

Principles

Confidentiality

Rebranding

Confidence

Legacy

Advocacy



Ethics

ence

Trust

Support

Philosophy

Flexibility

**BETTER
STRONGER
TOGETHER**

Service

Assets

Countability

48th

Investment

**ANNUAL GENERAL
MEETING**

Stability

ANNUAL REPORT 2021

Opportunity

Respect

Integrity

Standards

Stakeholders

Loyalty

Opportunity

Stability

Membership Growth

Digitization

Respect



Values

VISION STATEMENT

To be the premier Credit Union in Trinidad and Tobago

MISSION STATEMENT

Building on our Legacy of Services Excellence by being innovative in providing the highest quality and most relevant products and services to all our members

PASSION STATEMENT

Creating Sustainable Wealth for Our Members

CORE VALUES

Values guide the conduct and appearance of our Board, Committees and Staff, they provide a constant set of core principles

Our Core Values are:

- Integrity - Maintaining open and honest communication and delivering on our promise
- Respect - Treating each other, our members and their families and other stakeholders as we wish to be treated
- Accountability - Holding ourselves accountable for quality and timely delivery of our commitments.
- Service - Attend to members needs with warmth and care and placing the interest of the members before that of the Board, Committees and Staff.
- Confidentiality - Never disclose members information to unauthorized parties

SUPPORT

CREDIT UNION PRAYER

Lord, make me an instrument of Thy Peace
 Where there is hatred let me sow love
 Where there is injury, pardon
 Where there is doubt, faith
 Where there is despair, hope
 Where there is darkness, light
 And where there is sadness, joy.
 O Divine Master,
 Grant that I may not so much seek to be consoled as to console
 To be understood as to understand
 To be loved as to love.
 For it is in giving that we receive
 It is in pardoning that we are pardoned
 And it is in dying
 that we are born to eternal life

NATIONAL ANTHEM

Forged from the love of liberty
 In the fires of hope and prayer
 With boundless faith in our destiny
 We solemnly declare
 Side by side we stand
 Islands of the blue Caribbean Sea
 This our native land
 We pledge our lives to thee.
 Here every Creed and Race
 find an equal place
 And may God Bless Our Nation

Legacy

Rebranding

Integrity

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Growth
Integrity Principles

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ANNUAL GENERAL MEETING

STANDING ORDERS

1. Members shall keep their microphones muted for the duration of the meeting, except when permitted by the Chairman for making contributions to the meeting
2. The videos of all participating members shall remain off unless addressing the Chairman.
3. All members are asked to keep their cell phones on silent mode, as the vibrate setting can cause disruptions. If you must take urgent calls, please ensure that your microphone is muted.
4. A member shall ONLY address the meeting when called upon by the Chairman to do so.
5. Members shall use the "Raise Hand" function on the Zoom Platform, wait to be recognized by the Chairman before unmuting their microphone. Members must identify themselves when addressing the Chairman.
6. Members will type their question into the chat box. The AGM Moderator will collate and transmit questions to the Chairman.
7. No member shall address the meeting except through the Chairman. Speeches shall be clear and relevant to the specific subject before the meeting.
8. On any agenda item, a member shall not exceed two (2) minutes on his/her contribution except with the permission of the Chairman.
9. A member may not speak twice on the same subject except:
 - a) The mover of a motion, who has the right of reply,
 - b) To object or explain, (with the permission of the Chair)
10. The Mover of a "procedural Motion" (Adjournment, Lay on the table, Motion to Postpone) shall have no right of reply.
11. No speeches shall be made after the "Question" has been put and carried.
12. 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).
13. A member shall not "call" another member "to order" but may draw the attention of the Chairman to a "Breach of Order"
14. In no event can a member call the Chairman "to order".
15. A question shall not be put to the vote if a member desires to speak on it or move an amendment to it, except that a "Procedural motion: The Previous Question" Proceed to the Next Business" or the Closure: That the "Question be Now Put" may be moved at any time.
16. Only one amendment shall be before the meeting at one and the same time.
17. When a motion is withdrawn, any amendment to it fails.
18. The Chairman shall have the right to a "casting vote".
19. If there is an equality of voting on an amendment and if the Chairman does not exercise his casting vote, the amendment is lost.
20. The Chairman shall make provision for protection from vilification (personal abuse).
21. No member shall impute improper motives against another.
22. No form of recording of the proceedings shall be allowed without the permission of the Chairman.
23. All members are reminded to conduct themselves in a professional manner. Please refrain from sharing any explicit, violent or inappropriate content.

A GUIDE TO YOUR RESPONSIBILITY AT YOUR ANNUAL GENERAL MEETING

YOU ARE ONE OF THE OWNERS

It is this way by law. You and your fellow members own the Credit Union and you control it too.

YOUR QUESTIONS ARE IMPORTANT

As a member-owner, you have the right to know about the Credit Union. Your questions are important and are always welcomed

YOUR VOTE IS IMPORTANT

Your vote helps to select the officers who must also be members of your Credit Union. They fit the policies within the limits of the law, and provide important leadership.

Certain major actions of the Credit Union must be approved by a vote of the general membership.

YOUR SUGGESTIONS ARE IMPORTANT

The Credit Union exists for one purpose only – **Service to its Members.**

Your suggestions on how the service can be improved are important and will always be given full consideration.

YOUR ASSISTANCE IS VALUED

If you are asked to serve as an officer or as a committee member, accept if possible.

A Credit Union is really – **PEOPLE HELPING PEOPLE** – we depend on the volunteers who agree to assist us.



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INFORMATION ON READING FINANCIAL STATEMENTS

This article is intended to assist Members in understanding the Financial Statements which are presented at the Annual General Meeting.

THE FINANCIAL STATEMENTS OF THE CREDIT UNION ARE:

1. Statement of Financial Position or 'Balance Sheet'
2. Statement of Comprehensive Income or 'Income and Expenditure Account'
3. Cash Flow Statement

STATEMENT OF FINANCIAL POSITION (OR BALANCE SHEET)

This statement shows what the Credit Union owns (Assets), what it owes (Liabilities) and what it is Worth (Equity and Reserves or Capital). It follows the Accounting Equation as follows:

*Assets = Capital + Liabilities or
Assets – Liabilities = Capital*

Note that the term 'Equity and Reserves' also means 'Capital' or the Net Worth of the Organization.

STATEMENT OF COMPREHENSIVE INCOME (OR INCOME AND EXPENDITURE ACCOUNT)

This is an analysis of the Income Earned and the Expenses Incurred for the year under review. A Net Surplus or Profit is derived where Income (e.g. Interest on Loans to Members, or Investment Income) is greater than the Total Expenses for the period (including Salaries, Utilities, Bank Charges, Provision for Loan Losses or Bad Debt). A Net Deficit or Loss is derived where Total Expenses exceed Income.

WHAT HAPPENS TO THE NET SURPLUS (PROFIT) OR NET DEFICIT (LOSS) ARISING FROM THE SOCIETY'S OPERATIONS FOR THE YEAR ENDED?

Answer: It is retained and carried forward in the Statement of Financial Position (Balance Sheet) under 'Equity and Reserves (or Capital)'. In other words, a Net Surplus or Profit increases the Equity or Capital and a Net Deficit or Loss reduces the Equity or Capital of the Credit Union.

CASH FLOW STATEMENT

This is an Analysis which shows where the Society's Cash came from and how it was used during the year. The main purpose of this Statement is to reconcile the Society's Net Surplus or Profit with its Total Cash and Cash Equivalents at year end.

GLOSSARY OF TERMS

Asset: Something of value which the Society Owns or has the use of.

- Assets are classified as **Fixed** (e.g. Credit Union Building) or **Current** (e.g. Cash and Loans to Members).

Liability: Financial Commitments or amounts which the Society Owes and are classified as Long Term (e.g. Bank Loan due or payable for any period exceeding one year) and Current (e.g. Overdraft due or payable within one year).

EQUITY AND RESERVES (CAPITAL)

This represents the Credit Union's Net Worth (remember: Assets – Liabilities = Equity and Reserves or Capital), or the Cumulative Net Profit after Dividends have been paid over the life of the Credit Union.



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NOTICE AND AGENDA OF THE 48TH ANNUAL GENERAL MEETING

Notice is hereby given that the **48th Annual General Meeting of TEXTEL Credit Union Co-operative Society Limited** will be held virtually via the Zoom Video-Conferencing portal, on Saturday 04 June 2022 starting at 10:00 a.m.

AGENDA

1. Call to Order
2. National Anthem
3. Invocation - Credit Union Prayer / Minute of Silence
4. Reading of the Notice Convening the 48th Annual General Meeting
5. Adoption of the Standing Orders
6. President's Remarks
7. Acceptance of the AGM Brochure
8. Minutes of the 48th Annual General Meeting
9. Reports for 2021
 - a) Board of Directors & Education Committee Report
 - b) Credit Committee Report
 - c) Supervisory Committee Report
 - d) Auditor's Report 2021
 - e) Treasurer's Report and Audited Accounts 2021
10. Budget 2022
11. Resolutions – Movement and Consideration
12. Amendments to Bye-Laws
 - Bye-Law - 29 (b)
13. Nominating Committee Report
14. Election of Officers
 - a. Supervisory Committee
 - b. Board of Directors
 - c. Credit Committee
15. Other Business
16. Vote of Thanks and Closure



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**NOTICE AND AGENDA OF THE
48TH ANNUAL GENERAL MEETING (cont'd)**

**MEMBERS ARE INVITED AND ENCOURAGED TO PARTICIPATE BY REGISTERING
ON TCU'S WEBSITE www.textelcu.com TO ACCESS THE MEETING**

- Members wishing to participate in the AGM must register, via the AGM Registration portal on www.textelcu.com or via email at membership@textelcu.com on or before May 30 2022
- When registering please provide a valid form of identification and a functioning and reliable email address.
- Only registered members will be emailed a link, with accompanying instructions, to access the virtual meeting.
- Members wishing to participate but who do not have access to a computer or Smartphone and the required bandwidth are advised to contact the Credit Union immediately.
- The 48th AGM is being held on-line, it is your right to participate and to vote, but in order to do so members must register so that there would be quick and easy access to the virtual meeting room on June 04 2022.
- This also allows for members to send questions on the 2021 AGM Report for consideration and response ahead of the meeting

By order of the Board of Directors



Lincoln Jitman
Secretary
Board of Directors



**MINUTES OF THE 47TH ANNUAL GENERAL MEETING OF
TEXTEL CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
HELD VIRTUALLY VIA THE ZOOM PLATFORM
ON SATURDAY JULY 24TH, 2021**

1.0 CALL TO ORDER / NATIONAL ANTHEM

The President, Mrs. Maria Berahzer called the meeting to order at 10.05 a.m. and a recorded version of the National Anthem was played. There were ninety-eight (98) members present on line and, therefore, in accordance with Bye-Law 18 (e) of TEXTEL Credit Union, the meeting was properly constituted.

2.0 INVOCATION/CREDIT UNION PRAYER/ MINUTE OF SILENCE

The Credit Union Prayer was recited followed by the observance of one minute's silence for the following members who departed this life in 2020:

Natalie Bazil
Isaac James
Frank Joseph
Shurland Joseph
John Loobie
Rolph Young
Anthony Gillespie

3.0 NOTICE AND AGENDA OF 47TH ANNUAL GENERAL MEETING

The Assistant Treasurer, Mr. Jacinto Martinez, read the Notice and Agenda of the 47th Annual General Meeting of TEXTEL Credit Union Co-operative Society Limited.

4.0 CREDENTIAL REPORT

At 10.12 a.m. it was reported that eighty (80) members of the Credit Union were in attendance at the meeting.

5.0 ADOPTION OF STANDING ORDERS

The President referred to the Standing Orders on page 2 of the Annual Report 2020 and read out some of the them to the meeting.

On a motion moved by Mr. Elliot Rivas and seconded by Mr. Lambert La Barrie, the Standing Orders were adopted with fifty-five (55) members voting in favour, one (1) member voting against and zero (0) abstention.

6.0 PRESIDENT'S REMARKS

The President, on behalf of the Board of Directors, extended a warm welcome to all. She introduced those present, Vice-President - Ayinde Burgess, Assistant Treasurer - Jacinto Martinez, Director - Marlon Pierre, Returning Officer - Mr. Colin Bartholomew, and Recording Secretary - Ms. Jean Sandy.

She also acknowledged the virtual presence of representatives of the Co-operative Development Division and members of the Board of Directors and the Supervisory and Credit Committees.

In giving an account of the Board's stewardship, the President described the period January 1st, 2020 to December 31st, 2020 as the most unique year in the lifetime of TEXTEL Credit Union. Despite the negative impact of the COVID-19 pandemic, which included the economic downturn, the Board kept its focus at all times on TEXTEL's Credit Union's vision *"To be the premier Credit Union in Trinidad & Tobago"* and recorded a creditable performance.

The President mentioned that the theme selected for the 47th AGM *"Partnering for Resilience and Success"* was relevant, since the Society has weathered the storms over the years and has remained strong. The President urged members to join in partnership with the Board whose intention is to:

- Reposition the Society
- Improve prudent risk management
- Improve operational and administrative systems
- Enhance technological capacity
- Recruit new members from a wider sphere
- Engage in a rebranding exercise
- Aggressively pursue bad debts.

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MINUTES OF 47TH ANNUAL GENERAL MEETING (cont'd)

It was also pointed out that although the Credit Union was slow in utilising technology to enhance its services, the pandemic has forced it to embark on such initiatives. As a consequence, the member management and accounting system was upgraded and other services will be introduced later.

The President also emphasised that as shareholders and owners of TEXTEL Credit Union, members too have a role to play in partnering with the Credit Union. They were urged to:

- Avail themselves of the products and services offered
- Encourage eligible family members to join the Credit Union
- Participate in all aspects of the business and meetings
- Exercise their right to vote
- Allow fit and proper criteria to guide them in their contributions and selections for continued good governance of the Society.
- Volunteer to serve on the Board and Committees.
- Love and appreciate the Credit Union.

The President promised that the Board of Directors will continue its attempt to meet members' demands by adhering to the Regulations, paying attention to market trends which threaten the Credit Union's existence, using technology to remain sustainable, demonstrating strategic foresight to determine the nature and scope of opportunities available and acquiring practical ideas in managing the business in order to remain competitive.

The President applauded members who are frontline and essential services personnel for their dedication to duty during the COVID-19 pandemic and wished them God's blessing. She also acknowledged the excellent contributions of former members of staff: Manager, Ms. Merlyn Mc Clean; Mrs. Sandrine Joseph and Mr. Eric Cabrera and commended them on behalf of the entire membership

for their sterling and dedicated service to the Credit Union. Mrs. Berahzer also thanked the Credit Union's partners: the Co-operative Development Division, Co-operative Credit Union League of Trinidad and Tobago, CUNA Caribbean Insurance, Trinidad and Tobago Credit Union Deposit Insurance Fund, Central Finance Facility, MSD (Micro Software Designs) and the various suppliers of goods and services.

In closing the President gave thanks to Almighty God for benevolence and guidance over the years, and expressed gratitude to fellow Board Members and Members of the various Committees for their hard work, dedication and commitment shown in a voluntary capacity, especially during these challenging times. The President also reaffirmed her commitment to be of service to the membership.

7.0 ANNUAL REPORT 2020

The motion moved by Mr. Kerwin Ramrattan and seconded by Mrs. Jacqueline Taylor-Chase for taking the Annual Report 2020/Brochure as having been read was approved with fifty-nine (59) members voting in favour, one (1) against and zero (0) abstentions.

8.0 CREDENTIAL REPORT

A Credential Report at 10.33 a.m. revealed that eighty-eight (88) members were in attendance.

9.0 MINUTES OF 46TH ANNUAL GENERAL MEETING

The Minutes of the 46th Annual General Meeting at pages 7 to 21 of the Annual Report 2020 /Brochure were reviewed and no amendments were made.

9.1 Confirmation

The Minutes of the 46th Annual General Meeting held on December 5th, 2020 were confirmed, without amendment, on a motion moved by Mrs. Jacqueline Taylor-Chase and seconded by Mr. Kerwin Ramrattan. Sixty-four (64) members voted in favour, zero (0) voted against and two (2) abstained.

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MINUTES OF 47TH ANNUAL GENERAL MEETING (cont'd)

10.0 CREDENTIAL REPORT

The meeting was informed that ninety-two (92) members and four (4) guests were present at the meeting.

11.0 MATTERS ARISING FROM THE MINUTES

11.1 Estate Planning Documents

In response to a question by Mr. Kerwin Ramrattan, members were informed that consideration will be given to placing the Estate Planning documents on the website.

11.2 Request for Token

Mr. Joseph Caterson proposed that all members who attended the Annual General Meeting on time and remained should be rewarded, instead of using the process of selecting names randomly, where only a few will benefit. The Assistant Treasurer indicated that the Executive will consider the request during the course of the day and make a decision.

12.0 BOARD OF DIRECTORS & EDUCATION COMMITTEE REPORTS

The President presented the Board of Directors & Education Committee Reports which were contained at pages 22 – 32 of the Brochure. Some major highlights of the Board Report were as follows:

- The total membership for the period was two thousand one hundred and ninety-five (2,195). There were twenty-one (21) new members during the year. Twelve (12) members resigned and seven (7) passed away during the review period.
- In an effort to maximise the use of technology to enhance service delivery, the Technology Committee directed the following initiatives:
- Supervised implementation of the upgrade of the Emortelle system.

- Developed a process mapping system and supervised the Phase 1.
- Implemented the IT Business Continuity and Risk Management Plan.
- Assisted in revising the format for members' statements.

Comments and responses to questions raised were as follows:

Mr. Joseph Caterson expressed his appreciation for the new format of members' statements.

Phase 1 of the Process Mapping exercise involved a full audit of all the processes in the organisation in order to identify gaps within the system. Phase 2 will address those shortcomings by reengineering the processes to create a more efficient functioning organisation.

- The recent upgrade of the Emortelle system included the inclusion of an online platform. The system is being tested and should go live by year end. Apart from viewing balances online, members will be able to transfer funds from one account to another, apply for loans and update their personal information. However, the ability to transfer funds from one's deposit account to a bank will not yet be available since efforts must be made to ensure the proper functioning of the system before that service can be offered.

12.1 Adoption

The Board of Directors & Education Committee Reports for 2020 were adopted on a motion moved by Mr. Lambert La Barrie and seconded by Ms. Beverly Maundy with sixty-seven (67) members voting in favour, zero (0) voting against and no abstention.

13.0 CREDENTIAL REPORT

At 11.17 a.m. it was reported that ninety-seven (97) members were present online.

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MINUTES OF 47TH ANNUAL GENERAL MEETING (cont'd)

14.0 CREDIT COMMITTEE REPORT

Mrs. Ingrid Richardson, Chairman of the Credit Committee, presented the Committee's Report. The following key details were contained in the Report:

- Four hundred and thirty-one (431) loans valued at \$7,200,484.16 were approved out of four hundred and forty-four (444) applications received.
- Twenty-four (24) members, negatively affected by restrictions imposed due to the COVID-19 pandemic, were granted deferral of loan instalments.
- Twenty-six (26) requests were received but two (2) members did not meet the criteria.

14.1 Adoption

The Report of the Credit Committee was adopted on a motion moved by Mr. David Chan Wing and seconded by Ms. Allison Sylvester. Sixty-nine (69) members voted in favour, zero (0) voted against and there were no abstentions.

15.0 SUPERVISORY COMMITTEE REPORT

The Supervisory Committee Report at pages 41 and 42 of the Brochure, having been taken as read, the Committee's Chairman Mr. Kerwin Ramrattan, invited questions from the membership but there were none.

15.1 Adoption

The Supervisory Committee Report was adopted on a motion moved by Mrs. Charon Ince-Christopher and seconded by Mrs. Althea Manzano with sixty-eight (68) members voting in favour, one (1) against and one (1) abstention.

16.0 AUDITORS' REPORT

Ms. Ria Ramnarine, representative of Madan Ramnarine & Company, Chartered Accountants, read the Auditors' Report.

16.1 Acceptance

The Auditors' Report was accepted on a motion moved by Ms. Samyra

Abdullah-Mohammed and seconded by Mr. Kerwin Ramrattan with seventy-six (76) members voting in favour, zero (0) voting against and two (2) abstentions.

17.0 TREASURER'S REPORT

The Treasurer's Report 2020 at pages 43 – 50 of the Brochure was tabled for discussion. Mr. Anthony De Freitas, Treasurer, informed the meeting that a financial performance webinar was hosted on Saturday July 17th, 2021 at which questions were asked and answered. The Financial Statements were also available online for at least three (3) weeks and members were asked via the website to raise questions in advance regarding the Credit Union's performance. However, as at 8.00 p.m. on July 23rd, 2021 no queries were received.

The Treasurer gave a summary of the Credit Union's performance for 2020 some highlights were:

- Total Assets increased by 0.1% and stood at \$134.8M.
- Total Expenses amounted to \$3.429M, a decrease of 27.7% over the previous year.
- Net Surplus stood at \$4.6M, a decrease of 17.2% over 2019.
- Members' Shares decreased by \$3.3M in 2020 or 3.5% and stood at \$92.3M.

The following responses were supplied to questions posed:

- a) Based on a projected net surplus of \$2.2M for 2020, a dividend of two percent (2%) was budgeted. However, the actual net surplus amounted to \$4.6M hence the recommendation for a dividend of four percent (4%).
- b) On the issue of capital flight, TEXTEL Credit Union's members are extremely loyal, reasonable and intelligent. They are aware of the current situation which exists in the country. For example, one hundred and three (103) members have been retrenched, some of whom are still unemployed; and many members are hesitant to borrow at this time.

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MINUTES OF 47TH ANNUAL GENERAL MEETING (cont'd)

- c) The approved budget cannot be changed but explanations can be provided for variances.
- d) The interest rate on loans was not increased to 1.05%; it remains the same at 1% on the unpaid balance.
- e) The Credit Union cannot assist members in accessing US dollars. Although some interest on investments is received in US dollars, according to Central Bank's Regulations, TEXTEL Credit Union is not permitted to trade in foreign currency. Those funds could only be reinvested.
- f) Mr. Lai referenced the fact that IFRS 9 could have a highly volatile and devastating effect on the Society's financial performance and enquired whether there are any current or prospective situations which could negatively impact the Society's achievements in 2021. The meeting was told that IFRS9 is a very onerous and inexact standard which is subject to different interpretations by auditors. TEXTEL Credit Union received guidance from competent individuals. Also, an independent review of the loan portfolio over the past ten (10) years was undertaken by the previous and current Auditors and everything was found to be in order. As a result of adequate provisioning over the past few years, no issues are anticipated at this time.
- g) The issue of restructuring at TSTT is a real one. Although some adjustments were made over the past two (2) years, it is expected that the cost reduction exercise will continue. TEXTEL Credit Union may be affected by such actions but the Society continues to focus on adequate collateral to ensure that loans are secure.
- h) With regard to the transfer of \$500 from the surplus to the Education Fund, it was explained that previously, the Bye-Laws made provision for a transfer of "no less than 5%" from the surplus to the Education Fund. However, at the 2018 AGM that was amended to "up to 5%". The rationale was that the finances of the Credit Union had changed substantially over the years and because of the level of capitalisation, there was no need to maintain the original level of input. If in the future there is a need to make any further adjustments to the Education Fund it would be budgeted for in advance and members will be duly informed.
- i) Any attempt by TEXTEL Credit Union to extend membership to employees of Massy Group will result in expending funds in marketing which will probably achieve very little success, since Massy Group has three (3) solid credit unions. We continue to look at small to medium sized companies that would give salary deductions. One solution is for every member to make a commitment to enrol one (1) new member at TEXTEL Credit Union.
- j) There has been no official communication from the Government regarding the payment of Land and Building Taxes for 2021. The last bit of information from the Board of Inland Revenue and the Valuations Department is that an exercise for the collection of data will commence in September 2021. They also advised that the Society should institute provisions for payment of the taxes, which will not be retroactive.

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MINUTES OF 47TH ANNUAL GENERAL MEETING (cont'd)

k) Although many members were laid off in 2020 some have been quite innovative and have started their own business. If a member in such a situation applies for a loan the Credit Committee will review the application and make a decision based on the approved loan policy and in accordance with established loan granting practices.

l) The Credit Union intends to undertake a membership drive. The rebranding initiative was severely compromised as a result of the pandemic but should be completed by the next Annual General Meeting. A membership survey is also being undertaken.

17.1 Acceptance

On a motion moved by Mrs. Jacqueline Taylor-Chase and seconded by Mrs. Charon Ince-Christopher, the Treasurer's Report and Budget were accepted with seventy-four (74) members voting in favour, zero (0) voting against and one (1) abstention.

12.30 p.m.: Meeting suspended.

12.42 p.m.: Meeting resumed.

18.0 CREDENTIAL REPORT

A Credential Report at 12.44 p.m. revealed that there were ninety-six (96) members in attendance at the meeting.

19.0 RESOLUTIONS

19.1 Dividend

The following resolution was approved on a motion moved by Mrs. Maria Berahzer, on behalf of the Board, and seconded by Mr. David Chan Wing with seventy-four (74) members voting in favour, zero (0) voting against and one (1) abstention.

Be it resolved that a Dividend of 4% be paid on shares held by members during the period of operations from January 1st to December 31st 2020, and to members who are existing on our register as at December 31st, 2020.

Be it further resolved that the dividend of 4% will be distributed to the member's deposit account except for delinquent members where all dividends

shall be applied to their outstanding interest and principal in that order.

19.2 Interest Rebate

The following resolution was approved on a motion moved by Mrs. Maria Berahzer, on behalf of the Board, and seconded by Ms. Leanna Alexis with seventy-five (75) members voting in favour, zero (0) against and two (2) abstentions.

Be it resolved that a 5% interest rebate be paid on loans for the period of operations January 1st to December 31st 2020.

19.3 Appointment of Auditors

The following Resolution was approved on a motion moved by Mrs. Maria Berahzer on behalf of the Board and seconded by Mrs. Jacqueline Taylor-Chase with sixty-six (66) members voting in favour, one (1) against and eleven (11) abstentions:

Be it resolved that Madan Ramnarine and Company be retained as Auditors for the accounting period January 1st to December 31st 2021.

19.4 Write off of Bad Debts/Delinquent Loans

The under-mentioned Resolution was tabled for consideration of the membership on a motion moved by Mrs. Maria Berahzer on behalf of the Board and seconded by Mrs. Charon Ince-Christopher:

Whereas Regulation 32 of the Co-operative Societies Act, Chap 81:03 requires the approval of the general meeting to write off bad debts from the books of the Society;

And whereas every effort is made to recover bad debts/delinquent loans in pursuance of the recoveries procedure of the Society;

And whereas efforts to recover seven (7) loans in the sum of \$556,851 have been unsuccessful thus far;

And whereas the Board continues to pursue the recovery of said bad debts/delinquent loans even after they have been written off;

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MINUTES OF 47TH ANNUAL GENERAL MEETING (cont'd)

Be it resolved that said seven (7) loans in the sum of \$556,851 be written off during the 2021 financial year.

Discussion on the resolution ensued, responses to questions and comments raised were:

- 1) On the issue of measures taken to recover the debts, the Treasurer indicated that no payments were received for most of the loans for over the past eighteen (18) months. The members were called, written to and had their names published in the newspapers for whereabouts. The next step is to forward the seven (7) bad debts to the Commissioner for Co-operative Development as disputes, in order to pursue judgments. If the Credit Union is successful in its quest, the judgments will be registered with the High Court where further action can then be taken.
- 2) When a loan is written off it is removed from the Loans Receivable and Provision Accounts. However, any sums collected go directly to income.
- 3) The statute of limitation in Trinidad and Tobago is either six (6) or seven (7) years. However, once the Credit Union can demonstrate that it had been interacting with the members concerned on the matter during that time, the debts will not be statute barred.
- 4) One member had a number of share loans totalling \$357,000. This member was terminated by TSTT and because his salary was assigned to the Credit Union, the company paid a portion of his settlement towards the debt.
- 5) Although many credit unions cease 2:1 or 1.5:1 lending to members above the age of seventy (70) because CUNA coverage is no longer available, TEXTEL Credit Union treats its members equitably. Each loan is treated on its own merit, based on the member's collateral and ability to repay. The Credit Committee reviews all loan applications and makes decisions based on approved loan policies and in compliance with established loan granting practices.
- 6) In cases where the assets of the

delinquent members are lower than the liabilities, it may be that shares were used to net off against a portion of the loans, dividend may have been subsequently added and in two (2) cases, the shares were fully drawn down.

- 7) Loans are insured by the Credit Union up to the value of \$200,000 and anything over that is covered by the member either by assigning an insurance policy or an endowment. Prior to two (2) years ago, members were asked to confer with CUNA to have any exposure covered on their behalf.

19.4.1 Acceptance

The Resolution was approved on a motion moved by Mrs. Maria Berahzer, on behalf of the Board, and seconded by Mrs. Charon Ince-Christopher with sixty-six (66) members voting in favour, three (3) against and ten (10) abstentions.

20.0 AMENDMENT TO BYE-LAWS

Amendments to Bye-Laws 1, 18, 27 and 42 were tabled for consideration of the membership. These amendments required a majority of seventy-five percent (75%) of the members present voting in favour to be approved.

The under-mentioned Resolution was moved by Mrs. Maria Berahzer, on behalf of the Board, and seconded by Ms. Ingrid Richardson.

Be it resolved that this 47th Annual General Meeting amend the Bye-Laws of TEXTEL Credit Union Society Limited as follows:

a) Bye-Law 1. – Interpretation–(a) (v)
Whereas the Board of Directors of the TEXTEL Credit Union Co-operative Society Limited has reviewed the existing Bye-Law 1. INTEPRETATION (a) (v).

And Whereas the Board of Directors seeks to comply with the Co-operative Societies (Amendment) Regulations 2020, made under Section 81 of the Co-operative Societies Act dated 7th August, 2020;

MINUTES OF 47TH
ANNUAL GENERAL MEETING (cont'd)

Be it resolved that Bye-Law Number 1. (a) (v) which states: "Meeting of the Society" means any general meeting or any meeting of the Board or of the Credit, Supervisory or Education Committees.

Be amended to now read: "Meeting of the Society" means any general meeting or any meeting of the Board or of the Credit, Supervisory or Education Committees or any other committee of the Society, whether in person, virtual or hybrid as indicated on the notice.

Be it further resolved that this Annual General Meeting held on July 24th, 2020 hereby accepts the recommendation from the Board of Directors of the TEXTEL Credit Union Co-operative Society Limited, to amend Bye-Law Number 1. (a) (v).

The meeting was informed that one hundred and one (101) members were in attendance and at least seventy-six (76) members must vote in favour for the motion to be carried.

The vote was taken and the motion was passed with seventy-nine (79) members voting in favour, zero (0) voting against and two (2) abstentions.

b) Bye-Law 18. – General Meeting (b)

The following resolution to amend Bye-Law 18. (b) was moved by Mrs. Maria Berahzer, on behalf of the Board, and seconded by Mr. Kerwin Ramrattan:

Whereas the Board of Directors of the TEXTEL Credit Union Co-operative Society Limited has reviewed the existing Bye-law 18. GENERAL MEETING (b).

And Whereas the Board of Directors seeks to comply with the Co-operative Societies (Amendment) Regulations 2020, made under section 81 of the Co-operative Societies Act dated 7th August, 2020.

Be it Resolved that Bye-law 18. (b) General Meeting which states: "The Annual General Meeting shall be

convened by the Board not later than one (1) month after the report on the audit of the accounts of the Society is received by the Board. At least fourteen (14) days' notice shall be given to all members. The Notice shall state the date, time and venue of the meeting and the business to be transacted thereat.

Be amended now to read: "The Annual General Meeting shall be convened by the Board not later than three (3) months after the report on the audit of the accounts of the Society is received by the Board. At least fourteen (14) days' notice shall be given to all members.

The Notice shall state the date, time, venue, mode and procedures for the conduct of the meeting and the business to be transacted thereat.

Be it further resolved that this Annual General Meeting held on July 24th, 2020 hereby accepts the recommendation from the Board of Directors of the TEXTEL Credit Union Co-operative Society Limited, to amend Bye-Law Number 18. (b).

In response to a question raised regarding the reason for the change from one (1) month to three (3) months, the Chairman indicated that the Regulations were amended by the Co-operative Division and therefore TEXTEL Credit Union was merely complying by amending its Bye-Laws.

It was revealed that one hundred (100) members were present and therefore seventy-five (75) members were required to vote in favour for the amendment to be approved.

The resolution to amend Bye-Law 18. (b) moved by Mrs. Maria Berahzer, on behalf of the Board, and seconded by Mr. Kerwin Ramrattan was approved with seventy-nine (79) members voting in favour, three (3) voting against and zero (0) abstention.

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MINUTES OF 47TH ANNUAL GENERAL MEETING (cont'd)

c) Bye-Law 27 – Powers and Duties of the Board (e)

The following resolution to amend Bye-Law 27 (e) was moved by Mrs. Maria Berahzer, on behalf of the Board, and seconded by Mrs. Charon Ince-Christopher:

Whereas the Board of Directors of TEXTEL Credit Union Co-operative Society Limited has reviewed the existing Bye-Law 27 – Powers and Duties of the Board (e).

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

Be it Resolved that Bye-Law 27 – Powers and Duties of the Board (e) which states: “To see that the accounts are accurately kept, to prepare or cause to be prepared, not later than one (1) month after the close of the financial year, statements of accounts and a balance sheet and submit these to audit.”

Be amended now to read: “To see that the accounts are accurately kept, to prepare or cause to be prepared, not later than two (2) months after the close of the financial year, statements of accounts and a balance sheet and submit these to audit.”

Be it further resolved that this Annual General Meeting held on July 24th, 2020 hereby accepts the recommendation from the Board of Directors of the TEXTEL Credit Union Co-operative Society Limited, to amend Bye-Law Number 27 – (e).

The question was asked whether the Credit Union will be functioning illegally if the motion fails. The Chairman stated that the Act was amended and although the amendment is procedural it is incumbent on the credit union to adopt it to align with the Act, if approval is not received at this AGM the resolution to amend must be presented to the membership at another time. There were one hundred (100)

members present and therefore seventy-five (75) votes in favour of the amendment were required for its passage.

On a motion moved by Mrs. Maria Berahzer, on behalf of the Board, and seconded by Mrs. Charon Ince-Christopher the resolution to amend Bye-Law 27 (e) was approved with seventy-five (75) members voting in favour, one (1) voting against and two (2) abstentions.

d) Bye-Law 42 – Audit of Accounts

The following resolution to amend Bye-Law 42 – Audit of Accounts was put to the membership for its consideration:

Whereas the Board of Directors of the TEXTEL Credit Union Co-operative Society Limited has reviewed the existing Bye-Law 42 – Audit of Accounts.

And Whereas the Board of Directors seeks to comply with the Co-operative Societies (Amendment) Regulations 2020, made under section 81 of the Co-operative Societies Act dated 7th August, 2020.

Be it resolved that Bye-Law 42 – Audit of Accounts which states: “The Board shall submit the books of accounts of the Society for audit within two (2) months of the close of the financial year.”

Be amended now to read: “The Board shall submit the books of accounts of the Society for audit within four (4) months of the close of the financial year.”

Be it further resolved that this Annual General Meeting held on July 24th, 2021 hereby accepts the recommendation from the Board of Directors, of the TEXTEL Credit Union Co-operative Society Limited, to amend Bye-Law Number 42.”

Ninety-eight (98) members were present and therefore at least seventy-four (74) members were required to vote in favour.

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MINUTES OF 47TH ANNUAL GENERAL MEETING (cont'd)

On a motion moved by Mrs. Maria Berahzer, on behalf of the Board of Directors, and seconded by Ms. Jennifer Long, the amendment to Bye-Law 42 was approved. Seventy-five (75) members voted in favour, five (5) voted against and one (1) abstained.

e) Bye-Law 29. – Nomination Committee (b)

The under-mentioned resolution to amend Bye-Law 29 (b) was recommended by the Board of Directors for consideration of the membership.

Whereas the Board of Directors of the TEXTEL Credit Union Co-operative Society Limited has reviewed the existing Bye-Law 29 – Nomination Committee.

And Whereas the Board of Directors seeks to:

- Avoid the possibility of members who do not meet the Fit and Proper criteria being nominated and elected at the AGM.
- Have the nominees assessed before the AGM to determine not only if they are eligible and capable to serve but which candidates are the best fit given the requirement for a mix of skills, experience and competency to preside over the Society's affairs.
- Ensure that members who are seriously interested in serving would submit their applications to the Nomination Committee on time.
- Expedite the election process at the AGM for a well-timed and seamless flow.

Be it resolved that Bye-Law 29 – Nomination Committee (b) which states: “Notwithstanding the recommendations of the Nominating Committee, any member shall have the right to nominate other members for election to the Board, Supervisory or Credit Committee at the Annual General Meeting.”

Be amended now to read: “There shall be no nominations from the floor except in the case where such nomination is

deemed necessary for the proper constitution of the Board, Supervisory or Credit Committees.

Be it further resolved that this Annual General Meeting held on July 24th, 2020 hereby accepts the recommendation from the Board of Directors, of the TEXTEL Credit Union Co-operative Society Limited to amend Bye-Law Number 29 (b).

Discussion on the resolution ensued and the membership was supplied with the following answers to questions posed:

The amendment will not deny members the right to select candidates of their choice, because nomination notices are posted at least one (1) month in advance of an AGM, at which time members are free to submit nominations which must be seconded by other members. Some disadvantages of nominating members from the floor include:

- Inability of the Credit Union to verify whether those persons meet the fit and proper criteria. The Society runs the risk of having to ask someone to resign after the AGM if the requisite criteria were not met.
- The mix of talent for the Board, Supervisory and Credit Committees can only be assessed before an AGM. Also, members who are seriously committed and wish to serve would be aware of the requirements in advance and would submit their nominations on time.
- Impede the smooth flow and lengthen the time of the AGM.

One hundred and one (101) members were present which meant that seventy-five (75) members were required to vote in favour for the resolution to be carried.

The resolution for amendment to Bye-Law 29 (b) which was moved by Mrs. Maria Berahzer, on behalf of the Board, and seconded by Ms. Jennifer Long failed since seventy-two (72) members voted in favour, five (5) voted against and eight (8) abstained.

MINUTES OF 47TH
ANNUAL GENERAL MEETING (cont'd)

21.0 NOMINATING COMMITTEE REPORT

Mr. Jeff Patterson, Member of the Nominating Committee presented the Report. The key points in the Report were as follows:

- The Nomination Notice was published in the Express newspaper on Sunday March 14th, 2021; Wednesday March 24th, and Wednesday March 31st, 2021. The Notice was also posted on the Society's website, Facebook and Instagram accounts and forwarded to members via WhatsApp on Thursday March 25th, 2021.
- Fifteen (15) nominations were received and the Committee recommended the under-mentioned candidates to the 47th Annual General Meeting:

Supervisory Committee

Jacqueline Taylor-Chase
La Toya D'Abreau
Nigel Reece
Christopher Atkins

Board of Directors

Maria Berahzer
Allison Sylvester
Lorna Henry
Althea Manzano
Vivian Reyes
Anthony De Freitas
Marlon Pierre
Kerwin Ramrattan
Elliot Rivas

Credit Committee

Maria Berahzer
Ingrid Richardson
Allison Sylvester
Jennifer Long
Vivian Reyes
Elliot Rivas

21.1 Acceptance

The Nomination Committee Report was accepted on a motion moved by Ms. Alanna Gordon and seconded by Ms. Allison Sylvester with seventy-nine (79) members voting in favour, zero (0) voting against and one (1) abstention.

22.0 CREDENTIAL REPORT

At 2.00 p.m. it was reported that ninety-six (96) members were present at the meeting.

23.0 ELECTION OF OFFICERS

The Chairman passed the meeting to the Returning Officer, Mr. Colin Bartholomew, Head of the Co-operative Studies Department, Cipriani College of Labour and Cooperative Studies, who conducted the elections.

The Returning Officer declared registration closed. He advised the meeting that at least one (1) additional nomination was required from the floor for both the Supervisory and Credit Committees.



**MINUTES OF 47TH
ANNUAL GENERAL MEETING (cont'd)**

23.1 Nominations from the Floor

Nominations from the floor for the Credit and Supervisory Committees were as follows:

Credit Committee

Nominees	Nominated by	Seconded by	Status
Lisa Marie Ransome-Douglas	Allison Sylvester	Ingrid Richardson	Not in meeting
Kypuna Vincent	Nicole Roberts	Marlon Pierre	Declined
Kerwin Ramrattan	Jacqueline Taylor-Chase	Ingrid Richardson	Accepted

Nominations for the Credit Committee ceased on a motion moved by Mr. Jacinto Martinez and seconded by Mr. Marlon Pierre.

Supervisory Committee

Nominees	Nominated by	Seconded by	Status
Paul Lai	Jeffrey Austin	Jacinto Martinez	Not in meeting
Martin Young	Jeffrey Austin	Marlon Pierre	-do-
Jeff Patterson	Althea Manzano	Maria Berahzer	-do-
Kypuna Vincent	Ellery Gokool	Jacinto Martinez	Accepted

Nominations for the Supervisory Committee ceased on a motion moved by Mr. Jacinto Martinez and seconded by Mr. Marlon Pierre.

Members were asked to vote for no more than five (5) persons each for the Board of Directors and Credit Committee; and no more than three (3) persons for the Supervisory Committee.

The Returning Officer declared the seats vacant, provided the membership with online voting instructions and voting ensued.



MINUTES OF 47TH
ANNUAL GENERAL MEETING (cont'd)

23.2 Election Results

a) Supervisory Committee

Christopher Atkins	59
Jacqueline Taylor-Chase	54
Nigel Reece	53
Kypruna Vincent	34
La Toya D'Abreau	28

Elected to serve for the 2021/2022 term were Christopher Atkins, Jacqueline Taylor-Chase and Nigel Reece.
1st Alternate – Kypruna Vincent and 2nd Alternate La Toya D'Abreau

b) Board of Directors

Marlon Pierre	71
Anthony De Freitas	65
Maria Berahzer	64
Althea Manzano	42
Kerwin Ramrattan	40
Elliot Rivas	37
Vivian Reyes	21
Allison Sylvester	20
Lorna Henry	20

Elected to serve for a three year term 2021-2023 were Marlon Pierre, Anthony De Freitas, Maria Berahzer and Althea Manzano.

Mr. Kerwin Ramrattan to fill the unexpired term of Ms. Alanna Gordon 2021-2022, until the next Annual General Meeting.

c) Credit Committee

Maria Berahzer	67
Jennifer Long	59
Ingrid Richardson	58
Elliot Rivas	58
Allison Sylvester	50
Vivian Reyes	43
Kerwin Ramrattan	29

Elected to serve for the 2021-2022 were Maria Berahzer, Jennifer Long, Ingrid Richardson, Elliot Rivas and Allison Sylvester

1st Alternate Vivian Reyes, 2nd Alternate Kerwin Ramrattan

23.3 Destruction of Ballots

A motion moved by Mr. David Chan Wing and seconded by Mrs. Jacqueline Taylor-Chase, for destruction of the electronic ballots was approved with seventy-one (71) members voting in favour, zero (0) voting against and one (1) abstention.

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MINUTES OF 47TH ANNUAL GENERAL MEETING (cont'd)

24.0 OTHER BUSINESS

24.1 Replies to Questions

The following are the responses provided to questions raised:

- 1) Proxy voting is not utilised by credit unions. Members must be present and participate in the process for their votes to be counted.
- 2) No plans are on the horizon for the introduction of ATM machines since the cost is quite exorbitant. In the future TEXTEL Credit Union may consider collaborating with another entity to utilise its network.
- 3) Dividends will be paid on Friday August 6th, 2021. Those who wish to collect cash will be required to make an appointment. However, the preferred way of doing business is via ACH transactions. Members can make appointments and submit their instructions, banking information and copy of an ID to email address: membership@textelcu.com, WhatsApp 758-7405 or by calling the office.
- 4) The next step in the technology upgrade is to implement Online Banking (GIA), which is the interface to allow for online banking. Once that is done, a number of options will be looked at, one of which could be the development of an application for use by members and "AI" via an application. An evaluation has to be done to determine cost effectiveness.

24.2 Cipriani College of Labour and Cooperative Studies – Courses Available

Mr. Colin Bartholomew, Head of Department for Co-operative Studies at the Cipriani College of Labour and Co-operative Studies pointed out that the fifth principle on which credit unions are based is that of education, training and information and TEXTEL Credit Union takes full advantage of that. He outlined a number of programmes offered by the College which Board and Committee Members as well as ordinary members can access,

such as Certificate in Credit Union Management, Associate and Bachelor's Degrees in Co-operative Studies, short courses and specialised courses.

The Step-up Programme was recently introduced for individuals between the ages of 16 and 25 and in January 2022 a Diploma in Credit Union Management will be initiated and positioned as a Credit Union Master Class in partnership with international Co-operative-based educators.

Mr. Bartholomew urged the membership to embrace the fifth principle of co-operatives and look to Cipriani College of Labour and Cooperative Studies which has a wealth of experienced and extremely competent lecturers to deliver in the areas of their interests. Members who require further information can contact TEXTEL Credit Union or Mr. Bartholomew at email address: bartholomewc@cclcs.edu.tt.

24.3 Board of Directors & Committee Meetings.

It was announced that the inaugural meeting of the Board of Directors will be held virtually on Wednesday July 28th, 2021 at 5.30 p.m. The Alternates are also invited to attend.

The Supervisory and Credit Committees will schedule their own meetings.

24.4 Tribute to Excellence

TEXTEL Credit Union paid tribute to the Merlyn Mclean, Michael Marcano, Jeffrey Austin and Lincoln Jitman for their sterling service to the organisation over the years.

- **Ms. Merlyn Mc Clean**, a stalwart and pioneer was instrumental in the formation and registration of TEXTEL Employees Credit Union Co-operative Society in 1973. Over the years she served on the Board of Directors and the Credit Committee she also held the positions of Assistant Manager, Manager and Interim Manager.

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MINUTES OF 47TH ANNUAL GENERAL MEETING (cont'd)

- Upon her retirement she was offered a contract which she accepted and served the Society until 2018 when a Manager was hired. On the unexpected resignation of the Manager in 2019, she was once again called upon and without any hesitation she answered that call and served in the capacity of Interim Manager until December 2020.
 - A very private person, Merlyn always carried herself with dignity, she worked extremely hard, was always meticulous and she always adhered to high standards of integrity. Throughout the years she gained the deep respect and admiration of her staff, colleagues and members
 - Her wish is for TEXTEL to be the number one credit union in Trinidad and Tobago and to continue to be an asset to its members and to the movement.
 - **Mr. Michael H. Marciano:** Is a founding member of TEXTEL Credit Union and worked diligently to incorporate and formally register the Society on May 31 1973 and has served for almost forty-eight (48) years. He has the distinction of being its first Secretary and he also designed the logo. With comprehensive local and overseas training in Credit Union Management he has served the organisation in the capacity of President, Vice President, Secretary, Assistant Secretary, Credit Committee Member and Chairman of the Human Resources Committee.
He is a positive role model, a source of wisdom with a wealth of experience that he is always willing to share particularly with the youth as he is a great advocate of their growth and development.
As an advocate he has carefully guarded and guided the credit union through the stages of infancy to maturity with his commitment, passion, empathy, honesty and integrity, all qualities of true leadership. TEXTEL is very dear to him as he once said “I embrace TEXTEL Credit Union as my child and while I watched it grow it also helped me to grow and it will be a part of me always
- **Mr. Lincoln Jitman:** A stalwart who has served the members of TEXTEL Credit Union for the past 40 plus years. with considerable working experience in policy development and enforcement, statutory reporting, compliance requirements and assessment of key risks and critical standards to ensure quality assurance management and leadership. He has brought his vast knowledge and experience to create a positive impact on every position he has held, including President and Secretary to the Board of Directors, Chair of the Supervisory, Credit and Education Committees and also to the Board appointed Technology Committee.
 - He is a versatile individual who thrives on and encourages personal growth and professional development and aims to impart the knowledge he has accumulated over the years to the upcoming generations.



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MINUTES OF 47TH ANNUAL GENERAL MEETING (cont'd)

- **Mr. Jeffrey Austin:** Joined the Credit Union in 1984 and served with great honour and distinction for over thirty-five (35) years. He held the positions of President, Vice President, Chairman of the Investment, Education and Asset Liability Committees.

He has always held high ethical standards for himself and those around him. His unwavering commitment to service and strong advocacy for succession planning is evident by his nurturing others and being able to recognise their merit and aptitude to fill particular roles. He is always receptive to ideas and is continually seeking out ways to improve and strengthen the capacity of the Society's operations for greater efficiency.

He is recognized for his leadership, dedication, inspiration, distinguished service and contribution to the development of the Society. He is a keen advocate of the co-operative philosophy, volunteerism and ethical business practices.

24.5 Request for Token

The Chairman, Mrs. Maria Berahzer, referred to Mr. Joseph Catterson's request made earlier, that members who joined the meeting at 10.00 a.m. and remained to the end should receive a token. Mrs. Berahzer indicated that that the issue was discussed and it was agreed that share accounts of the members referred to will be credited with \$50.00 and they will also be provided with a token.

25.0 VOTE OF THANKS

Mr. Jacinto Martinez thanked God for the opportunity for hosting an extremely successful meeting.

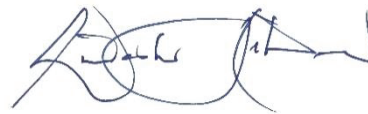
He also thanked Mr. Colin Bartholomew who served as Returning Officer, Officers of the Co-operative Division: Mrs. Michelle Cole-Padilla, Ms. Marina Pierre and Ms. Amanda Wallace; the outgoing and newly elected

Members of the Board of Directors, Credit and Supervisory Committees. Mr. Martinez also extended gratitude to those involved in organising the 47th Annual General Meeting and singled out on the technical side, Mr. Ayinde Burgess, Vice President; the Manager and staff for their love and support and, most importantly, those members who attended the AGM.

26.0 CLOSURE

The Chairman thanked Mr. Jacinto Martinez and members for their attendance and participation and wished everyone well until the next AGM. The meeting ended at 3.43 p.m.

Respectfully submitted



Lincoln Jitman MBA
Secretary to the Board of Directors



**Report of the Board of Directors for the period
January 01 2021 to December 31 2021**

1 INTRODUCTION

The Board of Directors is pleased to present its report for the period January 01 2021 to December 31 2021.

2. THE BOARD OF DIRECTORS

The Board comprised the following persons:

- Mr. Jeffrey Austin
- Mr. David Bazil (Jan 2021)
- Mrs. Maria Berahzer
- Mr. Ayinde Burgess
- Mr. Anthony De Freitas
- Mr. Lincoln Jitman
- Mr. Michael Marcano
- Mr. Jacinto Martinez
- Mr. Marlon Pierre
- Mrs. Jennifer Long
- Ms. Alanna Gordon (Jan-May 2021)
- Mr. Elliot Rivas (May-Jul 2021)
- Ms. Allison Sylvester (Jun-Jul 2021)
- Mr. Kerwin Ramrattan (Jul-Dec 2021)

- Ms. Allison Sylvester 1st Alt (Jan-May 2021)
- Mr. Elliot Rivas 1st Alt. (from July 2021)
- Mr. Vivian Reyes 2nd Alt (from July 2021)

3. EXECUTIVE OFFICERS OF THE BOARD

The Inaugural Meeting of the Board was held on July 28 2021, in accordance with section (c) of Bye Law #23 of the Society's Bye Laws.

Mrs. Michelle Cole-Padilla - Co-operative Officer from the Co-operative Development Division was in attendance and conducted the elections, the following officers were elected to serve for the 2021-2022 term.

- | | |
|------------------------|-----------------|
| Mrs. Maria Berahzer | President |
| Mr. Ayinde Burgess | Vice- President |
| Mr. Lincoln Jitman | Secretary |
| Mr. Kerwin Ramrattan | Asst. Secretary |
| Mr. Anthony De Freitas | Treasurer |
| Mr. Jacinto Martinez | Asst. Treasurer |



Report of the Board of Directors (cont'd)

4. MEETINGS

For the period under review, twelve (12) statutory meetings and two (2) special meetings were held. All meetings were held virtually. The following table shows the attendance of all serving officers during the review period.

NAMES	BOARD MEETINGS				TOTAL PRESENT
	Statutory		Special		
	Present	Excused	Present	Excused	
Maria Berahzer	12	0	2	0	14
Ayinde Burgess	12	1	1	1	13
Lincoln Jitman	10	2	2	0	12
Michael Marcano	10	2	2	0	12
Anthony De Freitas	12	0	2	0	14
Jacinto Martinez	10	2	2		12
Jeffrey Austin	11	1	2	0	13
David Bazil	1	N/A	N/A	N/A	1
Marlon Pierre	11	1	2	0	13
Jennifer Long	10	2	2	0	12
Kerwin Ramrattan (From Jul 24 2021)	6 (of 6)	N/A	2	0	8
Althea Manzano (From Jul 24 2021)	5 (of 6)	1	2	0	7
Nigel Parris	9	3	1	0	10
Elliot Rivas (1st Alt Jan-Apr) Director (May-July) (1st Alt July-Dec)	6	N/A	1	0	7
Allison Sylvester (2nd Alt. Jan to May) (Director Jun-July)	6	N/A	N/A	N/A	6
Vivian Reyes (2nd Alt July-Dec 2021)	4	N/A	N/A	N/A	4

NOTE: Alternates are not required to attend Board Meetings

Report of the Board of Directors (cont'd)

5. OUTGOING OFFICERS

The term of office of the following officers comes to an end at the 48th Annual General Meeting, they are eligible for election.

LINCOLN JITMAN

JACINTO MARTINEZ

KERWIN RAMRATTAN

JENNIFER LONG

6. MEMBERSHIP

During the year under review twenty-two (22) new members were admitted. There were seven (7) resignations and eight (8) members passed away. The membership at 31st December 2021 stands at two thousand two hundred and two (2,202) members.

7. STATUTORY COMMITTEES

Supervisory Committee

The Supervisory Committee was invited to and had a presence at all Board Meetings. The committee presented reports to the Board on its activities and made recommendations. The Board places on record its appreciation of the committee's contribution during 2021

Credit Committee.

The Board commends the Credit Committee for its commitment and dedication to duty during the review period and places on record its gratitude for the committee's support and contributions.

Education Committee

The Education Committee executed its duties creditably although its work was constrained due to the limitations imposed by the ongoing pandemic. Consequently, all programmes were hosted virtually except for the SEA Awards Ceremony which recognized and celebrated our members who were successful at the 2021 SEA Examinations.

The Board extends its congratulations and best wishes to our future leaders:

SAMARA BAKSH

DALIA BERAHZER

TYRECE CARRINGTON

TYRELLE HUNTE

ARYSTA JONES

VIKTORIA MC VORRAN

SAMANTHA PHIPPS

RUBY SEEPAUL

8. BOARD APPOINTED COMMITTEES

In accordance with the Bye-Laws of TCU and in furtherance of the business of the Society the following committees were appointed:

NB: (The president is an Ex-officio member of all committees)

Asset Liability Committee (ALCO)

- To guide the management and administration of the investment portfolio.
- To improve liquidity risk management
- To undertake appropriate analysis and risk assessment of all investment proposals

Committee Members:

Jeffrey Austin Chairman

Maria Berahzer

Ayinde Burgess

Anthony De Freitas

Jacinto Martinez

The Committee held monthly meetings and submitted reports and recommendations to the Board.

Investment Committee

- To oversee the investment portfolio of the Society

Committee Members:

Jeffrey Austin Chairman

Ayinde Burgess

Maria Berahzer

Anthony De Freitas

Jacinto Martinez

The committee met regularly to review the performance of the investments and to analyse any opportunities for new investments.

The IPS (Investment Policy Statement) was revised and received Board approval.

Report of the Board of Directors (cont'd)

Building Committee

To manage and maintain TCU's Building at 85 Henry Street, Port-of-Spain.

Committee Members:

Marlon Pierre Chairman
Elliot Rivas
Ellery Gokool

During the review period the committee made recommendations on matters pertaining to the building and monitored all Board approved works.

- Remedial work on the building
- Air Quality Analysis
- Audit and Maintenance of the Fire Detection System
- Replacement of the AC Circuit
- Sale of the building

Human Resource Committee

- To identify training needs and to develop a plan for hiring and retaining qualified and competent management and staff.
- To represent the Society at Negotiations for Collective Agreements and other related matters with the Banking, Insurance and General Works Union.

Committee Members:

Jacinto Martinez Chairman
Maria Berahzer
Ayinde Burgess
Anthony De Freitas
Lincoln Jitman
Michael Marcano
Ellery Gokool

During 2021 the committee was engaged in treating with a Trade Dispute concerning Outstanding Articles #27 (d) Severance Benefits and #40 Pension and Gratuity of the Collective Agreement for the period July 01 2019 – June 30 2022 which was referred to the Industrial Court for arbitration.

Update: In January 2022 the Union wrote the Society to advise that it had no objection to the Society's Proposal and agreed with the removal of Article 27(d), and the incorporation of 40:1 and 40:2 as outlined

in the Society's proposal and that it further agreed to withdraw the Trade Dispute. The Society accepted the Union's intervention to rescind its counter-proposal and to withdraw the matter from the Industrial Court.

The Collective Agreement, for the period June 01 2019 to June 31 2022 was signed by both parties and submitted to the Industrial Court for approval.

Marketing Committee

To promote a proactive and effective marketing drive that increases membership, maintains satisfaction and increased participation of all members.

Committee Members:

Nigel Parris Chairman
Althea Monzano
Ellery Gokool
Vivian Reyes

Technology Committee

To maximise the use of technology to enhance delivery of service to members.

Committee Members:

Ayinde Burgess Chairman
Althea Manzano
Anthony De Freitas
Kerwin Ramrattan
Vivian Reyes
Ellery Gokool

During the period under review the Committee focused on the following activities:

- Oversight of the Process Mapping Programme
- Implementation of the On-Line-Banking System - GIA
- Training of staff on the On-Line-Banking system.
- Management of the virtual AGM, Board and Committee meetings and training programmes.

Report of the Board of Directors (cont'd)

9. AFFILIATED ORGANISATIONS

- **THE CO-OPERATIVE DIVISION, MINISTRY OF YOUTH DEVELOPMENT AND NATIONAL SERVICE**

The Board records its appreciation to the Commissioner for Co-operative Development (Ag.) and the officers of the Division, especially Mrs. Michelle Cole-Padilla for the support and guidance throughout the review period.

- **THE CO-OPERATIVE CREDIT UNION LEAGUE OF TRINIDAD AND TOBAGO**

The Board maintained its support for the umbrella organization, the CCULTT and participated in some of its training programmes and other services.

Mr. Marlon Pierre served as Vice-President on the Board and Mr. Elliott Rivas served as a member of the Audit Committee.

- **CUNA CARIBBEAN INSURANCE SOCIETY LIMITED**

CUNA Caribbean Insurance Society Limited remains the provider of insurance coverage for the Society; claims were promptly settled on behalf of our members.

Family Indemnity Plan (FIP)

This plan provides a cash benefit to be used to cover funeral costs for the member and eligible family members. The Society continues to promote the Family Indemnity Plan to its members. Seven (7) members enrolled in the plan in 2021 bringing the total number of members enrolled to two hundred and eighty-nine (289).

The Board would like to encourage members to participate in the plan. There are seven (7) options available

Plan Options	Monthly Premium	Individual Benefit
Plan A	\$52.80	\$10,000.00
Plan B	\$79.20	\$15,000.00
Plan C	\$105.60	\$20,000.00
Plan D	\$158.40	\$30,000.00
Plan E	\$211.20	\$40,000.00
Plan F	\$343.20	\$65,000.00
Plan G	\$528.00	\$100,000.00

The Life Savings Plan provides benefits to the members' beneficiary in proportion to the amount of savings the member had in the credit union. It covers all savings including shares, fixed deposits and regular deposits up to a limit of \$150,000.00.

Coverage is restricted to savings made before age 70 years. The actual benefit paid will be subject to the age of the member, when the deposit was made and the maximum limits in force during the lifetime of the member.

Age of Member when Deposit was made	Amount Payable
55	100%
56-59	75%
60-65	50%
66-70	25%
71 and over	0%

Loan Protection: Covers all the eligible loan balances of a member should death occur before age 70. The amount of the benefit is subject to the credit's union's maximum, which is \$200,000.00.

Report of the Board of Directors (cont'd)

- **CENTRAL FINANCE FACILITY CO-OPERATIVE SOCIETY OF TRINIDAD & TOBAGO LIMITED (CFF)**

The Society is a shareholder of the Central Finance Facility Co-operative Society Trinidad & Tobago Limited with one (1) share valued at \$25,000.00 as at December 31 2021.

- **NORTH WEST REGIONAL CHAPTER**

The Society supported the Chapter in its programmes during the period under review.

Mr. Marlon Pierre served as President and Mr. Elliot Rivas as Treasurer on the Chapter's Board.

- **TRINIDAD AND TOBAGO CREDIT UNION DEPOSIT INSURANCE FUND CO-OPERATIVE SOCIETY LIMITED (TTCUDIF)**

The Society remains a member of the T&T Credit Union Deposit Insurance Fund (TTCUDF). This partnership is critical towards ensuring that our members' investment is protected against insolvency.

Mr. Lincoln Jitman is the Consultant Manager at TTCUDIF.

Mr. Anthony De Freitas served as Chairman of the Audit Committee.

10. ASSOCIATED ORGANISATIONS.

- **BANKING, INSURANCE & GENERAL WORKERS' UNION (BIGWU)**

The Banking, Insurance and General Workers Union is the recognized representative bargaining body for the Society's staff.

The current Collective Agreement expires on June 30 2022, the Union has submitted proposals for a new Collective Agreement for the period July 01 2022 to June 30 2025.

The Society's counter-proposals were submitted. A date for the commencement of Negotiations is to be scheduled.

11. STAFF

During the period January 01 to December 31 2021 the staffing was as follows:

Mr. Ellery Jason Gokool
General Manager
Ms. Anna Stacia Shepherd
Accountant
Ms. Omega Zephyrine
Administrative Officer
Ms. Aaliyah Ishmael
Administrative Clerk 1
Mr. Johnathan Griffith
Administrative Clerk 1
Ms. Liesl West
Administrative Clerk 1

Ms. Anna Stacia Shepherd, assumed the new position of Accountant from January 04 2021. She has more than five years work experience as an Accountant and is pursuing final ACCA accreditation.

Ms. Liesl West and Mr. Jonathan Griffith were confirmed as permanent workers in December 2021.

12. ASSETS

At December 31 2021 Total Assets stood at \$135.347M an increase of 0.4% over 2020.

13. SHARE CAPITAL

Our share portfolio recorded an increase of \$0.243M or 0.3% to \$92.527M in 2021.

14. MOVEMENT IN INCOME

In 2021 income increased by \$1.624M or 20.3%. (2021 \$9.628M; 2020 \$8.004M)

15. NON-PERFORMING LOANS

As at 31st December 2021 the value of total delinquent member loans, over one year unpaid, stood at 0.9% of the total loan portfolio, according to the PEARLS financial ratios it is within the accepted range of 0%-5%. All loans are adequately provided for as a result of the IFRS9 provisioning.

Management continues to monitor and control bad debts and to aggressively pursue collections.

Report of the Board of Directors (cont'd)

16. POLICY REVIEW

The Board is committed to good governance and as part of its strategic objective it has undertaken to review and complete existing policies. This exercise is ongoing.

17. STRATEGIC PLAN

The Strategic Plan was reviewed, amended and approved for the period 2020 – 2023.

18. TRAINING

Members of the Board, Statutory Committees, Management and Staff participated in training programmes during 2021.

In keeping with the requirements of the Financial Intelligence Unit (FIU) all elected officers and staff participated in the annual Anti-Money Laundering/ Combatting the Financing of Terrorism (AML/CFT) training.

19. TEXTEL GROUP HEALTH PLAN - TEXMED

TEXTEL partnered with Sagicor to provide the TEXTEL Group Health Plan - TEXMED.

As at December 31st 2021 there were one hundred and thirty-seven (137) members enrolled in the plan. Benefits of the plan include, easier Claim Settlements, Improved Coverage, Enhanced Benefits.

20. CONDOLENCES

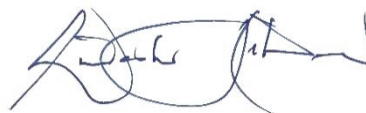
The Board of Directors extends its heartfelt condolences to the bereaved families and friends of the members who passed during 2021. May their Souls Rest in Peace.

LARRY ROACH
BARRY MONIQUETTE
LANCELOT WADE
SHELLY LOWHAR
HANUMAN BASDEO
JAMES AKONG
MYRNA BRUCE

21. CONCLUSION

The Board of Directors feels that, for the period under review, it has honourably and faithfully discharged its duties and responsibilities. The Board would like to place on record its sincere thanks to all Committees, elected officers and the General Manager and Staff who have worked assiduously to ensure that the operations of the Society have been efficiently conducted. Thanks also to every member of the Society for giving us the opportunity to serve you in 2021. We thank the Almighty for His blessings throughout 2021 and implore his continuous divine guidance in all the Society's operations.

Respectfully submitted



Lincoln Jitman MBA
for and on behalf of the Board of Directors



**BOARD OF DIRECTORS and COMMITTEES
JANUARY TO DECEMBER 2021**

NAMES	POSITION	YEAR ELECTED
MARIA BERAHZER	President	2021
AYINDE BURGESS	Vice-President	2020
LINCOLN JITMAN	Secretary	2019
MICHAEL MARCANO	Asst. Secretary	2020
ANTHONY DE FREITAS	Treasurer	2021
JACINTO MARTINEZ	Assistant Treasurer	2019
JEFFREY AUSTIN	Director	2020
DAVID BAZIL	Director	2018
ALANNA GORDON	Director	2019
JENNIFER LONG	Director	2019
MARLON PIERRE	Director	2021
ALTHEA MANZANO	Director	2021
KERWIN RAMRATTAN	Assistant Secretary	2021
ELLIOT RIVAS	1st Alternate	2021
VIVIAN REYES	2nd Alternate	2021

All Directors who served from January 2021 to December 2021 are recorded

Outgoing officers (Eligible for re-election)

JACINTO MARTINEZ LINCOLN JITMAN
KERWIN RAMRATTAN JENNIFER LONG

All Supervisory and Credit Committee members are outgoing.

SUPERVISORY COMMITTEE

NAMES	POSITION
JACQUELINE TAYLOR-CHASE	Chairman
NIGEL REECE	Secretary
CHRISTOPHER ATKINS	Member
KYPRUNA VINCENT	1st Alternate
LATOYA D'ABREAU	2nd Alternate

CREDIT COMMITTEE

NAMES	POSITION
INGRID RICHARDSON	Chairman
JENNIFER LONG	Secretary
MARIA BERAHZER	Member
ELLIOT RIVAS	Member
ALLISON SYLVESTER	Member
VIVIAN REYES	1st Alternate
ALANNA GORDON	2nd Alternate



REPORT OF THE EDUCATION COMMITTEE

In accordance with TEXTEL Credit Union's Bye-Laws at the first meeting of the Board of Directors, Mrs. Jennifer Long was appointed Chairman of the Education Committee.

The first meeting of the Education Committee was held on 29th July 2021. The first order of business was to appoint a secretary to the Committee, as well as persons who will form the membership of the committee. Ms. Joyce Loobie was nominated and elected unopposed to the post of secretary.

After the first meeting, the Education Committee comprised of the following persons.

Mrs. Jennifer Long – Chairman
Ms. Joyce Loobie - Secretary
Mr. Marlon Pierre - Member
Ms. Alison Sylvester –Member
Ms. Nicole Roberts - Member
Co-opted member: Mr. Junior St Hillarie

The Education Committee met monthly to discuss all upcoming activities. The Covid-19 pandemic has changed the way in which we conduct and perform our daily routines, and this 'new normal' has seen the digitization of education and training and business services. The consistent commitment displayed by members of the education committee is noteworthy. Throughout the year, quality work and time was given by the education committee members in the true co-operative spirit.

Fire Safety at Home

The first Virtual course to be covered by the Education Committee was the Fire Safety at Home with Facilitator Firefighter: Nigel C Davis. 31 persons registered, 25 attended. Online Platform used was Microsoft Teams. Members learned fire safety tips, how to use a fire extinguisher, how to develop an evacuation plan, the use of smoke detectors etc.

The Social Dining & Etiquette workshop for Teens

The Social Dining & Etiquette workshop for Teens was held on August 27th 2021.

Facilitator: Akenna Kublal who is an experienced flight attendant and owner of Akenna Kublal Events & Personal Development Agency. Ten (10) members attended virtually. This workshop was very interactive and allowed our young members to have a better understanding of who they are, how their self-image is formed. They were also taught the rules of Good Manners, Table and Dining Etiquette

S.E.A Awards

The annual S.E.A award ceremony held on October 31st, 2021. It was held at our TEXTEL Credit Union office where all Covid-19 protocols and guidelines were observed. The annual awards, rewarded student members who successfully completed their SEA examinations, eight (8) students were honored. Each awardee received a token and a monetary award of five-hundred dollars (\$500.00) which was deposited into their share saving account.

Will Preparation

The Will Preparation seminar was hosted virtually by facilitator Mr. Mario Edwards on October, 31st 2021 at TEXTEL Credit Union. This workshop was designed to teach members the law and best practices in relation to will preparation and the benefits of drafting a will. Forty-Nine (49) members attended.

Building Resilience in a Time of Crisis

This virtual seminar hosted by Facilitator Dr. Dianne Douglas of Douglas and Associates. Dr. Douglas who has over 20 years of experience in clinical psychology and consulting services was interactive, motivating and thought provoking she discussed the many ways we can navigate through this ongoing crisis so that you can not only survive, but thrive. Fifty-Seven (57) participants attended.

REPORT OF THE EDUCATION COMMITTEE (cont'd)

Communication

The Education Committee encourages our membership to use our convenient communication channels such as TEXTEL Credit Unions' WhatsApp Messages, social media page Facebook, the Web page, and emails to view all our upcoming activities and our online forms.

These communication channels are easy access to our members who are unable to visit the TEXTEL Credit Union office for any registrations and new updates. We understand that from time to time a person may change telephone numbers so we ask that you tell other members to contact our office and update their personal information and follow us on Facebook @ TEXTEL Credit Union.

Cancellation of Courses.

During the year 2021, the committee cancelled one seminar; Know Your Credit Union due to low member registration.

Future Plans

This transition has left some of our members challenged in keeping pace with these digital inclusions in business and government services.

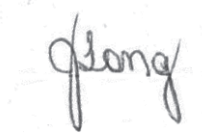
Courses such as Spanish, Functional Digital Literacy – Making Online Services Work for You and Monetizing your Skills through Entrepreneurship Workshops are on the horizon.

Every course that is offered by the Credit Union is subsidized, we encourage all members to take advantage of the learning and development opportunities that are available through our Credit Union. The Education committee will like your feedback and continuous support in the upcoming years. In addition, we would like to encourage the membership to participate in our surveys and

tell us what courses you are interested in and skills you can offer to the credit union.

The Education Committee would firstly like to thank the Almighty God, the Board of Directors, staff, and our members for continuous support. We appreciate the opportunity to serve, and we humbly seek your continued support in the coming year. May God continue to bless you all.

Mrs. Jennifer Long



Chairman of Education Committee



THE REPORT OF THE CREDIT COMMITTEE
1st JANUARY TO 31st DECEMBER 2021

1.0 INTRODUCTION

Good day to all members and specially invited guests. The Credit Committee is pleased to present its report at this, the 48th Annual General Meeting of TEXTEL Credit Union for the period 1st January to the 31st December 2021.

The 47th Annual General Meeting was held virtually on 24th July 2021 at the Society’s Head Office at Henry Street Port of Spain. At that meeting the following persons were elected to serve on the Credit Committee for the term 2021 / 2022:

- Mrs. Ingrid Richardson
- Ms. Allison Sylvester
- Mrs. Maria Berahzer
- Mrs. Jennifer Long
- Mr. Elliot Rivas
- 1st Alternate – Mr. Kerwyn Ramrattan
- 2nd Alternate – Mr. Vivian Reyes

The election for Chairman and Secretary of the Credit Committee was held at the Committee’s first meeting on 27th July 2021, under the supervision of the Supervisory Committee, led by Ms. Jacqueline Taylor-Chase (Chairman). Mrs. Ingrid Richardson was elected Chairman and Mrs. Jennifer Long was elected Secretary.

2.0 MEETINGS

2.1 During the reporting period, the Credit Committee met forty-nine (49) times to review, approve loan application forms and to give financial counselling and advice to members. One (1) special meeting was held in March 2021 to review the Loan Policy. Meetings for 2021 resumed on the 12th January 2021 and the final meeting was held on the 15th December 2021. The following table reflects the meetings by months:

MONTH	No. OF MEETINGS	MONTH	No. OF MEETINGS
JANUARY	3	JULY	4
FEBRUARY	4	AUGUST	4
MARCH	5	SEPTEMBER	5
APRIL	4	OCTOBER	4
MAY	4	NOVEMBER	5
JUNE	5	DECEMBER	2

THE REPORT OF THE CREDIT COMMITTEE (cont'd)

Name	Meeting attendance	Remarks
Ingrid Richardson	45	January to December
Jennifer Long	49	January to December
Elliot Rivas	49	January to December
Allison Sylvester	49	January to December
Maria Berahzer	40	January to December

Note: Alternatives are not mandated to attend meetings

3.0 TRAINING

Members of the Credit committee attended training on the TransUnion Report and the internal Immortelle System.

4.0 LOANS

4.1 Loans Reviewed

During the period a total of three hundred and eighty loan applications were reviewed and three hundred and seventy-four (374) loan applications were approved for a value of \$7,988,915.90.

The details of the various categories of loan are reflected in the tables and charts below:



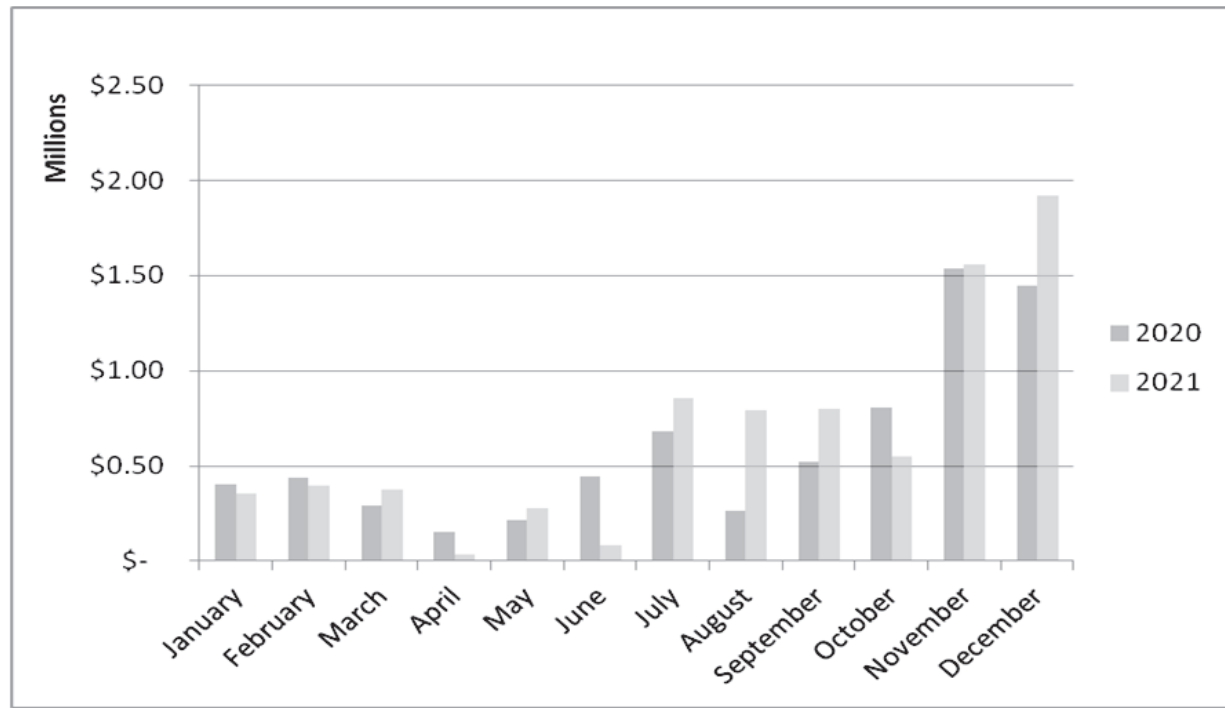
THE REPORT OF THE CREDIT COMMITTEE (cont'd)

4.2 LOANS BY MONTH COMPARISON

2020		2021				
# Approved	Value of Loans	# Approved	Value of Loans	Difference	% Difference	Increase/Decrease
30	\$ 402,650.00	24	\$ 357,600.00	-\$45,050.00	-11.2%	Decrease
24	\$ 440,600.00	24	\$ 395,360.00	-\$45,240.00	-10.3%	Decrease
20	\$ 288,850.00	20	\$ 374,000.00	\$85,150.00	29.5%	Increase
14	\$ 149,400.00	12	\$ 32,740.00	\$116,660.00	-78.1%	Decrease
11	\$ 213,200.00	24	\$ 274,337.49	\$61,137.49	28.7%	Increase
35	\$ 444,162.16	11	\$ 85,889.76	\$358,272.40	-80.7%	Decrease
39	\$ 678,633.00	32	\$ 853,200.00	\$174,567.00	25.7%	Increase
16	\$ 266,400.00	30	\$ 795,948.65	\$529,548.65	198.8%	Increase
19	\$ 521,000.00	30	\$ 796,240.00	\$275,240.00	52.8%	Increase
37	\$ 809,700.00	25	\$ 549,900.00	\$259,800.00	-32.1%	Decrease
69	\$ 1,539,789.00	76	\$ 1,556,900.00	\$17,111.00	1.1%	Increase
52	\$ 1,446,100.00	66	\$ 1,916,800.00	\$470,700.00	32.5%	Increase
366	\$ 7,200,484.16	374	\$ 7,988,915.90	\$788,431.74	10.9%	Increase

THE REPORT OF THE CREDIT COMMITTEE (cont'd)

4.3 CHART: LOANS BY MONTH: 2021 vs. 2020



Support Assets Philosophy Investment Confidentiality Ethics Membership
 Excellence Policy Legacy Confidence Advocacy Digital Growth
 Rebranding Integrity Principles

THE REPORT OF THE CREDIT COMMITTEE (cont'd)

4.4 TABLE: LOANS BY PURPOSE

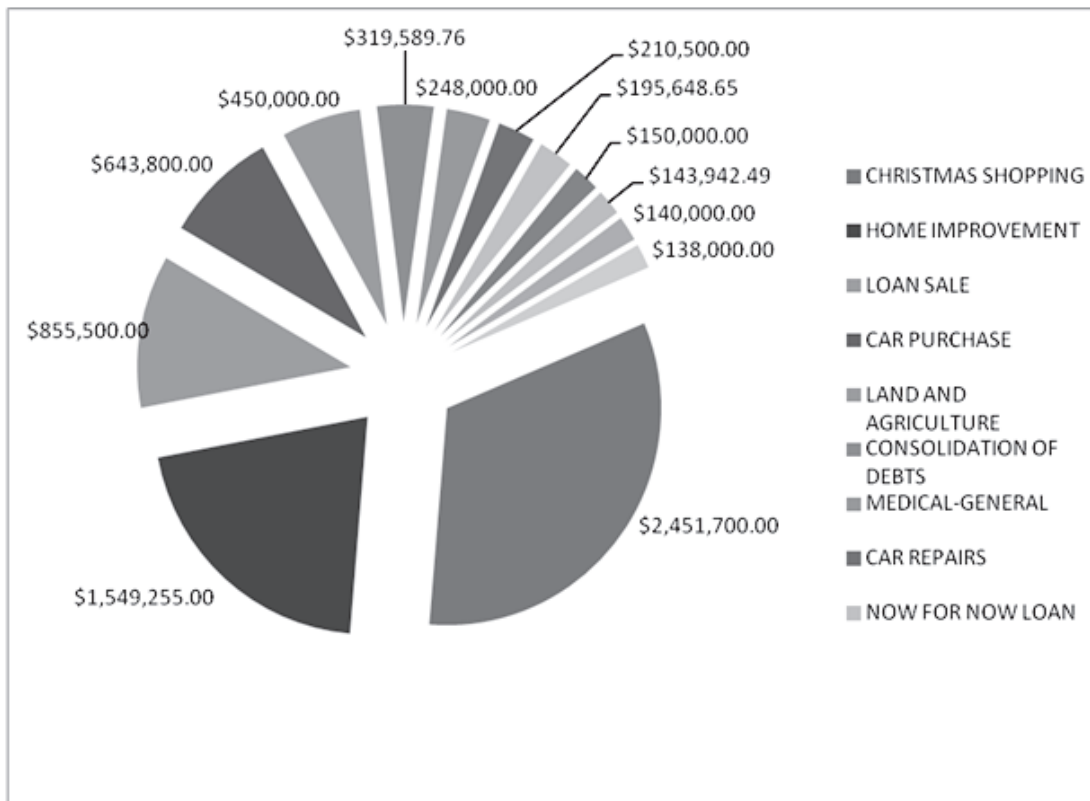
PURPOSE	2020		2021	
	NUMBER APPROVED	VALUE	NUMBER APPROVED	VALUE
BUSINESS	3	\$ 149,000.00	2	\$ 40,000.00
CAR LICENCE/INSURANCE	5	\$ 42,814.16	2	\$ 17,000.00
CAR PURCHASE	3	\$ 205,000.00	9	\$ 643,800.00
CAR REPAIRS	16	\$ 165,929.00	12	\$ 210,500.00
CEROMONIES	2	\$ 10,000.00		
CHRISTMAS SHOPPING	29	\$ 354,000.00	122	\$ 2,451,700.00
COMPUTER PURCHASE/ REPAIR	3	\$ 35,700.00	1	\$ 16,000.00
CONSOLIDATION OF DEBTS	30	\$ 502,500.00	12	\$ 319,589.76
DENTAL	1	\$ 12,000.00	1	\$ 13,000.00
EDUCATION	16	\$ 579,500.00	3	\$ 76,400.00
FOREVER LN	1	\$ 60,000.00		
FUNERAL	1	\$ 8,000.00	2	\$ 34,000.00
FURNITURE & APPLIANCES	6	\$ 65,177.00	10	\$ 143,942.49
HOME IMPROVEMENT	36	\$ 1,451,850.00	41	\$ 1,549,255.00
HOUSE INSURANCE			1	\$ 15,000.00
HOUSE RENT	1	\$ 6,000.00	1	\$ 5,000.00
HOUSE/LAND PURCHASE			1	\$ 140,000.00
INVESTMENTS	1	\$ 135,000.00		
KEYZZ LOAN #2	4	\$ 585,000.00		
LAND AND AGRICULTURE	2	\$ 95,000.00	1	\$ 450,000.00
LEGAL FEES	1	\$ 15,000.00	1	\$ 150,000.00
LOAN SALE	66	\$ 1,727,750.00	32	\$ 855,500.00
MEDICAL-GENERAL	7	\$ 134,600.00	11	\$ 248,000.00
MISCELLANEOUS	7	\$ 65,000.00	5	\$ 129,100.00
NOW FOR NOW LOAN	65	\$ 148,700.00	82	\$ 195,648.65
OPTICAL	1	\$ 2,500.00	1	\$ 7,000.00
SCHOOL BOOKS/FEES	5	\$ 72,500.00	11	\$ 138,000.00
Stress Free Loan	13	\$ 235,000.00	3	\$ 60,000.00
STUDENT LN	1	\$ 30,000.00		
SURGERY			1	\$ 45,480.00
TAKE A 5	21	\$ 105,000.00	5	\$ 25,000.00
TEXMED	10	\$ 68,964.00		
TRAVEL	3	\$ 47,000.00		
VACATION	6	\$ 86,000.00	1	\$ 10,000.00
TOTAL	366	\$ 7,200,484.16	374	\$ 7,988,915.90

Support Assets Philosophy Investment Confidentiality Ethics Membership
 Excellence Policy Legacy Confidence Advocacy Digital Integration Growth
 Rebranding

THE REPORT OF THE CREDIT COMMITTEE (cont'd)

4.5 TOP LOANS (See pie chart below)

LOANS BY PURPOSE		
	# Approved	Value
CHRISTMAS SHOPPING	122	\$ 2,451,700.00
HOME IMPROVEMENT	41	\$ 1,549,255.00
LOAN SALE	32	\$ 855,500.00
CAR PURCHASE	9	\$ 643,800.00
LAND AND AGRICULTURE	1	\$ 450,000.00
CONSOLIDATION OF DEBTS	12	\$ 319,589.76
MEDICAL-GENERAL	11	\$ 248,000.00
CAR REPAIRS	12	\$ 210,500.00
NOW FOR NOW LOAN	82	\$ 195,648.65
LEGAL FEES	1	\$ 150,000.00
FURNITURE & APPLIANCES	10	\$ 143,942.49
HOUSE/LAND PURCHASE	1	\$ 140,000.00
SCHOOL BOOKS/FEES	11	\$ 138,000.00
Grand Total	374	\$ 7,495,935.90



THE REPORT OF THE CREDIT COMMITTEE (cont'd)

4.6 LOAN BY GENDER AND AGE

The data showed that females took the most loans (200) in 2021 but less in value than males. The 51-60 age group topped the chart with 100 approved loans. There were also 78 loans approved for the 61-70 age group in 2021.:

GENDER	2020		2021	
	NUMBER APPROVED	VALUE \$	NUMBER APPROVED	VALUE \$
FEMALE	151	3,037,143.16	200	3,705,253.41
MALE	215	4,163,341.00	174	4,283,662.49
TOTAL	366	7,200,484.16	374	7,988,915.90

AGE	2020		2021	
	NUMBER APPROVED	VALUE \$	NUMBER APPROVED	VALUE \$
1 - 18 Years	1	10,000.00	1	31,400.00
19 - 25 Years	5	87,000.00	6	84,000.00
26 - 30 Years	10	96,300.00	24	459,060.00
31 - 35 Years	25	498,324.00	31	775,755.00
36 - 40 Years	26	790,100.00	33	638,140.00
41 - 45 Years	43	1,106,100.00	41	683,158.41
46 - 50 Years	49	719,750.00	42	738,540.00
51 - 60 Years	98	2,049,639.00	100	1,979,000.00
61 - 70 Years	92	1,290,655.16	78	2,273,300.00
71 and Over	17	552,616.00	18	326,562.49
TOTAL	366.00	7,200,484.16	374.00	7,988,915.90

SUPPORT Assets Philosophy Investment Confidentiality Ethics Membership
Excellence Policy Legacy Confidence Advocacy Digital Integration Growth
Rebranding Principles

THE REPORT OF THE CREDIT COMMITTEE (cont'd)

4.7 LOANS DEFERRED

DEFERRAL REQUESTS: Thirteen (13) requests were granted over a three (3) month period (2021).

4.8 LOANS NOT APPROVED / CANCELLED

One (1) loan was cancelled and five (5) loans were not approved due the following reasons

- A) Inability to Repay
- B) High Debt Service Ratio
- C) Credit Stipulation still in Effect.

5.0 Recommendations

The Committee submits the following recommendations:

- The Board to pursue strategies for membership growth.
- A reduction in the interest rate on new or exiting products to be attractive to all especially the net savers.
- Accelerate the launch of the online platform to attract the younger members to borrow due to the ease of doing business.

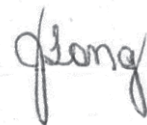
6.0 CONCLUSION

Thanks to the Almighty God for guiding us through another challenging year. Appreciation is extended to the hard working and committed staff members for their support. The Credit Committee also gives thanks to the members for their continued support.

Submitted By:



Ingrid Richardson – Chairman



Jennifer Long – Secretary



**SUPERVISORY COMMITTEE REPORT
FOR THE PERIOD JULY 2021 TO MARCH 2022**

OVERCOMING AND ADAPTING TO THE CHALLENGES

During its tenure the Supervisory Committee (hereinafter referred to as the Committee) met the challenges brought on by the restrictions associated with Covid-19. However, we did not allow this to hamper the fulfillment of the responsibilities bestowed upon us by the Members of the Credit Union. With the continued support of the Board, Management and Staff of the Credit Union, the Committee was still able to fulfill its mandate and responsibilities.

Recently, it was announced that the country will be returning to some level of “normalcy” from April 4, 2022 with the removal of “safe zones” and several other restrictions. We expect that this change would result in increased economic activity that could only augur well for the economy and the members of the Credit Union.

OVERALL MANDATE OF THE SUPERVISORY COMMITTEE

The Committee is made up of volunteer members elected by you, the membership, who independently evaluate the strength, adequacy and soundness of the Society’s operations and activities. The Committee collaborates with the Board of Directors, Management and other Committees of the Society to ensure that its assets are safeguarded by upholding policies, procedures and regulatory requirements relative to its internal controls and compliance. The Committee also makes recommendations to improve these controls.

COMPOSITION OF THE COMMITTEE & ATTENDANCE

At the 47th Annual General Meeting of TEXTEL Credit Union Society Limited, held virtually on Saturday 24th July, 2021 from 10:00am via Zoom the following members were elected to serve on the Committee:

- Jacqueline Taylor Chase
- Nigel F. Reece
- Christopher Atkins
- Kypruna Vincent (1st Alternate)
- Latoya D’A breau (2nd Alternate)

At its first meeting held on August 17th 2021, the following members were elected to the post of the Chairperson and Secretary of the Committee.

- Ms. Jacqueline Taylor Chase (Chairperson)
- Mr. Nigel F. Reece (Secretary)

Committee Member	Position held	Attended	Absent	Excused
Jacqueline Taylor Chase	Chairperson	8		
Nigel F. Reece	Secretary	5		3
Christopher Atkins	Member	8		
Kypruna Vincent	1 st Alternate	3		5
Latoya D’A Breau	2 nd Alternate	4		4

Note: Alternatives are not mandated to attend meetings

SUPERVISORY COMMITTEE REPORT (cont'd)

KEY ACTIVITIES & OBSERVATIONS OF THE COMMITTEE

In fulfilling its mandate, and under the leadership of our Chairperson (Ms. Jacqueline Tayler Chase), the Committee has taken a slightly different approach to fulfilling its responsibilities. Its approach has mirrored that of the functions, and reporting style of an “internal auditor”. You would note this in the format of the report below.

The following table represents the key activities that were conducted during the tenure of the Committee.

Activity	Committee Observations	Committee Recommendations
Review of Online Banking	<p>The Committee confirmed that this review was conducted, and subsequently concluded that the on-line application is working as expected.</p> <p>There was only one (1) issue identified: the system advised to “check box”; option was not provided, line was highlighted and deleted without option provided.</p>	<p>Review all outstanding issues for successful implementation; continuously review feedback from members and fix accordingly within a reasonable period of time.</p>
Updating Credit Union Webpage	<p>Web page to be updated in accordance with previous submissions.</p>	<p>Review all outstanding issues for successful implementation; continuously review feedback from members and fix accordingly within a reasonable period of time.</p>



SUPERVISORY COMMITTEE REPORT (cont'd)

Activity	Committee Observations	Committee Recommendations
<p>Review of Fixed Assets Register (FAR)</p>	<p>For the FAR dated August 31, 2021: Land and Building There was no evidence that the FAR was reviewed by a senior staff member. Fixtures and Fittings & Office Equipment More than 50% of the items within this category do not have a Date of Acquisition; have Zero (0) Net Book Value (NBV). There were several assets with a brought forward cost figure of \$1.00 There was no evidence of person who prepared the FAR or whether it was reviewed by a senior staff member. There are several items that are older than 10 years. There were several assets with vague descriptions</p>	<p>FAR verification exercises should be conducted at least every 2 years Items should be tagged with unique asset numbers. These asset numbers should be included in the FAR. In keeping with International Accounting Standards (IAS), the Credit Union should conduct revaluations of its Land and Building and ensure that the accounts accurately reflect these valuations.</p>
<p>Suggestion of the formation of a Youth Arm</p>	<p>The Committee suggest that the formation of a youth arm of the credit union be considered.</p> <p>The SC believes that this would provide incentive towards the younger member to become more active in credit union activities, as well as facilitate succession planning.</p> <p>It is believed that through this venture opportunities, both educational and otherwise, can be afforded to the upcoming and future “committee and board member”.</p>	<p>The Board should review the recommendation to form a Youth Arm and provide feedback to the membership within a reasonable timeframe.</p>
<p>Loan Applications</p>	<p>Most loan applications have been presented with the required documentation. The Committee has noted improvement in this area.</p>	<p>Continued use of Loan Application Checklist; Checklist would provide member with the details of supporting documentation required and will be used by Credit Union staff when validating the supporting documentation received prior to submission to Credit Committee.</p>

SUPERVISORY COMMITTEE REPORT (cont'd)

Activity	Committee Observations	Committee Recommendations
Issues Action Tracker	<p>The Committee has implemented an Issues Action Tracker as part of its monthly report.</p> <p>The Tracker attempts to note key issues or observations along with the necessary action taken by Management to close or effectively deal with the issues.</p> <p>The Committee believes that this addition of this report would clearly articulate the progress and closure of observations/issues raised by the Committee.</p> <p>As at March 31, 2022 the outstanding issues on the tracker are:</p> <ol style="list-style-type: none"> 1. Development of Credit Union's website 2. Sale of the Credit Union's Office on Henry Street, Port of Spain 	<p>Management must continue to effectively implement action items to close off issues identified within a reasonable period of time.</p>
<p>Budget Variance Explanations</p> <p>Submission time of Financial and other month-end reports to the Board</p>	<p>The Committee has noted improvement in Management's explanations for significant variances in its financial reports; in particular the Income Statement or Statement of Comprehensive Income (SOI), Statement of Financial Position and Statement of Cash Flows.</p> <p>However, it has noted the following:</p> <p>Other significant variances are not properly explained, either on a month-to-month basis (Actual versus Budget) or on a Year to Date (YTD) basis.</p> <p>Reports are not consistently submitted in a timely manner that would give Board Members sufficient time to properly review the reports prior to the Board Meetings.</p>	<p>Management provides explanations for year-to-date variances +/-10 % of actual to budget. This includes Income and Expenditure line items and items on the Statement of Financial Position.</p> <p>Explanations should be provided by each line item and not in aggregate.</p> <p>Explanations should be concise and descriptive of the activity/event that did or did not take place; whether said activity has been deferred; and to when; or what was the cause of the actual expenditure being above or below the budget.</p> <p>Reports be sent to the Board at least ten (10) days before the date of the Board Meeting.</p>

SUPERVISORY COMMITTEE REPORT (cont'd)

CONCLUSION

The members of the Committee would like to firstly thank the Board of Directors, Management and Members of the Other Committees for their continued support during our tenure.

We sincerely hope that the work that we have done has benefited the Credit Union and will help it to improve the services provided to its Membership.

Respectfully Submitted



Nigel F. Reece



Jacqueline Taylor Chase
Secretary
Chairperson

MANAGEMENT'S COMMENTS

Review of the Online Banking Project

- Members of the Board and Supervisory Committee were invited and were part of the Testing phase of the Online banking platform, which was an ongoing process.
- The project team worked through the issues and made several adjustments based on feedback received.
- The check box was not removed
- The SC confirmed that a review was conducted and that it worked as was expected

Updating Credit Union Webpage

- The Society's webpage is "Updated" with relevant information. This is an on-going process.

Review of Fixed Asset Register (FAR)

- The accountant prepares the FAR Report every month and the General Manager signs off on it.
- In response to the SC's request for the FAR Report, a soft copy was provided which did not contain the required signatures.
- The records related to the date of acquisition, which are missing, are part of the inherited records, and as such, nothing can be done for those assets, which pre-date the current term.
- The Board apprised the SC of its decision to undertake a review of the Fixed Assets starting in the 2nd half of 2022.
- The External Auditors have no issue with the FAR and the values expressed, especially given the age of assets, and unpredictability of the useful life of the assets.

Suggestion of the Formation of a Youth Arm

The ALCO, Education and the Supervisory Committees all made recommendations for the formation of a Youth Arm.

The Board took a decision to pursue this initiative and relevant feedback will be made available to all stakeholders at the appropriate time.

Loan Applications

The Board noted the SC's observation of improvement in this area which is mainly due to the introduction of improved operational and administrative solutions.

The SC commended the Board for the implementation of a check list for Loan Applications.

Issues Action Tracker

The SC implemented the Issues Action Tracker, for its use as part of its monthly report. Management was not mandated to adopt this tool for its use.

The outstanding issues identified on the SC's Issues Action Tracker were discussed and decisions taken on them at Monthly BOD Meetings.

SUPERVISORY COMMITTEE REPORT (cont'd)

MANAGEMENT'S COMMENTS (cont'd)

Development of the Credit Union's Website – Upgrade of the website will be addressed in the last quarter of 2022.

Sale of the Credit Union's Building – The building has been put on the market.

Budget Variance Explanations, Submission time of Financial and other month-end reports to the Board

- The Management Accounts are dependent on KEY information from external sources to have the Accounts reflect as accurate and complete of a representation of the reality as possible.
- Some of the information cannot be “Accrued” for especially with respect to Investments and the KSBM portfolio.
- The “Payroll Process”, which is the process of taking the bulk information from the bank transfers and applying them to the member accounts, requires a number of reconciliations, communications with the senders and banks, and as such, the Management Accounts are completed by the 20th – 21st of every month, which is 3-4 days after all external information is received.
- The Accounts are then reviewed by the Treasurer before distribution to the Board.
- There is little than can be done to the timelines without sacrificing either accuracy or completeness, especially with respect to the Investments or the Payrolls.
- Every effort will be made to have all other reports submitted at least seven (7) days before the Board Meeting



TREASURER'S REPORT 2021

INTRODUCTION

The World continued in the throes of the Covid-19 pandemic, with the roll-out of mass vaccination drives, beginning with the developed countries. Nevertheless, lockdown measures were reinstated from May, following a severe spike in cases and deaths from Covid 19 after the Easter holiday period at the beginning of April.

The Society also put additional restrictions to protect our membership, staff and suppliers as follows:

- i. Reducing business days (from 24th May: Mon to Wed 8am to 1pm for cash; open to 4pm for administrative services). Thursdays and Fridays were utilized for reconciliation exercises and;
- ii. Rotating two staff teams weekly (three persons to man the office and three working from home), after procuring laptops with enhanced security and using technology to facilitate productivity outside the office.
- iii. Additional secure email addresses were set-up (membership@textelcu.com and insurance@textelcu.com) and whatsapp was further utilized to connect with members to facilitate more efficient and effective handling of administrative requests related to TEXMED, FIP queries, payments and other requests.

The above measures, together with body temperature checks, sanitizing of hands at the point of entry, as well as restriction of the number of persons accessing the member service areas were well received and many members utilized the ACH (Bank to Bank Transfers) to receive payments to their Bank Account of choice. Both our membership and staff are commended for their efforts and understanding.

Trinidad & Tobago's economy saw excellent revenue growth from the third quarter, with overall GDP exceeding

\$TT170Bn to year-end 2021 (up from \$TT146.0Bn in 2020). However, public debt was 77% of GDP (\$TT130.3Bn). The availability of US dollars continues to be a major challenge and liquidity in the financial system was greatly reduced (daily average financial reserves were \$TT6.6Bn to Dec. 2021, as compared to \$TT12.7Bn in Dec. 2020). Gross Official Reserves fell short of \$US6.9Bn in December 2021 (source: Central Bank Economic Bulletin: Dec. 2021, Jan. 2022).

Despite the lockdown measures, our Credit Union provided \$7.99M in loans to Members for 2021 (up \$0.8M from 2020). While loan interest declined by 7.84% (2021: \$4.23M; 2020: \$4.59M), investment income increased by 62.5% (2021: \$3.613M; 2020: \$2.224M) excluding unrealized gains (2021: \$1.7M; 2020: \$1.1M).

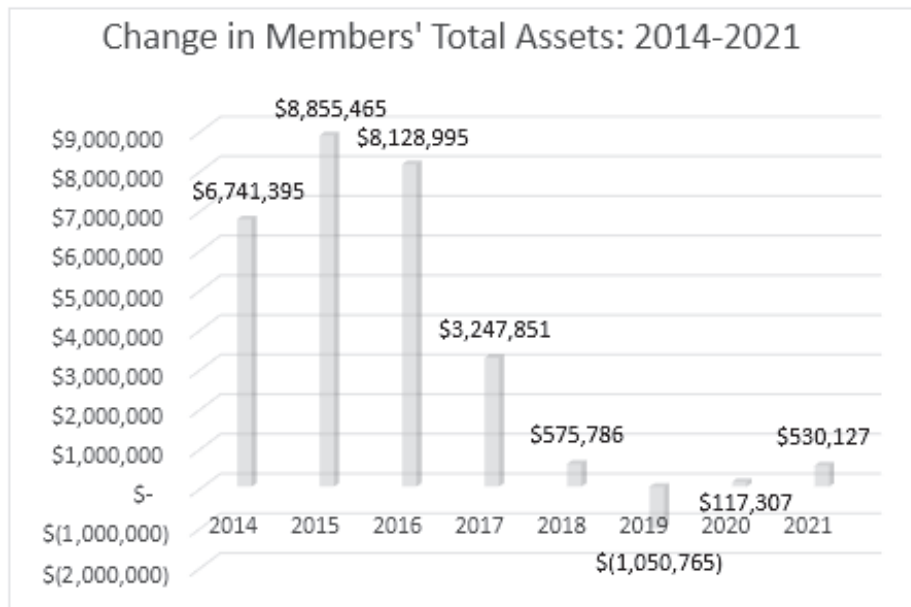
PERFORMANCE HIGHLIGHTS

- Increase in Total Assets of \$0.530M or 0.4% (2021: \$135.347M; 2020: \$134.817M);
- Increase in Investments of \$5.602M or 7.9% (2021: \$76.968M; 2020: \$71.366M);
- Increase in Comprehensive Income of \$1.624M or 20.3% (2021: \$9.628M; 2020: \$8.004M);
- Increase in Expenses of \$0.816M or 23.8% (2021: \$4.246M; 2020: \$3.429M);
- Increase in Net Surplus of \$0.808M or 17.7% (2021: \$5.382M; 2020: \$4.574M);
- Decrease in Total Member Loans of \$3.190M or 8.2% (2021: \$35.838M; 2020: \$39.028M);
- Increase in Members' Shares of \$0.243M or 0.3% (2021: \$92.527M; 2020: \$92.285M).

TREASURER'S REPORT 2021 (cont'd)

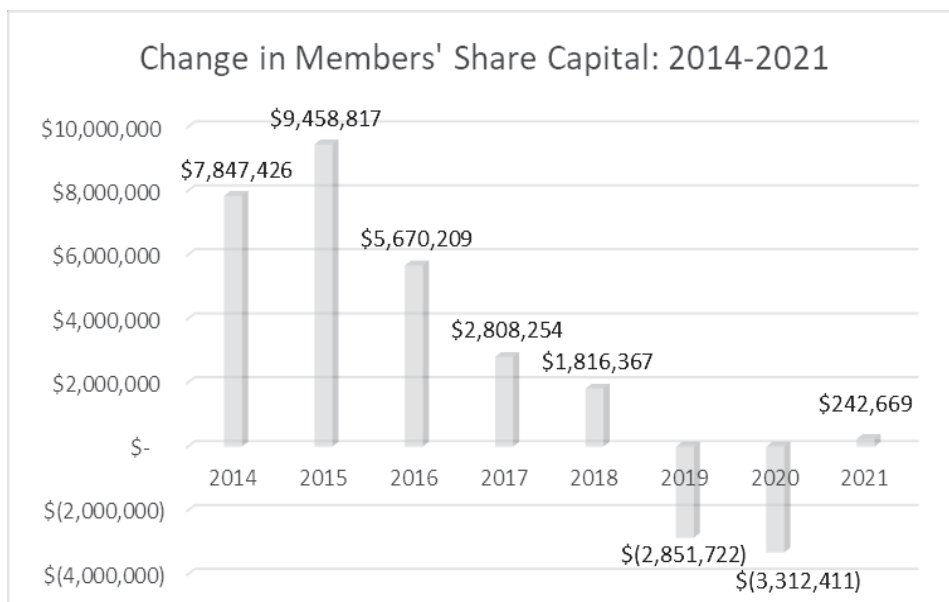
MOVEMENT IN TOTAL ASSETS

Total Assets increased by \$0.530M or 0.4% to \$135.347M (2020: \$134.817M; 2019: \$134.699M). This movement derived from the following: A decrease in the Members' Loan portfolio of \$3.2M or 8.2% was positively impacted by an increase in sundry receivables of \$3.5M and an increase in investments, cash and cash equivalents of \$0.3M (2021: 86.8M; 2020: \$86.5M; 2019: \$81.0M). Analysis of loans granted in 2021: 374 loans for \$7.99M in total loans granted (2020: 366 loans @ \$7.2M; a modest increase of 8 loans, \$0.8M or 10.9% (2019: 552 loans @ \$11.239M).



MOVEMENT IN MEMBERS' SHARES

Members' Shares increased by \$0.243M or 0.3%, to \$92.527M during the period under review (2020: \$92.285M; 2019: \$95.597M). Share growth was again impacted by requests to net off loans to shareholding and the withdrawal of shares to meet expenses.



TREASURER'S REPORT 2021 (cont'd)

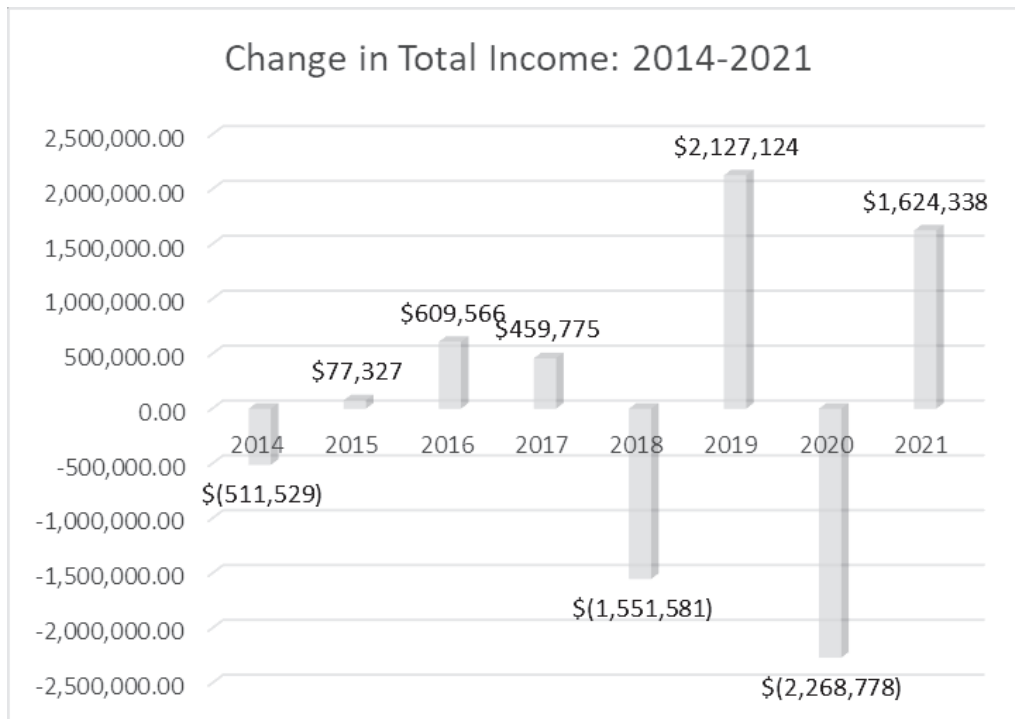
MOVEMENT IN INCOME

In 2021, Member Loan Interest income contributed 43.9% (\$4.2M) to total income whilst Investment and other Income contributed 56.1% (realized: \$3.7M; unrealized: \$1.7M; Total: \$5.4M). In 2020, Member Loan Interest provided 57.4% of total revenue (2019: 54%), whilst gains from the investment portfolio and other income contributed 42.6% to total income (2019: 46%).

Total Income increased by \$1.624M or 20.3% in 2021 over 2020 (2020: decreased by \$2.269M or 22.1%; 2019: Increased by \$2.127M). A reduction in member loan interest income of \$0.4M (2021: \$4.2M; 2020: 4.6M) was positively offset by an increase in investment income of \$2.0M (2021: \$5.4M; 2020: \$3.4M). See chart below. The managed portfolio realized asset growth of \$4.1M over 2020 (2021: \$18.5M; 2020: \$14.4M; 2019: \$13.3M; 2018: \$11.4M).

The Board will continue with the following strategies to improve performance:

- Placing increased focus on online services, education and ease of access for members.
- Rebranding and repositioning the Society in order to stimulate member loan take up through effective marketing of our products and services and supporting our Credit Committee to provide quality loans to our Members.
- Continuing to seek quality investments to optimize the use of cash resources.

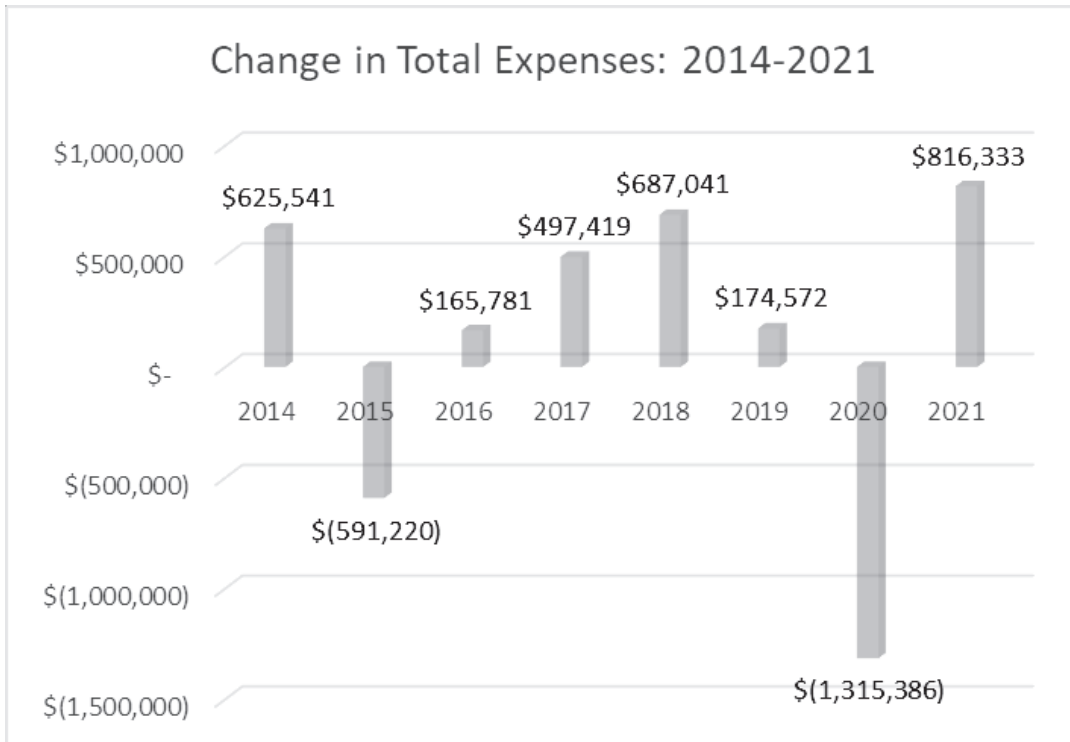


TREASURER'S REPORT 2021 (cont'd)

MOVEMENT IN EXPENSES

Expenses stood at \$4.246M in 2021 (2020: \$3.429M; 2019: \$4.745M; 2018: \$4.570M). This figure represents an increase of \$0.816M or 23.8% over 2020, mainly resulting from the following:

- a. An expected Increase in personnel costs in 2021 (\$0.3M) arising mainly from the planned addition of an accountant position (management) and having the full complement of junior staff (4) on the approved organizational chart for the whole year.
- b. A revenue adjustment of \$0.56M (TEXMED: \$0.32M and CUNA FIP: \$0.24M) representing monthly member premiums which were paid in arrears, on account of operational inefficiencies which have since been rectified.

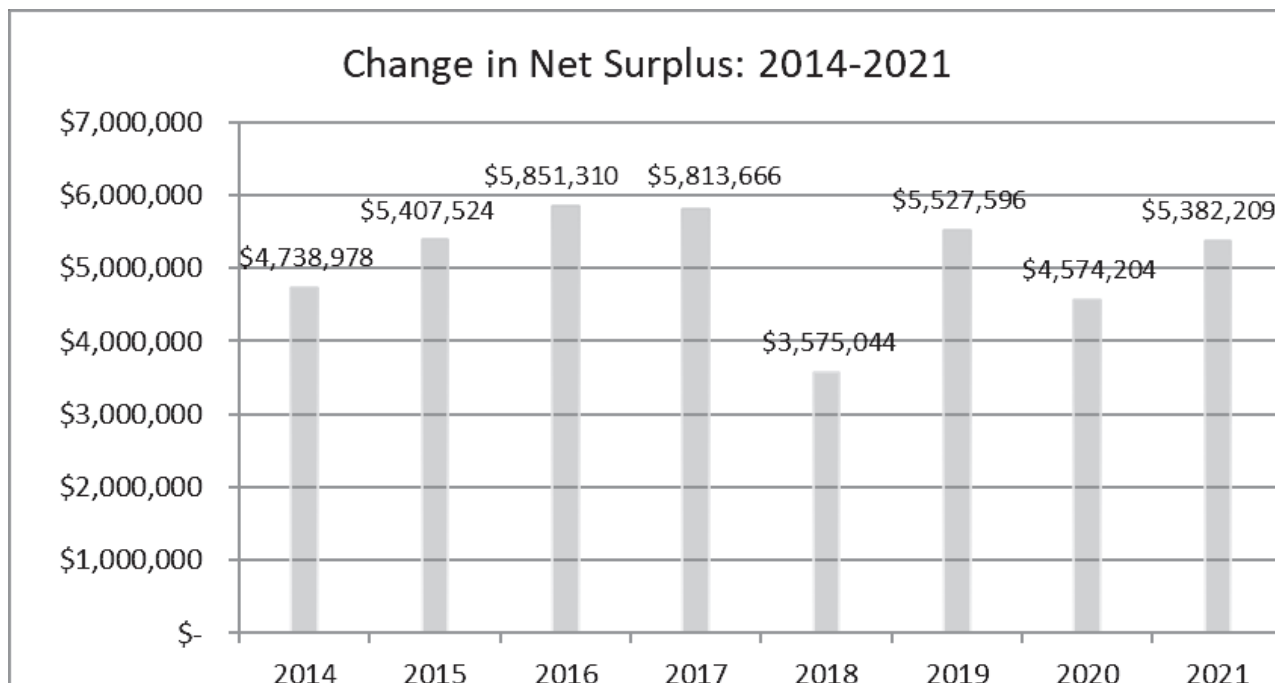


TREASURER'S REPORT 2021 (cont'd)

MOVEMENT IN NET SURPLUS

At the end of 2021, the Society realized a net surplus before appropriations of \$5.382M (2020: \$4.574M; 2019: \$5.528M; 2018: \$3.575M). This derived from a combination of member loan interest income and another year of great returns on the Investment Portfolio. Despite reduced liquidity in the local financial sector and reduced loan take up arising from reduced consumer confidence, inflation and other economic pressures across many sectors, our Credit Union saw excellent results for another year.

Despite the pandemic and all the foregoing considerations, the Board will resume its initiatives to grow membership, whilst refining policies and controls to manage expenditure and bad debt, whilst seeking safe and profitable returns on capital.



TREASURER'S REPORT 2021 (cont'd)

PEARLS ANALYSIS			
DETAILS	Prudential Standard	Years	
		DEC 2021	DEC 2020
		\$	\$
FINANCIAL RATIOS			
PROTECTION			
Solvency (Net Value of Assets/Total Shares & Deposits)	>110%	120.9%	120.0%
Members Loan / Members Shares	80 - 90%	38.7%	42.3%
EFFECTIVE FINANCIAL STRUCTURE			
Members Loan / Total Asset	70 - 80 %	26.5%	28.9%
Liquid Investments/Total Assets	Max 20%	21.4%	22.2%
Savings Deposits/Total Assets	70-80%	14.3%	14.9%
Member Share Capital/Total Assets	10-20%	68.4%	68.5%
ASSET QUALITY			
Total Loan Delinquency > 1yr/Gross Loan Portfolio (net of provision > 1 year)	<=5%	0.9%	1.3%
Non-Earning Assets/Total Assets	<=5%	5.8%	5.9%
Loan interest /Avg. Members Loan *	12%	11.3%	11.1%
Total Operating Expense/Avg Total Assets	5%	3.1%	2.5%
CAPITAL ADEQUACY RATIO			
Capital ratio			
(Surplus/Equity + Funds) / Total Assets	8 - 10%	17.2%	16.2%
PROFITABILITY RATIO			
Net Return on Total Asset			
Net Surplus /Avg. Total Asset	> 3%	3.1%	3.4%

SUPPORT Assets Philosophy Investment Confidentiality Ethics Membership
Excellence Policy Legacy Confidence Advocacy Digitization Growth
Rebranding Integrity Principles

TREASURER'S REPORT 2021 (cont'd)

CONCLUSION

2021 saw significant economic growth in the local energy sector toward the last quarter on account of the relaxed pandemic restrictions. However, issues of foreign exchange supply, under-employment and increasing costs continued to challenge other segments of the local economy. Credit Unions continue to be threatened by commercial banks which target our members to choose them for all their financial services. We as members must therefore embrace our ownership and investment. Do consider the value proposition of the credit union and the cost of doing business, plus the benefits such as free insurance on loans up to \$200,000. When we save with and borrow from our credit union, we get significant dividends and loan interest rebates which offset the cost of borrowing. This society belongs to its members and we must protect it.

After statutory transfers, the Board of Directors recommends a dividend of 4.0% for the year 2021 (distribution: full dividend to deposit account for payment in cash as required), with a 5.0% rebate of interest paid on loans in 2021.

I thank Management, all Staff and Officers for their support during the past year.

Thank you valued Members, for the confidence you continue to place in the Management, Staff and Officers of the Society and I thank God for a great year. Let us look forward to a rewarding and prosperous 2022. May Almighty God bless us all.



Anthony De Freitas

Treasurer

TEXTTEL CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
BUDGETED INCOME & EXPENDITURE: 2021 & 2022

DETAILS	2021 BUDGET \$	2021 ACTUAL \$	VARIANCE	2022 BUDGET \$
Income				
Interest on loans	4,658,535	4,162,094	(496,441)	4,530,168
Investment Income	1,250,000	3,612,847	2,362,847	2,400,000
Miscellaneous Income	54,000	81,633	27,633	75,000
Loan Recovery	55,000	68,762	13,762	50,000
Gain/Loss On Investment	550,000	1,702,634	1,152,634	1,250,000
Rental Income	-	-	-	-
TOTAL INCOME	6,567,535	9,627,969	3,060,435	8,305,168
Expenses				
Annual General Meeting	175,000	59,040	(115,960)	60,000
Audit Fee	65,000	65,000	0	65,000
Bank Charges and Interest	10,400	15,251	4,851	15,000
Board, Committee Expenses	120,000	58,345	(61,655)	30,000
Building Maintenance	184,000	207,370	23,370	120,000
Car Park Facility	63,000	42,000	(21,000)	48,000
Computer Services, Supplies	1,800	73,623	71,823	5,000
Credit Union Week	5,000	7,717	2,717	5,000
CUNA Insurance	565,000	450,334	(114,666)	500,000
Depreciation	214,000	255,559	41,559	285,000
Donations	20,000	46,773	26,773	20,000
Education	56,000	48,265	(7,735)	60,000
Expected Credit Loss (IFRS 9)	300,000	328,715	28,715	200,000
Green Fund Levy	145,000	26,759	(118,241)	21,166
Impairment on Investments	180,000	-	(180,000)	150,000
Insurance	75,000	29,901	(45,100)	75,000
Interest on Members' Deposit	220,000	157,376	(62,624)	220,000
Leagues Dues	16,000	15,795	(205)	16,000
Marketing and Promotion	35,000	12,188	(22,812)	90,000
Officers' Allowance	108,000	140,800	32,800	212,460
Office Expenses	45,000	26,325	(18,675)	60,000
Other Expenses/ Write off Fip /Texmed	-	558,653	558,653	-
Professional Services	228,000	295,975	67,975	300,000
Repairs, Maint. (Equip)	21,000	18,500	(2,501)	50,000
Salaries and Staff Benefit	710,000	1,043,836	333,836	1,110,000
Security Fees	116,000	111,041	(4,959)	116,000
Social Functions	-	900	900	15,000
Stabilization Fund	30,000	-	(30,000)	30,000
Stationery and Printing	15,000	12,141	(2,859)	15,000
Subsistence and Travelling	5,400	90	(5,310)	6,000
land & Building Taxes	50,000	-	(50,000)	50,000
Utilities	101,000	137,490	36,490	150,000
TOTAL EXPENSES	3,879,600	4,245,760	(366,160)	4,099,626
NET SURPLUS	2,687,935	5,382,209	2,694,274	4,205,543

Support Assets Philosophy Investment Confidentiality Ethics Membership
Excellence Policy Legacy Confidence Advocacy Digitization Integrity Growth
Rebranding Principles

Financial Statements of

**TEXTEL CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED**

December 31, 2021

SUPPORT Assets Philosophy Investment Confidentiality Ethics Membership
Excellence Policy Legacy Confidence Advocacy Digitization Growth
Rebranding Integrity Principles

TEXTEL CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

Financial Statements for the year ended December 31, 2021

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TEXTEL CREDIT UNION

CO-OPERATIVE SOCIETY LIMITED

85 Henry Street, Port of Spain, Trinidad, West Indies. Telephone: 627-6503, 624-1244 • Fax: 627-2915

Statement of Management's Responsibilities

Management is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of **TEXTEL Credit Union Co-operative Society Limited** ("the Society"), which comprise the statement of financial position as at **December 31, 2021**, the statement of comprehensive income, statement of changes in members' equity and reserves and statement of cash flows for the year then ended, and notes comprising 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 achievement of the operational efficiencies of the Society;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that comply with laws and regulations and;
- Using reasonable and prudent judgment in the determination of estimates.

In preparing these audited financial statements, management utilized 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.

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 authorized for issue, if later. Management affirms that it has carried out its responsibilities as outlined above.

Ellery Gokool
General Manager
12th April, 2022

Anthony De Freitas
Treasurer
12th April, 2022

Madan Ramnarine & Company Limited

Chartered Accountants

Suite 413, Upper Level, Centre Pointe Mall
Ramsaran Street, Chaguanas, Trinidad, W.I.

Tel/Fax: 665-1707
Email: admin@mramnarineco.com

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TEXTEL CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of TEXTEL Credit Union Co-operative Society Limited ("the Society") which comprise the statement of financial position as at December 31, 2021, and the statement of comprehensive income, statement of changes in members' equity and reserves and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis of 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 the Republic of Trinidad and Tobago, and we have fulfilled our other ethical responsibilities in accordance with these requirements and with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Other information consists of information included in the Society's Annual Report but does not include the financial statements and our auditors report thereon. The Society's 2021 Annual Report is expected to be made available after the date of the auditors' report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the Society's 2021 Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate it with those charged with governance.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing as applicable, matters relating 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.

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

Madan Ramnarine & Company Limited

Chartered Accountants

Suite 413, Upper Level, Centre Pointe Mall
Ramsaran Street, Chaguana, Trinidad, W.I.

Tel/Fax: 665-1707
Email: admin@mramnarineco.com

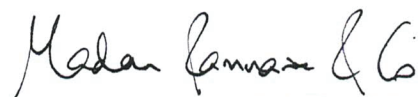
Auditors' Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.


MADAN RAMNARINE & CO.
CHARTERED ACCOUNTANTS
CHAGUANAS, TRINIDAD
April 12, 2022.

TEXTEL CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

Statement of Financial Position

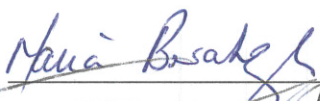
December 31, 2021

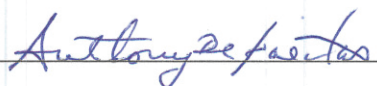
	Notes	2021 \$	2020 \$
ASSETS			
Property, plant and equipment	5	7,823,051	7,965,763
Receivables and prepayments	6	4,857,661	1,357,204
Members' loans	7	35,838,156	39,028,217
Investment securities:			
- measured at fair value through profit or loss	8(a)	18,509,172	14,468,331
- measured at amortised cost	8(b)	29,524,902	26,915,393
Cash and cash equivalents	9	38,793,712	45,081,619
Total assets		135,346,654	134,816,527
LIABILITIES AND MEMBERS' EQUITY & RESERVES			
Liabilities			
Payables and accruals	10	95,127	580,220
Members' shares		92,527,254	92,284,585
Members' deposits		19,413,679	20,078,561
		112,036,060	112,943,366
Members' Equity & Reserves			
Reserve fund		9,775,600	9,407,547
Education fund		1,372,095	1,491,016
Credit union projects		543,750	543,750
Undivided earnings		11,619,149	10,430,848
Total Members' Equity & Reserves		23,310,594	21,873,161
Total Liabilities and Members' Equity & Reserves		135,346,654	134,816,527

The accompanying notes form an integral part of these financial statements.

On April 12, 2022, the Board of Directors of TEXTEL Credit Union Co-operative Society Limited authorised these financial statements for issue.

On behalf of the Board


 _____ President


 _____ Treasurer


 _____ Member of the Supervisory Committee

TEXTEL CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

Statement of Comprehensive Income

For the year ended December 31, 2021

	Notes	2021	2020
		\$	\$
INCOME			
Interest on members' loans		4,230,855	4,594,526
Income from investments		3,612,847	2,223,927
Other income		81,633	83,225
Total income		<u>7,925,335</u>	<u>6,901,678</u>
EXPENDITURE			
Administrative expenses	12	1,376,173	1,624,355
CUNA insurance		450,334	547,409
Depreciation		255,559	211,106
Education		48,265	25,057
Expected credit loss on (IFRS 9)		328,715	58,593
Green fund levy		26,759	14,032
Interest on members' deposits		157,376	208,540
Personnel		1,043,926	740,334
Member receivables insurance write off		558,653	-
Total expenditure		<u>4,245,760</u>	<u>3,429,427</u>
Net surplus attributable to members for the year before fair value gains		3,679,575	3,472,251
Net unrealised gain on investments measured at fair value		1,702,634	1,101,953
Net surplus attributable to members for the year		<u>5,382,209</u>	<u>4,574,204</u>

The accompanying notes form an integral part of these financial statements.

Support Assets Philosophy Investment Confidentiality Ethics Membership
 Excellence Policy Legacy Confidence Advocacy Integrity Growth
 Rebranding Principles

TEXTEL CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

Statement of Changes in Members' Equity and Reserves

For the year ended December 31, 2021

	Reserve Fund \$	Education Fund \$	Credit Union Projects \$	Investment Reserves \$	Undivided Earnings \$	Total \$
Year ended December 31, 2021						
Balance at January 1, 2021	9,407,547	1,491,016	543,750	3,055,969	7,374,879	21,873,161
Membership fees	95	-	-	-	-	95
Transfer of investment reserves	-	-	-	(3,055,969)	3,055,969	-
Net surplus attributable to members for the year	-	-	-	-	5,382,209	5,382,209
Dividends paid and rebates	-	-	-	-	(3,944,871)	(3,944,871)
Members education, training and development expense	-	(123,921)	-	-	123,921	-
<u>Appropriation of net surplus</u>						
(i) 10% to reserve fund	367,958	-	-	-	(367,958)	-
(ii) Transfer to Education fund (up to 5%)	-	5,000	-	-	(5,000)	-
Balance at December 31, 2021	9,775,600	1,372,095	543,750	-	11,619,149	23,310,594
Year ended December 31, 2020						
Balance at January 1, 2020	9,060,220	1,524,024	543,750	1,954,016	8,270,953	21,352,963
Membership fees	102	-	-	-	-	102
Net surplus attributable to members for the year	-	-	-	-	4,574,204	4,574,204
Dividends paid and rebates	-	-	-	-	(4,054,108)	(4,054,108)
Transfer to investment reserves	-	-	-	1,101,953	(1,101,953)	-
Members education, training and development expense	-	(33,508)	-	-	33,508	-
<u>Appropriation of net surplus</u>						
(i) 10% to Reserve fund	347,225	-	-	-	(347,225)	-
(ii) Transfer to Education fund (up to 5%)	-	500	-	-	(500)	-
Balance at December 31, 2020	9,407,547	1,491,016	543,750	3,055,969	7,374,879	21,873,161

The accompanying notes form an integral part of these financial statements.

Support Assets Philosophy Investment Confidentiality Ethics Membership
 Excellence Rebranding Digital Legacy Confidence Advocacy Integrity Growth
TEXTEL CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

Statement of Cash Flows

For the year ended December 31, 2021

	2021	2020
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Net surplus attributable to members for the year	3,679,575	3,472,251
Adjustments to reconcile net surplus to net cash generated from operating activities: ,		
Expected credit loss provision	(177,865)	58,594
Depreciation	255,559	211,106
Operating surplus before working capital changes	3,757,269	3,741,951
Decrease in members' loans	3,367,926	4,630,469
(Increase)/decrease in receivables and prepayments	(3,500,457)	723,852
(Decrease)/increase in members' deposits	(664,882)	2,535,674
(Decrease)/increase in payables and accruals	(485,093)	373,846
Net cash generated from operating activities	<u>2,474,763</u>	<u>12,005,792</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Net change in investments	(4,947,716)	(1,953,159)
Additions to property, plant and equipment	(112,847)	(241,312)
Net cash used in investing activities	<u>(5,060,563)</u>	<u>(2,194,471)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Membership fees	95	102
Dividends paid and rebates	(3,944,871)	(4,054,108)
Net increase in members' shares	242,669	(3,312,411)
Net cash used in financing activities	(3,702,107)	(7,366,417)
Net (decrease)/increase in cash and cash equivalents	(6,287,907)	2,444,904
Cash and cash equivalents at beginning of year	<u>45,081,619</u>	<u>42,636,715</u>
Cash and cash equivalents at end of year	<u>38,793,712</u>	<u>45,081,619</u>

The accompanying notes form an integral part of these financial statements.

1. REGISTRATION AND ACTIVITIES

Textel Credit Union Co-operative Society Limited is registered in the Republic of Trinidad and Tobago under the Co-operative Societies Act Chapter 81:03. Its registered office is located at #85 Henry Street, Port of Spain. The Society's principal activities are to promote the economic and social welfare of its members, encouraging the spirit and practice of thrift, self-help and co-operation and to promote the development of co-operative ideas.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these financial statements are stated below:

(a) *Basis of preparation*

These financial statements are prepared in accordance with International Financial Reporting Standards ("IFRSs"), and are stated in Trinidad and Tobago dollars. These financial statements are stated on the historical cost basis, except for the measurement of investment securities at fair value through profit or loss and certain other financial instruments.

(i) *New, revised and amended standards effective January 1, 2020.*

There were no new standards, interpretations and amendments, which were applicable in the current year and having a material impact on the financial statements.

(ii) *Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Society.*

There were no new standards, interpretations and amendments, which were applicable in the current year and having a material impact on the financial statements.

(iii) *Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Society.*

The under listed IFRSs are not expected to have a significant impact on the Society's financial statements.

(iv) *Standards, amendments and interpretations to existing standards early adapted by the Society.*

There were no new standards, interpretations and amendments, which were applicable in the current year and having a material impact on the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) *Use of estimates*

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires management to exercise its judgement in the process of applying the Society's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of 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) *Foreign currency translation*

These financial statements are presented in Trinidad and Tobago dollars which is the Company's functional currency.

Functional and presentation currency

Items included in the financial statements of the Society are measured using the currency of the primary economic environment in which the Society operates ('the functional currency'). These financial statements are presented in Trinidad and Tobago Dollars, which is the Society's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the measurement currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) *Property, plant and equipment*

Property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Society and the cost of the item can be measured reliably. Repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation is provided on the straight-line basis at rates estimated to write-off the assets over their expected useful lives.

Current rates of depreciation are:

Building	2%
Furniture & fixtures	10%
Office equipment	20%
Computers & Website	20%

The assets' residual values and useful lives are reviewed at each statement of financial position date and adjusted, if appropriate.

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. 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. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

(e) *Revenue recognition*

Interest on Members' loans

Interest on members' loans is recognized using the effective interest method.

Interest income

Interest income is recognized using the effective interest method.

Dividend income

Dividend income from equities is recognized when the right to receive payment is established.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) *Cash and cash equivalents*

Cash and cash equivalents are short-term, highly liquid investments readily convertible to known amounts of cash and subject to insignificant risks of change in value. These are shown at cost, which is equivalent to fair value.

Cash and cash equivalents also comprise cash balances which are payable on demand.

(g) *Financial assets*

The Society's financial assets comprises debt instruments and equity instruments.

The Society classifies its financial assets either at amortised cost (AC) or at fair value through profit and loss (FVPL). The classification depends on the purpose for which financial assets were acquired or originated as well as the type of instrument.

The classification for debt instruments depends on the entity's Business Model for managing those assets. It also requires the entity to examine the contractual terms of the cash flows, i.e. whether these represent 'Solely Payments of Principal and Interest' (SPPI).

The Business Model test requires the entity to assess the purpose for holding debt securities (hold to collect, hold to collect and sell or to trade). All of the Society's debt instruments are held to collect cash flows and accordingly meet the 'hold to collect' criteria. All debt instruments passing the Business Model and SPPI tests are classified at AC.

Debt securities where the contractual cash flows are SPPI and the objective of the Society's business model is achieved both by collecting contractual cash flows and selling financial assets are classified at Fair Value Through Other Comprehensive Income (FVOCI). Currently there are no debt instruments classified at FVOCI.

On initial recognition, the Society has the option to irrevocably classify equity securities which are not held for trading at FVOCI. All other instruments are carried at Fair Value Through Profit or Loss (FVPL). The Society currently has no instruments in the FVOCI category and accordingly has classified all equity instruments at FVPL.

The Society reclassifies debt investments when and only when its business model for managing those assets changes.

(i) *Amortised cost*

Financial assets measured at amortised cost comprises all debt instruments, including corporate bonds, notes and repurchase agreements and other receivables.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) *Financial assets (continued)*

These are initially measured at cost, being the fair value plus the transaction cost that are directly attributable to the acquisition of the instrument. These are subsequently measured at amortised cost. Amortised cost is calculated using the effective interest rate method. Premiums and discounts, including initial transaction costs, are included in the carrying amount of the related instrument and amortised based on the effective interest rate of the instrument. The amortisation of premiums and discounts is taken to the statement of comprehensive income.

Refer to Note 2(j) for further information on members' loans.

(ii) *Fair value through profit or loss*

Financial assets measured at fair value through profit or loss includes equity instruments.

These financial assets are investments that are intended to be held for trading to generate profit from fluctuations in price. These financial assets are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition.

After initial recognition, investments which are classified at FVPL are measured at fair value with gains or losses on revaluation recognised in the statement of comprehensive income within 'Net unrealised gain on investments measured at fair value' in the period in which it arises.

In limited circumstances, cost might be used as an estimate of fair value, where information is insufficient to determine fair value; or where there is a wide range of possible fair value measurements, and cost represents the best estimate of fair value within that range.

(iii) *Impairment of financial assets*

At the reporting date, the Society assesses on a forward-looking basis, the credit losses associated with its financial assets measured at amortised cost.

The Society measures loss allowances on its debt instruments at an amount equal to lifetime credit losses, except in the following cases, for which the amounts are recognised on the basis of twelve (12) months' credit losses.

For receivables, the Society applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of receivables.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) *Financial assets (continued)*

(iv) *Impairment of non-financial assets*

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

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the purpose of impairment testing, assets are grouped together into the smaller group assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash generating unit").

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of comprehensive income. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit (group of units) on a pro rata basis.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) *Financial liabilities*

When financial liabilities are recognised initially, they are measured at fair value of the consideration given plus transaction costs directly attributable to the acquisition of the liability. Financial liabilities are re-measured at amortised cost using the effective interest method.

Financial liabilities are derecognized when they are extinguished, that is when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability extinguished and the consideration paid is recognised in the statement of comprehensive income.

(i) *Accounts receivable*

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

(j) *Members' loans*

Members' loans are initially measured at cost, net of loan origination fees and inclusive of transaction costs incurred. They are subsequently measured at amortised cost, using the effective interest rate method, less any impairment losses. Loans to members are reported at their recoverable amount representing the aggregate amount of principal, less any allowance or provision for impaired loans.

Impairment provisions for loans to members are recognised based on the three stage approach within IFRS 9 as follow:

Stage 1 represents twelve (12) month expected credit losses (gross interest)

- Applicable when no significant increase in credit risk
- Entities continue to recognise twelve (12) month expected losses that are updated to each reporting date
- Presentation of interest on gross basis.

Stage 2 represents lifetime expected credit losses (gross interest)

- Application in case of significant increase in credit risk
- Recognition of lifetime expected losses
- Presentation of interest on gross losses

Stage 3 represents lifetime expected credit losses (net interest)

- Application in case of credit impairment
- Recognition of lifetime expected losses
- Presentation of interest on net basis

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) *Members' loans (continued)*

The Society maintained a loan loss provision, which in management's opinion, is adequate to absorb all incurred credit-related losses in its loan portfolio. Provision for loan losses are calculated using a formula method taking into account recent loss experience.

Loans are written off after all the necessary legal procedures have been completed and the amount of the loss can be fully determined.

(k) *Taxation*

The surplus arising from the Society are exempt from income tax, as per the Co-operative Societies Act Chapter 81:03 sections 76-77.

(l) *Members' deposits*

Members' deposits are initially measured at fair value, net of any transaction costs directly attributable to the issuance of the instrument. Member deposits are subsequently measured at amortised cost, using the effective interest rate method.

(m) *Members' shares*

According to the Bye-Laws of Textel Credit Union Co-operative Society Limited, the capital of the Society may be composed of an unlimited number of shares of \$5 each. In accordance with International Financial Reporting Interpretation (IFRIC) Interpretation 2, redeemable shares have been treated as liabilities.

(n) *Dividends*

Dividends are recommended by the Board of Directors and approved by the members at the Annual General Meeting following the year to which they relate. Dividends are an appropriation of undivided earnings and are recognized in the statement of changes in members' equity and reserves in the period when paid.

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.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) *Accounts payable*

Accounts payable are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method.

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

(p) *Provisions*

Provisions are recognized when the Society has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and a reliable estimate of the amount of the obligation can be made. Provisions are not recognized for future operating losses.

When there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

(q) *Comparative figures*

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

(r) *Reserve Fund*

Section 47(2) of the Co-operatives Societies Act 1971 requires that at least 10% of the net surplus of the Society for the year is to be transferred to a reserve fund. In accordance with Bye-Law 16 of the Society, this reserve fund may be used only with the approval of the Commissioner of Co-operative Development for bad loans and other losses sustained through extraordinary circumstances over which the Society had no control.

(s) *Education Fund*

In accordance with Bye-Law 17 of the Society, the education fund shall be used for the education and training of the members and staff of the Society or any other organisations or persons which qualify under the Society's education policy. Bye-Law 14 of the Society establishes that an amount up to 5% of the net surplus for the year may be credited to the Education Fund.

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, securities and bonds.

Financial Instruments

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

	2021	
	<u>Carrying Value</u>	<u>Fair Value</u>
	\$	\$
Financial assets		
Cash and short term funds	38,793,712	38,793,712
Investment securities	48,034,074	48,034,074
Receivables	4,857,661	4,857,661
Members' loans	35,838,156	35,838,156
	<u>127,523,603</u>	<u>127,523,603</u>
Financial Liabilities		
Payables and accruals	95,127	95,127
Members' deposits	19,413,679	19,413,679
Members' shares	92,527,254	92,527,254
	<u>112,036,060</u>	<u>112,036,060</u>
	2020	
	<u>Carrying Value</u>	<u>Fair Value</u>
	\$	\$
Financial assets		
Cash and short term funds	45,081,619	45,081,619
Investment securities	41,383,724	41,383,724
Receivables	1,357,204	1,357,204
Members' loans	39,028,217	39,028,217
	<u>126,850,764</u>	<u>126,850,764</u>
Financial Liabilities		
Payables and accruals	580,220	580,220
Members' deposits	20,078,561	20,078,561
Members' shares	92,284,585	92,284,585
	<u>112,943,366</u>	<u>112,943,366</u>

3. FINANCIAL RISK MANAGEMENT (continued)

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.

(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, deposits and other funding instruments.

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

(b) *Credit risk*

Credit risk is the risk of financial loss to the Society if a member or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Society's loans to members and other banks, and investment debt securities. The Society relies heavily on a written Loan and Investment Policy Manual, which sets out in detail the current policies governing the lending and investment 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 and investment philosophy; provide policy guidelines to team members involve in lending; establish minimum standards for credit analysis, documentation, decision making and post-disbursement administration; as well as create the foundation for a sound credit portfolio.

For risk management reporting purposes, the Society considers and consolidates all elements of credit risk exposure - e.g. individual obliger default risk, regional and industry sector risk.

The market risk in respect of changes in the value of financial assets measured at FVTPL arising from changes in market credit spreads applied to debt securities is managed as a component of market risk.

3. FINANCIAL RISK MANAGEMENT (continued)

Financial Instruments (continued)

(b) Credit risk (continued)

(i) Management of credit risk

The Board of Directors has delegated responsibility for the oversight of credit risk to management and the Credit Committee. The loans and finance departments, reporting to the respective committees, are responsible for managing the Society's credit risk, including the following:

- Formulating credit policies in consultation with business units, covering collateral requirements, credit assessment, risk grading and reporting, documentary and legal procedures, and compliance with regulatory and statutory requirements.
- Establishing the authorization structure for the approval and renewal of credit facilities. Authorisation limits are allocated to Loan Officers and larger facilities require approval by the Credit Committee or the Board of Directors, as appropriate.
- Reviewing and assessing credit risk: Credit committee assesses all credit exposures in excess of designated limits, before facilities are committed to customers by the business unit concerned. Renewals and reviews of facilities are subject to the same review process.
- Limiting concentrations of exposure to counterparties, geographies and industries (for loans, financial guarantees and similar exposures), and by issuer, credit rating band and market liquidity (for investment securities).
- Developing and maintaining the Society's Credit Scores used to categorize exposures according to the degree of risk of default. The responsibility for setting risk scores lies with the final approving executive or committee, as appropriate. Risk scores are subject to regular reviews by the Society's Board.
- Developing and maintaining the Society's processes for measuring the ECL: This includes processes for:
 - initial approval, regular validation and back-testing of the models used;
 - incorporation of forward-looking information.

3. FINANCIAL RISK MANAGEMENT (continued)

Financial Instruments (continued)

(b) Credit risk (continued)

(i) Management of credit risk (continued)

- Reviewing compliance of business units with agreed exposure limits, including those for selected industries, regional risk and product types. Regular reports on the credit quality of local portfolios are provided to the Credit Committee, which may require appropriate corrective action to be taken. These include reports containing estimates of ECL allowance.
- Providing advice, guidance and specialist skills to business units to promote best practice throughout the Society in the management of credit risk.

(ii) Significant increase in credit risk

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Society considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Society's historical experience and including forward-looking information.

The objective of the assessment is to identify whether a significant increase in credit risk has occurred for an exposure by comparing:

- the remaining lifetime probability of default ("PD") as at the reporting date; with
- the remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure (adjusted where relevant for changes in prepayment expectations).

(iii) Generating the term structure of PD

Historical patterns are a primary input into the determination of the term structure of PD for exposures. The Society collects performance and default information about its credit risk exposures. The Society analyses the data collected and estimates of the remaining lifetime PD of exposures.

This analysis includes the identification and calibration of relationships between changes in default rates and changes in key macro-economic factors as well as in-depth analysis of the impact of other key factors (e.g. period of employment, debt service ratio, securitization of loan) on the risk of default.

3. FINANCIAL RISK MANAGEMENT (continued)

Financial Instruments (continued)

(b) Credit risk (continued)

(iv) Determining whether credit risk has increased significantly

The criteria for determining whether credit risk has increased significantly vary by stages and include quantitative changes in PDs and qualitative factors.

The credit risk of a particular exposure is deemed to have increased significantly since initial recognition if, based on the Society's policy, installments in arrears determined to have increased significantly.

Using its credit judgement and, where possible, relevant historical experience, the Society may determine that an exposure has undergone a significant increase in credit risk based on particular qualitative indicators that it considers are indicative of such and whose effect may not otherwise be fully reflected in its quantitative analysis on a timely basis.

The Society monitors the effectiveness of the criteria used to identify significant increases in credit risk by regular reviews to confirm that:

- The criteria are capable of identifying significant increases in credit risk before an exposure is in default;
- The criteria with the point in time when an asset becomes more than 30 days past due.

3. FINANCIAL RISK MANAGEMENT (continued)

Financial Instruments (continued)

(b) Credit risk (continued)

(v) Definition of default

The Society considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Society in full, without recourse by the Society to actions such as realizing security (if any is held);
- The borrower is past due more than 90 days on any material credit obligation to the Society.
- The Society agrees to a distressed restructuring resulting in a material credit related diminished asset stemming from such actions as material forgiveness or postponement of payments or repayments of amount owing;
- The Society has filed for the borrower's bankruptcy in connection with the credit obligation; or
- The borrower has sought or been placed in bankruptcy resulting in the delay or avoidance of repayment of the amount owing. In assessing whether a borrower is in default, the Society considers indicators that are:
 - Qualitative - e.g. breaches of covenant;
 - Quantitative - e.g. overdue status and non-payment on another obligation of the same issuer to the Society; and
 - Based on data developed internally and obtained from external sources.
 - Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

The definition of default largely aligns with that applied by the Society for regulatory purposes.

3. FINANCIAL RISK MANAGEMENT (continued)

Financial Instruments (continued)

(b) Credit risk (continued)

(vi) Incorporation of forward-looking information

The Society incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. The Society formulates a 'base case' scenario of the future direction of relevant economic variables as well as a representative range of other possible forecast scenarios. This process involves developing two more additional economic scenarios and considering the relative probabilities of each outcome.

The Society has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses.

Predicted relationships between the key indicators and default and loss rates on various portfolios of financial assets have been developed based on analysing historical data over the past five (5) years.

(vii) Measurement of ECL

The key inputs into the measurement of ECL are the term structure of the following variables:

- Probability of default ("PD");
- Loss given default ("LGD"); and
- Exposure at default ("EAD").

These parameters are generally derived from internally developed statistical models and other historical data. They are adjusted to reflect forward-looking information as described above.

PD represents the probability of occurrence of an event of default of the credit exposure, in a defined time lag (i.e. 1 year). The Society intends to strengthen this model by using rating tools tailored to the various categories of loan and exposures. These statistical models will be based on internally compiled data comprising both quantitative and qualitative factors. PDs are estimated considering the contractual maturities of exposures and estimated prepayment rates.

3. FINANCIAL RISK MANAGEMENT (continued)

Financial Instruments (continued)

(b) Credit risk (continued)

(vii) Measurement of ECL (continued)

LGD represents the percentage of the estimated loss, and thus the expected rate of recovery, at the date of occurrence of the default event of the credit exposure. The LGD models consider the structure, collateral, seniority of the claim, counterparty industry and recovery costs of any collateral that is integral to the financial asset. They are calculated on a discounted cash flow basis using the effective interest rate as the discounting factor.

EAD represents the measure of the exposure at the time of the event of default of the credit exposure. The Society derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract including amortization. The EAD of a financial asset is its gross carrying amount. For lending commitments, the EAD includes the amount drawn, as well as potential future amounts that may be drawn under the contract, which are estimated based on historical observations and future expectations.

As described above, and subject to using a maximum of a twelve (12)-month PD for financial assets for which credit risk has not significantly increased, the Society measures ECL considering the risk of default over the maximum contractual period (including any borrower's extension options) over which it is exposed to credit risk, even if, for risk management purposes, the Society considers a longer period. The maximum contractual period extends to the date at which the Society has the right to require repayment of an advance or terminate a loan commitment or guarantee.

Where modelling of a parameter is carried out on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics that include:

- instrument type;
- credit risk gradings;
- collateral type;
- date of initial recognition (vintage);
- remaining term to maturity;

The groupings are subject to regular review to ensure that exposures within a particular group remain appropriately homogeneous.

For portfolios in respect of which the Society has limited historical data, external benchmark information is used to supplement the internally available data.

3. FINANCIAL RISK MANAGEMENT (continued)

Financial Instruments (continued)

(c) *Liquidity risk*

Credit risk is the risk of financial loss to the Society if a member or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Society's loans to members and other banks, and investment debt securities. The Society relies heavily on a written Loan and Investment Policy Manual, which sets out in detail the current policies governing the lending and investment function and provides a comprehensive framework for prudent risk management of the credit function.

(d) *Currency risk*

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the 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 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 also installed to minimize human error.

(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 Commissioner for Co-operative Development division, as well as by the monitoring controls applied by the Society.

(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 membership, reduction in revenue and legal cases against the Society. The Society engages in public social endeavors to engender trust and minimize this 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 Society's accounting policies.

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

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

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

- (i) Whether investments are classified as fair value through profit and loss or amortised cost.
- (ii) Which depreciation method for property, plant and equipment is used.

The key assumptions concerning the future and other key sources of estimation and uncertainty at the statement of financial position 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 are as follows:

(a) Impairment of assets

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

(b) Property, plant and equipment

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

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(c) *Estimation of expected credit losses*

The measurement of the expected credit loss allowance for financial assets measured at amortised cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g. the likelihood of members defaulting and the resulting losses).

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

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

- Determining criteria for significant increase in credit risk.
- Choosing appropriate models and assumptions for the measurement of ECL.
- Had there been a 5% shift in the average ECL rate for all financial instruments carried at amortised cost, the Society's ECL allowance would have been higher by \$47,503.

5. Property, Plant and Equipment

	Land and Buildings \$	Furniture and Fittings \$	Office Equipment \$	Computers and Website \$	Total \$
Year ended December 31, 2021					
Cost	9,456,127	346,925	930,586	902,431	11,636,069
Accumulated depreciation	(1,985,086)	(291,991)	(895,140)	(640,801)	(3,813,018)
Balance as at December 31, 2021	<u>7,471,041</u>	<u>54,934</u>	<u>35,446</u>	<u>261,630</u>	<u>7,823,051</u>
Net book value					
Balance at January 1, 2021	7,636,464	16,412	51,559	261,328	7,965,763
Additions	-	44,176	-	68,671	112,847
Depreciation charge	(165,423)	(5,654)	(16,113)	(68,369)	(255,559)
Balance as at December 31, 2021	<u>7,471,041</u>	<u>54,934</u>	<u>35,446</u>	<u>261,630</u>	<u>7,823,051</u>
Year ended December 31, 2020					
Cost	9,456,127	302,749	930,586	833,760	11,523,222
Accumulated depreciation	(1,819,663)	(286,337)	(879,027)	(572,432)	(3,557,459)
Balance as at December 31, 2020	<u>7,636,464</u>	<u>16,412</u>	<u>51,559</u>	<u>261,328</u>	<u>7,965,763</u>
Net book value					
Balance at January 1, 2020	7,801,887	15,243	77,207	41,220	7,935,557
Additions	-	4,239	-	237,073	241,312
Depreciation charge	(165,423)	(3,070)	(25,648)	(16,965)	(211,106)
Balance as at December 31, 2020	<u>7,636,464</u>	<u>16,412</u>	<u>51,559</u>	<u>261,328</u>	<u>7,965,763</u>

6. RECEIVABLES AND PREPAYMENTS

Sundry receivables and prepayments	4,857,661	1,357,204
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7. MEMBERS' LOANS

(a) Credit concentration

Ordinary loans	35,017,960	39,001,098
Now loans	41,959	30,535
Education loans	508,043	672,971
Wedding loans	64,785	92,859
Student loans	32,291	45,807
Stress free loans	184,703	301,730
Seasonal loans	938,471	-
Fresh start loans	-	11,320
	<u>36,788,212</u>	<u>40,156,138</u>
Less: Expected credit loss	<u>(950,056)</u>	<u>(1,127,921)</u>
Total loans net of expected credit loss	<u>35,838,156</u>	<u>39,028,217</u>

(b) Analysis of movement in loan principal

Principal balance at the beginning of the year	40,156,138	44,786,607
Principal amount of loans issued	27,538,591	11,654,734
Principal amount of loans repaid	(30,399,938)	(16,285,203)
Principal loan amounts written off	<u>(506,579)</u>	<u>-</u>
Principal balance at the end of the year	<u>36,788,212</u>	<u>40,156,138</u>

(c) Credit concentration

Principal neither past due nor impaired	26,911,043	32,227,222
Principal which is past due but not impaired	2,026,317	1,875,406
Principal which is impaired	<u>7,850,852</u>	<u>6,053,510</u>
Gross loans	36,788,212	40,156,138
Less: Provision for loan losses	<u>(950,056)</u>	<u>(1,127,921)</u>
Total loans net of provision for loan losses	<u>35,838,156</u>	<u>39,028,217</u>

7. MEMBERS' LOANS (continued)

(d) Loans past due but not impaired

30-90 days	1,397,450	935,422
91-365 days	531,463	336,265
Greater than 365 days	97,404	603,719
	<u>2,026,317</u>	<u>1,875,406</u>

The table below shows the staging of loans to members and the related expected credit losses based on the Society's adoption of IFRS 9 in the year 2021.

	Stage 1 0-30 days in arrears \$	Stage 2 31-90 days in arrears \$	Stage 3 >90 days in arrears \$	Total \$
Principal	29,997,430	1,962,162	4,828,620	36,788,212
Credit losses	<u>(184,173)</u>	<u>(18,126)</u>	<u>(747,757)</u>	<u>(950,056)</u>
	<u>29,813,257</u>	<u>1,944,036</u>	<u>4,080,863</u>	<u>35,838,156</u>

The table below shows the staging of loans to members and the related expected credit losses based on the Society's adoption of IFRS 9 in the year 2020.

	Stage 1 0-30 days in arrears \$	Stage 2 31-90 days in arrears \$	Stage 3 >90 days in arrears \$	Total \$
Principal	33,525,282	2,342,845	4,288,011	40,156,138
Credit losses	<u>(264,011)</u>	<u>(26,906)</u>	<u>(837,004)</u>	<u>(1,127,921)</u>
	<u>33,261,271</u>	<u>2,315,939</u>	<u>3,451,007</u>	<u>39,028,217</u>

	<u>2021</u> \$	<u>2020</u> \$
(e) Movement in the provision for loan losses		
Provision for loan losses brought forward	1,127,921	1,069,327
Principal loan amounts written off during the year	(506,579)	-
Movement in the expected credit loss on loans (IFRS 9)	<u>328,715</u>	<u>58,594</u>
Provision for loan losses	<u>950,056</u>	<u>1,127,921</u>

8. (a) INVESTMENT SECURITIES MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

Equity Instruments

KSBM Asset Management Ltd - Managed Portfolio	18,465,662	14,429,109
Jamaica Money Market Brokers Group Limited	43,508	39,220
	<u>18,509,170</u>	<u>14,468,329</u>

Unquoted investments

Co-operative Credit Union League of Trinidad & Tobago - 5,000 shares	5,000	5,000
The Central Finance Facility Co-operative Society of T&T Limited - 1 share	25,000	25,000
	30,000	30,000
Provision for diminution in value of investments	(29,998)	(29,998)
	<u>2</u>	<u>2</u>
Sub-total	<u>18,509,172</u>	<u>14,468,331</u>

8. (b) INVESTMENT SECURITIES MEASURED AT AMORTISED COST

GRUPO Unicomer Co. Limited	1,899,810	1,929,791
KCL Capital Market Brokers Limited - Managed Portfolio	12,121,238	6,792,808
National Investment Funds (NIF) Series A & B 4.50 - 5.7%	8,277,954	8,293,100
NIPDEC TT\$ Fixed Rate Bond	1,000,000	1,000,000
The Republic of Trinidad and Tobago Unsecured 4.375% Bond	1,042,392	1,024,101
The National Gas Company of Trinidad & Tobago Bond 2036	906,686	941,820
Sagicor Financial Corporation Limited - US\$ Fixed Rate Bonds 2022	-	1,375,237
T&T Housing Development Corporation ("HDC") TTD 4.15% GORT	714,286	1,000,000
Methanol Holdings Trinidad Limited	-	3,000,000
Telecommunications Services of Trinidad & Tobago 8.3% SNR Secured notes	2,000,000	2,000,000
REPO Agreement – KSBM	2,004,000	-
Deduct: Provision for Impairment	(441,464)	(441,464)
Sub-total	<u>29,524,902</u>	<u>26,915,393</u>
Grand total of investments	<u>48,034,074</u>	<u>41,383,724</u>

KSBM Asset Management Ltd, Jamaica Money Market Brokers Group Limited and KCL Capital Market Brokers are brokerage institutions. The investments held through these institutions relate to several individual balances.

Support Assets Philosophy Investment Confidentiality Ethics Membership
 Excellence Policy Legacy Confidence Advocacy Digitization Integrity Growth
 Rebranding \$ 2021 \$ 2020 Principles

9. CASH AND CASH EQUIVALENTS

Cash in hand	150,880	967,882
Republic Bank Limited	8,854,345	11,912,310
First Citizens Bank Limited	654,300	1,539,210
Scotiabank (Trinidad & Tobago) Limited	<u>200,320</u>	<u>679,814</u>
Cash at Bank and at Hand	<u>9,859,845</u>	<u>15,099,216</u>
ANSA Merchant Bank Limited - TT\$ Income Fund	2,808,190	2,771,472
ANSA Merchant Bank Limited - US\$ Income Fund	159,444	157,660
Guardian Group Trust Limited - TT\$ Income Fund	1,182,707	1,164,082
RBC Royal Bank (T&T) Limited - TT\$ Income & Growth Fund	1,831,834	1,560,221
Republic Bank Limited - TT\$ Money Market Fund	2,017,964	1,002,923
Savinvest India Asia - US\$ Fund	27,321	23,010
Scotiabank Limited - US\$ Mutual Fund	532,817	532,817
T & T Unit Trust Corporation - US\$ Income Fund	127,157	2,119,369
T & T Unit Trust Corporation - TT\$ Income Fund	5,879,887	5,790,557
T & T Unit Trust Corporation - TT\$ Income Fund	311,171	315,406
T & T Unit Trust Corporation - TT\$ Income & Growth Fund	13,919,853	12,348,281
Sheppard Securities Cash and Cash Equivalents	<u>135,522</u>	<u>2,196,605</u>
Short Term Investments	<u>28,933,867</u>	<u>29,982,403</u>
Cash and Cash Equivalents	<u>38,793,712</u>	<u>45,081,619</u>

10. PAYABLES AND ACCRUALS

Sundry payables and accruals	<u>95,127</u>	<u>580,220</u>
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11. RELATED PARTY TRANSACTIONS

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

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

11. RELATED PARTY TRANSACTIONS (continued)

Statement of Financial Position

Members' Loan

Board of Directors	1,770,271	1,598,953
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Members' Shares and Deposits

Board of Directors	3,877,530	3,585,687
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Statement of Comprehensive Income

Directors and Committee members expenses	199,145	128,449
Key Management Compensation	288,732	98,822

12. ADMINISTRATIVE EXPENSES

Annual general meeting	59,040	103,094
Bank charges	15,251	13,388
Board & committee meetings	58,345	18,749
Building maintenance	207,370	254,619
Computer services and supplies	73,623	25,046
Credit union week	7,717	3,191
Donations	46,773	25,286
Electricity	74,965	59,555
Insurances	29,901	61,961
League dues and membership fees	15,795	15,795
Marketing and promotions	12,188	80,386
Members' social activities	900	(1,100)
Officers' allowances	140,800	109,700
Office	56,964	87,508
Professional	360,975	545,725
Rent	42,000	36,500
Telephone and internet services	61,554	76,645
Security	111,041	105,939
Water rates	972	2,368
	<u>1,376,173</u>	<u>1,624,355</u>

13. FAIR VALUE MEASUREMENTS

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible, but this is not always available.

In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

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

(a) Current assets and liabilities

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

(b) Members loans

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

(c) Investments

The fair values of investments are determined on the basis of quoted market prices available at December 31, 2021.

14. CAPITAL RISK MANAGEMENT

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

SUPPORT Assets Philosophy Investment Confidentiality Ethics Membership
Excellence Policy Legacy Confidence Advocacy Integrity Growth
Rebranding Principles

15. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

The Society has no contingent liabilities and capital commitments as at year end.

16. SUBSEQUENT EVENTS

Since March 2020, the spread of COVID-19 has severely impacted many economies around the globe.

In many countries, businesses are being forced to cease or limit operations for indefinite periods of time. Measures taken to contain the spread of the virus, including travel bands, quarantines, social distancing, and temporary closures of non-essential business services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Governments and central banks have responded with monetary and fiscal interventions to stabilize businesses and economic conditions.

As a result, management has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended, have not been adjusted to reflect their potential impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of the government and central bank's responses, remain unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their potential impact on the financial position and results of the Society's operations for the foreseeable future.

Other than the above, there were no significant events that occurred after the Statement of Financial Position date affecting the financial performance, position or changes therein for the reporting period in the financial statement.

RESOLUTIONS

1. **“BE IT RESOLVED THAT** a Dividend of 4% be paid on shares held by members during the period of operations from January 1st to December 31st 2021, and to members who are existing on our register as at December 31st 2021.

“BE IT FURTHER RESOLVED THAT the dividend of 4% will be distributed to the member’s deposit account except for delinquent members where all dividends shall be applied to their outstanding interest and principal in that order.”

2. **“BE IT RESOLVED THAT** a 5% interest rebate be paid on loans for the period of operations January 1st to December 31st 2021.”

3. **“BE IT RESOLVED THAT** Madan Ramnarine and Company be retained as Auditors for the accounting period January 1st to December 31st 2022.”

4. **WRITE OF BAD DEBTS OR DELINQUENT LOANS**

“WHEREAS Regulation 32 of the Co-operative Societies Act, Chapter 81:03 requires the approval of the general meeting to write-off bad debts from the books of the society;

AND WHEREAS every effort is made to recover bad debts or delinquent loans in pursuance of the recoveries procedure of the society;

AND WHEREAS efforts to recover nine (5) loans in the sum of \$395,033.57 have been unsuccessful thus far;

AND WHEREAS the Board continues to pursue the recovery of said bad debts or delinquent loans even after they have been written off;

“Be it resolved that said five (5) loans in the sum of \$395,033.57 be written-off during the 2022 financial year.”

MEMBER’S NAME	TOTAL ASSETS	TOTAL LIABILITIES	LAST PAID	AGED	NET LIABILITY
LYNETTE RAMLOCHAN	3,417.15	3,672.73	18/12/2019	762	3,677.13
KATHLEEN HOWELL	146,379.87	212,508.08	28/09/2019	779	212,531.08
SEBASTIEN MASSY	49,161.81	78,984.26	24/04/2019	842	78,989.26
JEWEL EDWARD	16,757.31	9,449.58	29/10/2020	894	9,454.58
RYANNE TOUSSAINT	77,275.92	90,393.92	26/01/2019	899	90,033.57
					395,033.57

NB: These bad debt or delinquent accounts will be removed from the active loan portfolio, but there will be sustained pursuit of these accounts through external debt collection agencies. Also, and in keeping with our Policy, accounts may be filed as disputes at The Commissioner for Co-operative Development in order to secure judgments as far as possible

**RESOLUTION FOR AMENDMENT
 TO EXISTING BYE-LAW 29 (B)**

5. **WHEREAS** the Board of Directors of the TEXTEL CREDIT UNION Co-operative Society Limited has reviewed the existing Bye-Law 29 – **NOMINATION COMMITTEE**

AND WHEREAS the Board of Directors seeks to:

- Avoid the possibility of members who do not meet the Fit and Proper criteria being nominated and elected at the AGM.
- Have the nominees assessed before the AGM to determine not only if they are eligible and capable to serve but which candidates are the best fit given the requirement for a mix of skills, experience and competency to preside over the Society’s affairs.
- Ensure that members who are seriously interested in serving would submit their applications to the Nomination Committee on time.
- Expedite the election process at the AGM for a well-timed and seamless flow.

BE IT RESOLVED THAT Bye-Law 29 NOMINATION COMMITTEE (b) which states: Notwithstanding the recommendations of the Nominating Committee, any member shall have the right to nominate other members for election to the Board, Supervisory or Credit Committee at the Annual General Meeting.

BE AMENDED NOW TO READ: There shall be no nominations from the floor except in the case where such nomination is deemed necessary for the proper constitution of the Board, Supervisory or Credit Committees.

BE IT FURTHER RESOLVED THAT this Annual General Meeting held on June 04 2022 hereby accepts the recommendation from the Board of Directors, of the TEXTEL Credit Union Co-operative Society Limited, to amend Bye Law Number 29 (b).

Proposed By: The Secretary

No. of Members present: No of Members in Favour:

No of Members Against : No of Members Abstained:

Dated:



URGENT NOTICE FOR INFORMATION ON WHEREABOUTS

TEXTTEL CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
WOULD LIKE TO CONTACT THE FOLLOWING PERSONS

Name	Last Known Address
Amra Miller	1 Tirite Lane, Malabar, Arima
Anthony Bertrand	197 Bell Bird Avenue, Maloney Gardens, D'Abadie
Anthony Daniel	7 Carmel Drive, Golden View, Port Of Spain
Atiba Weekes	32 Cedar Circular Drive, Tacarigua.
Cathy Brown	35A Agostini Street, Gonzales, Port Of Spain
Cheryl Adams	15 San Antonio Street, Lower Santa Cruz, San Juan
Dianne Jones	3 Soledad Road, Sum Sum Hill, Claxton Bay
Donna Waterman-Harewood	28 Tomato Trace, North Post Road, Diego-Martin
Glen Gittens	LP #8 Sixth Avenue, Mt D'or Road, Champ Fleurs
Ianna Johnson - Eccles	5 Broome Street, Four Roads, Diego-Martin
Iva Gordon	56 Sapodilla Avenue, Valencia,
Jabari St. Claire Worrell	LP #55, Happy Hill, Laventille Road, San Juan
Joel Harding	17 Savary Terrace, St. Barbs Road, Belmont
Kathleen Howell	13 Balisier Road, Macoya Gardens, Tunapuna
Keitha-Maria Haynes	16 Eight Street, Barataria
Keron Moraldo	16 Vidale Street, St. James
Lamisha Jeffers	37 Concorde Gardens, Arima
Lynette Ramlochan	31 Upper Bournes Road, Ross Land, St. James
Marian Arjoon	LP #13 Mangra Trace East, Aranguez Main Road, San Juan
Maxine Loobie	LP #124 Diego-Martin Road, Diego-Martin.
Melissa Richards	28 Shende Street, Sunshine Avenue, San Juan
Mikhail Scoon	5 Quate Care Bldg., Esat Grove, Valsayn
Nicholas Griffith	69 Elysium Court, Paradise Garden, Tacarigua
Nigel Williams	LP # 7 Poinsetta Drive, Coconut Drive, Port Of Spain.
Nigel Wright	20 Tumpuna Square, Tumpuna Road, Arima
Patricia Thompson	12 Alfredo Street, Woodbrook, Port Of Spain
Rolly Chapman	264 Allstars Crescent, Phase 2 Malabar, Arima
Ruth Phillip	4610 Ken Morris Avenue, Phase Four La Horquetta, Arima
Ryanne Toussaint	7 Robinsonville, Belmont, Port-of-Spain
Sally Seow -Mitchell	451 19th Street, Edinburgh 500, Chaguanas
Sayed Mohammed	LP # 80 Farm Road, Oropune Village, Piarco
Sebastian Massy	42-44 Nelson Street, Apartment E. Port-of-Spain
Sherry-Ann Grant	St. Barb's Hamlet Trace, Laventille
Vijay Bhaggan	62 Aranguez Main Road, Aranguez
Wayne Charles	LP #56 Jordan Street, Lendore Village, Enterprise

Support Assets Philosophy Investment Confidentiality Ethics Membership
Excellence Policy Legacy Confidence Advocacy Digitization Integrity Growth
Rebranding Principles

Principles

SERVICES OF OUR CREDIT UNION

REGULAR SHARE ACCOUNT

- Purchase of shares from \$5.00, through Payroll or Over the Counter

SHARE PROTECTION

- Shares are insured with CUNA Caribbean Insurance Society Limited to a maximum of \$150,000.00 at no cost to the member.

TTCVDIF: TEXTEL Credit Union is a Member/Owner of the Deposit Insurance (TTCVDIF), which provides coverage of up to \$125,000.00 on unencumbered shares and up to \$50,000.00 on deposits

DEPOSIT ACCOUNT

- Operated through Monthly Fixed Payroll Deductions
- Pays interest at a rate of 0.5%

HIGH YIELD INVESTMENT FUND

- Works as a Fixed Deposit
\$500 to \$4,999.99 For 1 year 1.75%
\$5,000.00 upwards For 2 years 2.5%

INSURANCE COVERAGE

- Household/Motor Car Insurance Policy through CUNA

LOANS

- Easy and convenient
- Quick Approvals
- No prepayment penalties
- Repayment schedule to fit your budget
- Payroll Deduction

NOW LOANS

- Maximum of \$8,000.00
- Up to 9 months to repay

Confidentiality

Confidence

Advocacy

Ethics

Trust

Assets

Flexibility

Excellence

Philosophy

Investment

Policy

Accountability

Service

Succession



Stakeholders

Standards

Opportunity

Membership
Growth

Excellence

Legacy

Digitization

Succession

Loyalty

Assets
policy

Ethics

Confidence

Policy

Values
Acc

Integrity



Respect

TEXTEL Credit Union Co-operative Society Limited
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