees:

20.2 SUPERVISORY COMMITTEE

| Nos | NAME | COMPANY | VOTES |
|-----|-----------------------|--------------------------|--------------------|
| 1 | Kevin Jeremiah | TTMF | 70 |
| 2 | Leisel Aneika Francis | TATIL Life Assurance Ltd | 68 |
| 3 | Alexandria Bachan | Self Employed | 56 |
| 4 | Jennifer Khan-Charles | TATIL | 54 (1st Alternate) |
| 5 | Anderson Abraham | GML | 49 (2nd Alternate) |

Minutes of the 67th Annual General Meeting (continued)

20.3 CREDIT COMMITTEE

| Nos | NAME | COMPANY | VOTES |
|------------|--------------------------|-----------------------|--------------------|
| 1 | Justin Ayoung | Retired - AMCO | 91 |
| 2 | Donna Persad | Retiree | 79 |
| 3 | Jason Marcano | TATIL | 75 |
| 4 | Michelle Gopee | GML | 74 |
| 5 | Marissa Blackman | WASA | 70 |
| 6 | Colleen Caseman | ANSA Coatings Limited | 49 (1st Alternate) |
| 7 | Denysha Mathias-Harewood | Self Employed | 43 (2nd Alternate) |

20.4 BOARD OF DIRECTORS

| Nos | NAME | COMPANY | VOTES |
|------------|-----------------------|----------------------------------|--------------------|
| 1 | Cheryl Lutchman | Hand Arnold Limited | 75 |
| 2 | Cuthbert Tracey | Retiree | 66 |
| 3 | Jennifer Felix-Norton | GML | 63 |
| 4 | Anthony Alleng | Retiree | 62 |
| 5 | Karen Gonzales | Self Employed Attorney at Law | 57 (1st Alternate) |
| 6 | Arnim Phillips | Retiree | 51 (2nd Alternate) |

20.5 DESTRUCTION OF BALLOTS

20.5.1 Ms. Joseph called for a motion for the destruction of the ballot papers.

20.5.2 Marcus Young moved the motion for the destruction of the ballots and the motion was seconded by Anthony Alleng.

20.5.3 Members present voted in favour by a show of hands. No members abstained or voted against the motion. Ms. Joseph declared the motion as carried.

20.6 Ms. Joseph congratulated all those who were elected to serve and wished them a successful 2023-2024 term in office.

20.7 The President resumed the chair of the meeting and thanked Ms. Joseph and her Team for facilitating the Election Process.

21.0 AFFIRMATION OF OFFICE

21.1 The President invited the newly elected members to come forward and take the affirmation of office. The Credit Union staff distributed the affirmation forms to all elected members and after taking the affirmation, they all signed, dated and returned the document to the Credit Union.



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Minutes of the 67th Annual General Meeting (continued)

22.0 AUDITOR'S REPORT

- 22.1 Mr Leslie Ramcharitar, representative of the firm Bakertilly Accountants and Business Advisors read only the Opinion and the Basis of the Opinion, of Independent Auditors' Report contained on page 43 of the brochure.
- 22.2 There were no questions from the membership on the auditor's report and the President thanked Mr. Ramcharitar.

23.0 COMMENTS ON FINANCIAL STATEMENTS

- 23.1 The President called for a motion that the Financial Statements for the year ended 31st December 2022 be adopted.
- 23.2 Steve Woodley moved the motion for the adoption of the Financial Statements for the year ended 31st December 2022, (including the Financial Position, Comprehensive Income, Changes in Equity, Cash Flow, Notes contained on Pages 44-60 of the Brochure.
- 23.3 Members present voted in favour by a show of hands. No members abstained or voted against the motion. The President declared the motion as carried.

24.0 PRESENTATION OF RESOLUTIONS

- 24.1 **Resolution 1: BE IT RESOLVED** that in accordance with Bye-law #19 (b) a dividend of four percent (4%) be approved and paid to members on their shareholdings for the period of 2022, and that such dividend be credited to Loan/Interest Account of those members whose Loan Accounts have become delinquent.
- 24.1.2 Cynthia Carr-Hosten moved this motion and Arkiebah Peters Alexander seconded the motion.
- 24.1.3 Members present voted unanimously in favour by a show of hands. The President declared the resolution as carried.
- 24.2 **Resolution 2: BE IT RESOLVED** that the firm Bakertilly Chartered Accountants and Business Advisors be as Auditors for the AMGECU Credit Union Co-operative Society Limited for the year ending December 31, 2023.
- 24.2.1 Arnim Phillips moved this motion and Claudine Allert seconded the motion.
- 24.2.2 Members present voted unanimously in favour by a show of hands. The President declared the resolution as carried. The President declared the resolution as carried.
- 24.3 **Resolution 3: BE IT RESOLVED** that an honorarium of \$185,000.00 be declared being approximately 2.5% of the net surplus to be shared among the Board of Directors, Elected and Appointed Committees.
- 24.3.1 Ria Jamurath moved this motion and Tenika Cordner seconded.
- 24.3.2 Members present voted unanimously in favour by a show of hands. The President declared the resolution as carried.



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"Achieving Growth through Strategic Transformation"

Minutes of the 67th Annual General Meeting (continued)

24.4 MAXIMUM LIABILITY

24.4.1 The President advised that this resolution was new to all credit unions, but formed part of the regulations instituted by the Commission, and as such AMGECU would abide by all regulations. Arkiebah Peters-Alexander informed the membership that the Regulation 14 of the Co-operative Societies Act, Chapter 81:03 stated:

- 1. Every Society shall, from time to time, fix at a general meeting the Maximum Liability it may incur in respect of loans or deposits whether from Members or non-members.*
- 2. The Maximum Liability fixed under sub-regulations (1) shall be subject to the approval of the Commissioner, who may at any time reduce it.*
- 3. No Society shall receive loans or deposits in excess of the Maximum Liability approved or fixed by the Commissioner.*

24.4.2 **Resolution 4: BE IT RESOLVED** that the maximum liability be approved for the sum of Two Hundred Million dollars (TT\$200,000,000.00) for the financial year ending December 31, 2023.

24.4.2.1 Steve Woodley moved this motion and Arnim Phillips seconded same.

24.4.2.2 Members present voted unanimously in favour by a show of hands. The President declared the resolution as carried.

25.0 PAYMENT OF DIVIDEND

25.1 Dividends will be paid on or before April 28th, 2023.

26.0 BUDGET PROJECTIONS

26.1 The President invited questions from the floor on Budget Projections (Review of Income and Expenditure Estimates for the year 2023) as contained on pages 93-94 of the 2023 Annual Report.

26.2 Emmanuel Downes moved the motion that the Budget Projections for the year 2023 be adopted. Susan Walters seconded the motion.

26.3 Members present voted in favour by a show of hands. No members abstained or voted against the motion. The President declared the motion as carried.

27.0 CREDENTIAL COMMITTEE REPORT 4

27.1 At 3:15 p.m. there were one hundred and thirty-four (134) members present.





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Minutes of the 67th Annual General Meeting (continued)

28.0 DOOR PRIZES

28.1 Throughout the duration of the meeting, the following door prizes were drawn:

| PRIZE | Donor | Ticket No. | Winner | TYPE |
|--------------|--------------------|-------------------|-----------------|-------------|
| 1st | AMGECU | 195 | Sherwin Phillip | Member |
| 2nd | CARIB | 142 | Deanne Pragg | Member |
| 3rd | CARIB | 122 | Khama Mohammed | Director |
| 4th | B&B Transformation | 159 | Donna Persad | Retiree |
| 5th | CARIB | 104 | Ronald Contaste | Member |
| 6th | CARIB | 160 | Brian Trujillo | Retiree |
| 7th | CUNA | 103 | Arnim Phillips | Director |

29.0 GENERAL BUSINESS / OPEN FORUM FOR QUESTIONS

29.1 The President opened the floor for questions, suggestions or proposals for consideration, which had not been previously discussed.

29.2 The following questions were asked from the membership:

29.2.1 Cuthbert Tracey made the following comments and questions:

29.2.1.1 He commended the Board on the formation of the Youth Committee.

29.2.1.2 He noted that under the Budget Projections (a) on new loan products the budget for 2022 was not achieved but for 2023 the budget is 462,554 and wanted to know the rationale for this. (b) Financial Investments for 2022 was TT\$3,631,194 with the actual being TT\$4,450,078 with the projection for 2023 at TT\$2,496,290 a much lower figure, and he sought clarity on the Board's decision.

In responding to Mr. Tracey's question on the loan products budgeted figure, the President replied that the Credit Union was presently in a transformational mode and had strategic goals to achieve. Since there were no transactions in 2022 due to many constraints including time, the Credit Union intended to achieve much more in 2023 hence the budget.

Mrs. Young further stated that projections on Financial Investments are based on actual investments held and in 2022 this was over projected. Included in the actual figure was the sale of FCB shares and with no expected investment sale this year the figure was reduced. The budgeted figure was for expected income from investments held and projected increase in investments.

29.2.1.3 He also asked about the increase in Committee members' stipend, with TT\$67,540 budgeted but actually TT\$89,815 expended, and a budgeted figure of TT\$407,050 projected for 2023. Why was there this significant increase?

The President replied that several additional interim committees had been formed for the implementation of the Credit Union's Strategic Plan. The Board had agreed to a proposed stipend to these members and committees, as there would be many more expected meetings.



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"Achieving Growth through Strategic Transformation"

Minutes of the 67th Annual General Meeting (continued)

29.2.1.4 Under Legal and Professional Fees, he noted that the budgeted figure for 2022 was TT\$616,833, with the actual being TT\$150,752, but the 2023 figure was TT\$404,400.

Mrs. Young replied that this represented the Legal and Professional fees due to the implementation of the strategic plan process which began in 2022 but was not yet completed. In working with consultants to bring on new products, the figure had increased and represented mainly professional fees to be incurred.

29.2.1.5 He stated that the Port of Spain office was now operating business for only eight (8) days: the last five (5) working days in the month and first three (3) working days in the subsequent month and questioned why that was so, as opposed to a possible 20 working days. This he saw as a challenge to members who resided in Port of Spain and further west.

Mrs. Young replied that at present the volume of business in Port of Spain was slow, and a full-time staff for the Port of Spain office was not the best use of the human resources nor productive for the organization. This decision was taken based on transaction data over a period of one year. However, if business increased then that decision could be modified to either more days or resumption of full time staff. Members were urged to use other payment methods and some can do direct deposit.

29.2.2 Deborah Neemar Tracey wanted to know why tokens were not given out to members at this AGM.

The President replied that the Credit Union opted not to expend money out of cash but rather to ensure that the paid out dividend did not fall below four percent. It would be anticipated that in 2024 members would receive more including tokens.

29.2.3 A member also (a) agreed with Deborah Neemar Tracey's comment and added that nothing was also given to the children at Christmas time, and noted that any token was just a simple member appreciation, which should not be overlooked. (b) She also asked whether the Credit Union had a marketing strategy because in comparison to other lending institution's rates, AMGECU's interest rate is one of the highest for home purchases.

The President replied (a) that AMGECU's finances cannot be compared with the other credit unions, but for 2024 this would be taken into consideration.

He also explained that the high interest rates were strategically deliberate in the present economic environment and on the advice of the consultants. He gave the example that if the Credit Union lent \$10M to ten prospective home owners over an extended period, the return on this investment was recouped after twenty years or more, with this interest not adding value to the members' investment at present. The Credit Union lends money for purchases of homes, land etc. as an investment for members, however it would be concentrating more on members' personal and other loans. However, this does not mean that the Credit Union will not lend money to members once the criteria are met. The focus however, moving forward would be on personal loans between 1-7 years which will give a better growth strategy in the short term rather than mortgage loans in excess of twenty years.

Mrs. Young added that early in 2022, an analysis of the loans portfolio over a 10 year period was completed, showing that the mortgage portfolio had shown significant growth. In the area of personal loans of \$60M, this had generated \$4M in revenue. However on the mortgage portfolio where approximately \$48M was expended, the return on this was only \$2M. Therefore on an average the mortgage loans generated 50% less income than the personal loans. In assessing this information, the Board of Directors took a decision to stop marketing mortgages and realign the portfolio, because it was not generating the expected interest, as pay-back on personal loans was estimated at seven years max with mortgages being 20-30 years.





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"Achieving Growth through Strategic Transformation"

Minutes of the 67th Annual General Meeting (continued)

29.2.4 Emmanuel Downes requested that the Board should ensure tokens are given out at the next AGM, even if it's a pen.

The President assured Mr. Downes, that the Board would reconsider its decision and double tokens given at the next meeting, as this was the first year it was not done.

29.2.5 Nicholas Joseph said that since we are in the day of digital technology he asked about Central Bank Digital Currency (CBDC) being used in Barbados to date. How is the credit union positioning itself to deal with CBDC? It is to control where and how one spends money and the amount of money spent.

The President replied that AMGECU is not anti that type of transaction but prefers to wait and be a follower and see how this will work first, what are the loopholes being experienced, especially by the government and if it will run smoothly before the Credit Union proceeds in that direction.

29.2.6 Marcus John stated that he went onto AMGECU's website which was not secure and displayed an error message and wondered whether it was monitored and maintained regularly. He said he eventually got the required information on Facebook and Instagram.

Mrs. Young replied that work had been done on the website, hence the error message and the numbers updated and changed subsequently.

29.2.7 A young member asked about the increase in the budget for retirees' events and what activities were being planned for them.

The President replied that the retirees organized their own events and there is a budget allocation for 2023. He mentioned that for the past three years, they had no activities, because of the COVID-19 pandemic, but more activities planned would be shared with all.

29.2.8 Keith Sylvester asked if there was a youth group in the Credit Union and that more could be shared with the membership, so that many young members present could be part of it.

The President replied that a youth committee had been formed and was in the in process of developing activities for its young members. A Youth Board would be included as well as programmes and plans for youth involvement in all aspects of the credit union.

30.0 CREDENTIAL COMMITTEE REPORT 4

30.1 At 4:14 p.m. there were one hundred and thirty-seven (137) members present.



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"Achieving Growth through Strategic Transformation"

Minutes of the 67th Annual General Meeting (continued)

31.0 EXPRESSION OF THANKS

31.1 Cynthia Carr-Hosten, Vice President, offered expression of thanks firstly to Almighty God for the new period of existence in our lives. Included in the thanks were the following who offered yeoman service:

- Management and Staff of Hilton Hotel, and the pristine accommodation with a view overlooking the capital
- Specially invited guests Pamela Alcazar, Paula La Barrie Mitchell co-operative officers
- Dianne Joseph and Team, Returning Officer for her wealth of experience ensuring the Election Process went smoothly
- Leslie Ramcharitar, Auditor, Bakertilly Chartered Accountants and Business Advisors, ensuring they operated above board
- Former Directors and Incoming Directors and Committee Members,
- Management and Staff of AMGECU led by Beverly Young, for the hardworking team for making the AGM a success
- To the Corporate World
- The membership for being part of the AMGECU family and for taking the time off to be present at this AGM and making it a top Credit Union.

32.0 CONCLUSION

32.1 At 4:15 p.m. the President announced that there was no further business to discuss and declared the meeting officially closed.



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"Achieving Growth through Strategic Transformation"

Board of Directors Report

OVERVIEW

The Management and Board of Directors commenced a Strategic Planning exercise to guide us through the period 2022-2025, where a Steering Committee was established in 2022 to ensure implementation of our plan. Diligently, this Committee created work plans with clear timelines and action items. As a Society, we are evolving and must function in an ever changing and dynamic environment and cannot remain stagnant. While at the same time maintaining familial relationships, our success must be business focussed. The setting of specific targets will be closely monitored against actual performance and driven by professional staff who are provided with the resources required to ensure the Society's success.

Some of the key initiatives completed:

- A Revised Organizational Structure to improve decision making with clear reporting relationships.
- Created a DOMA (Delegation of Management Authority) policy, which granted the decision-making responsibility to senior staff to ensure timely approvals.
- An Employee Training Policy. It is imperative that our valued employees receive ongoing and appropriate training to ensure effective and efficient services are provided.
- The addition of our new Flexi Credit Loan product - This is a revolving personal loan solution that allows members to borrow up to agreed specific limits to meet their various credit needs.

We currently have several initiatives in the pipeline such as:

- The expansion of the loans portfolio, which will entail a new focus on lending to members who are Sole Traders and Self-Employed.
- Purchasing of an online banking module with the aim of improving delivery channels to the membership.
- Improving our Marketing Strategy by embracing the world of digital innovation, to ensure that growth is achieved. This will give us an opportunity to fully enter the digital space to ensure that we are competing effectively in the financial services sector. Also improving communication with our membership.
- Ongoing visits to Tobago to increase our membership base, while enlightening and engaging our existing members.

Overview of Financial Table

The Board of Directors is pleased to present an account of its stewardship of AMGECU Credit Union Co-operative Society Limited for the financial year ended December 2023.

Despite the fact that the economy was faced with challenges, the unemployment rate decreased from 3.7% to 3.2% in the 3rd quarter of 2023. There was a positive ripple effect as we saw an increase in our Loans Portfolio by 3.7%, however, our Members' Shares decreased by 2%, as some members opted to withdraw their funds instead of making loan requests, which recorded a decrease in our income.

We embraced the challenge and recorded another successful fiscal year by staying focussed and ensuring that we met the expectation of our membership by maintaining the dividend payout of 4%.

We will continue to monitor opportunities to increase our Investment Portfolio to ensure that we have a sustainable future.



Board of Directors (continued)

| Item | 2023 | 2022 | Change | % Change |
|-------------------|-------------|-------------|------------|----------|
| Total Assets | 216,193,730 | 218,633,994 | -2,470,264 | -1.1% |
| Members' Loans | 103,916,265 | 100,247,829 | 3,668,436 | 3.7% |
| Members' Shares | 167,471,178 | 167,193,908 | 277,270 | 0.2% |
| Total Income | 13,161,495 | 14,049,442 | -506,038 | -3.6% |
| Total Expenditure | 5,350,756 | 4,689,550 | 1,193,059 | 25.4% |
| Surplus | 7,810,739 | 9,174,892 | -1,688,617 | -18.4% |

COMPOSITION OF THE BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE

The Board of Directors for the 2023/2024 comprised the following persons:

- Cynthia Carr-Hosten
- Steve Woodley
- Ria Jamurath
- Cheryl Lutchman
- Russell Gulston
- Garth Bowen
- Tenika Cordner
- Jennifer Felix-Norton
- Claudine Allert
- Arkiebah Peters-Alexander
- Anthony Alleng
- Cuthbert Tracey

EXECUTIVE COMMITTEE

At the Inaugural Meeting of the Board of Directors held on 26th April 2023, the following Directors were elected to serve on the Executive for the 2023/2024 term:

- Cynthia Carr-Hosten - President
- Steve Woodley - Vice President
- Russell Gulston - Member
- Ria Jamurath - Member
- Cheryl Lutchman - Member

The Executive held seven (7) meetings during the period May 2023 to January 2024.

Board of Directors (continued)

MEETINGS OF THE DIRECTORS

Board of Directors held eighteen (18) meetings during the period February 2023 to January 2024 made up of twelve (12) Statutory meetings and six (6) Special meetings.

| BOARD MEMBER | Statutory | Special | Excused |
|-----------------------------|-----------|---------|---------|
| Russell Gulston | 12 | 6 | 0 |
| Tenika Cordner | 10 | 6 | 2 |
| Garth Bowen | 9 | 6 | 3 |
| Jennifer Felix-Norton | 10 | 5 | 3 |
| Ria Jamurath | 10 | 5 | 3 |
| Cynthia Carr-Hosten | 12 | 6 | 0 |
| Cheryl Lutchman | 10 | 6 | 2 |
| Steve Woodley | 10 | 5 | 3 |
| Claudine Allert | 9 | 2 | 7 |
| Arkiebah Peters-Alexander | 12 | 6 | 0 |
| Anthony Alleng** | 7 | 6 | 1 |
| Cuthbert Tracey** | 6 | 6 | 1 |
| Khama Mohammed-Sooknanan*** | 5 | 0 | 0 |
| Arnim Phillips *** | 4 | 0 | 0 |

Note: Directors marked with asterisk (***) served up to 12th April 2023.

Directors marked with asterisk (**) served from 13th April 2023.

OUT-GOING DIRECTORS

| 2021-2024 | 2022-2025 | 2023-2026 |
|---------------------------|---------------------|-----------------------|
| Arkiebah Peters-Alexander | Russell Gulston | Anthony Alleng |
| Claudine Allert | Cynthia Carr-Hosten | Cuthbert Tracey |
| Garth Bowen | Ria Jamurath | Cheryl Lutchman |
| Steve Woodley | Tenika Cordner | Jennifer Felix-Norton |

MARKETING AND PRODUCT DEVELOPMENT

The members of the Marketing & Product Development Committee were:

- Russell Gulston (Chair)
- Ria Jamurath
- Cynthia Carr-Hosten
- Garth Bowen
- Vidya Ramsawak
- Arnim Phillips (Recording Secretary)



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"Achieving Growth through Strategic Transformation"

Board of Directors (continued)

The Marketing and Product Development Committee was formed as part of our strategic thrust to further understand Member needs and to develop and launch New Products with accompanying policies that cater to those needs and to provide the best financial solutions to our Membership. The Committee is also tasked with increasing Membership and Brand awareness. There was an increase of one hundred and seventeen (117) new members in 2023.

The MPDC started selecting Brand Ambassadors in 2023 to facilitate our latest drive to improve Brand awareness and to assist in our Membership drive. Our Liaison Officers were the first targeted group. Briefing sessions were conducted with them to obtain their support. Terms of reference and an Incentive Plan were later finalized for the team. Training sessions for Liaison Officers will be rolled out in Q2 of 2024.

The Committee has already done development on three new products in 2023. Data on the introduction and performance of these New Products is currently being analysed and assessed and the Products will be formally launched during the second quarter of 2024.

Through Digital Marketing, we will articulate our unique value propositions, identify, and communicate our distinctive stories and build awareness and credibility to differentiate to the benefit of our Membership.

We will create a knowledgeable awareness of our products and services in the new term 2024 through ongoing Digital Marketing and strategic communications campaigns that support our objectives and drive new business to generate results that build our brand and drive growth.

INFORMATION TECHNOLOGY COMMITTEE

The members of the Information Technology Committee were:

- Steve Woodley (Chair)
- Darvel Cordner
- Vijai Maharaj
- Arnim Phillips
- Esha-Ann Daniel

The 2023-2024 Information Technology (IT) Committee's focus this term was centered around improving members' convenience and fortifying AMGECU's IT infrastructure to mitigate against malware, in particular ransomware.

The Committee, cognizant of the expectation of members for greater convenience, has initiated a project to implement Global Internet Access (GIA) from Micro Software Designs (MSD). GIA will allow members to access their accounts online to conduct balance enquiries, statement requests, bill payments, cheque requests, member to member transfers and transfers to banks. GIA effectively allows members to access their information and conduct transactions 24/7. This project will be completed by the end of the first quarter, 2024.

The Committee has noted the steady increase in the occurrences of ransomware attacks on businesses in Trinidad and Tobago. As such, has recommended and implemented several changes and improvements geared towards protecting our data and raising the awareness amongst staff of suspicious emails and phishing schemes.





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"Achieving Growth through Strategic Transformation"

Board of Directors (continued)

An employee portal was created to store company data utilizing SharePoint Online, making use of our existing cloud subscription with Microsoft. Additional cloud storage was deployed to provide storage for offsite backups and other bulk data. Other prevention strategies will be implemented based on industry best practices.

The IT Committee appreciates the opportunity to serve our members and stands ready to continue serving in the 2024 -2025 term.

EDUCATION COMMITTEE

In accordance with the Society's Bye-Laws, the Board of Directors selected members to serve on the Education Committee for the 2023-2024 term, at its first monthly meeting.

The following members were elected to serve on the Committee:

- Arkiebah Peters-Alexander (Chair)
- Keith Slyvester (Secretary)
- Colleen Caseman
- Khama Mohammed-Sooknanan
- Jennifer Felic-Norton
- Cheryl Lutchman

The Committee aims to equip members with the necessary tools and resources to achieve their financial and personal goals by promoting financial literacy, wellness and professional development.

Education Grants 2023

Each year, AMGECU Credit Union Co-operative Society Limited provides financial assistance to eligible students/ members to encourage academic development.

The Criteria for these Grants are:

1. Must be in good standing
2. Must perform well scholastically
3. Must apply in the same year of the national/regional examinations
4. Must be an active member.

Irving Johnson & Harold Smith Grants – Awards Ceremony "A New Chapter Begins!"

This signature event was held on December 2nd, 2023 at the AMGECU Head Office building Board Room. Fourteen (14) junior members were recognized for their dedication to Academic Achievement and success at their various exams. The awards comprised of cash, share certificates and a token. A member of the newly formed Youth Committee, Ms. Dominique Norton, provided an engaging feature address.

The Committee held two Webinars:-

1. Financial Planning and Literacy
2. Wills and Probate Webinar with a focus on Living Trust, Power of Attorney and Appointment of Committee.

Additionally, members of the Committee participated in mandatory AML training.





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"Achieving Growth through Strategic Transformation"

Board of Directors (continued)

Through its work, the Education Committee is making a tangible difference in the lives of Credit Union members, helping them to achieve their financial goals and secure their financial futures. By providing resources on topics such as financial literacy, and Estate Planning, the Committee is ensuring that members are well-equipped to navigate the evolving financial landscape.

Looking ahead, an efficient and operational Education Committee is a key contributor to the Credit Union Achieving Growth through Strategic Transformation.

The Education Committee's efforts will continue to be essential to the Credit Union's success and its ability to meet the needs of its members. By staying committed to its key responsibilities and continuing to provide relevant and engaging education and training programs, the Committee will help ensure that the Society remains competitive and able to meet the evolving needs of its members.

On behalf of the Education Committee, we extend our heartfelt thanks and appreciation to the Board of Directors, the General Manager and Staff of AMGECU for their support and look forward to working with you again.

EXECUTIVE STRATEGIC IMPLEMENTATION COMMITTEE

The members of the Executive Strategic Implementation Committee for the 2023-2024 term were:

- Cynthia Carr-Hosten - Chair
- Arnim Phillips - Secretary (co-opted)
- Russell Gulston
- Ria Jamurath - Implementation Project Lead
- Steve Woodley
- Garth Bowen
- Beverly Young

Purpose of the Executive Strategic Implementation Committee (ESIC):

To develop and execute strategies for the implementation of AMGECU's Strategic Plan 2022-2025.

Background & Overview

The Committee was formalized and held its first formal meeting on July 4th, 2022, to commence the development of an Implementation Work-Plan for AMGECU's Strategic Plan, which was finalized in January 2022 through the services of an outsourced consultant – B&B Transformation Solution.

The structure for the Committee was determined in alignment with the need to have an advisory group to make directional decisions for AMGECU and develop a detailed implementation work-plan supported by AMGECU's Strategic Plan. The aim was to ensure the continued financial and technological growth of the organization by adding and enhancing already existing procedures and guidelines.

Board of Directors (continued)

Objectives

The following objectives were determined by the ESIC to maintain focus on the key outcomes expected from this strategic exercise and journey for AMGECU:

- Set the strategic direction for AMGECU’s Strategic Projects/initiatives to ensure the delivery of outputs and achievement of outcomes for AMGECU’s Employees and Members
- Develop a detailed work-plan for the strategic initiatives for 2022-2025
- Develop supporting strategic documentation to support the implementation of the strategic initiatives
- Determine timelines and assign sub-teams for the execution of the strategic initiatives
- Support AMGECU’s Business Goals and Objectives
- Implement existing plans
- Enhance services provided to AMGECU’s membership

In light of achieving the above objectives, three (3) sub-teams were formed comprising of the following persons:

- Team 1 - Beverly Williams-Young/Ria Jamurath
- Team 2 - Russell Gulston/Garth Bowen/Arnim Phillips
- Team 3 - Steve Woodley/Cynthia Carr-Hosten

Outside of the formal ESIC meetings, the sub-teams met separately as often as was required to work on their specific projects and report their progress at the formal ESIC meetings.

Highlights of Key Strategic Initiatives/Projects Completed in 2023:

Project 2 - Implementation of Strategic Workplans

- Development of Strategic Implementation Plan
- Detailed Work Plans
- Develop & Implement Standard Monthly Reports
- Monitor, Evaluate, Remediate – Ongoing on a monthly basis

Project 3 - Organizational Structure & Human Resources

- Approved Organizational Structure for AMGECU
- Approved new positions, job descriptions and associated budgets
- Approved Pre-Delegation of Authority Mgmt. & Talent Mgmt. Matrix
- Developed Comprehensive Training Plan/Policy for AMGECU
- Approved Incentive Model/Policy for AMGECU

Highlights of On-going Strategic Initiatives/Projects in 2024

Project 1 – Budgeting & Capex

- Prepare & Approve Budgets for the following loan products:
 - Refreshed Product – LASSO Loan (Debt Consolidation Loan)
 - New Product: Flexi-Credit – Budget & loan targets were set and approved for 2024
- Streamline Budgeting & Capex Process



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"Achieving Growth through Strategic Transformation"

Board of Directors (continued)

Project 4 - Policies, Committees, Teams

- Appoint Brand Ambassadors/Teams
- Rationalize & Restructure Committees against Terms of Reference

Project 5 - Membership Growth

- Develop & Roll out Member Growth Strategy & Plan
- Target New Youth Members and Small Medium Enterprises

Project 6 - New & Existing Products

- Develop Marketing material for Refreshed Loans (Debt Consolidation (LASSO)), Unsecured/Special Fee Loan, Share Loan)
- Secure Strategic Partners

Project 7 – IT & CRM

- Purchase Emortelle GIA Module
- Develop RFP for CRM to solicit a vendor to implement a solution
- Recruit new IT staff member
- Create a new awareness campaign on all social media platforms and other traditional media outlets
- Develop a training plan and schedule for GIA
- Develop new training manuals for CRM
- Develop new operating procedures for GIA

Project 8 – Digital Marketing

- Create Digital Marketing Strategy
- Engage the right Team, products, services and partners with the right capabilities, to ensure performance excellence
- Initiate Digital Marketing
- Deploy intelligent CRM and other technologies, to enable the organization to effectively reach and service target market.

YOUTH COMMITTEE

The Youth Committee of AMGECU was recently founded to encourage Youth involvement and engagement in the Credit Union. The Committee comprised of the following members:

COMMITTEE MEMBERS:

- Jennifer Felix-Norton – Interim Chair
- Sasonel Felix
- Erica Tenia
- Joanna Joseph



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"Achieving Growth through Strategic Transformation"

Board of Directors (continued)

Youth Board: Engagement of Young Members

The Youth Committee embarked on a pilot project in the formulation of a Youth Board. This endeavour was successfully completed and has engaged several youth members by exposing them to training programs and information about the Credit Union's functions and operations. This is geared towards preparing them for prospective roles for possible succession planning.

AMGECU Youth Committee's mission of developing the youths into ambassadors for the society and empowering them in the process, will contribute to the Credit Union's sustainability for coming generations by strengthening and promoting their involvement in co-operative growth.

Youth Debate Competition

The Committee is hosting its first youth debate competition in 2024 to showcase the creativity and aptitude of its younger members to encourage active participation in discussions and influence democratic processes, to inspire the youngsters in highlighting their inventiveness and skills.

The competition will consist of both a preliminary and final round.

The Youth Committee would like to express its gratitude to the Board of Directors, Management, Staff and Membership for their guidance and support.

FINANCIAL REVIEW 2023

SHARES

In 2023 Members' Shares increased to \$167,471,178 from \$167,193,908 in 2022 and Members' deposits decreased to \$12,070,939 from \$13,177,137 in 2022. In order to preserve our dividend rate the Board of Directors continued to limit the amount of money members can deposit on their Shares annually. This policy will be reviewed as the demand for loan increases.

LOANS

In 2023 there was a 3.7% increase in Loans. The number of loan applications approved were 1,069 and the value of the Loans was \$24,158,166. The Loans portfolio increased by \$3,668,436. Total Loans less provision for Loan Losses increased to \$103,916,265 when compared to 2022 and the Loan balances were \$100,247,829.

INVESTMENTS AND CASH HOLDINGS

The Credit Union's investment portfolio is comprised of Bonds, Equities and Mutual Funds. As of 31st December 2023, the Investment portfolio was \$69,160,975. The Income generated from the investment portfolio in 2023 was \$3,597,156. Cash holding at the end of 2023 was \$8,907,832.

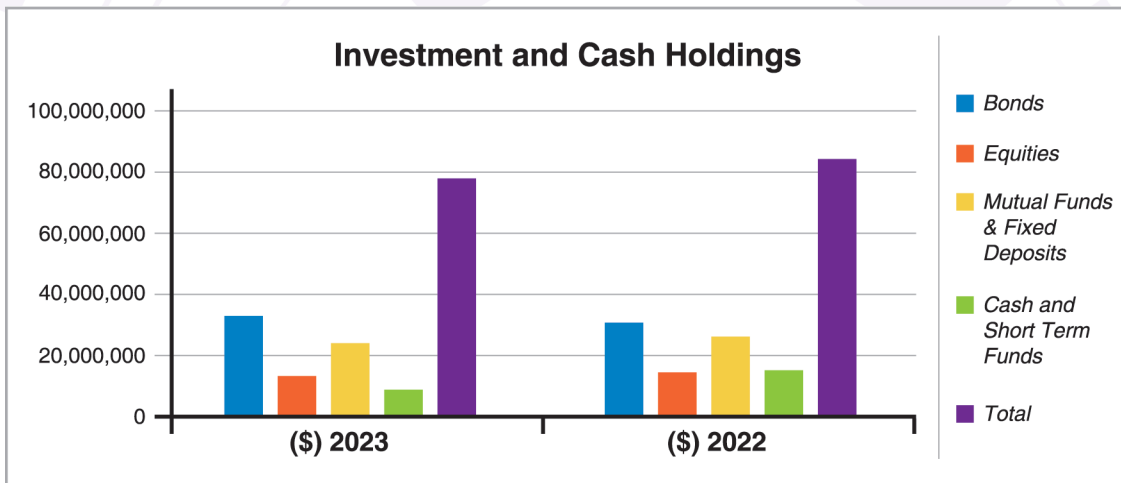
2023 ANNUAL REPORT

"Achieving Growth through Strategic Transformation"

Board of Directors (continued)

Investment and Cash Holdings Portfolio as of December 31, 2023

| TYPE | (\$) 2023 | % | (\$) 2022 | % |
|---------------------------------|------------|-------|------------|-------|
| Bonds | 31,770,940 | 40.70 | 30,643,555 | 35.88 |
| Equities | 13,226,677 | 16.94 | 14,458,768 | 16.93 |
| Mutual Funds and Fixed Deposits | 24,163,358 | 30.95 | 25,743,922 | 30.14 |
| Cash and Short-Term Funds | 8,907,832 | 11.41 | 14,560,588 | 17.05 |
| Total | 78,069,008 | 100 | 85,406,833 | 100 |

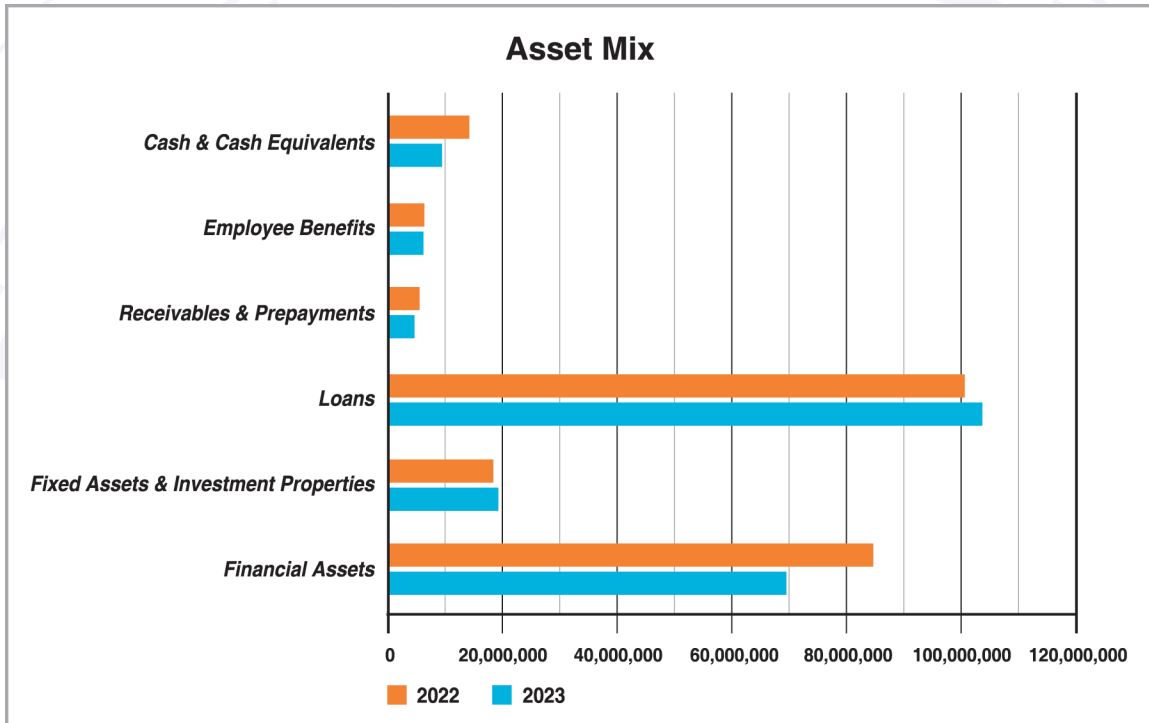


ASSET MIX

The Credit Union's Total Assets as of 31st December 2023 were \$216,193,730. When compared to 2021, the Credit Union's Total Assets were \$218,633,994. The Total Assets of the Credit Union decreased by \$2,470,264.

| Asset Mix | 2023 (\$) | 2022 (\$) |
|--------------------------------------|-------------|-------------|
| Financial Assets | 69,160,975 | 85,406,833 |
| Fixed Assets & Investment Properties | 19,501,262 | 18,509,659 |
| Loans | 103,916,265 | 100,247,829 |
| Receivables & Prepayments | 5,454,357 | 6,627,674 |
| Employee Benefits | 7,739,000 | 7,842,000 |
| Cash & Cash Equivalents | 8,907,832 | 14,560,588 |

Board of Directors (continued)



SOURCE OF INCOME

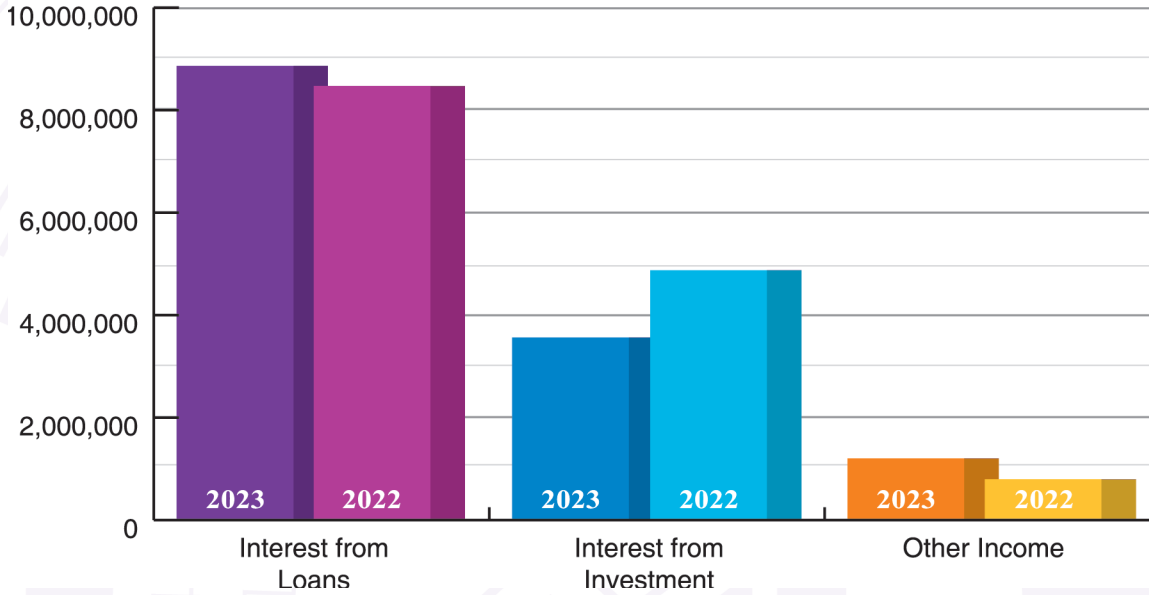
Total Income for 2023 was \$13,543,404 when compared to 2022, the Total Income decreased by \$887,947. Interest from Loans was \$8,867,328 which represents 67.4% of the Total Income. Income from investment was \$3,597,156 which represents 27.3% of Total Income. Other Income was \$697,011 which represents 5.3% of Total Income.

Source of Income

| Source of Income | 2023 (\$) | 2022 (\$) |
|--------------------------|-----------|-----------|
| Interest from Loans | 8,867,328 | 8,392,779 |
| Interest from Investment | 3,597,156 | 4,929,278 |
| Other Income | 697,011 | 727,385 |

Board of Directors (continued)

Sources of Income



MEMBERSHIP

The Board of Directors welcomed one hundred and seventeen (117) new members to the Credit Union in 2023. As of December 31, 2023, the total membership on our data base comprising employees, ex-employees and family members was five thousand, nine hundred and fifty (5,950). However, the total number of active members was five thousand, and sixty-nine (5,069).

CONDOLENCES

The Board of Directors extends heartfelt condolences to the relatives of members who passed on during 2023. Our thoughts and prayers are with you all.

The following is a list of the deceased members:

| | |
|------------------------------|------------------|
| Mangree (Vashti) Sooknanan** | Meena Singh |
| Leslie Ann Campbell | Ferdinand Alexis |
| Lisa Kawal-Mohammed | Seetal Sookhan |
| Fitz Herbert Noel** | Olive Bishop |



2023 ANNUAL REPORT

"Achieving Growth through Strategic Transformation"

Board of Directors (continued)

LOOKING AHEAD

Whilst the Board recognized there was a global decline in loans and associated interest in 2023, we are reassuring you the Members, that all efforts will be made to stabilize our position through our strategic intent.

The Board continues to monitor the impending Legislation that will enable significant changes to the movement. One of the proposed changes will include Credit Unions falling under the oversight of an Independent Co-operative Authority. Details on how this will impact the Governance and Management of Credit Unions are still being formulated.

As a Credit Union, we became innovative thus looking at many different avenues to meet the needs and demands of our Members.

With a range of new products and improved services, our aim is to meet and surpass your expectations.

AMGECU remains optimistic to complete the implementation of the Strategic Plan by 2025.

PROPOSED DIVIDEND

AMGECU has consistently provided fair and attractive dividend returns to our members over the years, and is pleased to announce that the Board of Directors has recommended a four percent (4%) dividend on fully paid-up shares as at December 31, 2023.

ACKNOWLEDGEMENT

I am overwhelmed in all humbleness and gratefulness to acknowledge all those who contributed to the success of AMGECU, which include the loyal Membership, the Board of Directors for giving yeoman service, all Committees for their invaluable contribution and the Management and Staff for their ongoing service, commitment and dedication to the organization.

Cynthia Carr-Hosten
President



2023 ANNUAL REPORT

"Achieving Growth through Strategic Transformation"

Credit Committee Report

CREDIT COMMITTEE ATTENDANCE REGISTER

Period: April 17, 2023 - January 30, 2024 [2023-2024 Term]

The Committee held Thirty-Six (36) meetings during this period.

| NAMES | POSITION | PLACE OF WORK | PRESENT | EXCUSED |
|----------------------|-----------|---------------|---------|---------|
| Justin Ayoung | Chairman | Retiree | 33 | 3 |
| Marissa Blackman | Secretary | Ex-employee | 34 | 2 |
| Michelle Hayde-Gopee | Member | GML | 30 | 6 |
| Donna Persad | Member | Retiree | 33 | 3 |
| Jason Marcano | Member | Tatil | 35 | 1 |

PERFORMANCE IN 2023

As we continue to embrace the challenges in the Financial Sector, we would like to quote from the World Bank 2023 report; "...Inflation remains elevated in many countries and is envisaged to remain above pre-pandemic levels beyond 2024...". With this in mind, AMGECU continues to be committed to working with our members through these challenging times. Despite these challenges the financial sector faces, we have been able to increase the value of loans approved by approximately Two million dollars (\$2M) in 2023, when compared with 2022 and 2021. See Table 1 below for a comparison of loans approved for a three (3) year period. Table 2 reflects the number and value of Loans approved based on the purpose.

| Year | 2023 | 2022 | 2021 |
|--------------------------|---------------|---------------|---------------|
| No. of Loan Applications | 1116 | 1126 | 1102 |
| No. of Loans Approved | 1069 | 1086 | 1027 |
| Value of Loans Approved | 24,158,166.43 | 22,721,170.51 | 22,448,358.13 |

Table 1

Credit Committee Report (continued)

LOANS GRANTED BY PURPOSE, VALUE AND NUMBER - 2023 & 2022

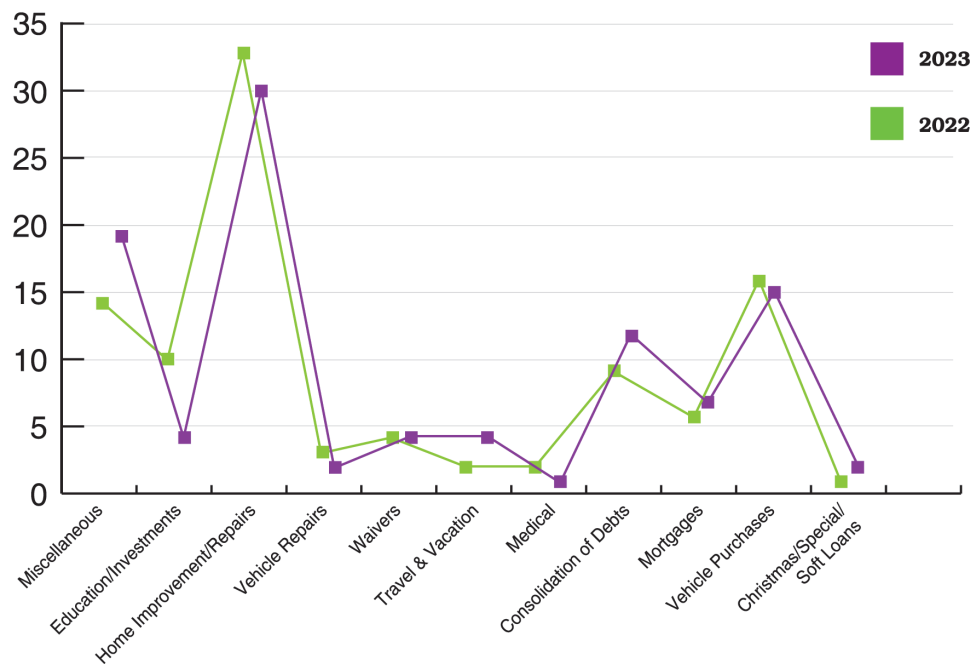
| PURPOSE OF LOAN GRANTED | \$ VALUE 2023 | \$ VALUE 2022 | NO. 2023 | NO. 2022 | % 2023 | % 2022 |
|--------------------------------------|-------------------------|-------------------------|-------------|-------------|------------|------------|
| Miscellaneous/Religious/Ceremonial | \$ 4,523,418.05 | \$ 3,231,182.85 | 235 | 210 | 19 | 14 |
| Education/Investments | \$ 1,027,930.88 | \$ 2,286,527.55 | 49 | 94 | 4 | 10 |
| Home Improvement/Repairs | \$ 7,178,318.15 | \$ 7,491,877.21 | 223 | 215 | 30 | 33 |
| Vehicle Repairs | \$ 543,276.00 | \$ 720,560.00 | 40 | 57 | 2 | 3 |
| Waivers | \$ 822,894.36 | \$ 800,294.10 | 341 | 351 | 4 | 4 |
| Travel & Vacation | \$ 1,054,860.86 | \$ 379,714.60 | 49 | 24 | 4 | 2 |
| Medical | \$ 278,150.00 | \$ 555,300.00 | 15 | 18 | 1 | 2 |
| Consolidation of Debts | \$ 2,877,877.82 | \$ 2,068,931.76 | 47 | 58 | 12 | 9 |
| Mortgages | \$ 1,651,490.31 | \$ 1,381,745.94 | 5 | 5 | 7 | 6 |
| Vehicle Purchases | \$ 3,699,400.00 | \$ 3,624,036.50 | 33 | 37 | 15 | 16 |
| Christmas/Special/Flexi Credit Loans | \$ 500,550.00 | \$ 181,000.00 | 32 | 17 | 2 | 1 |
| TOTAL | \$ 24,158,166.43 | \$ 22,721,170.51 | 1069 | 1086 | 100 | 100 |

Table 2

From the table above (Table 2) ‘Loans Granted by Purpose, Value and Number’ 2022-2023, reflects increases in the categories of Miscellaneous/Religious/Ceremonial, Vacation & Travel, and Consolidation of Debts as opposed to Education and Investments. This is illustrated in the diagram below (Diagram 1).

Diagram 1

Comparison of Loan Granted by Purpose and Percentage for 2023 with 2022





2023 ANNUAL REPORT

"Achieving Growth through Strategic Transformation"

Credit Committee Report (continued)

CONCLUSION

Fellow members, as we continue to embrace the challenges of life with the high cost of living and inflation in goods and services, we hope that we remember and believe in the Co-Operative ethical values of honesty, openness, social responsibility, and caring for others ... which if we practice, hopefully, will be able to withstand the tough financial times we face.

We continue to encourage our members to be faithful and committed to AMGECU in utilizing our products and services, as this is Our Credit Union.

We thank the Members, Board of Directors, fellow Committee members, and Staff for their co-operation and support in working together towards the growth and development of the organization.

The Credit Committee appreciates the support of the members and staff during our time serving you and looks forward to your continued support.

Justin Ayoung
Chairperson



2023 ANNUAL REPORT

“Achieving Growth through Strategic Transformation”

Supervisory Committee Report

INTRODUCTION

The Supervisory Committee is the cornerstone for the effective function of AMGECU. The Committee oversees the activities and operations of the Credit Union to ensure compliance with policies and regulations. The main responsibilities typically include reviewing financial statements, monitoring performance, and evaluating risk management practices.

ATTENDANCE

The Committee held a total of (4) meetings. The attendance of the Committee is as follows:

| Committee Members for the period June - December 2023 | No. of Meetings held | |
|--|----------------------|----------------|
| | Present | Excused/Absent |
| Leisel Francis (Chair) | 4 | 0 |
| Kevin Jeremiah (Secretary) | 4 | 0 |
| Alexandria Bachan (Member) | 2 | 2 Excused |

Internal Audits performed during the period June to December 2023

The following areas were examined:

- 1) **Reviewed loan applications taken by members which includes personal loans, vehicle loans and mortgages:**
 - i) The Committee ensured all required information and documentation was present and accurate.
 - ii) Ensured compliance with lending regulation and credit union policies.

- 2) **Reviewed monthly financial statements to determine an overview of AMGECU’s performance for a specific month:**
 - i) Reports for the period March 2023 to October 2023 were reviewed by the Committee.
 - ii) Variance analysis: Comparing actual financial results to budgeted or forecasted figures to identify any variances and their causes.

- 3) **Reviewed new loan products implemented by AMGECU:**

The purpose of the review was to ensure that the products were compliant with all regulatory requirements, accurately disclosed to customers, and aligned with the credit union’s risk tolerance:

 - i) During the review, the team examined the terms and conditions of new loan policy, including interest rates, repayment schedules, fees, and any additional charges.
 - ii) Reviewed sample of loan forms.



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"Achieving Growth through Strategic Transformation"

Supervisory Committee Report (continued)

4) Reviewed Minutes of Board of Directors monthly meetings:

The circulation of soft copies of Minutes for April to October 2023 were provided for the Committee's review. The purpose of reviewing Board Minutes by audit is to ensure that all decisions made by the Board of Directors were accurately recorded and that the actions taken by the Board align with AMGECU's ethical standards and legal requirements. This helps to assess the effectiveness of governance processes within the organization and to provide assurance that decisions are being made in the best interest of the Credit Union and Members.

CONCLUSION

The Supervisory Committee plays a critical role in maintaining transparency, accountability, and integrity within the Credit Union.



Signature of Committee Chair



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"Achieving Growth through Strategic Transformation"

Nominating Committee Report

The purpose of the Nominations Committee is to ensure that an adequate number of suitably qualified persons who are "fit and proper" candidates, as required by Law, are available to fill vacancies on:

- (a) The Board of Directors
- (b) The Credit Committee
- (c) The Supervisory Committee

Notices were published on all social media platforms, the AMGECU website and sent to all Liaison Officers. We are happy to report that We attracted "suitable" candidates once again.

Board of Directors - Seven (7) Nominees

| | | |
|----------------|----------------|---------------------------|
| Garth Bowen | Vijai Maharaj | Arkiebah Peters-Alexander |
| Steve Woodley | Arnim Phillips | Claudine Allert |
| Khama Mohammed | | |

Credit Committee - Seven (7) Nominees

| | | |
|------------------|----------------|-----------------|
| Justin Ayoung | Jason Marcano | Kevin Jeremiah |
| Donna Persad | Michelle Gopee | Colleen Caseman |
| Marissa Blackman | | |

Supervisory Committee - One (1) Nominee

Anderson Abraham

Orientation/Presentation of Nominees/Elections

The defined process would again be adopted in 2024.

Orientation on the functions of the Committees would be conducted for nominees by the Co-operative Division Ministry Of Labour and Small and Micro Enterprise Development.

Presentation of Nominees via Power Point for the introduction of the Nominees at the AGM.

Elections process would be conducted by the Co-operative Credit Union League personnel.



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"Achieving Growth through Strategic Transformation"

Nominating Committee Report (continued)

ACKNOWLEDGEMENT

We extended our gratitude to the members who took the decision to serve the Credit Union for the coming year. We continue to support the concept of "nominees" as it will encourage diversity in skills and participation among the membership. It is highly recommended that members come forward during the application process and avoid where necessary, nominations from the floor, as this will provide an opportunity to screen members in their respective capacities.

We praise those members who volunteered their time and talents in service to this distinguished organisation over the past 68 years.

CONCLUSION

The Committee entrusted to assess the nominees were:

| | |
|---------------------------|---------------------|
| Anthony Alleng | Chair |
| Arkiebah Peters-Alexander | Recording Secretary |
| Cheryl Lutchman | Member |
| Jennifer Felix-Norton | Member |

It is with extreme appreciation that we thank the Board of Directors for the opportunity to serve and look forward to a vibrant team to take us forward in achieving our strategic objectives.

Anthony Alleng
Chair



2023 ANNUAL REPORT

"Achieving Growth through Strategic Transformation"

Nominations

Contesting for BOARD OF DIRECTORS 2024

Name: **ARNIM PHILLIPS**
Occupation: RETIRED TECHNICAL CONSULTANT
Status: Member –Joined in 1980
Summary: Assoc, Degree in Business Management. Strategic Planning, Financial Solutions Consultant. Previously served as a Board Director of MBM and AMGECU, Chair of the IT Committee and Retirees Club. Served on the Executive Strategic Implementation and the Marketing and Product Development Committees.

Name: **STEVE WOODLEY**
Company: SOFTWARE ONE (TRINIDAD) LIMITED
Occupation: IT CONSULTANT
Status: Member –Joined in 2008
Summary: MBA, BSc.IT. Served as Vice President (AMGECU). Previously served on Board of Directors of AMGECU and also on the Executive Strategic Implementation Committee, and Chair of the IT Committee.

Name: **ARKIEBAH PETERS-ALEXANDER**
Company: QUICK SERVICE HOLDINGS LTD
Occupation: Accounts Manager
Status: Member-Joined in May 2006
Summary: ACCA. Also Certificate in Credit Union Management. Previously served as a Board Director and on the Education, Risk, Supervisory, Nominations and Investments Committees.

Name: **GARTH BOWEN**
Company: GUARDIAN GROUP
Occupation: Team Lead
Status: Member –Joined in September 2002
Summary: MBA, BA, Assoc. Degree in Marketing. Previously served on the Board of Directors of AMGECU and also on the Executive Strategic Implementation, Marketing & Product Development and Investment Committees.

Name: **VIJAI MAHARAJ**
Company: FUJITSU CARIBBEAN TRINIDAD LTD
Occupation: Technical Consultant
Status: Member –Joined in 2023
Summary: MSc.-Management Information Systems, BSc., Assoc. Degree in Information Systems Development. Also served on the IT Committee in AMGECU.



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"Achieving Growth through Strategic Transformation"

Name: **CLAUDINE ALLERT**
Company: TATIL LIFE
Occupation: Manager
Status: Member –Joined in 1984
Summary: MBA, BSc. in Behavioural Science. Also Certificate in Project Management. Previously served on the Board of AMGECU and the Youth and Investment Committees.

Name: **KHAMA MOHAMMED**
Company: GUARDIAN LIFE
Occupation: Business Analyst
Status: Member –Joined in May 2009
Summary: ACCA, CIMA, SQL. Previously served as a Board Director of AMGECU and also on the Education and IT Committees.

Contesting for SUPERVISORY COMMITTEE 2024

Name: **ANDERSON ABRAHAM**
Company: GUARDIAN MEDIA LIMITED
Occupation: Credit Manager
Status: Member –Joined in 2019
Summary: ACCA Level 2. Previously served on the Supervisory and Credit Committees at Guardian Credit Union.

Contesting for CREDIT COMMITTEE 2024

Name: **JUSTIN AYOUNG**
Occupation: Retiree
Status: Member –joined in January 1982
Summary: CXC, Computer Literacy. For over a decade has served on the Board of Directors, Sports and Culture, Delinquency and Credit Committees. Certificates in Compliance Training, Anti-Money Laundering.

Name: **JASON MARCANO**
Company: TATIL
Occupation: Clerk
Status: Member- Joined in February 2008
Summary: B.Sc.-Information Technology, ABE –Diploma Business Management, Certificate in EXCEL. Previously served on the Credit Committee at AMGECU.



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"Achieving Growth through Strategic Transformation"

Name: **MICHELLE GOPEE**
Company: **GUARDIAN MEDIA LIMITED**
Occupation: **Supervisor-Accounts Department**
Status: **Member Joined in June 2006**
Summary: **Certificate in Accounting Essentials. Previously served on the Credit Committee at AMGECU.**

Name: **DONNA PERSAD**
Occupation: **Retired Sales Representative**
Status: **Member –Joined in September 1988**
Summary: **CXC, AAT Level 3, ACCA Level 1, Law Level 2, Training in Time Management, Microsoft Word and Excel. Previously served on the Credit Committee at AMGECU.**

Name: **MARISSA BLACKMAN**
Company: **W.A.S.A.**
Occupation: **Project Officer (Ag.)**
Status: **Member-Joined in December 1991**
Summary: **B.Sc. in Mathematics. Currently pursuing ACCA. Success in CXC and CAPE examinations. Previously served on the Credit Committee at AMGECU.**

Name: **KEVIN JEREMIAH**
Company: **TTMF**
Occupation: **Mortgage Assistant**
Status: **Member-Joined in 2012**
Summary: **CXC, CAPE, ABE Levels 5 & 6 Advanced Diploma, B.Sc. Computer Science (Information Technology) and Certificate in Business Management. Previously served on the Credit Committee at AMGECU.**

Name: **COLLEEN CASEMAN**
Company: **ANSA COATINGS LIMITED**
Occupation: **Receptionist/Telephone Operator**
Status: **Member –Joined in September 2006**
Summary: **CXC. Previously served on the Supervisory and Sports & Culture Committees at AMGECU.**



STATEMENT OF MANAGEMENT'S RESPONSIBILITIES

Management is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of AMGECU Credit Union Co-operative Society Limited (the "Society"), which comprise the statement of financial position as at 31 December 2023, the statements of comprehensive income, appropriated funds and undivided earnings and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information,
- Ensuring that the Society keeps proper accounting records,
- Selecting appropriate accounting policies and applying them in a consistent manner,
- Implementing, monitoring and evaluating the system of internal control that assures security of the Society's assets, detection/ prevention of fraud, and the achievement of operational efficiencies,
- Ensuring that the system of internal control operated effectively during the reporting period,
- Producing reliable financial reporting that comply with laws and regulations, including the Co-operative Societies Act Chapter 81:03, and
- Using reasonable and prudent judgement in the determination of estimates.

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

Nothing has come to the attention of management to indicate that the Society will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying financial statements have been authorised for issue, if later.

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

General Manager
March 28, 2024

Accountant
March 28, 2024

INDEPENDENT AUDITOR’S REPORT

To the Members of AMGECU Credit Union Co-operative Society Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of AMGECU Credit Union Co-operative Society Limited (the “Society”), which comprise the statement of financial position as at 31 December 2023, and the statement of comprehensive income, statement of appropriated funds and undivided earnings and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of AMGECU Credit Union Co-operative Society Limited as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the Co-operative Societies Act Chapter 81:03.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Trinidad and Tobago, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and the Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS and the Co-operative Societies Act Chapter 81:03, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are responsible for overseeing the Society’s financial reporting process.

ADVISORY • ASSURANCE • TAX

Baker Tilly Montano Ramcharitar trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

INDEPENDENT AUDITOR'S REPORT (Continued)


Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



March 28, 2024
Port-of-Spain

ADVISORY • ASSURANCE • TAX

Baker Tilly Montano Ramcharitar trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

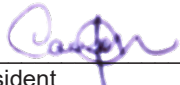
Statement of Financial Position

(Expressed in Trinidad and Tobago Dollars)

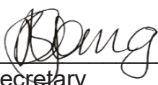
| <u>ASSETS</u> | <u>Notes</u> | <u>December 31</u> | |
|---|--------------|-----------------------|-----------------------|
| | | <u>2023</u> | <u>2022</u> |
| Current Assets: | | | |
| Cash in hand and at bank | 5 | \$ 8,907,832 | \$ 14,560,588 |
| Other financial assets | 6 | 24,163,358 | 25,743,922 |
| Accounts receivable and prepayments | 7 | 5,454,357 | 5,242,998 |
| Accounts due from member companies | 8 | 1,514,039 | 1,384,676 |
| Total Current Assets | | 40,039,586 | 46,932,184 |
| Non-Current Assets: | | | |
| Loans to members | 9 | 103,916,265 | 100,247,829 |
| Other financial assets | 10 | 44,997,617 | 45,102,323 |
| Employee benefit assets | 11 | 7,739,000 | 7,842,000 |
| Investment properties | 12 | 14,258,088 | 13,346,257 |
| Fixed assets | 13 | 5,243,174 | 5,163,401 |
| Total Non-Current Assets | | 176,154,144 | 171,701,810 |
| Total Assets | | \$ 216,193,730 | \$ 218,633,994 |
| <u>LIABILITIES AND MEMBERS' EQUITY</u> | | | |
| Current Liabilities: | | | |
| Accounts payable and accrued charges | 14 | \$ 1,056,137 | \$ 1,410,325 |
| Christmas Savings Plan | 15 | 153,023 | 156,370 |
| Education Savings Plan | 16 | 217,110 | 228,483 |
| Ex-Member Shares and Dividends | | 2,789,419 | 3,139,877 |
| Total Current Liabilities | | 4,215,689 | 4,935,055 |
| Non-Current Liabilities: | | | |
| Members' savings and pooled funds | 17 | 12,070,939 | 13,177,137 |
| Employee benefit obligation | 18 | 93,000 | 140,000 |
| Members' shares | 19 | 167,471,178 | 167,193,908 |
| Total Non-Current Liabilities | | 179,635,117 | 180,511,045 |
| Total Liabilities | | 183,850,806 | 185,446,100 |
| Members' Equity: | | | |
| Reserve Fund | 20 | 18,241,577 | 17,477,956 |
| Building Fund | 21 | 7,536 | 7,536 |
| Education Fund | 21 | 200,000 | 410,000 |
| Charitable Fund | 21 | 50,000 | 50,000 |
| Investment Re-measurement Reserve | 22 | 3,291,633 | 4,774,477 |
| Undivided surplus | | 10,552,178 | 10,467,925 |
| Total Members' Equity | | 32,342,924 | 33,187,894 |
| Total Liabilities and Members' Equity | | \$ 216,193,730 | \$ 218,633,994 |

The accompanying Notes form an integral part of these Financial Statements.


On March 28, 2024, the Board of Directors authorised these Financial Statements for issue.



President



Secretary



Chair - Supervisory Committee

Statement of Comprehensive Income

(Expressed in Trinidad and Tobago Dollars)

| | <u>Notes</u> | 31 December | |
|--|--------------|---------------------|---------------------|
| | | <u>2023</u> | <u>2022</u> |
| Income: | | | |
| Interest on loans to members | | \$ 8,867,328 | \$ 8,392,779 |
| Investment income | 26 | 3,597,156 | 4,929,278 |
| Lease interest income | 7 | 111,676 | 224,901 |
| Other income | 27 | 585,335 | 502,484 |
| | | <hr/> | <hr/> |
| Total Income | | 13,161,495 | 14,049,442 |
| | | <hr/> | <hr/> |
| Expenses: | | | |
| Administrative expenses | 28 | 2,438,093 | 1,887,117 |
| Board and committee expenses | 29 | 232,035 | 132,162 |
| Depreciation | | 317,222 | 361,717 |
| Interest on members' savings and pooled funds | 30 | 24,485 | 24,658 |
| Investment property expenses | | 35,392 | 78,798 |
| Personnel costs | 31 | 2,303,529 | 2,205,098 |
| | | <hr/> | <hr/> |
| Total expenses | | 5,350,756 | 4,689,550 |
| | | <hr/> | <hr/> |
| Net surplus | | 7,810,739 | 9,359,892 |
| Honorarium | | (174,520) | (185,000) |
| | | <hr/> | <hr/> |
| Net surplus for the year | | 7,636,219 | 9,174,892 |
| | | <hr/> | <hr/> |
| Other Comprehensive Income: | | | |
| <u>Items that maybe reclassified subsequently to profit or loss:</u> | | | |
| Net unrealized loss on investments | | (1,482,844) | (4,418,524) |
| <u>Items that will not be reclassified subsequently to profit or loss:</u> | | | |
| Net actuarial loss on employee benefit asset and obligation | 32 | (416,000) | (296,000) |
| | | <hr/> | <hr/> |
| Total other comprehensive loss for the year | | (1,898,844) | (4,714,524) |
| | | <hr/> | <hr/> |
| Total Comprehensive Income for the Year: | | \$ 5,737,375 | \$ 4,460,368 |
| | | <hr/> <hr/> | <hr/> <hr/> |

The accompanying Notes form an integral part of these Financial Statements.

Statement of Changes in Equity

(Expressed in Trinidad and Tobago Dollars)

| | Reserve Fund | Building Fund | Education Fund | Charitable Fund | Investment Re- measurement Reserve | Undivided Surplus | Total 2023 |
|-------------------------------------|----------------------|------------------|-------------------|--------------------|---|----------------------|----------------------|
| Balance at beginning of year | \$ 17,477,956 | \$ 7,536 | \$ 410,000 | \$ 50,000 | \$ 4,774,477 | \$ 10,467,925 | \$ 33,187,894 |
| Total comprehensive income | - | - | - | - | (1,482,844) | 7,220,219 | 5,737,375 |
| Transfer from surplus | 763,621 | - | 25,776 | 17,480 | - | (806,877) | - |
| Prior period adjustment | - | - | - | - | - | 164,405 | 164,405 |
| Fund expenses | 18,241,577 | 7,536 | 435,776 | 67,480 | 3,291,633 | 17,045,672 | 39,089,674 |
| | - | - | (235,776) | (17,480) | - | - | (253,256) |
| Dividends paid – 2022 | - | - | - | - | - | (6,493,493) | (6,493,493) |
| Balance at end of year | \$ 18,241,577 | \$ 7,536 | \$ 200,000 | \$ 50,000 | \$ 3,291,633 | \$ 10,552,179 | \$ 32,342,925 |

Statement of Changes in Equity

(Expressed in Trinidad and Tobago Dollars)

| | Reserve Fund | Building Fund | Education Fund | Charitable Fund | Investment Re- measurement Reserve | Undivided Surplus | Total 2022 |
|-------------------------------------|----------------------|------------------|-------------------|--------------------|---|----------------------|----------------------|
| Balance at beginning of year | \$ 16,561,966 | \$ 7,536 | \$ 410,000 | \$ 50,000 | \$ 9,193,001 | \$ 9,242,785 | \$ 35,465,288 |
| Total comprehensive income | - | - | - | - | (4,418,524) | 8,878,892 | 4,460,368 |
| Transfer from surplus | 917,683 | - | 272,423 | 20,890 | - | (1,210,996) | - |
| | 17,479,649 | 7,536 | 682,423 | 70,890 | 4,774,477 | 16,910,681 | 39,925,656 |
| Fund expenses | (1,693) | - | (272,423) | (20,890) | - | (1) | (295,007) |
| Dividends paid – 2021 | - | - | - | - | - | (6,442,755) | (6,442,755) |
| Balance at end of year | \$ 17,477,956 | \$ 7,536 | \$ 410,000 | \$ 50,000 | \$ 4,774,477 | \$ 10,467,925 | \$ 33,187,894 |

Statement of Cash Flows

(Expressed in Trinidad and Tobago Dollars)

| | Year ended 31 December | |
|--|---------------------------|----------------------|
| | <u>2023</u> | <u>2022</u> |
| Cash Flows from Operating Activities: | | |
| Net surplus for the year | \$ 7,636,219 | \$ 9,176,832 |
| Employee Benefit/Obligation - IAS #19 Adjustment | (360,000) | (349,000) |
| Depreciation | 317,222 | 361,717 |
| Fund expenses | (253,256) | (293,314) |
| Provision for loan losses expense | 345,387 | 31,483 |
| | <hr/> | <hr/> |
| Adjusted net surplus for the year | 7,685,572 | 8,927,718 |
| Net change in amounts due from member companies | (129,362) | (224,898) |
| Net change in accounts receivable and prepayments | (211,359) | 1,617,344 |
| Net change in accounts payable and accrued charges | (354,189) | 224,369 |
| Net change in Christmas savings plan | (3,347) | (32,770) |
| Net change in Education savings plan | (11,373) | 15,587 |
| Prior year adjustment | 164,405 | - |
| | <hr/> | <hr/> |
| Net cash generated from Operating Activities | 7,140,347 | 10,527,350 |
| Cash Flows from Investing Activities: | | |
| Net movement in members' loans | (4,013,823) | (784,077) |
| Net change in fixed assets and investment properties | 1,300,534 | 312,105 |
| Net charge in other financial assets | (2,406,935) | (321,144) |
| | <hr/> | <hr/> |
| Net cash used in Investing Activities | (5,120,224) | (793,116) |
| Net cash flow before financing activities | 2,020,123 | 9,734,234 |
| Cash Flows from Financing Activities | | |
| Net change in members' savings and pooled funds | (1,106,198) | (90,064) |
| Net change in members' shares | (73,188) | (1,552,204) |
| Dividends paid | (6,493,493) | (6,442,755) |
| | <hr/> | <hr/> |
| Net cash used in Financing Activities | (7,672,879) | (8,085,023) |
| Net change in cash and cash equivalents | (5,652,756) | 1,649,211 |
| Cash and cash equivalents at beginning of year | 14,560,588 | 12,911,377 |
| | <hr/> | <hr/> |
| Cash and cash equivalents at end of year | \$ 8,907,832 | \$ 14,560,588 |
| Represented by: | | |
| Cash in hand and at bank | \$ 8,907,832 | \$ 14,560,588 |
| | <hr/> | <hr/> |

The accompanying Notes form an integral part of these Financial Statements.

Notes to the Financial Statements

31st December, 2023

(Expressed in Trinidad and Tobago Dollars)

1 Registration and Objectives

AMGECU Credit Union Co-operative Society Limited (the "Society") is registered under the Co-operative Societies Act Chapter 81:03 of Trinidad and Tobago. The Society's registered office is located at the Corner Austin Street and Eastern Main Road, St. Joseph. The Society operates in the capacity of a Credit Union for the benefit of employees of ANSA McAI Group of Companies and Alliance Companies.

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

2 Summary of Material Accounting Policies

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

(a) Basis of Preparation

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and are expressed in Trinidad and Tobago dollars and stated in whole 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 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 amounts of 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) New standards and amendments/revisions to published standards and interpretations effective in 2023

The following new standards, amendments and interpretations are mandatory for the Society's accounting periods beginning on or after 1 January 2023:

IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies

The amendments to IAS 1 require an entity to disclose material accounting policies. Accounting policy information is likely to be considered material if users need the disclosure to understand other material information in the accounts.

IAS 8 – Definition of Accounting Estimates – The amendments to IAS 8 introduce a definition for accounting estimates, which is 'monetary amounts in financial statements that are subject to measurement uncertainty'. Measurement uncertainty will arise when monetary amounts required to apply an accounting policy cannot be observed directly. In such cases, accounting estimates will need to be developed using judgements and assumptions.

Notes to the Financial Statements (continued)**31st December, 2023***(Expressed in Trinidad and Tobago Dollars)***2 Summary of Material Accounting Policies (Continued)****(d) Fixed Assets**

Fixed assets are stated at historical cost less accumulated depreciation. Depreciation is provided on the straight-line basis.

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

| | | |
|-------------------------|---|-----|
| Land and Building | - | 2% |
| Office improvements | - | 2% |
| 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.

(e) Investment Properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment losses, which are included in profit or loss in the period in which they arise.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

The Society utilizes the same depreciation rates and basis used for its fixed assets for the Investment Properties.

Notes to the Financial Statements *(continued)*

31st December, 2023

(Expressed in Trinidad and Tobago Dollars)

2 Summary of Material Accounting Policies (Continued)

(f) Financial Instruments

All recognized financial assets that are within the scope of IRFS 9 are required to be subsequently measured at amortized cost or fair value on the basis of:

- (i) the entity's business model for managing the financial assets; and
- (ii) the contractual cash flow characteristics of the financial assets.

The Society reassess its' business models at each reporting period to determine whether they have changed. No such changes have been identified for the current year.

The principal amount is the fair value of the financial asset at initial recognition. Interest is consideration for the time value of money and for credit and other risks associated with the principal outstanding. Interest also has a profit margin element.

Initial Measurement

All financial instruments are initially measured at the fair value of consideration given or received.

The credit union measures fair value in accordance with IFRS 13, which defines fair value as price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement rate. The credit union uses the fair value hierarchy that categorises valuation techniques into three levels:

- (i) Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Assets and liabilities are classified as Level 1 if their value is observable in an active market. The use of observable market prices and model inputs, when available, reduces the need for management judgement and estimation, as well as the uncertainty related with the estimated fair value.
- (ii) Level 2 inputs are inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and inputs other than quoted prices that are observable for the asset or liability.
- (iii) Level 3 inputs are unobservable inputs. Assets and liabilities are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data.

Notes to the Financial Statements (continued)**31st December, 2023***(Expressed in Trinidad and Tobago Dollars)***2 Summary of Material Accounting Policies (Continued)****(f) Financial Instruments (Continued)****Subsequent Measurement**

Those financial assets such as members' loans and receivables, which are held within a business model with the sole objective of collecting contractual cash flows which comprise principal and interest only, are subsequently measured at amortized cost. Gains/losses arising on remeasurement of such financial assets are recognized in profit or loss as movements in Expected Credit Loss (ECL). When a financial asset measured at amortized cost is derecognized, the gain/loss is reflected in profit or loss.

Those financial assets such as bonds, which are held within a business model with the objectives of (i) collecting contractual cash flows which comprise principal and interest only, as well as (ii) selling the financial assets, are subsequently measured at Fair Value Through Other Comprehensive Income (FVTOCI). Gains/losses arising on remeasurement of such financial assets are recognized in OCI as *'Items that may be reclassified subsequently to P&L'* and are called *'Net FV gain/(loss) on financial assets classified as FVTOCI'*.

All other financial assets are subsequently measured at Fair Value Through Profit and Loss (FVTPL), except for equity investments, which the credit union has opted, irrevocably, to measure at FVTOCI. Gains/losses arising on remeasurement of such financial assets are recognized in profit or loss as *'Net FV gain/(loss) on financial assets classified at FVTPL'*. When a financial asset measured at FVTOCI is derecognized, the cumulative gain/loss previously recognized in OCI is reclassified from equity to profit or loss.

Gains/losses arising on remeasurement of equity investments, which the credit union has opted, irrevocably, to measure at FVTOCI, are recognized in OCI as *'Items that may not be reclassified subsequently to P&L'* and are called *'Net FV gain/(loss) on equity financial assets classified as at FVOCI'*. When an equity investment measured at FVTOCI is derecognized, the cumulative gain/loss previously recognized in OCI is not subsequently reclassified to profit or loss but instead, transferred within equity.

Reclassification

If the business model under which the credit union holds financial assets changes, the financial assets affected are reclassified accordingly from the first day of the first reporting period following the change in business model. Equity instruments which the credit union opted to treat at FVTOCI cannot be reclassified.

Notes to the Financial Statements *(continued)*

31st December, 2023

(Expressed in Trinidad and Tobago Dollars)

2 Summary of Material Accounting Policies (Continued)

(f) Financial Instruments (Continued)

Impairment

Financial assets measured at amortized costs are impaired at one of two levels:

- (i) Twelve-month Expected Credit Loss – These are losses that result from default events that are possible within twelve months after the reporting date. Such financial assets are at 'Stage 1'.
- (ii) Lifetime ECL – These are losses that result from all possible default events over the life of the financial instrument. Such financial assets are at 'Stage 2' or 'Stage 3'.

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the twelve-month ECL.

ECL is a probability-weighted estimate of the present value of credit losses, measured as the present value of the difference between (i) the cash flows due to the credit union under contract; and (ii) the cash flows that the credit union expects to receive, discounted at the asset's effective interest rate.

Performing Financial Assets – Stage 1

For performing assets and those expected to perform normally, the loss allowance is the 12-month ECL and is done immediately at initial recognition of asset.

Significant Increase in Credit Risk – Stage 2

When an asset becomes 30 days past due, the credit union considers that a significant increase in credit risk has occurred, and the assets is deemed to be at Stage 2 and the loss allowance is measured as the lifetime ECL.

Notes to the Financial Statements *(continued)*

31st December, 2023

(Expressed in Trinidad and Tobago Dollars)

2 Summary of Material Accounting Policies (Continued)

(f) Financial Instruments (Continued)

Credit-impaired Financial Assets – Stage 3

A financial asset is 'credit-impaired' when events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about one or more of the following events:

- (i) significant financial difficulty of the borrower or issuer,
- (ii) a breach of contract such as a default or past-due event,
- (iii) granted to the borrower of a concession that the lender would not otherwise consider,
- (iv) the disappearance of an active market for a security because of financial difficulties, or
- (v) the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

The credit union assesses whether debt instruments that are financial assets measured at amortized cost are credit-impaired at each reporting date. There is a rebuttable presumption that financial assets that are in default for more than ninety (90) days are credit impaired. The credit union also considers a financial asset to be credit impaired if the borrower is unlikely to pay its credit obligation. To determine this, the credit union takes into account both qualitative indicators, such as unemployment, bankruptcy, divorce or death and quantitative indicators, such as overdue status. The credit union used its historical experience and forward-looking information that is available without undue cost or effort. If there has been a significant increase in credit risk the credit union will measure the loss allowance based on lifetime rather than twelve-month ECL.

Notes to the Financial Statements *(continued)*

31st December, 2023

(Expressed in Trinidad and Tobago Dollars)

2 Summary of Significant Accounting Policies (Continued)

(f) Financial Instruments (Continued)

Modification and Derecognition of Financial Assets

The credit union renegotiates loans to customers in financial difficult to maximise collection and minimize the risk of default. This occurs particularly where, although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened. The revised terms usually include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan and/or a reduction in the amount of cash flows due. When a financial asset is modified, the credit union assesses whether this modification results in derecognition of the original loan, such as when the renegotiation gives rise to substantially different terms.

In the case where the financial asset is derecognized, the new financial asset will have a loss allowance measured based on twelve-month ECL. If, however, there remains a high risk of default under the renegotiated terms, the loss allowance will be measured based on lifetime ECL.

When the modification does not result in derecognition, the credit union will measure loss allowance at an amount equal to lifetime ECL.

Write-off

Loans and receivables are written off when the credit union has no reasonable expectations of recovering the financial asset, for example, when the credit union determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay. A write-off constitutes a derecognition event. Subsequent recoveries resulting from the credit union's enforcement activities will result in gains.

Financial Liabilities

Since the credit union does not trade in financial liabilities, and since there is no measurement or recognition inconsistencies, all financial liabilities are initially measured at fair value, net of transaction costs and subsequently, at amortized cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the net carrying amount on initial recognition. Financial liabilities recognized at amortized cost are not reclassified.

Notes to the Financial Statements *(continued)*

31st December, 2023

(Expressed in Trinidad and Tobago Dollars)

2 Summary of Material Accounting Policies (Continued)

(f) Financial Instruments (Continued)

Measurement of ECL

The key inputs used for measuring ECL are:

- (i) probability of default (PD),
- (ii) loss given default (LGD), and
- (iii) exposure at default (EAD).

The credit union measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. The credit union's financial instruments are grouped on the basis of shared risk characteristics, such as:

- (i) credit risk grade,
- (ii) collateral type,
- (iii) date of initial recognition,
- (iv) remaining term to maturity,
- (v) industry,
- (vi) geographic location of the borrower,
- (vii) income bracket of the borrower, and
- (viii) the value of collateral relative to the financial asset.

Notes to the Financial Statements (continued)**31st December, 2023***(Expressed in Trinidad and Tobago Dollars)***2 Summary of Material Accounting Policies (Continued)****(f) Financial Instruments (Continued)****Measurement of ECL (Continued)**

The groupings are reviewed on a regular basis to ensure that each grouping is comprised of homogenous exposures.

An analysis of the credit union's credit risk exposure without taking into account the effect of collateral is provided in the following tables. The amounts in the table represent gross carrying amounts.

| | Stage 1 | Stage 2 | Stage 3 | Total |
|-----------------------------|-----------------------|---------------------|---------------------|----------------------|
| | 12-mth ECL | Lifetime ECL | Lifetime ECL | |
| Low risk | \$ 11,442,896 | \$ 108,251 | \$ 1,575,326 | \$ 13,126,473 |
| Medium risk | 89,139,045 | 1,756,670 | - | 90, 895,715 |
| Impaired | - | - | 6,033,734 | 6,033,734 |
| Total gross carrying amount | \$ 100,581,941 | \$ 1,864,921 | \$ 7,609,060 | \$110,055,922 |

The table below analyses the movement of the loss allowance on loans to members at amortized cost during the year.

| | Stage 1 | Stage 2 | Stage 3 | Total |
|--|-------------------|------------------|---------------------|---------------------|
| Loss allowance, start of year | \$ 3,619 | \$ (162) | \$ 5,790,813 | \$ 5,794,270 |
| Transfer to stage 1 | - | - | (140,594) | (140,594) |
| Transfer to stage 2 | 1 | - | - | 1 |
| Transfer to stage 3 | 541,560 | 39,031 | - | 580,591 |
| Increases/(decreases) due to change in credit risk | 686 | - | (95,297) | (94,611) |
| Loss allowance, end of year | \$ 545,866 | \$ 38,869 | \$ 5,554,922 | \$ 6,139,657 |

Notes to the Financial Statements *(continued)*

31st December, 2023

(Expressed in Trinidad and Tobago Dollars)

2 Summary of Material Accounting Policies (Continued)

(f) Financial instruments (continued)

Collateral Held as Security

The credit union holds the following types of collateral to mitigate credit risk associated with financial assets:

| | |
|--------------------|------------------------------|
| General loans | Shares in the Credit Union |
| Mortgage lending * | Deed of Mortgage on property |
| Vehicle loans | Deed of Mortgage on vehicles |

* The credit union holds residential properties as collateral for the mortgage loans it grants to its members. The value of the collateral for residential mortgage loans is typically based on the collateral value at origination, updated based on changes in house prices. For credit-impaired loans, the value of collateral is based on the most recent appraisals.

Assets Obtained by Taking Possession of Collateral

The credit union obtained the following assets during the year by taking possession of collateral held as security against loans held at the year end. The credit union's policy is to realise collateral on a timely basis.

Members' Shares

Given their non-permanent nature members' shares are classified as a liability and stated at fair value. In accordance with the Society's byelaws, shareholdings comprise of the following:

- (a) Section 5 (c) requires every new member to pay an entrance fee of five dollars (\$5.00) and an operational fee of five dollars (\$5.00), both of which shall go towards the Reserve Fund; and
- (b) Section 5 (c) requires that every member shall purchase at least one (1) ordinary share valued at five dollars (\$5.00) each.

(g) 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.

(h) 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 *(continued)*

31st December, 2023

(Expressed in Trinidad and Tobago Dollars)

2 Summary of Material Accounting Policies (Continued)

(i) 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 projected 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.

(j) Unclaimed Dividends

In accordance with Bye Laws 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.

(k) 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.

(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 (continued)**31st December, 2023***(Expressed in Trinidad and Tobago Dollars)***3 Financial Risk Management****Financial Risk Factors**

The Society's activities are primarily related to the use of financial instruments. The Society accepts funds from members and earns interest by investing in equity investments, government securities and on-lending to members at higher interest rates.

Financial Instruments

The following table summarizes the carrying amounts and fair values of the Society's financial assets and liabilities:

| | Carrying Value | 2023 Fair Value |
|--|---------------------------|--------------------------------|
| Financial Assets | | |
| Cash in hand and at bank | \$ 8,907,832 | \$ 8,907,832 |
| Other financial assets (Short-term investments) | 24,163,358 | 24,163,358 |
| Accounts receivables and prepayments | 5,454,357 | 5,454,357 |
| Amounts due from Members' Companies | 1,514,039 | 1,514,039 |
| Loans to members | 103,916,265 | 103,916,265 |
| Other financial assets (Long-term investments) | 44,997,617 | 44,997,617 |
| Employee benefit assets | 7,739,000 | 7,739,000 |
| Financial Liabilities | | |
| Accounts payable and accrued charges | \$ 1,056,137 | \$ 1,056,137 |
| Members' deposits: Christmas Saving Plan (short-term) | 153,023 | 153,023 |
| Members' deposits: Education Saving Plan (short-term) | 217,110 | 217,110 |
| Ex-Members' Shares and Dividends | 2,789,419 | 2,789,419 |
| Members' savings and pooled funds (long-term) | 12,070,939 | 12,070,939 |
| Employee benefit obligation | 93,000 | 93,000 |

Notes to the Financial Statements (continued)**31st December, 2023***(Expressed in Trinidad and Tobago Dollars)***3 Financial Risk Management****Financial Instruments (Continued)**

| | 2022 | |
|--|------------------------|---------------------|
| | <u>Carrying</u> | <u>Fair</u> |
| | <u>Value</u> | <u>Value</u> |
| Financial Assets | | |
| Cash in hand and at bank | \$ 14,560,588 | \$ 14,560,588 |
| Other financial assets (Short-term investments) | 25,743,922 | 25,743,921 |
| Accounts receivables and prepayments | 5,242,998 | 5,242,998 |
| Amounts due from Members' Companies | 1,384,676 | 1,384,676 |
| Loans to members | 100,247,829 | 100,247,829 |
| Other financial assets (Long-term investments) | 45,102,323 | 45,102,323 |
| Employee benefit assets | 7,842,000 | 7,842,000 |
| Financial Liabilities | | |
| Accounts payable and accrued charges | 1,410,325 | 1,349,434 |
| Members' deposits: Christmas Saving Plan (short-term) | 156,370 | 156,370 |
| Members' deposits: Education Saving Plan (short-term) | 228,483 | 228,483 |
| Ex-Members' Shares and Dividends | 3,139,877 | 3,139,877 |
| Members' savings and pooled funds (long-term) | 13,177,137 | 13,177,137 |
| Employee benefit obligation | 140,000 | 140,000 |
| Members' shares | 167,193,908 | 167,193,908 |

Notes to the Financial Statements *(continued)*

31st December, 2023

(Expressed in Trinidad and Tobago Dollars)

3 **Financial Risk Management**

Financial Instruments (Continued)

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

(a) Interest Rate Risk

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

The Society is exposed to interest rate risk through the effect of fluctuations in the prevailing levels of interest rates on interest-bearing financial assets and liabilities, including investments in bonds, loans, customer deposits and other funding instruments.

The exposure is managed through the matching of funding products with financial services and monitoring conditions and yields.

i) Bonds

The Society invests mainly in medium term bonds consisting of fixed rate instruments.

The market values of the fixed rate bonds are not very sensitive to changes in interest rates. The market values of the floating rate bonds are sensitive to changes in interest rates. The longer the maturity of the bonds, the greater is the sensitivity to changes in interest rates. Because these assets are being held to maturity and are not traded, any changes in market values will not impact the Statement of Income.

ii) Loans

The Society generally invests in fixed rate loans to members for terms that average five (5) years, however, mortgage loans can extend to a maximum of twenty (20) years. These are funded mainly from member deposits and shares and loan repayments.

Notes to the Financial Statements (continued)

31st December, 2023

(Expressed in Trinidad and Tobago Dollars)

3 Financial Risk Management (Continued)

Financial Instruments (Continued)

Interest Rate Sensitivity Analysis

The Society's exposure to interest rate risk is summarized in the table below, which analyses assets and liabilities at their carrying amounts categorized according to their maturity dates.

| | 2023 | | | | | |
|--------------------------------------|-----------------------|---------------------|---------------------|---------------------|-----------------------------|--------------|
| | <u>Effective Rate</u> | <u>Up to 1 year</u> | <u>1 to 5 years</u> | <u>Over 5 years</u> | <u>Non-interest Bearing</u> | <u>Total</u> |
| Financial Assets | | | | | | |
| Cash in hand and at bank | 0.00% | \$ 4,377,281 | - | - | \$ 4,530,551 | \$ 8,907,832 |
| Other financial assets | 4.00% | 24,163,358 | - | - | - | 24,163,358 |
| Accounts receivables and prepayments | 0.00% | - | - | - | 5,454,357 | 5,454,357 |
| Amounts due from Members' Companies | 0.00% | - | - | - | 1,514,039 | 1,514,039 |
| Loans to members | 12.00% | 658,867 | 29,817,759 | 73,439,639 | - | 103,916,265 |
| Other financial assets | 5.00% | 6,249,172 | 17,627,748 | 21,120,697 | - | 44,997,617 |
| Employee benefit assets | 6.00% | - | - | - | 7,739,000 | 7,739,000 |
| Financial Liabilities | | | | | | |
| Accounts payable and accrued charges | 0.00% | - | - | - | 1,056,137 | 1,056,137 |
| Members' deposits: Christmas Saving | 0.50% | 153,023 | - | - | - | 153,023 |
| Members' deposits: Education Saving | 1.00% | 217,110 | - | - | - | 217,110 |
| Ex-Members' shares and dividends | | - | - | - | 2,789,419 | 2,789,419 |
| Members' savings and pooled funds | 0.50% | 12,070,939 | - | - | - | 12,070,939 |
| Employee benefit obligation | 6.00% | - | - | - | 93,000 | 93,000 |
| Members' shares | 4.00% | 167,471,178 | - | - | - | 167,471,178 |

Notes to the Financial Statements (continued)

31st December, 2023

(Expressed in Trinidad and Tobago Dollars)

3 Financial Risk Management (Continued)

Financial Instruments (Continued)

Interest Rate Sensitivity Analysis (Continued)

2022

| | <u>Effective Rate</u> | <u>Up to 1 year</u> | <u>1 to 5 years</u> | <u>Over 5 years</u> | <u>Non-interest Bearing</u> | <u>Total</u> |
|--------------------------------------|-----------------------|---------------------|---------------------|---------------------|-----------------------------|---------------|
| Financial Assets | | | | | | |
| Cash in hand and at bank | 0.00% | \$ 4,371,371 | - | - | \$ 10,189,217 | \$ 14,560,588 |
| Other financial assets | 5.11% | 25,743,922 | - | - | - | 25,743,922 |
| Accounts receivables and prepayments | 0.00% | - | - | - | 5,242,998 | 5,242,998 |
| Amounts due from Members' Companies | 0.00% | - | - | - | 1,384,676 | 1,384,676 |
| Loans to members | 12.00% | 750,993 | 31,093,815 | 68,403,021 | - | 100,247,829 |
| Other financial assets | 4.87% | 3,746,223 | 18,619,638 | 22,736,462 | - | 45,102,323 |
| Employee benefit assets | 5.00% | - | - | - | 7,842,000 | 7,842,000 |
| Financial Liabilities | | | | | | |
| Accounts payable and accrued charges | 0.00% | - | - | - | 1,410,325 | 1,410,325 |
| Members' deposits: Christmas Saving | 0.50% | 156,370 | - | - | - | 156,370 |
| Members' deposits: Education Saving | 1.00% | 228,483 | - | - | - | 228,483 |
| Ex-Members' shares and dividends | | 3,139,877 | - | - | - | 3,139,877 |
| Members' savings and pooled funds | 0.50% | 13,177,137 | - | - | - | 13,177,137 |
| Employee benefit obligation | 5.00% | - | - | - | 140,000 | 140,000 |
| Members' shares | 4.25% | 167,193,908 | - | - | - | 167,193,908 |

Notes to the Financial Statements *(continued)*

31st December, 2023

(Expressed in Trinidad and Tobago Dollars)

3 Financial Risk Management (Continued)

Financial Instruments (Continued)

(b) Credit Risk

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the Statement of Financial Position date. The Society 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 Society'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 Society's loan portfolio is managed and consistently mirrored by the Credit Committee and is adequately secured by collateral and where necessary, provisions have been established for potential credit losses on delinquent accounts.

Cash balances are held with high credit quality financial institutions and the Society has policies to limit the amount of exposure to any single financial institution.

The Society also actively monitors global economic developments and government policies that may affect the growth rate of the local economy.

(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 Society has procedures with the objective of minimizing such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

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

i) Risk Management

The matching and controlled mismatching of the maturities and interest rates of assets and liabilities are fundamental to the management of the Society. The Society employs various asset/liability techniques to manage liquidity gaps. Liquidity gaps are mitigated by the marketable nature of a substantial segment of the Society's assets as well as generating sufficient cash from new and renewed members' deposits and shares.

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

ii) Liquidity Gap

The Society's exposure to liquidity risk is summarized in the table below which analyses assets and liabilities based on the remaining period from the Statement of Financial Position date to the contractual maturity date.

Notes to the Financial Statements (continued)

31st December, 2023

(Expressed in Trinidad and Tobago Dollars)

3 Financial Risk Management (Continued)**Financial Instruments (Continued)****(c) Liquidity Risk (Continued)**

| | 2023 | | | |
|--------------------------------------|-------------------------|-------------------------|-------------------------|---------------|
| | Up to 1 year | 1 to 5 years | Over 5 years | Total |
| Financial Assets | | | | |
| Cash in hand and at bank | \$ 8,907,832 | \$ - | \$ - | \$ 8,907,832 |
| Other financial assets | 24,163,358 | - | - | 24,163,358 |
| Accounts receivables and prepayments | 5,454,357 | - | - | 5,454,357 |
| Amounts due from Members' | | | | |
| Companies | 1,514,039 | - | - | 1,514,039 |
| Loans to members | 658,867 | 29,817,759 | 73,439,639 | 103,916,265 |
| Other financial assets | 6,249,172 | 17,627,748 | 21,120,697 | 44,997,617 |
| Employee benefit assets | - | - | 7,739,000 | 7,739,000 |
| Financial Liabilities | | | | |
| Accounts payable and accrued charges | 1,056,137 | - | - | 1,056,137 |
| Members' deposits: Christmas Saving | 153,023 | - | - | 153,023 |
| Members' deposits: Education Saving | 217,110 | - | - | 217,110 |
| Ex-Members' shares and deposits | 2,789,419 | - | - | 2,789,419 |
| Members' savings and pooled funds | 12,070,939 | - | - | 12,070,939 |
| Employee benefit obligation | - | - | 93,000 | 93,000 |
| Members' shares | 167,471,178 | - | - | 167,471,178 |
| | 2022 | | | |
| | Up to 1 year | 1 to 5 years | Over 5 years | Total |
| Financial Assets | | | | |
| Cash in hand and at bank | \$ 14,560,588 | \$ - | \$ - | \$ 14,560,588 |
| Other financial assets | 25,743,922 | - | - | 25,743,922 |
| Accounts receivables and prepayments | 5,242,998 | - | - | 5,242,998 |
| Amounts due from Members' | | | | |
| Companies | 1,384,676 | - | - | 1,384,676 |
| Loans to members | 750,993 | 31,093,815 | 68,403,021 | 100,247,829 |
| Other financial assets | 3,746,223 | 18,619,638 | 22,736,462 | 45,102,323 |
| Employee benefit assets | - | - | 7,842,000 | 7,842,000 |
| Financial Liabilities | | | | |
| Accounts payable and accrued charges | 1,410,325 | - | - | 1,410,325 |
| Members' deposits: Christmas Saving | 156,370 | - | - | 156,370 |
| Members' deposits: Education Saving | 228,483 | - | - | 228,483 |
| Ex-Members' shares and deposits | 3,139,877 | - | - | 3,139,877 |
| Members' savings and pooled funds | 13,177,137 | - | - | 13,177,137 |
| Employee benefit obligation | - | - | 140,000 | 140,000 |
| Members' shares | 167,193,908 | - | - | 167,193,908 |

Notes to the Financial Statements (continued)**31st December, 2023***(Expressed in Trinidad and Tobago Dollars)***3 Financial Risk Management (Continued)****Financial Instruments (Continued)****(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 recognized assets and liabilities are denominated in a currency that is not the Society's measurement currency. The Society is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the United States Dollar. The Society's management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

(e) Operational Risk

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

(f) Compliance Risk

Compliance risk is the risk of financial loss, including fines and other penalties, which arise from non-compliance with laws and regulations of the state. The risk is limited to a significant extent due to the supervision applied by the Inspector of Financial Institutions at the Central Bank of Trinidad and Tobago, as well as by the monitoring controls applied by the Society. The Society has an Internal Audit Department which does routine reviews on compliance.

(g) Reputation Risk

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

4 Critical Accounting Estimates and Judgements

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

Estimates and judgements are continually elevated 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:

Notes to the Financial Statements *(continued)*

31st December, 2023

(Expressed in Trinidad and Tobago Dollars)

4 Critical Accounting Estimates and Judgements (Continued)

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

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

- i) Whether investments are classified as Fair Value through Profit and Loss, Fair Value through Other Comprehensive Income or Amortised Cost.
- ii) Which depreciation method for plant and equipment is used.
- iii) Business model assessment:

The credit union reassesses its business model each reporting period to determine whether they continue to be appropriate and if there needs to be a prospective change to the classification of financial assets. This assessment includes judgement regarding:

- how the performance of the assets is evaluated and measured; and
- the risks that affect the performance of the assets and how these risks are managed.

- iv) Significant increase of credit risk:

The credit union computes twelve-month ECL for Stage 1 assets and lifetime ECL for Stage 2 or Stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. Assessing whether there has been a significant increase in credit risk required judgement takes into account reasonable and supportable forward-looking information.

- v) Establishing groups of assets with similar credit risk characteristics:

When ECL is measured on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics. The credit union monitors the appropriateness of the credit risk characteristics on an ongoing basis to assess whether they continue to be similar. Judgement is required in determining whether and when to move assets between portfolios.

- vi) Valuation models and assumptions used:

The credit union uses various valuation models and assumptions in measuring the fair value of financial assets, as well as in estimating ECL. Judgement is applied in identifying the most appropriate valuation model for each type of asset, as well as in determining the assumptions to be used for each model.

Notes to the Financial Statements (continued)**31st December, 2023***(Expressed in Trinidad and Tobago Dollars)***4 Critical Accounting Estimates and Judgements (Continued)**

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

i) Impairment of Assets

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

ii) Probability of Default (PD):

PD is an estimate of the likelihood of default over a given period of time, the calculation of which includes historical data, assumptions and expectations of future conditions. PD constitutes a key input in measuring ECL.

iii) Loss Given Default (LGD):

LGD is an estimate of the percentage loss arising on default, and is based on the difference between contractual cash flows due and those that the credit union would reasonably expect to receive, taking into account cash flows from collateral. It requires forecasting the future valuation of collateral taking into account sale discounts, the time and cost associated with realising collateral and seniority of claim. LGD is a key input in measuring ECL.

iv) Fair Value Measurement and Valuation Process

In estimating the fair value of a financial asset or liability, the credit union uses market-observable data to the extent it is available. Where such Level 1 inputs are not available, the credit union uses valuation models to determine the fair value of its financial instruments.

v) Exposure at Default (EAD)

EAD is an estimate of the total loss incurred when a member defaults, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest. EAD is a key input in measuring ECL.

vi) Plant and Equipment

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

Notes to the Financial Statements (continued)

31st December, 2023

(Expressed in Trinidad and Tobago Dollars)

5 Cash in Hand and at Bank:

| | <u>2023</u> | <u>2022</u> |
|--|---------------------|----------------------|
| Cash in hand | \$ 48,697 | \$ 45,101 |
| Cash and cheques in transit | 132,340 | 534,091 |
| Trinidad and Tobago Unit Trust Corporation: | | |
| - TT\$ Income Fund | 4,374,940 | 4,317,922 |
| - US\$ Money Market Fund | 2,341 | 53,448 |
| RBC Royal Bank (Trinidad and Tobago) Limited | | |
| - Dividend Account | 10,875 | 1,912 |
| - Multiplier Account | 1,861,604 | 7,224,383 |
| First Citizens Bank Limited | | |
| - TT\$ Current Account | 2,044,688 | 2,356,476 |
| - US\$ Current Account | 432,347 | 27,255 |
| | <u>\$ 8,907,832</u> | <u>\$ 14,560,588</u> |

6 Other Financial Assets:

| | <u>2023</u> | <u>2022</u> |
|--|----------------------|----------------------|
| Trinidad and Tobago Unit Trust Corporation | | |
| - Income and Growth Fund | \$ 41,197 | \$ 41,625 |
| RBC Royal Bank (Trinidad and Tobago) Limited | | |
| - ROYTRIN Mutual – Income & Growth Fund | 213,321 | 185,838 |
| - ROYTRIN Mutual – Capital Preservation | 2,021,036 | - |
| Mutual Fund held with Republic Securities – MSCI | - | 648,206 |
| Ansa Merchant Bank Limited – Income Fund | 133,552 | 132,261 |
| Firstline Securities Limited | 4,545,904 | 4,545,904 |
| Home Mortgage Bank – Mortgage Participation Fund | 5,210,554 | 7,119,135 |
| Guardian Asset Management Limited | 1,838,388 | 3,942,069 |
| ANSA Merchant Bank Limited | | |
| - TTMF Fixed Rate Bond due 2023 | - | 2,200,000 |
| - Petrotrin Fixed Rate Bond due 2023 | - | 1,905,309 |
| - Petrotrin Fixed Rate Loan 2024 | 2,982,990 | - |
| KCL Capital Market Brokers Limited | | |
| - Participation Investment | 2,073,287 | 2,000,000 |
| - UTC Corporate Fund | 5,103,129 | 3,023,575 |
| | <u>\$ 24,163,358</u> | <u>\$ 25,743,922</u> |

Notes to the Financial Statements (continued)**31st December, 2023***(Expressed in Trinidad and Tobago Dollars)***7 Accounts Receivable and Prepayments:**

| | <u>2023</u> | <u>2022</u> |
|---|---------------------|---------------------|
| Interest receivable on fixed deposits | \$ 227,171 | \$ 45,460 |
| Interest receivable on equity investments | 24,395 | - |
| Interest on loans | 182,354 | 155,808 |
| Lease receivable (see note below) | 4,190,287 | 4,166,134 |
| Prepayments | 80,253 | 76,296 |
| Family Indemnity Plan claims | - | 190,336 |
| Bond principal and interest receivable | 590,477 | 502,429 |
| Staff advances | 24,146 | 39,494 |
| Other receivables | 48,690 | 19,567 |
| Rent receivable | 86,584 | 47,474 |
| | <u>\$ 5,454,357</u> | <u>\$ 5,242,998</u> |

The Credit Union entered into a finance lease arrangement with the School of Business and Computer Science Limited (SBCS) for the investment property at Sagan Drive, Champs Fleurs during the year 2017. Based on the terms of the lease, SBCS paid a premium of **\$690,000** and was required to make monthly payments of **\$37,366** (inclusive of interest) for fifteen (15) years from 1 July 2017.

The lease agreement has been amended to twenty years, effective 1 January 2022. The first two years of this period a reduced monthly payment of **\$21,881** has been agreed. Subsequently, the remaining 18 years, a reduced monthly payment of **\$31,119** has been agreed. All other terms and conditions remain unchanged.

At the end of the lease, the property would be sold to SBCS at an agreed price of **\$4,600,000** with the premium, together with all lease payments less the interest component, being used towards the payment of the purchase price.

The Lease receivable balance represents the total value of lease rents due net of payments received to date from SBCS.

Notes to the Financial Statements (continued)**31st December, 2023***(Expressed in Trinidad and Tobago Dollars)***8 Amounts due from Members' Companies:**

| | <u>2023</u> | <u>2022</u> |
|--|---------------------|---------------------|
| Alstons Marketing Company Limited | \$ (27,684) | \$ (11,712) |
| Alstons Shipping Limited | 12,325 | 24,535 |
| Alstons Building Enterprises Limited | 101,641 | 107,786 |
| Ansa Finance and Merchant Bank Limited | 6,641 | 8,221 |
| Burmac Limited | 7,529 | - |
| Classic/Diamond Mc Enearney Motors Limited | 93,024 | - |
| Penta Paints Caribbean Limited | 107,504 | 120,191 |
| Ansa Mc AI Limited | 48,951 | 35,671 |
| Carib Brewery Limited | 83,162 | 119,230 |
| Brick Fource Limited/Bestcrete | 114,135 | 63,458 |
| Standard Distributors Limited | 67,507 | 84,468 |
| Caribbean Development Company Limited | 334,186 | 399,387 |
| Trinidad Match Factory Limited | - | 5,014 |
| OTC payroll group | 182,868 | 96,520 |
| Carib Glassworks Limited | 215,560 | 210,825 |
| Trinidad and Tobago Insurance Limited | 41,169 | 47,998 |
| Ansa McAI Chemicals Limited | 59,530 | 72,084 |
| Ansa Technologies | 1,400 | 1,000 |
| Ansa Polymer | 54,085 | - |
| Maibrol Insurance Brokers Limited | 10,506 | - |
| | <u>\$ 1,514,039</u> | <u>\$ 1,384,676</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.

| | <u>2023</u> | <u>2022</u> |
|----------------------------------|-----------------------|-----------------------|
| Loans to members | \$ 110,055,922 | \$ 106,042,099 |
| Less: Provision for loan losses | (6,139,657) | (5,794,270) |
| | <u>\$ 103,916,265</u> | <u>\$ 100,247,829</u> |
| <u>Provision for loan losses</u> | | |
| Balance at beginning of year | \$ 5,794,270 | \$ 5,762,787 |
| Charge for the year | 345,387 | 31,483 |
| Balance at end of year | <u>\$ 6,139,657</u> | <u>\$ 5,794,270</u> |

Notes to the Financial Statements (continued)**31st December, 2023***(Expressed in Trinidad and Tobago Dollars)***10 Other Financial Assets:**

| | <u>2023</u> | <u>2022</u> |
|---|----------------------|----------------------|
| <u>Bond Investments</u> | | |
| Government of the Republic of Trinidad and Tobago | \$ 6,722,205 | \$ 6,757,720 |
| Government of Belize | 233,870 | 233,870 |
| National Investment Fund Holding Company Limited | - | 897,000 |
| National Insurance Property Development Company Limited | 3,838,651 | 4,216,025 |
| National Infrastructure Development Company Limited | 1,005,262 | 1,006,315 |
| First Citizens Bank Limited | 4,860,706 | 4,873,492 |
| Trinidad and Tobago Mortgage Finance Company Limited | 4,924,818 | 3,489,355 |
| Urban Development Corporation of Trinidad and Tobago Limited | 4,779,580 | 5,277,556 |
| Home Mortgage Bank | 3,600,000 | 2,080,074 |
| Water and Sewerage Authority | 2,039,718 | 2,046,018 |
| | <hr/> | <hr/> |
| | 32,004,810 | 30,877,425 |
| Less: Provision for diminution of investment | (233,870) | (233,870) |
| | <hr/> | <hr/> |
| | 31,770,940 | 30,643,555 |
| <u>Equity Investments</u> | | |
| Angostura Holdings Limited – 11,000 shares (2022: 11,000) | 241,450 | 264,000 |
| Ansa Mc Al Limited – 19,000 shares (2022: 19,000) | 1,027,140 | 978,500 |
| Ansa Merchant Bank Limited – 11,500 shares (2022: 11,500) | 518,650 | 503,894 |
| CLICO Investment Fund – nil shares (2022: 32,900) | - | 903,434 |
| East Caribbean Financial Holdings Ltd. – 25,000 shares (2022: 25,000) | 282,752 | 211,538 |
| First Caribbean International Bank Ltd. – 7,600 shares (2022: 7,600) | 53,504 | 41,420 |
| First Citizens Group Financial Holdings Limited – 70,000 shares (2022: 70,000) | 3,437,700 | 3,640,000 |
| Grace Kennedy and Company Limited – 75,000 shares (2022: 75,000) | 328,500 | 336,750 |
| Guardian Media Limited – 3,000 shares (2022: 3,000) | 6,600 | 8,820 |
| Jamaica Money Market Brokers Limited – 10,000 shares (2022: 10,000) | 13,500 | 21,117 |
| Massy Holdings Limited – 378,000 shares (2022: 378,000) | 1,655,640 | 1,701,000 |
| National Enterprises Limited – 25,000 shares (2022: 25,000) | 103,750 | 85,000 |
| One Caribbean Media Limited – 10,000 shares (2022: 10,000) | 38,000 | 33,000 |
| Point Lisas Industrial Port Development Corporation Ltd. – 22,191 shares (2022: 22,191) | 82,107 | 75,671 |
| Prestige Holdings Limited – 39,817 shares (2022: 39,817) | 370,298 | 250,051 |
| Republic Financial Holdings Limited – 11,262 shares (2022: 11,262) | 1,382,185 | 667,152 |
| Royal Bank of Canada – 1,659 shares (2022: 1,659) | 1,126,313 | 1,058,241 |
| Sagcor Financial Corporation – 7,000 shares (2022: 7,000) | 218,663 | 197,462 |
| Scotiabank Trinidad and Tobago Limited – 19,000 shares (2022: 19,000) | 1,323,730 | 1,484,090 |
| Trinidad Cement Limited – 28,200 shares (2022: 28,200) | 87,701 | 109,980 |
| Trinidad and Tobago NGL Limited – 61,713 shares (2022: 61,713) | 678,843 | 1,432,359 |
| Unilever Caribbean Limited – 9,901 shares (2022: 9,901) | 110,891 | 127,722 |
| West Indian Tobacco Company Limited – 15,591 shares (2022: 15,591) | 138,760 | 327,567 |
| | <hr/> | <hr/> |
| | 13,226,677 | 14,458,768 |
| | <hr/> | <hr/> |
| | \$ 44,997,617 | \$ 45,102,323 |
| | <hr/> <hr/> | <hr/> <hr/> |

Notes to the Financial Statements (continued)**31st December, 2023***(Expressed in Trinidad and Tobago Dollars)***11 Employee Benefit Assets:**

| | <u>2023</u> | <u>2022</u> |
|--|-----------------------|-----------------------|
| <u>Amount Recognized in the Statement of Financial Position</u> | | |
| Present value of the Defined Benefit Obligation | \$ 2,825,000 | \$ 3,016,000 |
| Fair value of Plan Assets | (10,564,000) | (10,858,000) |
| | <hr/> | <hr/> |
| Asset recognized on the Statement of Financial Position | (7,739,000) | (7,842,000) |
| <u>Net Amount Recognized in the Statement of Comprehensive Income</u> | | |
| Current service cost | 20,000 | 35,000 |
| Net interest cost | (392,000) | (389,000) |
| Administrative expenses | 10,000 | 11,000 |
| | <hr/> | <hr/> |
| Income recognized in the Statement of Comprehensive Income | (362,000) | (343,000) |
| <u>Net Amount Recognized in Other Comprehensive Income</u> | | |
| Experience losses – Demographic | (103,000) | (168,000) |
| Experience gains – Financial | 740,000 | 472,000 |
| Remeasurement losses – Financial | (152,000) | - |
| | <hr/> | <hr/> |
| Actuarial (gains)/losses recognized in Other Comprehensive Income | 485,000 | 304,000 |
| <u>Movement in Asset Recognized in the Statement of Financial Position</u> | | |
| Employee Benefit Asset as at start of year | (7,842,000) | (7,781,000) |
| Net amount recognized in the Statement of Comprehensive Income | (362,000) | (343,000) |
| Net amount recognized in Other Comprehensive Income | 485,000 | 304,000 |
| Contributions | (20,000) | (22,000) |
| | <hr/> | <hr/> |
| Employee Benefit Asset as at end of year | \$ (7,739,000) | \$ (7,842,000) |
| | <hr/> | <hr/> |
| Local Equities | 32% | 36% |
| Local Bonds | 32% | 31% |
| Foreign Investments | 29% | 23% |
| Real Estate/Mortgages | 2% | 2% |
| Short-Term Securities | 5% | 8% |
| | <hr/> | <hr/> |
| | 100% | 100% |
| | <hr/> | <hr/> |

Notes to the Financial Statements (continued)

31st December, 2023

(Expressed in Trinidad and Tobago Dollars)

11 Employee Benefit Assets (Continued):

| | <u>2023</u> | <u>2022</u> |
|------------------------------|---------------------|---------------------|
| Actual Return on Plan Assets | \$ <u>(199,000)</u> | \$ <u>1,081,000</u> |

Principal actuarial assumptions at the Statement of Financial Position date (expressed as weighted averages):

| | <u>2023</u> | <u>2022</u> |
|------------------------------|-------------|-------------|
| Discount Rate at December 31 | 6.00% | 5.00% |
| Future Salary increases | 4.00% | 3.00% |

The Society is expected to contribute **\$20,500** to its defined benefit plan in fiscal 2024.

Sensitivity of Present Value of Defined Benefit Obligation

| | 1% increase | 1% increase |
|---------------|--------------------|--------------------|
| Discount Rate | \$ (175,000) | \$ (214,000) |
| Salary Growth | - | - |

Notes to the Financial Statements (continued)

31st December, 2023

(Expressed in Trinidad and Tobago Dollars)

12 Investment Properties:

Year ended December 31, 2023

Cost

| | <u>Borde Street Apartments</u> | <u>Borde Street Offices</u> | <u>Dundonald Street</u> | <u>St. Augustine</u> | <u>Sagan Drive Road Reserve</u> | <u>Total</u> |
|--------------------------------|------------------------------------|---------------------------------|-----------------------------|--------------------------|---|----------------------|
| Balance as at 1 January 2023 | \$ 4,827,423 | \$ 3,706,356 | \$ 4,488,149 | \$ 3,248,828 | \$ - | \$ 16,270,756 |
| Additions | 36,718 | 15,905 | 3,200 | - | 1,004,741 | 1,060,564 |
| Balance as at 31 December 2023 | <u>\$ 4,864,141</u> | <u>\$ 3,722,261</u> | <u>\$ 4,491,349</u> | <u>\$ 3,248,828</u> | <u>\$ 1,004,741</u> | <u>\$ 17,331,320</u> |

Accumulated Depreciation

| | | | | | | |
|--------------------------------|---------------------|---------------------|-------------------|-------------|-------------|---------------------|
| Balance as at 1 January 2023 | \$ 1,494,191 | \$ 1,170,582 | \$ 288,874 | \$ - | \$ - | \$ 2,953,647 |
| Charge for the year | 67,412 | 81,254 | 67 | - | - | 148,733 |
| Adjustment | (26,380) | (2,768) | - | - | - | (29,148) |
| Balance as at 31 December 2023 | <u>\$ 1,535,223</u> | <u>\$ 1,249,068</u> | <u>\$ 288,941</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 3,073,232</u> |

Net Book Value

| | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| | <u>\$ 3,328,918</u> | <u>\$ 2,473,194</u> | <u>\$ 4,202,408</u> | <u>\$ 3,248,828</u> | <u>\$ 1,004,741</u> | <u>\$ 14,258,088</u> |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|

Notes to the Financial Statements (continued)

31st December, 2023

(Expressed in Trinidad and Tobago Dollars)

12 Investment Properties (Continued):

Year ended December 31, 2022

Cost

| | | | | | |
|--------------------------------|--------------|--------------|--------------|--------------|---------------|
| Balance as at 1 January 2022 | \$ 4,560,366 | \$ 3,706,356 | \$ 4,488,149 | \$ 3,248,828 | \$ 16,003,699 |
| Additions | 267,057 | - | - | - | 267,057 |
| Balance as at 31 December 2022 | \$ 4,827,423 | \$ 3,706,356 | \$ 4,488,149 | \$ 3,248,828 | \$ 16,270,756 |

Accumulated Depreciation

| | | | | | |
|--------------------------------|--------------|--------------|------------|------|--------------|
| Balance as at 1 January 2022 | \$ 1,412,339 | \$ 1,086,587 | \$ 274,862 | \$ - | \$ 2,773,788 |
| Charge for the year | 55,472 | 81,227 | 14,012 | - | 150,711 |
| Balance as at 31 December 2022 | \$ 1,467,811 | \$ 1,167,814 | \$ 288,874 | \$ - | \$ 2,924,499 |

Net Book Value

| | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|----------------------|
| | \$ 3,359,612 | \$ 2,538,542 | \$ 4,199,275 | \$ 3,248,828 | \$ 13,346,257 |
|--|---------------------|---------------------|---------------------|---------------------|----------------------|

Notes to the Financial Statements (continued)

31st December, 2023

(Expressed in Trinidad and Tobago Dollars)

13

Fixed Assets:

| | <u>Land and Building</u> | <u>Office Improvements</u> | <u>Computer Equipment</u> | <u>Furniture and Equipment</u> | <u>Work in Progress</u> | <u>Total 2023</u> |
|---------------------------------|--------------------------|----------------------------|---------------------------|--------------------------------|-------------------------|---------------------|
| Cost | | | | | | |
| Balance as at 1 January 2023 | \$ 5,603,963 | \$ 44,094 | \$ 601,119 | \$ 1,844,495 | \$ - | \$ 8,093,671 |
| Additions | 10,662 | - | 78,858 | 34,294 | 116,156 | 239,970 |
| Transfer to fixed assets | 44,094 | (44,094) | - | - | - | - |
| Balance as at 31 December 2023 | \$ 5,658,719 | \$ - | \$ 679,977 | \$ 1,878,789 | \$ 116,156 | \$ 8,333,641 |
| Accumulated Depreciation | | | | | | |
| Balance as at 1 January 2023 | \$ 515,471 | \$ 36,958 | \$ 581,923 | \$ 1,795,918 | \$ - | \$ 2,930,270 |
| Charge for the year | 88,985 | - | 42,071 | 29,141 | - | 160,197 |
| Transfers | 36,958 | (36,958) | - | - | - | - |
| Balance as at 31 December 2023 | \$ 641,414 | \$ - | \$ 623,994 | \$ 1,825,059 | \$ - | \$ 3,090,467 |
| Net Book Value | \$ 5,017,305 | \$ - | \$ 55,984 | \$ 53,730 | \$ 116,155 | \$ 5,243,174 |

Notes to the Financial Statements (continued)

31st December, 2023

(Expressed in Trinidad and Tobago Dollars)

13 Fixed Assets (Continued):

| Cost | Land and Building | Office Improvements | Computer Equipment | Furniture and Equipment | Total 2022 |
|---------------------------------|------------------------------|--------------------------------|-------------------------------|------------------------------------|----------------------------|
| Balance as at 1 January 2022 | \$ 5,603,963 | \$ 40,754 | \$ 575,244 | \$ 1,828,662 | \$ 8,048,623 |
| Additions | - | 3,340 | 25,875 | 15,833 | 45,048 |
| Balance as at 31 December 2022 | <u>\$ 5,603,963</u> | <u>\$ 44,094</u> | <u>\$ 601,119</u> | <u>\$ 1,844,495</u> | <u>\$ 8,093,671</u> |
| Accumulated Depreciation | | | | | |
| Balance as at 1 January 2022 | \$ 463,351 | \$ 285 | \$ 507,468 | \$ 1,753,983 | \$ 2,725,087 |
| Charge for the year | 52,120 | 36,673 | 74,455 | 41,935 | 205,183 |
| Balance as at 31 December 2022 | <u>\$ 515,471</u> | <u>\$ 36,958</u> | <u>\$ 581,923</u> | <u>\$ 1,795,918</u> | <u>\$ 2,930,270</u> |
| Net Book Value | <u>\$ 5,088,492</u> | <u>\$ 7,136</u> | <u>\$ 19,196</u> | <u>\$ 48,577</u> | <u>\$ 5,163,401</u> |

Notes to the Financial Statements (continued)

31st December, 2023

(Expressed in Trinidad and Tobago Dollars)

14 Accounts Payable and Accrued Charges:

| | <u>2023</u> | <u>2022</u> |
|--------------------------------------|---------------------|---------------------|
| Accounts payable and accrued charges | \$ 195,301 | \$ 308,818 |
| Honoraria provision | 174,520 | 185,000 |
| CUNA Insurance Premium | 75,066 | 347,198 |
| CUNA Indemnity Insurance Plan | 201,446 | 292,340 |
| National Insurance payable | 105 | - |
| PAYE/Health Surcharge payable | 31,612 | - |
| Suspense account | 211,126 | 224,981 |
| Apartment rental deposit | 47,290 | 47,290 |
| Members' dividend deposits | 791 | 255 |
| Annuity payable | 6,516 | (38) |
| Group Health/ Life Insurance payable | 6,764 | 4,481 |
| Staff incentives | 105,600 | - |
| | <u>\$ 1,056,137</u> | <u>\$ 1,410,325</u> |

15 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 0.5% per annum.

16 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 1% per annum.

17 Members' Savings and Pooled Funds:

| | <u>2023</u> | <u>2022</u> |
|--|----------------------|----------------------|
| Members' pooled funds and accrued interest | \$ 420,873 | \$ 673,166 |
| Members' savings deposits | 8,711,887 | 9,141,722 |
| Members' special deposit | 2,951,861 | 3,439,539 |
| Members' quick cash overdraft | (13,682) | (77,290) |
| | <u>\$ 12,070,939</u> | <u>\$ 13,177,137</u> |

Notes to the Financial Statements (continued)

31st December, 2023

(Expressed in Trinidad and Tobago Dollars)

18 Employee Benefit Obligation:

| | <u>2023</u> | <u>2022</u> |
|--|------------------|-------------------|
| <u>Amount Recognized in the Statement of Financial Position</u> | | |
| Present value of the Defined Benefit Obligation | \$ 93,000 | \$ 140,000 |
| Liability recognized on the Statement of Financial Position | \$ 93,000 | \$ 140,000 |
| <u>Net Amount Recognized in the Statement of Comprehensive Income</u> | | |
| Current service cost | \$ 15,000 | \$ 13,000 |
| Interest cost | 7,000 | 7,000 |
| Cost recognized in the Statement of Comprehensive Income | \$ 22,000 | \$ 20,000 |
| <u>Net Amount Recognized in Other Comprehensive Income</u> | | |
| Experience (gains)/losses – Demographic | \$ (51,000) | \$ (8,000) |
| Remeasurement (gains)/losses – Financial | (18,000) | - |
| Actuarial (gains)/ losses recognized in Other Comprehensive Income | \$ (69,000) | \$ (8,000) |
| <u>Movement in Liability Recognized in the Statement of Financial Position</u> | | |
| Employee Benefit Obligation as at beginning of year | \$ 140,000 | \$ 132,000 |
| Net amount recognized in the Statement of Comprehensive Income | 22,000 | 20,000 |
| Net amount recognized in Other Comprehensive Income | (69,000) | (8,000) |
| Contributions | - | (4,000) |
| Employee Benefit Obligation as at end of year | \$ 93,000 | \$ 140,000 |

Principal actuarial assumptions at the Statement of Financial Position date (expressed as weighted averages):

| | <u>2023</u> | <u>2022</u> |
|---------------------------------|-------------|-------------|
| Discount rate at 31 December | 6.00% | 5.00% |
| Future Medical Claims Inflation | 4.00% | 3.00% |

The Society is not expected to contribute to its post-retirement medical plan in 2024.

| Sensitivity of Present Value of Defined Benefit Obligation | 1% increase | 1% decrease |
|--|-------------|-------------|
| Medical Inflation Rate | \$ 18,000 | \$ 25,000 |

Notes to the Financial Statements (continued)

31st December, 2023

(Expressed in Trinidad and Tobago Dollars)

19 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.

20 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.

21 Other Funds:

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

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

At a Meeting for the Board of Directors held on 30 January 2019, a decision was taken to use the Building Fund for the renovation of the Port-of-Spain Office. This fund would not be replenished.

At a Meeting of the Board of Directors held on 15 January 2021, a decision was taken to increase the Education Fund from **\$200,000** to **\$410,000** as at 31 December 2021 for a period of one (1) year. At another Board of Directors meeting held on 29th March 2023, an approval was given to top up the Education Fund for \$410,000 for 2022 and revert to \$200,000 as at 31st December, 2023.

22 Investment Re-measurement Reserve:

In accordance with IFRS 9, the Board of Directors has created an investment re-measurement reserve which includes unrealized gains/losses on available-for-sale investments.

Notes to the Financial Statements (continued)**31st December, 2023***(Expressed in Trinidad and Tobago Dollars)***23 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. Related parties to the Credit Union include the directors, committee members, key management personnel and their family members.

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 personnel during the year were as follows:

| | <u>2023</u> | <u>2022</u> |
|---|--------------|--------------|
| <u>Assets, Liabilities and Members' Equity</u> | | |
| Loans and Other Receivables | | |
| Loans to members | \$ 6,154,894 | \$ 4,387,798 |
| Shares, Deposits and Other Liabilities | | |
| Shares and members' savings and pooled funds | \$ 4,787,994 | \$ 4,412,527 |
| <u>Income and Expenses</u> | | |
| Interest on loans to related parties | \$ 378,311 | \$ 359,171 |
| <u>Key Management Compensation</u> | | |
| Short-term benefits | \$ 1,084,607 | \$ 801,347 |

Notes to the Financial Statements *(continued)*

31st December, 2023

(Expressed in Trinidad and Tobago Dollars)

24 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 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 condition 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 2023.

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.

25 Capital Risk Management:

The Society manages its capital to ensure that it will be able to continue as a going concern while maximizing 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.

Notes to the Financial Statements (continued)**31st December, 2023***(Expressed in Trinidad and Tobago Dollars)***26 Investment Income:**

| | <u>2023</u> | <u>2022</u> |
|--|---------------------|---------------------|
| Interest on fixed deposits and savings accounts | \$ 666,693 | \$ 537,035 |
| Dividends, interest on bonds and other investments | 2,394,003 | 3,913,043 |
| Rental income - Car park | 45,000 | 51,000 |
| Rental income - Apartments | 491,460 | 428,200 |
| | <u>\$ 3,597,156</u> | <u>\$ 4,929,278</u> |

27 Other Income:

| | <u>2023</u> | <u>2022</u> |
|---------------------------------|-------------------|-------------------|
| Loan processing fees | \$ 271,750 | \$ 205,854 |
| CUNA commissions | 133,520 | 119,130 |
| Entrance fees | 1,510 | 1,375 |
| (Loss)/gain on foreign exchange | (7,344) | 47,141 |
| Miscellaneous income | 167,479 | 99,094 |
| Quick cash overdraft fee | 18,420 | 29,890 |
| | <u>\$ 585,335</u> | <u>\$ 502,484</u> |

Notes to the Financial Statements (continued)**31st December, 2023***(Expressed in Trinidad and Tobago Dollars)***28 Administrative Expenses:**

| | <u>2023</u> | <u>2022</u> |
|---------------------------------|---------------------|---------------------|
| Advertising and promotion | \$ 76,367 | \$ 10,608 |
| Annual general meeting | 199,541 | 173,296 |
| Bad and doubtful debts | 348,245 | 31,484 |
| Bank charges | 32,159 | 30,795 |
| Computer expenses | 54,751 | 64,406 |
| CUNA premiums | 384,115 | 505,142 |
| Electricity | 30,646 | 42,164 |
| Green Fund Levy | 38,846 | 36,534 |
| Insurance | 79,247 | 79,815 |
| Investment commissions and fees | 13,733 | 11,373 |
| Investment premium write-off | 51,504 | 60,983 |
| League dues | 48,516 | 48,516 |
| Legal and professional fees | 465,192 | 215,324 |
| Maintenance | 119,485 | 104,709 |
| Member relation expense | 2995 | 6,147 |
| Office expenses | 163,795 | 126,106 |
| Postage and courier | 11,133 | 12,424 |
| Printing and stationery | 42,029 | 42,630 |
| Property Tax | 33,216 | 33,216 |
| Rates and taxes | 13,035 | 15,408 |
| Security | 98,569 | 102,299 |
| Subscriptions | 69,529 | 52,432 |
| Telephone and internet | 61,444 | 81,306 |
| | <u>\$ 2,438,092</u> | <u>\$ 1,887,117</u> |

29 Board and Committee Expenses:

| | <u>2023</u> | <u>2022</u> |
|-----------------------------|-------------------|-------------------|
| Committee stipend allowance | \$ 140,325 | \$ 89,815 |
| Committee meeting expenses | 49,207 | 42,347 |
| Youth Committee expenses | 2,520 | - |
| Retirees Event expenses | 39,983 | - |
| | <u>\$ 232,035</u> | <u>\$ 132,162</u> |

Notes to the Financial Statements (continued)**31st December, 2023***(Expressed in Trinidad and Tobago Dollars)***30 Interest on Members' Savings and Pooled Funds:**

| | <u>2023</u> | <u>2022</u> |
|---|------------------|------------------|
| Interest on members' savings and pooled funds | \$ 5,662 | \$ 7,250 |
| Special deposit interest | 15,372 | 14,021 |
| Education savings plan interest | 1,030 | 980 |
| Christmas savings plan interest | 2,421 | 2,407 |
| | <u>\$ 24,485</u> | <u>\$ 24,658</u> |

31 Personnel Costs:

| | <u>2023</u> | <u>2022</u> |
|---|---------------------|---------------------|
| Annuity | \$ 32,402 | \$ 30,574 |
| Employee Benefit Asset/Obligation – IAS 19 adjustment | (360,000) | (349,000) |
| Group life insurance | 23,745 | 16,460 |
| Incentives and bonuses | 25,000 | 102,454 |
| Medical insurance plan | 32,840 | 42,482 |
| National Insurance scheme | 161,342 | 152,382 |
| Pension fund | 19,302 | 35,578 |
| Salaries | 2,328,047 | 2,136,288 |
| Training | 34,291 | 6,445 |
| Travelling and subsistence allowance | 6,560 | 88 |
| Uniforms | - | 31,347 |
| Vacation costs | - | - |
| | <u>\$ 2,303,529</u> | <u>\$ 2,205,098</u> |

32 Net Actuarial (Gain)/Loss on Employee Benefit Asset/Obligation:

| | <u>2023</u> | <u>2022</u> |
|--|-------------------|-------------------|
| Actuarial (gain)/loss on Employee Benefit Asset | \$ 485,000 | \$ 304,000 |
| Actuarial (gain)/loss on Employee Benefit Obligation | (69,000) | (8,000) |
| | <u>\$ 416,000</u> | <u>\$ 296,000</u> |

33 Prior Year Adjustment:

Accruals – The prior year adjustments arose as a result of an (overprovision)/under provision of various expenses.

**STATEMENT OF RECEIPTS AND PAYMENTS
FOR DECEMBER, 2023**

| RECEIPTS | 2023 | 2022 |
|--|----------------------|-------------------|
| Carpark | 42,750 | 50,800 |
| Cuna FIP Deposit | 734,254 | 671,357 |
| Disposal of Asset/Investments | 575,256 | 5,578,690 |
| Entrance Fees | 1,480 | 1,375 |
| FIP Commissions | 39,853 | 21,701 |
| FIP Claims Receivable | 1,406,293 | 1,245,641 |
| Int. on Fcb Account | 307 | 307 |
| Int. on Fixed Deposit Investments | - | - |
| Interest Receivable - Shares | 452,778 | 452,330 |
| Investment Income | 1,869,954 | 1,561,596 |
| Loan Interest | 3,307,955 | 3,002,571 |
| Loan Repayments | 10,048,566 | 9,243,756 |
| Members' Special Deposit | 942,782 | 1,716,769 |
| Members' Christmas Savings Plan | 228,742 | 203,026 |
| Members' Education Savings Plan | 62,462 | 63,628 |
| Members' Savings Deposits | 3,854,893 | 4,179,272 |
| Miscellaneous Income | 186,616 | 183,909 |
| New Members - Pending | 6,365 | 57,084 |
| Receivables - Gift Vouchers | - | 25,900 |
| Rental - Income apartment | 411,300 | 414,370 |
| Retiree's Activity Account | 10,550 | - |
| Share/Bond/Fixed Deposit Investment | 5,264,341 | 10,012,949 |
| Members Payroll | 27,141,953 | 27,594,927 |
| Shares Purchased | 8,835,808 | 10,026,360 |
| Suspense Account | 11,946 | 212,584 |
| Accounts Payable | 2,203 | 115,717 |
| PP Deposit Account | 56,056 | 46,522 |
| Commission and trade receivables | 82,589 | 1,866,339 |
| Investment Revaluation Reserve | | |
| TOTAL RECEIPTS | 65,578,050.76 | 78,549,479 |
| PAYMENTS | | |
| Annual General Meeting Expenses | 194,793 | 170,296 |
| Audit Fees | 98,322 | 91,519 |
| Accounts Payable - Suppliers/Acc Charges | 859,716 | 610,715 |
| Bank Charges | 30,727 | 30,743 |
| Building and Grounds Maintenance | 13,699 | 98,665 |
| Dividends Distributed | 2,161,310 | 2,202,152 |
| Apt - Deposit Refund | 4,500 | 1,500 |
| Charitable Fund | 18,480 | 10,500 |
| Committee Meeting Exps | 44,544 | 41,313 |
| Committee Stipend | 76,700 | 22,930 |
| Computer Operating Exps. | 25,037 | 29,131 |
| Credit Beauru Fees | 7,231 | 5,559 |
| CUNA LP/LS Premiums | 774,478 | 493,498 |
| CUNA FIP Claims | 1,038,838 | 1,146,183 |
| CUNA Premiums FIP | 1,349,802 | 1,111,017 |
| Education Fund/Course Fees Expenses | 248,703 | 325,899 |
| Electricity | 10,478 | 6,591 |
| Equipment Maintenance | 15,443 | 32,108 |
| Green fund Levy | 19,264 | 19,522 |
| Gain/Loss on Foreign Exchange | 6,843 | 1,599 |
| Honorarium | - | 26,752 |

STATEMENT OF RECEIPTS AND PAYMENTS
FOR DECEMBER, 2023 (continued)

| PAYMENTS | 2023 | 2022 |
|-------------------------------------|--------------------|----------------------|
| Insurance Charges | - | 227 |
| Internet charges | 27,454 | 18,986 |
| Investment Commission | 815 | 2,230 |
| Legal & Professional Fees | 48,736 | 26,450 |
| Loans Disbursed | 23,675,493 | 20,951,274 |
| League Dues | 44,473 | 48,516 |
| Marketing, Advertising & Promotions | 69,534 | 7,168 |
| Members' Christmas Savings Plan | 1,019,794 | 1,035,508 |
| Member Relation Services | 2,995 | 6,309 |
| Members' Education Savings Plan | 442,517 | 394,951 |
| Members' Savings Deposits W/drawn | 8,313,168 | 8,656,332 |
| Members's Special deposit | 2,359,445 | 1,960,428 |
| Members' Payment Protector | 5,072 | 2,884 |
| Micellaneous | 24,222 | - |
| Office & General Expenses | 122,295 | 89,185 |
| Office & Ground Maintenance | 90,657 | - |
| Personnel cost | 2,079,361 | 1,961,692 |
| Postage/Courier Services | 17,133 | 12,424 |
| Printing & Stationery | 40,478 | 38,479 |
| Purchase of Fixed Assets | 357,543 | 304,316 |
| Purchase of Land | 1,062,269 | |
| Prepayments | 166,236 | 62,842 |
| Purchase of Investments | 5,061,089 | 12,987,827 |
| Quick Cash Overdraft a/c | 118,600 | 147,172 |
| Rates & Taxes | 12,510 | 12,225 |
| Retirees Fund Expenses | 46,319 | - |
| Repairs and maintenance | 1,700 | - |
| Security Expenses | 57,701 | 60,973 |
| Shares Withdrawn | 18,504,079 | 20,752,483 |
| Subscriptions | 897 | 5,186 |
| New Member Pending | 10 | 53,234 |
| Suspense account | 43,823 | 6,491 |
| Telephone Charges | 35,720 | 48,881 |
| Prior Year Expense | 14,039 | 5,485 |
| Ex-Member | 365,723 | 761,921 |
| TOTAL PAYMENTS | 71,230,808 | 76,900,268 |
| NET SURPLUS / (DEFICIT) | (5,652,757) | 1,649,211 |
| CLOSING BALANCE | 8,907,832 | 14,560,588.38 |
| REPRESENTED BY: | | |
| Petty Cash Control | 3,697 | 188 |
| Cashier | 45,000 | 44,912 |
| RBTT Bank Dividend Account | 10,875 | 1,911 |
| RBTT Bank Disbursement Account | 1,861,604 | 7,224,383 |
| FCB Bank Chequing Account | 2,044,688 | 2,356,476 |
| FCB Bank US Dollar Account | 432,347 | 27,255 |
| Cash in Transit | 132,339 | 534,091 |
| Second Scheme | 4,374,940 | 4,317,923 |
| US Money Market | 2,341 | 53,448 |
| Due from member companies | - | - |
| | 8,907,832 | 14,560,588 |

AMGECU CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

BUDGET PROJECTIONS

FOR YEAR ENDING DECEMBER 31, 2024

| <u>INCOME</u> | BUDGET 2024 | ACTUAL 2023 | BUDGET 2023 |
|---|------------------------|------------------------|------------------------|
| Interest on Personal Loans (Vehicle, Special etc) | 7,096,039 | 6,422,701 | 9,342,900 |
| Interest on Mortgage Loans | 2,498,891 | 2,418,914 | 2,230,674 |
| Interest on new loan products | - | 25,713 | 462,554 |
| Financial Investments | 3,316,944 | 3,060,696 | 2,496,290 |
| Loan Processing Fees | 170,760 | 271,750 | 631,800 |
| Property Rental | 536,400 | 536,460 | 286,500 |
| Property Lease | 55,638 | 111,676 | 111,676 |
| FIP Commissions | 126,000 | 133,520 | 120,000 |
| Other | 30,000 | 180,065 | 6,000 |
| | | | |
| TOTAL INCOME | 13,830,673 | 13,161,495 | 15,688,394 |
| | | | |
| EXPENSES | | | |
| Operating Expenses | | | |
| A.G.M. Expenses | 198,540 | 199,541 | 176,500 |
| Audit Fees | 77,963 | 66,156 | 66,150 |
| Committee Meetings | 48,000 | 49,207 | 18,000 |
| Committee Stipends | 216,000 | 140,325 | 407,050 |
| Computer Expenses | 94,967 | 54,751 | 76,311 |
| CUNA Premiums | 460,416 | 384,115 | 690,910 |
| Depreciation | 230,633 | 247,952 | 349,387 |
| Electricity & Water Rates | 75,280 | 43,681 | 59,728 |
| Employee Benefit Asset/ Obligation | - | (360,000) | - |
| Green Fund Levy | 41,492 | 38,846 | 47,065 |
| Honorarium Expenses | 152,804 | 174,520 | 180,310 |
| Insurance | 80,548 | 79,247 | 79,247 |
| Internet | 37,245 | 25,297 | 37,245 |
| Investment Property Expenses | 181,184 | 104,663 | 147,697 |
| League Dues | 48,516 | 48,516 | 48,516 |
| Legal & Professional Charges | 99,400 | 399,036 | 404,400 |
| Marketing, Advertising & Promotion | 325,000 | 76,367 | 342,100 |
| Member Relations | 5,000 | 2,995 | 12,000 |
| Office & General Expenses | 143,850 | 138,497 | 105,840 |
| Office, Ground & Equipment Repairs & Maintenance | 191,365 | 119,485 | 177,580 |

AMGECU CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

BUDGET PROJECTIONS

FOR YEAR ENDING DECEMBER 31, 2024 (continued)

| | BUDGET 2024 | ACTUAL 2023 | BUDGET 2023 |
|---|------------------------|------------------------|------------------------|
| Postage & Courier | 13,000 | 11,133 | 13,500 |
| Printing & Stationery | 46,200 | 42,029 | 46,200 |
| Property Tax | 5,706 | 33,216 | 33,219 |
| Provision for Loan Losses | 1,657,707 | 348,245 | 1,448,568 |
| Retirees Events | 50,000 | 39,983 | 35,108 |
| Security | 113,676 | 98,569 | 134,112 |
| Sports Committee Events | - | - | 62,096 |
| Subscriptions | 46,174 | 69,529 | 30,256 |
| Telephone | 75,204 | 61,444 | 98,736 |
| Youth Committee Expenses | 40,000 | 2,520 | - |
| Education Committee Expenses | 200,000 | - | - |
| Finance Expenses | | | |
| Bank charges | 33,600 | 32,159 | 32,550 |
| Interest on Mem. Christmas Fund | 2,442 | 2,421 | 2,502 |
| Interest on Mem. Education Fund | 998 | 1,030 | 997 |
| Interest on Mem. Fixed Deposits | 8,580 | 5,662 | 8,580 |
| Interest on Special Deposit | 14,500 | 15,372 | 13,792 |
| Investment Commission , Fees & Premiums | 82,709 | 65,238 | 73,123 |
| Personnel Expenses | | | |
| Employee Assistance Program | 12,000 | - | 12,000 |
| Employer's NIS | 159,432 | 217,927 | 186,025 |
| Incentive Bonus | 0 | 25,000 | 450,000 |
| Pension Fund, Annuity & Insurance | 62,095 | 51,703 | 60,610 |
| Salaries/ Wages and Allowances | 2,415,036 | 2,334,607 | 2,332,950 |
| Staff Training | 80,000 | 34,291 | 100,347 |
| Staff Uniforms | 44,071 | - | 55,000 |
| TOTAL EXPENSES | 7,871,332 | 5,525,276 | 8,656,307 |
| | | | |
| NET SURPLUS | 5,959,340 | 7,636,219 | 7,032,086 |



2023 ANNUAL REPORT

"Achieving Growth through Strategic Transformation"

Resolutions

1. **BE IT RESOLVED** that in accordance with Bye Law #19 (b) a dividend of four percent (4%) be approved and paid to members on their shareholdings for the period of 2023 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 Bakertilly - Chartered Accountants and Business Advisors be retained as Auditors for AMGECU for the year ending December 31, 2024.
3. **BE IT RESOLVED** that an honorarium of \$195,268.48 be declared being approximately 2.5% of the Net Surplus to be shared among the Board of Directors, Elected and Appointed Committees.
4. **WHEREAS** at the end of the financial year 2023 a review of the delinquent members listing revealed that several accounts are irrecoverable, the Board of Directors recommend that these accounts in the sum of \$1,000,000.00 be written off from the Provision for Loan Loss account.

BE IT RESOLVED that the irrecoverable accounts in the sum of \$1,000,000.00 be written off from the Provision for Loan Loss account for the financial year ending December 31, 2023.

PAYMENT OF DIVIDENDS

Dividends will be paid on or before 30th April, 2024.

SNAPSHOT GALLERY





CELEBRATING
75 YEARS

INTERNATIONAL
CREDIT UNION DAY
2023





I P F

INSURANCE PREMIUM FINANCE LOAN



FINANCE

Your House and Vehicle Insurance
ANNUALLY with AMGECU Credit Union

APPLY TODAY!

- ✓ Up to 12 Months to repay
- ✓ Attractive Interest Rate
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