



**TRANSCORP
CREDIT UNION**
Co-operative Society Limited

**20
19**

**47TH
ANNUAL GENERAL
MEETING REPORT**

"Transitioning into the Next Normal"



**TRANSCORP
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The 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

Here every Creed and Race
Find an equal place
And may GOD BLESS OUR NATION

Prayer of St. Francis of Assisi

Lord, make me an instrument of thy peace
Where there is hatred let me sow love
Where there is injury, pardon

Where there is doubt, faith
Where there is despair, hope
Where there is darkness, light
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.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 47th Annual General Meeting of Transcorp Credit Union Co-operative Society Limited will be held virtually via the CISCO Webex Video-conferencing Application on Saturday 19th December, 2020, commencing 1:00pm

AGENDA

1. Credential Report
2. Call to Order
3. National Anthem
4. Opening Prayer
5. Notice of Annual General Meeting
6. Amendments to Bye-Laws and Standing Orders
7. Adoption of Standing Orders
8. Minutes of the 46th Annual General Meeting of May 18th, 2019
9. Matters Arising out of the Minutes of the 46th Annual General Meeting
10. Reports 2019: *Board of Directors, Education Committee, Credit Committee, Supervisory Committee, Independent Auditors, Financial Statements.*
11. Adoption of Statement of Incremental Budgeted Income and Expenditure for the period January 1 to December 31, 2020
12. Amendments to the Bye Laws
13. Resolutions/ Recommendation
14. Report of the Nominating Committee
15. Election of Officer for the 2020 / 2021 Term
16. Other Business
17. Closure

NOTE:

- Having regards to the fact that the AGM will be online with digital presentation, all active members in good standing (no delinquent) who wish to participate in the AGM must pre-register via our official website at www.transcorpku.com by Tuesday 15th December 2020.
- In order to pre-register, members are required to provide a functioning and reliable email address and date of birth in the format provided online.
- Upon receipt of your pre-registration detail by the Society, the member shall receive a confirmation of registration together with the AGM brochure, guidelines and accompanying instructions.
- Only registered members will be emailed a link, with accompanying instruction, to access the virtual meeting and vote in the election of officers.

Dated the 1st day of December, 2020

BY ORDER OF THE BOARD OF DIRECTORS



Clyde Parris
Secretary – Board of Directors

STANDING ORDERS

1. The microphones of all participating members shall be kept muted except where permitted by the Chairman.
2. The videos of all participating members shall remain off unless addressing the Chairperson
3. Members addressing the Chairperson must be appropriately attired
4. Members will type their question into the chat box. The AGM Moderator will collate and transmit questions to the Chairman.
5. A member shall address the meeting ONLY when called upon and unmuted by the Chairman to do so.
6. No member shall address the meeting except through the Chairman. All speeches shall be clear and relevant to the specific subject before the meeting.
7. A member shall use the Raise Hand button ONLY when:
 - a. He/she is a mover or seconder of a motion
 - b. He/she is raising a point of order
 - c. He/she requires to object or to explain.
 - d. He/she requires the urgent attention of the Chair, the member shall identify himself/herself prior to proceeding.
8. On any agenda item, a member is permitted:
 - a) one question and
 - b) his/her contribution shall not exceed two (2) minutes, 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 to reply.
 - b) To object or to explain (with the permission of the Chair).
10. No speeches shall be made after the “question” has been put and carried or negatived.
11. 11. The mover of a “procedural motion” – (adjournment, lay on the table, motion to postpone) shall have no right to reply.
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”. On no account can a member call the Chairman “to order”.
14. Only one amendment shall be before the meeting at one and the same time.
15. When a motion is withdrawn, any amendment to it falls.
16. The Chairman shall have the right to a “casting vote”.
17. If there is an equality of voting on an amendment and if the Chairman does not exercise his casting vote, the amendment is lost.
18. Should a tie occur at the election for the Board of Directors or Credit Committee or Supervisory Committee, that tie will be broken by a run-off.
19. Provision shall be made for the protection of the Chairman from vilification (personal abuse).
20. No member shall impute improper motives against another.
21. No form of recording of the proceedings shall be allowed without the permission of the Chairman.

CODE OF ETHICS

CO-OPERATIVE MISSION

To improve the Socio-economic standards of the membership, by providing and maintaining the highest level of service.

CO-OPERATIVE GOALS

To develop the mechanisms of efficient and sound business practices, always with the needs of our membership in focus, relating to the economics of the day, in search of continuity, high standards and profitability.

To establish and maintain the respect and trust of other co-operative organizations.

CONDUCT

Confidentiality must silence querulous or malicious urges and will certainly guarantee the development of integrity in our organization. Members forming the Board of Directors, Supervisory Committee, Credit Committee, Management and Staff are to conduct themselves in a manner that will boost the image and reputation of this organization. Members should refrain from making damaging statements, which cannot be supported with evidence. The curse of bribery or any compromising of function that results in personal gain will not be condoned. Relying on fraudulent means to affect any transaction within the organization will be discouraged by exposure and termination. Theft or misappropriation of funds by a member of the Board, Supervisory Committee, Credit Committee, Management or Staff will be dealt with according to the laws of the land.

Any member of the Board, Supervisory Committee or Credit Committee who publicly makes unfounded and slanderous remarks that are derogatory to the image and standing of this organization will be disciplined

Vision, Mission and Value Statements

VISION STATEMENT

To become the credit union of choice within T&T by providing innovative financial products and superior services to our members.

MISSION STATEMENT

To Foster, Encourage, Empower and Develop our stakeholders, through the provision of provident and productive services while maintaining the credit union philosophy.

VALUE STATEMENT

Integrity:

Integrity is the underlying value in everything Transcorp does, communicating openly and honestly, delivering what we promise, and doing the right thing, not merely doing things right. To us integrity directly addresses the concepts of honour and duty, which is the public's expectation of a financial institution.

Forward-Looking:

Transcorp continuously scans the horizon, plans how to address and acts upon emerging issues sufficiently in advance to provide timely and cost-effective solutions where warranted.

Responsiveness:

Transcorp will continue to provide policies and procedures that are effective, yet serve to facilitate our growth and development while preserving the overall integrity of our organization.

Teamwork:

Teamwork inspires, motivates and guides Transcorp towards its goals. Credit Unions were created from a group identity commitment, team spirit, open mindedness and a willingness to work together for the benefit of all members; it is that same focus and identity that sustains us today.



**TRANSCORP
CREDIT UNION**
Co-operative Society Limited



**MINUTES OF 46TH
ANNUAL GENERAL
MEETING**



"Transitioning into the Next Normal "

MINUTES OF FORTY-SIXTH ANNUAL GENERAL MEETING OF TRANSCORP CREDIT UNION CO-OPERATIVE SOCIETY LIMITED HELD ON SATURDAY, MAY 18, 2019 AT THE HYATT REGENCY HOTEL, WRIGHTSON ROAD, PORT OF SPAIN

1.0 CALL TO ORDER

1.1 The Chairman, Mr. Anthony Thompson, Secretary to the Board of Directors, called the meeting to order at 9.44 am.

2.0 1ST CREDENTIAL REPORT

2.1 Mr. Shawn Mason, Chairman of the Supervisory Committee informed the meeting that at 9.45 am there were 276 members present.

3.0 NATIONAL ANTHEM/INVOCATION

3.1 All present stood as the National Anthem was played after which the Credit Union Prayer was recited.

4.0 NOTICE OF MEETING

4.1 Mr. Anthony Thompson, Secretary to the Board of Directors, read the Notice of the 46th Annual General Meeting as stated on page 5 of the Brochure.

5.0 PRESIDENT'S OPENING ADDRESS

5.1 Ms. Jacqueline Bowen, President, greeted and welcomed all to the meeting. President Bowen diverted from her usual practice of delivering a written heartfelt speech and opted to address the membership in light of the recent death of Mr. Ian Dexter.

5.2 After a moment of silence, in recognition of the life and contribution of Mr. Ghany, the President extended her condolences to his family on behalf of the membership and staff of the Credit Union. Noting that it was the first time the Credit Union suffered the loss of a sitting member of a Committee, the President stressed that Mr. Ghany's death signified a number of things for the Transcorp family, among which was the need to maintain close ties with family, fellow members, members of different organizations and committees, and to stand firm in the way we approached life.

5.3 Ms. Bowen then drew members' attention to the Brochure which reflected the Society's increased asset base from approximately \$85 million to \$89 million and informed the meeting that notwithstanding the economic environment and socio political and economic factors this feat was achieved, for which she expressed thanks to members.

5.4 As Ms. Bowen continued she informed the meeting that in terms of the performance of the organization, the new IFRS9 accounting system presented quite a few changes in the way business was conducted at the Credit Union some of which, she stressed, may have contributed to members feeling unsure of their ability to access services as before. She pointed out that the reality of the situation was that the operations of the Credit Union were also under immense scrutiny, legislative wise, financial wise and accounting wise. One of the changes, the President highlighted, was that all loans were to be provisioned for, whether a member was delinquent or not.

5.5 On another note, the President urged members not to be enticed by offers by banks of low interest, no collateral and no down payment but reminded members of the unique products of the Credit Union which the banks cannot provide such as Ez-up and Oops loans. She reminded members that their money was in the Credit Union and they had the opportunity to nominate who would control and have oversight over it.

5.6 The President then expressed sincere thanks to her fellow Directors for their support to her and the organization during the reporting year 2018, and highlighted the commitment and dedication to duty of the Credit Committee who was in office soon after Mr. Ghany's death, carrying out their functions. The Supervisory Committee was also thanked by Ms. Bowen for their auditing facilities extended over 2018.

5.7 Ms. Bowen, the President, thanked members for their attendance at what was hoped to be a successful Annual General Meeting.

6.0 GREETINGS

6.1 Mr. Thompson, Secretary to the Board, invited specially invited guests to bring greetings on behalf of their various organizations.

Ms. Shanell Cabrera - Banking, Insurance and General Workers Trade Union (BIGWU)

Ms. Gale Charles - Director, Police Credit Union

Mr. Neville Lewis - Trinidad and Tobago Fire Service Credit Union/Transcorp Development Company

Ms. Shanelle Cabrera - Banking, Insurance and General Workers Union (BIGWU)

Ms. Charmaine McMillian -Co-operative Development, Ministry of Labour & Small Enterprise Development

Lisa Duberry - Co-operative Development, Ministry of Labour & Small Enterprise Development

Paula Lalbeharry - Co-operative Development, Ministry of Labour & Small Enterprise Development

6.2 Ms. Shanelle Cabrera, on behalf of Mr. Wesley Francis of BIGWU extended congratulations and best wishes to Transcorp Credit Union on the hosting of its 46th AGM. She stated that it was not common for a Union to be invited to an event as this but noted that it was a testament of the relationship shared between the Credit Union and BIGWU which was much like a marriage with good and bad times as both parties work together.

6.3 Ms. Gale Charles brought greetings on behalf of Police Credit Union and congratulated Transcorp Credit Union on a successful 2019. She reminded members that the Credit Union belongs to them and urged that they take care of it and cherish it.

6.4 Mr. Neville Lewis, on behalf of Transcorp Development Company noted the successful 2018 of Transcorp Credit Union and extended congratulations to the board and committee members. He urged members to continue doing business with their Credit Union and reminded members that at the end of repaying their loans with the Credit Union they remain with their equity whereas at the banks they only have what they acquired with the borrowed funds.

6.5 Ms. McMillian brought greetings and congratulations to Transcorp Credit Union on behalf of the Commissioner for Co-operative Development. She commended the Credit Union for its success and astute management over the past five years and noted that statistics and observations have ranked Transcorp Credit Union equal to many formidable and larger credit unions. She encouraged members to continue to support the Credit Union.

6.6 President Bowen thanked all guests for their congratulatory remarks and expressions of confidence in Transcorp Credit Union. She then introduced the Manager, Mr. Eugene Atwell, who recently joined the Transcorp family and noted that he, as well as other staff members, worked tirelessly to arrange the Annual General Meeting.

7.0 ADOPTION OF STANDING ORDERS

7.1 Ms. Bowen drew members' attention to the Standing Orders as stated on page 6 of the Brochure and requested that it be taken as read. Mr. Victor Siew move a motion for the adoption of the Standing Orders which was seconded by Mr. Daniel Constantine and unanimously accepted by the membership.

8.0 CONFIRMATION OF MINUTES OF THE 45TH ANNUAL GENERAL MEETING

8.1 The Chairman, Ms. Bowen, referred the membership to the Minutes of the 45th Annual General Meeting and apologized for the late availability of the Brochure which was as a result of challenges faced in the preparation of the financial statements. She then requested that members identify any errors, omissions and corrections.

8.2 There being no errors, omissions or corrections the Minutes of the 45th Annual General Meeting was confirmed on a motion moved by Mr. Purcell Jack and seconded by Ms. Erica Jaggan.

9.0 MATTERS ARISING FROM THE MINUTES

9.1 Mr. Abe Providence questioned why Ms. Ira Wright, who has since migrated, was not paid honorarium due to her for the period she served on the Credit Committee.

9.2 President Bowen informed that Ms. Wright did not offer notice of her intention to demit office, which was the normal practice nor did she advise of such thereafter. She advised Mr. Providence to urge Ms. Wright to provide the date on which she demitted office which would facilitate the payment of honorarium due to her.

9.3 There were no further matters arising out of the Minutes of the 45th Annual General Meeting.

10.0 DOOR PRIZES

10.1 The winner of door prize was as follows:

5984805 - Mr. Garfield Jack

11.0 PRESENTATION OF REPORTS

11.1 Board of Directors Report

11.2 Ms. Bowen, the President, presented the Report of the Board of Directors which she advised was being taken as read and urged members to raise matters of concern.

11.3 Ms. Bowen request that members stand and observe a moment of silence in recognition of the contributions of deceased members, inclusive of Mr. Paul Sylvester, a past president, and Ms. Ingrid Cupid who both passed away in April 2019.

11.4 The President acknowledged and highlighted the contribution and dedication to service of Liaison Officers who were appointed to bridge the gap between the Credit Union and members:

Mr. John Ray - San Fernando/Point Fortin
 Ms. Avril Baptiste - Arima/Sangre Grande
 Mr. Hayden London - Chaguanas

- 11.5 A motion for the acceptance of the Report of the Board of Directors was moved by Mr. Daniel Constantine, seconded by Ms. Debra Mitchell and unanimously accepted.
- 12.0 Credit Committee Report**
- 12.1 Ms. Geeta Teelucksingh-Ali, Secretary and Mr. Anthony Newton, Chairman, presented the Report of the Credit Committee as stated on pages 36 to 40 of the Brochure
- 12.2 Mr. Aklilon Providence attempted to raise an issue and was advised by the President that he, being a delinquent member, did not have status at the meeting, as dictated by the Standing Orders and the rules of the organization.
- 12.3 There being no questions/comments or concerns raised, the Report of the Credit Committee was unanimously accepted on a motion moved by Mr. Brian Johnson and seconded by Ms. Felicia Husbands.
- 13.0 Supervisory Committee Report**
- 13.1 The Report of the Supervisory Committee, on pages 42 and 43 of the Brochure, was presented by its Chairman, Mr. Shawn Mason and Secretary, Ms. Sevel Nicholls.
- 13.2 The Report of the Supervisory Committee was unanimously accepted by the meeting on a motion moved by Mr. Daniel Constantine and seconded by Mr. Jamal Clarke.
- 14.0 Education Committee Report**
- 14.1 Before calling on Mr. Anthony Thompson, Chairman and Ms. Natasha Bowen, Secretary to present the Report of the Education Committee, President Bowen recognized the presence of young members and encouraged them to consider offering themselves for service to the organization.
- 14.2 After presenting the Report of the Education Committee, Ms. Natasha Bowen thanked members for their support at the various seminars, workshops and forums hosted by the Committee and encouraged members to participate at future events; she also thanked members for their continued support of the Committee's Facebook page. She expressed that communication by the Committee had improved and advised of the intent to utilize SMS Text Messaging as the next step to further improve its communication. In order to facilitate this improvement, she encouraged members to update their cell phone contact information.
- 14.3 Ms. Natasha Bowen then made a call for members between ages 18 and 35 years to be a part of the proposed Youth Arm of the Credit Union which she indicated was an extension of the Education Committee.
- 14.4 Mr. Deon Joseph moved a motion for the acceptance of the Report of the Education Committee which was seconded by Mr. Darryl Holder and unanimously accepted by the meeting.
- 15.0 EDUCATION BRIEF**
- 15.1 Insurance**
- 15.2 President Bowen introduced Mr. Winton Gordon, Director, to enlighten the membership on matters regarding the importance of insurance in the organization.

- 15.3** Director Winton Gordon informed that Transcorp Credit Union provided free insurance coverage on deposits and shares up to \$21,150 and on loans up to a maximum of \$85,000. He explained that a member with shares in excess of \$21,000 and loan in excess of \$85,000, Transcorp Credit Union provided free insurance totaling \$106,000. He also explained that members who have no loans, and shares in excess of \$21,000, in the event of death the insurance, through CUNA will pay \$21,200 to their dependents. He noted that the Credit Union expended close to \$1 million in insurance for shares, deposits and loans annually, which provided security for members' dependents. He also indicated that full life insurance was used as collateral where there was a cash surrender value.
- 15.4** The membership was then informed by Mr. Gordon that notwithstanding insurance provided by Transcorp Credit Union for loans, members were asked to acquire additional insurance, usually in the form of term life insurance:
- to ensure that the balance of the loan in excess of \$85,000 was taken care of
 - to avoid loss of shares on the member's account; and
 - to provide protection for other members of the Credit Union whose shares and deposits funded loans.
- 15.5** The insurance, he stated, was usually taken for the period of the loan after which, upon death, funds are paid to dependents. He further stated that this insurance could be acquired from any insurance company and stressed that the Credit Union did not endorse any particular insurance company.
- 15.6** Director Gordon went on to enlighten the meeting about the Family Indemnity Plan (FIP), offered by the Credit Union, through CUNA, which provided financial assistance for funeral expenses in times of bereavement upon the submission of death certificate, Identification Card and so forth. These funds, he noted were paid within a three to five-day period. He urged members to enquire about the critical illness aspect of the FIP at the CUNA table on the outside of meeting room and to consider utilizing insurance to provide security and coverage for their dependents.
- 15.7** Mr. Ian Hospedales enquired why it was necessary for the Credit Union to hold his severance letter and two vehicles when his loan balance was \$155,000 and yet was asked to acquire additional insurance, which he did to the value of \$150,000 with Guardian Life Insurance.
- 15.8** Mr. Gordon responded by informing Mr. Hospedales that insurance was not used as collateral unless it had a surrender value and the vehicles and severance letter would have been used as collateral for the loan facility. He also clarified that the requirements for collateral for loans were more stringent because of the IFRS9 standard and advised members that it was not automatic that a member would qualify for a loan twice the value of one's shares. He stressed that the Credit Union was committed to ensure that the loan facility was collateralized to the best of the applicant's and the Credit Union's ability.
- 15.9** After Mr. Hospedales shared more information, Mr. Gordon advised him to visit the Credit Union where his matter would be further discussed to afford him a greater measure of comfort regarding his concerns. Mr. Hospedales accepted the offer.
- 15.10** Ms. Dass-Ramcharan voiced her concern about not being in possession of her insurance policy which she felt would prove to be problematic for her survivors should anything happen to her. Mr. Gordon responded by indicating that the insurance policy belonged to her but was assigned to the Credit Union. He informed that her survivors would be paid the balance of the value of the policy after the remaining value of the loan with the Credit Union was satisfied. He also informed that in the absence of a stated beneficiary the funds would go to her estate which can be probated by her loved ones, through a letter of administration.

16.0 Business Loans

16.1 The General Manager, Mr. Stephen Eugene Atwell, introduced himself to the meeting and gave his commitment to working towards the materialization of the expected financial results of the organization.

16.2 Mr. Atwell commenced his presentation by referring to an article which hinted to recommendations that:

- payments to the National Insurance Scheme be increased
- a shift in the age of retirement
- benefits to freeze at the current age level

16.3 He noted that this could have serious implications for persons who are not yet at the retirement age as well as for those who NIS may be their primary source of income as they get older to create the type of lifestyle that they would like to achieve later on.

16.4 On the subject of entrepreneurship, Mr. Atwell informed that the Government was actively promoting entrepreneurship as a means to diversify the economy and he felt it was a vehicle by which one could achieve financial security, independence and an opportunity to develop an independent lifestyle. He stated that hobbies or competencies could be translated into business projects and were all part of self-development which was one way of improving one's marketability as well as supplementing one's income. The National Entrepreneurship Development Company Limited (Nedco), he continued, was a good support mechanism that existed in the current environment.

16.5 Mr. Atwell then informed the meeting that while the Credit Union could assist members in this regard, it may not have the capacity to support every individual with a business idea from start to finish, but certainly had enough experience to lend assistance and guidance to those interested in becoming entrepreneurs.

16.6 Business planning was a significant part of the complex process of becoming an entrepreneur, Mr. Atwell informed, as well as being able to convert an idea into a product, identify a market for the product and the potential for earning income from that product. He pointed out to members that unutilized spaces in their homes could be used to start a business.

16.7 Mr. Atwell then drew members' attention to the Self-development Loan of up to \$100,000 for a period of 60 months with very competitive interest rate. While he stressed that this product cannot be available to every member with an idea, he advised that with proper dialogue, assistance can also be rendered in a non-financial capacity.

16.8 In closing Mr. Atwell reminded members that every institution must continue to be competitive and as an entrepreneur one needed to become competitive and maintain one's competitiveness. He encouraged members who had an interest in becoming an entrepreneur to give it serious consideration as it may be a way to deal with the economic challenges that exist at the moment.

16.9 President Bowen thanked Mr. Gordon and Mr. Atwell for their contributions and urged members to contact either officers with any further concerns.

17.0 FINANCIAL STATEMENTS

17.1 Statement of Incremental Budget

17.2 Mrs. Gemma Bowen took the meeting through the Statement of Incremental Budgeted Income & Expenditure for 2019 and highlighted the following:

- Total income - \$11.7 million
- Total expenditure - \$6.3 million
- Projected net surplus - \$5.3 million

17.3 There being no questions/comments, a motion for the approval of the Statement of Incremental Budgeted Income & Expenditure for 2019 was moved by Mr. Levi Horsford, seconded by Mr. Sherwin Joseph and unanimously accepted by the meeting.

18.0 Financial Statements 2018

18.1 President Bowen informed the meeting that the representative of Garrison & Company Limited was not yet present to read the Independent Auditors' Report. She stated, however, that the Cooperative Officers advised that the meeting can proceed to peruse the Financial Statements as the Independent Statement from the external financial was attached to the Financial Statements.

18.2 Ms. Gemma Bowen, Treasurer, guided the meeting through the Financial Statements of the Transcorp Credit Union Co-operative Society Limited and noted that the Auditor's Statement reflected that the accounts of the Credit Union were good which indicted that proper accounting procedures were being followed. She highlighted the following:

Statement of Financial Position:

- Cash Resources increased from \$13 million in 2017 to \$19 million in 2018
- Total Assets increased from \$85 million in 2017 to \$89 million in 2018
- Liabilities increased from \$73 million in 2017 to \$75 million in 2018

18.3 She also highlighted that Members Shares showed a minimal increase from \$64.3 million in 2017 to \$65.3 million in 2018 and explained that this was as a result of members having liquidated their shares to pay off loans in order to access products offered by banks which she stressed was not in their best interest. She implored members to approach the Credit Union for advice when seeking to restructure their finances as the Credit Union was there to assist in this regard and hoped this figure would improve significantly in 2019. She continued and pointed out that Members equity moved from \$12 million in 2017 to \$14 million in 2018.

18.3 Under Statement of Comprehensive Income, Ms. Bowen drew members' attention to the following:

- Net Surplus from \$4.2 million in 2017 to 5.3 million in 2018
- Total Comprehensive Income moved from \$4.2 in 2017 to \$5.4 million in 2018

18.4 Ms. Bowen informed that Under Gain/(Loss) on financial assets, when there was a reduction in the Gains on the Shares in the companies, it increased and \$35,000 was achieved.

18.5 Mr. Levi Horsford asked for an explanation on the CUNA Death Claim Payable in the Notes to the Financial Statements on page 88. Ms. Bowen responded by stating that the \$2.9 million represents moneys outstanding to estate of persons who died some of whom were seeking letters of administration to access the funds outside of which the Credit Union can pay out up to \$5,000 as specified in the Act. She also indicated, in response to further questions by Mr. Horsford, that there was no set time frame for the process as at times there may be multiple beneficiaries some of whom may be abroad and also there may be no named beneficiary. So noted that the Credit Union will continue to make attempts to educate the membership in this regard.

- 18.6** In response to issues raised by Ms. Josephine Wolfe and Ms. Dass-Ramcharan, President Bowen explained that once a member dies with no named beneficiary, moneys at the Credit Union in the member's name would be disbursed as follows:
- where there was a spouse and children, 50% to the spouse and 50% to the children
 - where there was no spouse but there were children, the funds will be distributed equally
- 18.7** Where there was no spouse or children, she informed that there was a priority of persons who would be entitled to the member's estate by way of letters of administration via an attorney at law, which she stated was outside the remit of the Credit Union. She noted that if a beneficiary was identified, upon the member's death, as dictated by the Co-operative Societies Act, a \$5,000, payment upon presentation of the necessary documents would be made, and via the acquisition of letters of administration the remaining funds can accessed.
- 18.8** President Bowen expressed concern that it appeared as though the importance of identifying beneficiaries on application forms was not communicated to members and reiterated the importance of attending educational seminars on this topic which are offered via the Education Committee.
- 18.9** Ms. Gemma Bowen continued the perusal of the financial statements and in response to Mr. Levi Horsford's question about the decrease in the First Line Oil Notes Limited investment, informed that the investment was not renewed as was noted in the Report of the Board of Directors.
- 18.10** Ms. Charmaine Lewis requested an explanation for the decrease in Member's Loans as she noted an increase in Short-term Investments which she felt reflected a shift from the philosophy of the credit union. Treasurer Bowen explained that members used their shares to liquidate loans and stressed that those transactions had an impact on both sides.
- 18.11** Ms. Charmaine Lewis referred to Note 9, Members' Loan – Risk Assessment and asked whether the 3% delinquency rate was the acceptable norm as the Impaired, Stage 3, figure of \$3.6 million appeared to be higher in relation to the \$61 million loan figure. Ms. Gemma Bowen explained that under the IFRS9 standard it was necessary to provide for all loans and the referred category were loans over 5 years. Ms. Bowen reminded Ms. Lewis that that was the area she was working on before she demitted office at the Credit Union.
- 18.12** Ms. Lewis further enquired if the figure of \$3.6 million was to be written off and whether procedures and controls would be put in place and/or improved upon. Ms. Bowen responded that the figure was not to be written off and went on to state that a debt collector was in place and positive responses have evolved thus far.
- 18.13** Mr. Curtis Murphy asked that some measure of reassurance and comfort be expressed to members in light of rumours of members leaving the Credit Union. Treasure Bowen drew the member's attention to the cash position of the organization in the Financial Statements and stressed that no member was unable to access a loan due to lack of funds. She passionately defended the viability and soundness of the Credit Union and stated that detractors were trying to poison members' minds in an attempt to destabilize the organization. Finally, she urged members to continue to believe in and support the Credit Union and vigorously encouraged members not be frightened by the detractors.

18.14 Mr. Anderson Francis enquired about the Investment in Land in Las Lomas as well as Barataria. Ms. Gemma Bowen informed that the vendor was encountering serious problems to have the final aspect of the process completed so the Credit Union took action to recover its funds. In this regard, she expounded that the court had ruled in favour of the Credit Union in its attempt to recover its funds and was currently awaiting a date for the finalization of this matter. Regarding the Barataria property she explained that due diligence was being exercised and the legal unit was rigorously researching the property.

18.15 Mr. Kunta Fletcher asked why was it necessary for members to pay such a high penalty for using their shares to liquidate loans. Ms. Gemma Bowen responded by informing that it was an international policy within financial institutions to apply that penalty; as in the case of the credit union, members' funds were invested to earn revenue thus when a member wishes to utilize their shares to liquidate loans it may have an effect on an investment.

19.0 Independent Auditor's Report

19.1 President Bowen introduced Ms. La Toya Braithwaite-Celestine of Garrison & Company who read the Independent Auditors' Report as stated on page 63 of the Brochure. In response to President Bowen, Ms. Braithwaite-Celestine indicated the same audit report applied to the Consolidated Financial Statements.

19.2 There being no further comments/questions, a motion for the acceptance of the Financial Statements was moved by Mr. Wilfred Watson and seconded by Mr. Daniel Constantine. The motion was unanimously accepted.

20.0 Consolidated Financial Statements

20.1 Treasurer Bowen drew members' attention to the Consolidated Financial Statements on pages 93 to 101 and the Notes to the Consolidated Financial Statements on pages 102 to 123.

20.2 Ms. Charmaine Lewis requested to know what was included in the figure of \$982,206 for Payroll Receivable. Ms. Bowen explained that that figure represented payroll from PTSC for December but which was received on January 02, 2019. As a result, she continued, that figure had to be recorded in that manner since it was received after the end of the financial year, December 31, 2018.

20.3 Ms. Carol Walters moved a motion for the acceptance of the Consolidated Financial Statements which was seconded by Mr. Bevon Thompson. The motion was unanimously accepted by the meeting.

21.0 Special Acknowledgement

21.1 On behalf of the Board of Directors, President Bowen acknowledged the following staff members and thank them for their dedication and commitment to the organization and for their input in the hosting of the 46th Annual General Meeting.

Mr. Stephen Eugene Atwell-General Manager

Ms. Gillian Mannette

Ms. Shinelle Gittens

Mr. Kevin Oliver

Mrs. Aleeyia Paul-Cox

Mr. Sheldon Seale

Ms. Deana Dass,

Ms. Abigail Munroe

Ms. Desiree Thomas

21.2 Mr. Atwell, who has joined the Credit Union's staff two weeks ago, was particular thanked by the President for picking up the mantle at a very disruptive time. Mr. Burgess was also thanked for his yeoman service in putting this Annual General Meeting together.

22.0 Special Presentation.

22.1 President Bowen informed the membership that as the Credit Union celebrated 52 years of existence the Board of Directors had decided to present an Award of Commitment to Mr. Clarence Hinkson at this 46th Annual General Meeting. Ms. Anaisa Abraham presented the Award to Mr. Hinkson.

23.0 Amendment to Bye-law

23.1 On behalf of the Board of Directors, President Jacqueline Bowen read the proposed amendment on page 134 of the Brochure, which sought to reduce the number of members sitting on the Board from 12 to nine.

23.2 Whereas Transcorp Credit Union desires to reduce the number of members serving on its Board of Directors from 12 members to 9 members.

Bye-Law (18), Sub-section (b) "Composition", in the Society's Bye-Laws currently states the following:

The Board of Directors shall consist of twelve (12) members to serve for a term of three (3) years and be elected at an Annual General Meeting Provided that at the first General Meeting of the Society to be held after approval of these Bye-Laws, one-third of the members of the Board of Directors shall be elected to serve until the first Annual General Meeting, one-third of the members to serve until the second Annual General Meeting, and one-third of the members to serve until the third Annual General Meeting. Thereafter all elections shall be for terms of three (3) years.

Be it resolved that Bye-Law (18), sub-section (b) "composition" in the Society's Bye-Laws be replaced in its entirety with the following:

The Board of Directors shall consist of nine (9) members to serve for a term of three (3) years and be elected at an Annual General Meeting. Provided that at the first General Meeting of the Society to be held after approval of these Bye-Laws, one-third of the members of the Board of Directors shall be elected to serve until the first Annual General Meeting, one-third of the members to serve until the second Annual General Meeting, and one-third of the members to serve until the third Annual General Meeting. Thereafter all elections shall be for terms of three (3) years.

24.0 Discussion:

24.1 Ms. Rene Thompson enquired into the purpose of the amendment. President Bowen explained that it was observed that credit unions with asset bases between \$320 million and \$800 million had, on average, nine members on its boards. This amendment sought to bring Transcorp Credit Union in line with other credit unions considering that its asset base was \$89 million.

24.2 In response to Ms. Thompson's question as to the whether there will be a similar reduction in the honorarium to be paid, President Bowen informed that there will be a consequential reduction in honorarium. She also noted that there will be a reduction in allocation to the Board in terms of stipend.

24.3 There being no further comments/questions, a motion for the acceptance to the amendment to Bye-Law (18)(b) was moved by Mr. Peter Burgess and seconded by Ms. Roxanne Sampson. The motion was accepted by 136 members voting in favour of the motion and 10 voting against. No member abstained.

24.3 President Bowen advised that members will be notified as to the mechanism for the reduction from 12 to nine members.

25.0 Resolutions

25.1 President Bowen read the following motion, on behalf of the Board of Directors:

a. Maximum Liability

Whereas the Co-operative Societies Act, Chapter 81:03, Regulations 14 requires that the Society shall from time to time, ix at a General meeting the maximum liability it may incur in respect of loans or deposits whether from members or non-members:

Be it resolved that the Maximum Liability Limit of the Transcorp Credit Union Co-operative Society Limited for loans inclusive of deposits is set at fifteen million dollars (\$15,000,000) for the financial year ending December 31, 2019.

A motion to accept the Resolution for the Maximum Liability was moved by Mr. Legon Robinson and seconded by Mr. Patrick Floyd. The motion was unanimously accepted by the membership.

b. Appointment of Auditors

President Bowen read the following motion, on behalf of the Board of Directors:

Be it resolved that the firm HLB Montgomery & Company, Chartered Accountants, be appointed Auditors for the financial year January 01, 2019 to December 31, 2019.

A motion to accept the resolution for the Appointment of Auditors was moved by Mr. Bevon Thompson and seconded by Ms. Ingrid Baptiste. The motion was unanimously accepted by the membership.

c. Dividends and Rebate

President Bowen read the following motion, on behalf of the Board of Directors:

Be it resolved that in accordance with Bye-Law (11A), a dividend of 3.5% on a member's share balance in Transcorp Credit Union and 2% rebate on loan interest paid by a member on loans granted by Transcorp, for the period from January 01, 2018 to December 31, 2018 be approved for payment.

Also be it resolved that the dividends payments shall be paid only to members in good standing at the date of approval of this Resolution and shall be paid in cash.

Also be it resolved that the rebate on loan interest shall be paid only to members in good standing at the date of approval of this Resolution and shall be paid to the said members' deposit accounts in the Society.

25.2 In response to Mr. Ian Hospedales, President Bowen informed that members who were delinquent from January 01, 2018 to the date of the AGM were considered "not in good standing" and drew the membership's attention to the list of debtors on pages 33 and 34.

25.3 Members were reminded by the President that there was a member's Desk outside where they can:

- prequalify for the Eat-your-cake-and-have-it loan;
- reinvest dividends and be entitled to a loan twice the amount subject to normal lending criteria
- learn the quantum of one's dividend as well as the value of the 2% rebate on interest.

25.4 A motion to accept the resolution for the payment of 3.5% dividend and a 2% rebate on loan interest was moved by Mr. Dion Joseph and seconded by Ms. Rene Thompson. The motion was unanimously accepted by the membership

d. Honorarium

President Bowen read the following resolution, on behalf of the Board of Directors:

Be it resolved that in accordance with Bye-Law (11A), an honorarium not exceeding the amount of ninety-six thousand dollars (\$96,000) be approved for payment to officers of the Society as approved by the Board.

A motion to accept the Resolution for the payment of an honorarium not exceeding ninety-six thousand dollars \$96,000 was moved by Mr. Brian Johnson and seconded by Ms. Carol Vaughn. The motion was unanimously accepted by the membership

e. Retained Earning

President Bowen read the following resolution, on behalf of the Board of Directors:

Be it resolved that any balances remaining after payment of dividends, the rebate on loan interest and honorarium remains in the Retained Earnings.

25.5 A motion to accept the resolution for the balances remaining after payment of Dividends, the Rebate on Loan Interest and Honorarium to remain in the Retained Earnings, was moved by Mr. Sherwin Joseph and seconded by Mr. Patrick Floyd. The motion was unanimously accepted by the membership

f. Write-off of Delinquent Loans

President Bowen read the following resolution, on behalf of the Board of Directors:

Be it resolved that delinquent loans over five (5) years that are under the value of \$2,000 (i.e. principal, interest and arrears) and which loans, as at December 31, 2018 amount to a total value of \$75,000 are to be written off.

Mr. Patrick Floyd asked if those delinquent members listed on pages 33 and 34 were entitled to dividends. The President informed that they were not and that their shares were already liquidated to service their loans.

25.6 A motion to accept the resolution for the Write-off of Delinquent Loans was moved by Mr. Patrick Floyd and seconded by Ms. Onika McBean. The motion was unanimously accepted by the membership

26.0 NOMINATION COMMITTEE REPORT

26.1 The Nomination Committee Report, as stated on pages 126 to 131, was presented by the Secretary, Ms. Eva Abraham.

26.2 There being no questions/comments on the Report, a motion for its acceptance was moved by Ms. Ann Marie Loregnard and seconded by Germaine Morris. The Motion was unanimously accepted by the meeting.

27.0 ELECTION OF OFFICERS

- 27.1 President Bowen introduced Mr. Wayne Estrada as the Returning Officer for the conduct of the election process.
- 27.2 Mr. Wayne Estrada, Returning Officer, greeted members and congratulated the Credit Union on hosting its Annual General Meeting which, he mentioned, showed a sense of comfort and confidence which augured well for the financial marketplace and displayed safety and soundness in the credit union movement. He noted the passion of Ms. Gemma Bowen in defending the position of the Credit Union and urged members to save but borrow more to encourage greater dividends.
- 27.3 Mr. Estrada informed the membership that at 12.50 pm there were 349 members registered and declared registration closed. He noted that the election will be conducted according to the guidelines set by the nominating process and the counting of votes would be done by electronic ballots.

28.0 EXTENSION OF MEETING

- 28.1 President Bowen drew the membership's attention to the current time being 12.50 pm and advised of the need to extend the meeting to facilitate the remaining items on the Agenda. In light of this information, a motion to extend the Annual General Meeting to 2.00 pm was moved by Mr. Oscar Charles and seconded by Mr. Ainsley John. The motion was unanimously accepted.

29.0 ELECTION OF OFFICERS

- 29.1 Mr. Estrada, the Returning Officer informed the meeting that with the exception of the Credit Committee the number of persons recommended for election to the Board of Directors, and the Supervisory Committee were inadequate and would require nominations from the floor.
- 29.2 Persons nominated from the floor were:

Board of Directors

- Mr. Patrick Floyd
- Mr. Ted Taylor
- Ms. Roslyn Thomas
- Mr. Kunta Fletcher

Supervisory Committee

- | | |
|---------------------------------|---------------------------|
| • Ms. Beverley-Ann Kim Mitchell | • Ms. Crystal Hoyte-King |
| • Ms. Cara Vaughn | • Ms. Paula Ghany |
| • Mr. Miguel John | • Ms. Karon Ragoobarsingh |

Credit Committee

Mr. Damian Emmanuel drew the Returning Officer's attention to the fact that nominee for the Credit Committee, Mr. Anderson Francis' name, was listed in the Brochure but not on the ballot paper. The Returning Officer thanked the member for his observation and declared that there would be no need to have a nominee from the floor since Mr. Dexter Ghany's name was to be removed which would then leave the number of nominees at seven, which is what was required.

30.0 The nominees for election were:

Board of Directors

- Ms. Paula Yarde
- Mr. Harold Collins
- Mr. Carlton Jackson
- Ms. Sevel Nicholls
- Mr. Patrick Floyd
- Mr. Ted Taylor
- Ms. Roslyn Thomas
- Mr. Kunte Fletcher

Supervisory Committee

- Mr. Levi Horsford
- Ms. Shermica Graham
- Ms. Beverley Mitchell
- Ms. Cara Vaughn
- Mr. Miguel John
- Ms. Crystal Hoyte
- Ms. Paula Ghany
- Ms. Karon Ragoobarsingh

Credit Committee

- Mr. Anthony Newton
- Mr. Darryl Lamy
- Mr. Shawn Mason
- Ms. Geeta Teelucksingh-Ali
- Mr. Charles Hadaway
- Mr. David Alexis
- Mr. Anderson Francis

30.1 Members were reminded by the Returning Officer to vote for the number of officers as follows:

- Board of Directors - 4 persons
- Supervisory Committee - 3 persons
- Credit Committee - 5 persons

30.2 Ballots were distributed and members voted after which the Returning Officer declared that the election process had ended.

31.0 EXTENSION OF MEETING

31.1 At 1.51 pm President Bowen advised the membership of the need to again extend the time for the meeting in order to complete the items on the agenda and to facilitate the results of the election, and asked for a motion to be moved to that effect. Mr. Christopher Pegus moved the motion to extend the Annual General Meeting. Mr. Shawn Mason seconded the motion which was unanimously accepted by the meeting.

32.0 AWARDS

32.1 The President inform the membership of special awards to the following members:

- Mr. Anderson Narine - For his continued support, commitment and dedication to he Credit Union, notwithstanding his medical challenges during 2017/2018
- Mr. Peter Burgess - Highest saver on shares and deposit for the year 2018

33.0 DOOR PRIZES

33.1 The following members won the CUNA-sponsored door prizes:

- 5984677 - Ms. Gail Bowman-Frederick
- 5984613 - Mr. Martin Gomez
- 5984703 - Mr. Jeremiah Lewis
- 5984706 - Ms. Semoy George

34.0 SPECIAL PRESENTATION

34.1 Mr. Anthony Thompson presented a special token to the widow of Mr. Dexter Ian Ghany in recognition of his service to the Transcorp Credit Union having served as a member of the Supervisory Committee and more recently the Credit Committee until his death.

35.0 GENERAL BUSINESS

35.1 President Bowen reminded members of the following services available to members outside the meeting room:

- Testing of sugar levels, blood pressure and administering the hepatitis vaccination, by nurses;
- Guardian Life Insurance information table
- CUNA Caribbean Insurance information table

35.2 The President then invited members to raise concerns/issues.

35.3 Ms. Althea Lewis stated that her request for a debt conciliation loan was denied by the Credit Committee after she was informed that she could apply for the loan after having written a letter to the Credit Committee. She noted that over the last four years her applications for loans were denied and she was only able to access the Oops and Ez-Up loans. She said she felt victimized and would no longer waste her time applying for loans. After engaging Ms. Lewis in order to get a better understanding her dilemma, President Bowen reminded members of the new IFRS9 requirements and noted that the manner in which loans were disbursed had to be altered and advised members to familiarize themselves with the loan policy of the Credit Union. Notwithstanding this, the President advised Ms. Lewis to contact the Manager with a view of obtaining clarity of her situation which would allow for her to make an informed decision. Ms. Lewis said she would do so and thanked the President.

35.4 In response to questions/issues raised, the President informed that:

- Dividends would be paid on June 04, 2019
- Efforts would be made to alleviate the length of time it took to conduct business at the Credit Union.
- The Manager would Mr. Christopher Pegus regarding his Letter of Release and his son's account.
- The matter regarding south courier has been addressed.
- Online access to the Credit Union is expected to be in place during the course of the year.

36.0 ELECTION RESULTS

36.1 The Returning Officer, Mr. Wayne Estrada announced the results of the elections as follows:

Board of Directors

Officer	No. of Votes
• Ms. Paula Yarde	285
• Mr. Carlton Jackson	226
• Ms. Sevel Nicholls	181
• Mr. Kunta Fletcher	119
• Mr. Harold Collins	104 (1 st Alternate)
• Mr. Ted Taylor	85 (2 nd Alternate)
• Mr. Patrick Floyd	77
• Ms. Roslyn Thomas	38

Supervisory Committee

Officer	No. of Votes
• Mr. Levi Horsford	219
• Ms. Shermica Graham	150
• Ms. Cara Vaughn	116
• Ms. Paula Ghany	90 (1 st Alternate)
• Ms. Karon Ragoobarsingh	83 (2 nd Alternate)
• Ms. Beverley Mitchell	76
• Mr. Miguel John	82
• Ms. Crystal Hoyte	44

Credit Committee

Officer	No. of Votes
• Mr. Anthony Newton	285
• Ms. Geeta Teelucksingh-Ali	220
• Mr. Charles Hadaway	210
• Mr. Shawn Mason	196
• Mr. Darryl Lamy	193
• Mr. Anderson Francis	187 (1 st Alternate)
• Mr. David Alexis	132 (2 nd Alternate)

36.2 The Returning Officer congratulated all elected officers and stressed that elected officers were subject to further scrutiny to ensure they are fit and proper to hold office.

37.0 DESTRUCTION OF BALLOTS

37.1 A motion for the destruction of the ballots was moved by Mr. Shawn Mason and seconded by Ms. Roxanne Sampson. The motion was unanimously accepted by the membership.

38.0 CLOSURE

38.1 Ms. Jacqueline Bowen thanked all for their contribution to the successful hosting of the 46th Annual General Meeting and the members for their attendance. She urged members to visit the Facebook page to be reminded of the upcoming Fathers Who Can Cook event and wished them all the best for the rest of the financial year.

38.2 There being no further business, the meeting ended at 2.30 pm



Anthony Thompson
SECRETARY-BOARD OF DIRECTORS



**TRANSCORP
CREDIT UNION**
Co-operative Society Limited



**THE
PRESIDENT'S
MESSAGE**

**47TH
ANNUAL GENERAL
MEETING REPORT**

"Transitioning into the Next Normal "



Jacqueline Bowen-Rodriguez

President

PRESIDENT'S MESSAGE

Our Dear Valued Members

"Transitioning into the Next Normal" is a true reflection of the repositioning of your Society, Transcorp Credit Union Co-operative Society Limited, in our thrust to fulfil our members' dreams.

As I reflect on the year 2019, I continue to be positively distracted by the occurrences of the current year 2020 in charting the pathway upon which your Society is required to follow to remain relevant and successful. The "C" word, i.e COVID-19, continues to significantly impact and create negative growth and diminishing returns on world economies and businesses, reck havoc on family life as a result of massive unemployment and financial hardship causing an unprecedented increase in domestic violence and abuse especially against our nations women and children as unwanted emotions attempt to take charge and the fragility of human lives is portrayed in the written and electronic media every minute on the minute worldwide. The negative impact remains countless and limitless as this virus spirals out of control.

We, as members and owners of our Society, are guided by the mantra that "*..Life must go on..*" as we climatise to the "Next Normal". The "C" word and its consequential impact allows us to focus on our accomplishments and the opportunities to be created by us to maintain our past year of successes. It allows us to rise above the challenges and capitalise on our resources in a more prudent manner with the aim of achieving the best possible result. We are required to refocus our goals and objectives in better utilising and fulfilling our purpose towards goals which we may have thought back in 2019 was critical or important but did not allocate the necessary time towards achieving same.

We ought to feel proud of our Society in achieving an asset base of \$101.78 Mn in 2019, effectively moving from the category of Small to Medium Size Credit Union in accordance with industry standard. Our 5% growth in Gross Revenue moving to \$11.5Mn with the contributing factor being a sensible mix between revenue from loan interest and interest from investments evidences the level of prudence being exercised by your Society under the strategic stewardship of your Board of Directors. Our Board continue to maintain the expenditure of your Society.

The ambitious and expeditious programme adopted by your Society to digitally optimise our operations and administration has been mainly driven by the need to remain in touch and in close contact with our members at a time when our Ministry of Health and the World Health Organisation (WHO) have instituted regulations and directives for "social distancing" and "stay at home" regime; effectively being faced

with no alternative but remove physical personnel service from our daily routine. We remain committed to you attaining the ultimate customer service experience.

Your Society capitalised on the opportunities presented by our software providers and marketing consultants with the introduction of our online and mobile financial services to access all our facilities except the withdrawal of cash. Our social media platform has been transformed into a bevy of activities connecting with you, our members. Our strategic and planned deliverables relative to institutional strengthening and realignment of our human resource capital foster the forging of an even closer relationship with members.

We acknowledge that, currently, a number of members have and continue to experience undue hardship and, therefore we recommend a maximum quantum of dividend payment at 5% and loan interest rebate at 2% allowing for you to have access to more cash payment in hands during this very distressing and difficult period in our world's history.

I envisage that the years 2020 and 2021 may continue along the same pathway as detailed above as your Society rallies with you in maintaining its co-operative existence. I am reminded of the saying that "*...If everything was perfect, you would never learn and you would never grow...*" (unknown). The world is not in the perfect condition at this time, but we shall rise above these challenges and be better for it.

I take this opportunity to thank the Board of Directors, Committee Officers, Management and Staff for their support and confidence bestowed in me. I also recognise the encouragement of our valued members when our deliverables seem insurmountable. I beseech you, our members, to lift up your heads and hold it up high and to soar to higher heights.

May God continue to bless you.

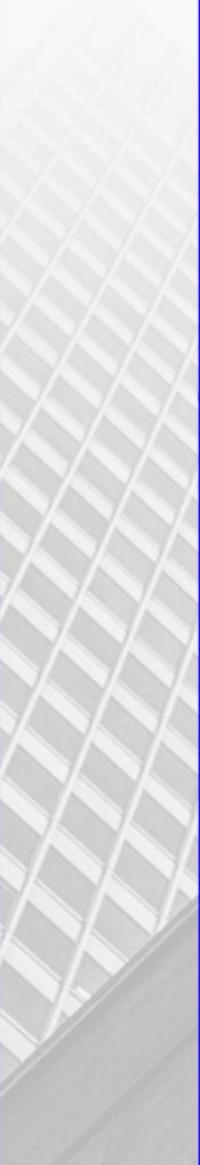


JACQUELINE BOWEN-RODRIGUEZ
President
Board of Directors

Dated this 30th day of November 2020



**TRANSCORP
CREDIT UNION**
Co-operative Society Limited



**BOARD OF
DIRECTORS
REPORT**

**47TH
ANNUAL GENERAL
MEETING REPORT**

"Transitioning into the Next Normal"





Jacqueline Bowen-Rodriguez
PRESIDENT



Anthony Thompson
VICE PRESIDENT



Clyde Parris
SECRETARY



Gemma Nurse-Bowen
TREASURER



Paula Yarde
ASSIST. SECRETARY



Eva Abraham
BOARD MEMBER



Winton Gordon
BOARD MEMBER



Clyde Best
BOARD MEMBER



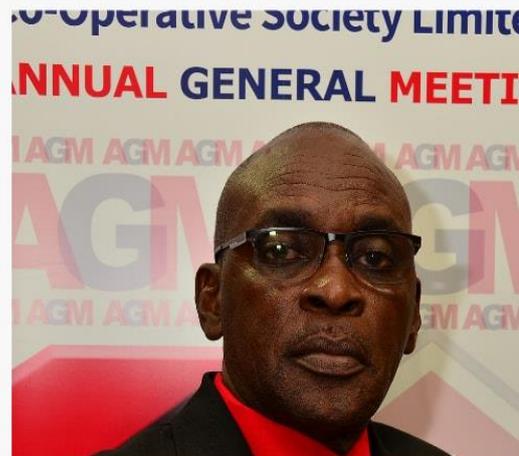
Sevel Nicholls
BOARD MEMBER



Charles Mc Lean
BOARD MEMBER



Harold Collins
BOARD MEMBER



Carlton Jackson
BOARD MEMBER

THE BOARD OF DIRECTORS REPORT

1.0 Executive Summary

"...Big ideas come from forward-thinking people who challenge the norm, think outside the box, and invent the world they see inside rather than submitting to the limitations of current dilemmas..". - T.D. Jakes

1.1 The Board of Directors is pleased to present its Report to you, our valued members. We recognise our statutory obligation of reporting on the performance, activities and strategic deliverables of the Society for the Income year ending December 31, 2019. We also recognise that at the date of this Report, our beautiful Republic of Trinidad and Tobago and the world at large continue to undergo an unprecedented event in the form of The COVID-19 Pandemic that has created a global plaque resulting in the stymie of world trade, local, regional and international economies consequentially threatening businesses continuity, development and growth. The limited financial resources of organisations in meeting and treating with issues of maintaining health and safety, security and sanitisation of all visitors and occupiers of business premises continue to be exhaustively extended.

1.2 As a result of the COVID-19 restrictions and regulations directed by our Ministry of Health and the World Health Organisation (WHO) and adopted by the Office of the Commissioner of Co-operatives regarding gathering and the maintenance of social distancing, we were unable to host our Annual General Meeting in accordance with regulatory requirements. Consequentially, the tenure of all officers of the Society were extended. In this regard, the Society received the permission of the Commissioner of Co-operatives for the extension of time for the Society to host its Annual General Meeting virtually via electronic means.

1.3 This Report focuses on our strategies in *"Transitioning into the Next Normal"* given that we are now approximately eleven (11) months into the Income Year 2020. We, therefore, report to you on the administration, operations and strategic deliverables of the Society for the period May 2019 to May 2020 with updates on certain areas up to November, 2020.

2.0 THE BOARD OF DIRECTORS AND GOVERNANCE

2.1 Composition of the Board of Directors

Following the election of officers by the members at the 46th Annual General Meeting held at the Hyatt Regency Hotel in Port of Spain on May 18th, 2019 and the internal elections of Executive members, the following officers comprise the Board of Directors:

- Mrs. Jacqueline Bowen-Rodriguez - President
- Mr. Anthony Thompson - Vice President
- Mr. Clyde Parris - Secretary
- Mrs Gemma Nurse - Bowen - Treasurer
- Mrs. Paula Yarde - Assistant Secretary
- Eva Abraham - Director
- Clive Best - Director

- Mc Lean Charles - Director
- Harold Collins** - Director
- Winton Gordon - Director
- Mr. Carlton Jackson - Director
- Ms. Sevel Nicholls** - Director

*** Denotes the newly elected members of The Board of Directors in May 2019 in place of Mr. Melville Dyer and Haulister Walcott following the decision of the latter members not to seek re-elections.*

- 2.2. The Board, and by extension, the Society, recognises the long tenure of service of Mr. Dyer as an officer of this Society serving on the Supervisory Committee and the Board of Director in excess of twenty -five (25) years. Mr. Dyer provided yeoman service towards the development of the Society and we wish him well in his retirement. We also thank Mr. Walcott for his support and involvement while serving as a Director, Supervisory Committee member and Credit Committee member, as he too continues to enjoy his retirement

2.3 The Attendance Record

The Attendance Record hereunder reflects same for the period May 2019 to May 2020:

DIRECTORS	POSITION	ATTENDANCE							
		Statutory				Special			
		<i>Present</i>	<i>Excused</i>	<i>Absent</i>	<i>Total</i>	<i>Present</i>	<i>Excused</i>	<i>Absent</i>	<i>Total</i>
Jacqueline Bowen-Rodriguez	President	8	-	-	8	9	-	-	9
Anthony Thompson	Vice-President	7	1		8	7	2	-	9
Clive Parris	Secretary	8	-		8	7	2	-	9
Gemma Nurse-Bowen	Treasurer	8	-		8	9	-	-	9
Paula Yarde	Asst. Secretary	7	1		8	6	3	-	9
Eva Abraham	Director	6	2		8	8	1	-	9
Clive Best	Director	5	1	2	8	3	5	1	9
Mc Lean Charles	Director	6	2		8	8	1	-	9
Harold Collins	Director	6	-	2	8	7	1	1	9
Winton Gordon	Director	8	-		8	3	6	-	9
Carlton Jackson	Director	8	-		8	5	4	-	9
Sevel Nicholls	Director	6	1	1	8	6	2	1	9

Table 1. Attendance Record to meeting of Board of Directors May 2019 to May 2020

- 2.4 During the reporting period, the governance structure of the Board of Directors in exercising its fiduciary responsibility was maintained and well managed to ensure compliance with all regulatory requirements. The Board continues to operate with the highest level of transparency guided by best practice while maintaining accountability towards our members. Further statutory and special meetings were held in person, virtually and or in a hybrid manner.

3. MEMBERSHIP

3.1 Our membership status in 2019 follows;

• Membership as at December 31 st , 2018	:	6,002 (5088 active)
• New Members Year 2019	:	58
• Resignations 2019	:	59
• Deaths during 2019	:	17
• Total Memberships as at December 31, 2019	:	5984 (5144 active)

3.2 As a matter of update, over the period January 1st 2020 to November 30, 2020, the Society was successful in recruiting **389** new members. This success was as a result of our aggressive marketing drive in introducing new products and services tailored made to attract new members especially our Transcorp Beacon Group Health Plan.

3.3 Obituaries

The Board of Directors extends its condolences to the families of our following members who departed this life during the reporting period:

- Vincent Baptiste
- Ingrid Cupid
- Linda Daniel-Moore
- Euphemia Fortune-Hamlet
- Dexter Ghany
- Claire Gill
- Desmond Granthume
- Krishen Maharaj
- Mahadeo Maharaj
- Andrew Marcelin
- Lionel Matamoro
- Olton Nelson
- Avington Quamina
- Ramsingh, Ram
- Christopher Smith
- Robert Smith
- Paul Sylvester

3.4 Increase in Death Benefits

We take this opportunity to encourage the families of deceased members to file for Letters of Administration expeditiously and access members' death claim benefits. Members are advised that effective January 2020, the amount payable to beneficiaries without the Letter of Administration increased from \$5,000.00 to \$50,000.00 based upon the available benefits attached to the deceased member's account.

- 3.5 We welcome our new members and look forward to them availing themselves to the many products and services that the Society provides including our recent enrollment of members into the Transcorp Beacon Group Medical Plan.
- 3.6 We continue to appeal to our members to be wary of the “carrot” offered by the other financial institutions including one day ‘no collateral’ loans which are granted under very onerous conditions including high interest rates. Other financial institutions request that you liquidate your shares with the Society and therefore you are left without a savings that you would have acquired over the years. Be wary of these practices and maintain your relationship with your Society.
- 3.7 Transcorp continues to provide educational opportunities to its members with the provision of seminars in Financial Planning. We urge members to attend these seminars as they provide great insight into the preparation and maintenance of personal budgets. Other areas covered include the preparation of Wills which will assist your loved ones in the settlement of your estate.

4.0 **STRATEGIC PLAN AND DELIVERABLES**

- 4.1 Over the reporting period, special emphasis were placed on digitisation in order to improve the efficiency of our service to our members, while ensuring that our products and services remains relevant and are effectively communicated to our members. The Society set about and completed the following major strategic objective:

4.1.1 Increase in Gross Revenue and the financial performance of the Society by diversifying our loans and investments portfolio;

4.1.2 **Human Resource Management and Capital:** Improvement in operational activities and institutional strengthening of the Society by strengthening the skillset of the human capital. The Society also introduced an e-Business Unit to encapsulate all services offered via our virtual platform by employing Member Service Representative. Ms. Afeesha Homeward was engaged in this e-Business Unit. Further, the supervisory and executing resources available at the Head Office and the outstations at Tobago and San Fernando has been significantly improved and strengthened with the Society’s engagement of three (3) Loans and Business Development Officers to provide, among other functions, a greater level of financial counselling and credit support to our members. These Officers are Ms. Deneille Joseph in San Fernando, Mr. Kareem Cunningham in Tobago and Ms. Florence Singh in Head Office Barataria. Your Society has dedicated a Help Desk manned by our Gillian Mannette, positioned to respond to all general queries. The daily activities of the Operations Department is under the watchful eyes of the Manager, Operations, Credit and Marketing, Ms. Jillian Gittens. The Society also welcomes Manager Finance and Administration, Mrs. Sharon Lynch-Fadahunsi and Executive Assistant, Ms. Natasha Julal ;

4.1.3 Enhancing the “member experience” in delivering excellent customer service while accessing the varied products and services of the Society;

4.1.4. The continued development of products and services of the Society in remaining competitive in the financial market and relevant to the day to day needs of the members. Loans facilities captured under this rubic are our debt consolidation loans, Out of Pocket Softener (OOPS), EZUP, Ease Meh Tension for small business development, Stabiliser and Christmas Voucher Loans, Eat Yuh Cake and Have It and the Pandemic Loan.

- 4.1.5 **DIGITAL OPTIMISATION:** Technological advancements in the use of modernised software, operating systems and platforms in allowing our members to access the online and mobile banking facilities and services and mobile applicability offered by the Society and which has now become integral having regard to the COVID-19 pandemic. Members are now able to view balances, apply for all loans, transfer funds, make bill payments and purchase pre-paid mobile cards from the comfort of their homes and or while in transit to the Society.
- 4.1.6 Strengthening stakeholder relations;
- 4.1.7 The advancement of a robust digital marketing plan by aggressively improving our visibility on the social media platform include the upgrade of our website, facebook page, Instagram page and the like;
- 4.1.8 Acquisition and development of real estate and capital in supporting the wider communal need of our members;
- 4.1.9 Identify members with special financial and social need in providing assistance to members;
- 4.1.10 The installation of a Generator to eliminate downtime and electrical failure in service delivery;
- 4.1.11 Diversification and greater oversight in prudent investments in Short-term and Long Term Instruments;

5.0 **FINANCIAL PERFORMANCE**

5.1 **Gross Revenue**

The **Gross Revenue** of the Society in 2019 proved no different to the previous years as we experienced an increase of 5% or \$0.55 Mn. moving from \$10.95 Mn in 2018 to \$11.5 Mn in 2019. Loan Interest Income as an individual contributor to Gross Revenue grew by \$0.35 Mn or 3.0% increasing from \$10.18 Mn in 2018 to \$10.54; while Investment Income and Dividend Income grew by 31% and 59% or \$0.7 Mn and \$0.4 Mn respectively. This growth was primarily due to the improving dividend receipts from our Long term investments in the First Citizens Bank, Trinidad and Tobago NGL and the National Investment Fund Limited. Over the last five years, the Society experienced a growth in Gross Revenue of 16% or \$1.56 Mn, moving from \$9.94 Mn in 2016 to \$11.5 Mn in 2019. (see graph)

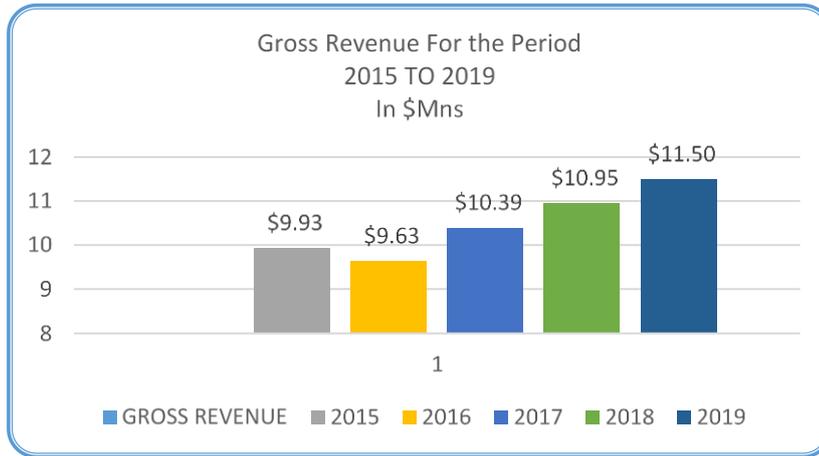


Table 2: Gross Revenue 2015-2019

5.2 Overhead Expenses

Total expenses associated with the management of the Society in 2019 increased by \$0.96 Mn or 17.3%, to \$6.5m up from \$5.6 Mn in 2018. This increase is primarily due to the increase in the provision for Expected Losses arising from the implementation of the International Financial Reporting Standards 9 (IFRS 9) which was a negative \$0.41 Mn in 2018, but increased to \$0.37 Mn in 2019 as loans granted to members increased by 3.6% or \$2.2 Mn while the provision for expected losses increased from \$1.82 in 2018 to \$2.12, or 16.6%. It is instructive to note that the movements in the provision for expected credit losses is inextricably linked to the servicing of the member’s loans as well as the type of loans granted. All other expenses remained relatively unchanged. Additionally, due to a review of the Finance Act, Co-operative Societies were required to pay Green Fund Levy on its Revenue for the first time.

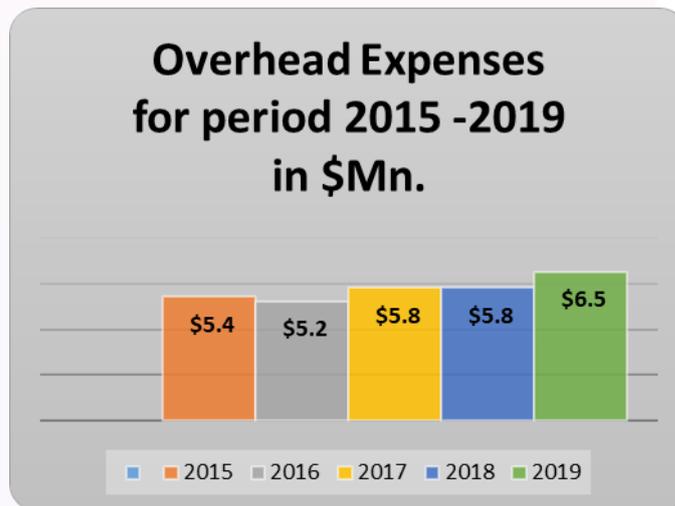


Table 3: Overhead Expenses 2015-2019

Net Surplus

Your Society continues to perform commendably despite the many challenges faced from ongoing competition from the other financial institutions and changes arising from the imposition of the IFRS 9. Net Surplus before appropriations were reduced by \$0.41 Mn or 7.7%. Notwithstanding an increase in Revenue of 5.0% or \$0.55 Mn., there was a reduced Net Surplus before Appropriations as expenses increased by 17.3% or \$0.96 Mn; as aforementioned, it was necessary for the Society to increase its provision for Expected Losses from its loan portfolio to \$0.37 Mn, as against a negative figure of \$0.41 Mn the previous year. Over the last five year period, Net Surplus after Appropriations grew by 11.2 % or \$0.5 Mn., up from \$4.47 Mn in 2015 to \$4.97 Mn in 2019.

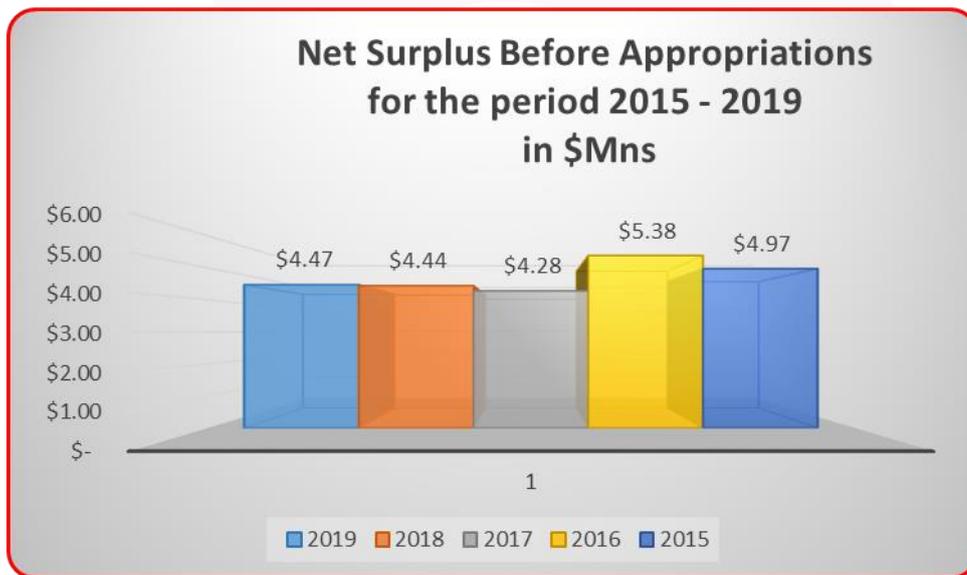


Table 4: Net Surplus 2015 - 2019

Total Comprehensive Income

Notwithstanding this reduced Net Surplus before Appropriations, your Society was able to achieve a phenomenal increase in its Total Comprehensive Income which grew from \$5.41 in 2018 to \$13.49 Mn in 2019, a growth of \$8.07 Mn. or 149%. This tremendous performance was achieved due to the write-back of amounts previously written off resulting from the impairment of the assets of Transcorp Development Company Ltd (TDCL). The value of the Broadgate Place properties situate at and bounded by South Quay, Broadway and Henry Street Port of Spain, which measures approximately 60,000sq. ft of prime land, has been restored in the financial record of TDCL and the Society after approximately ten (10) years. This phenomenal position could only have been achieved through persistence in keeping this matter in the forefront and bringing closure with an outcome in favour of the Society thus resulting in the Society restoring the value of its investment. We continue to commend the substantial and significant work done by TDCL's legal team which included the President of the Society.

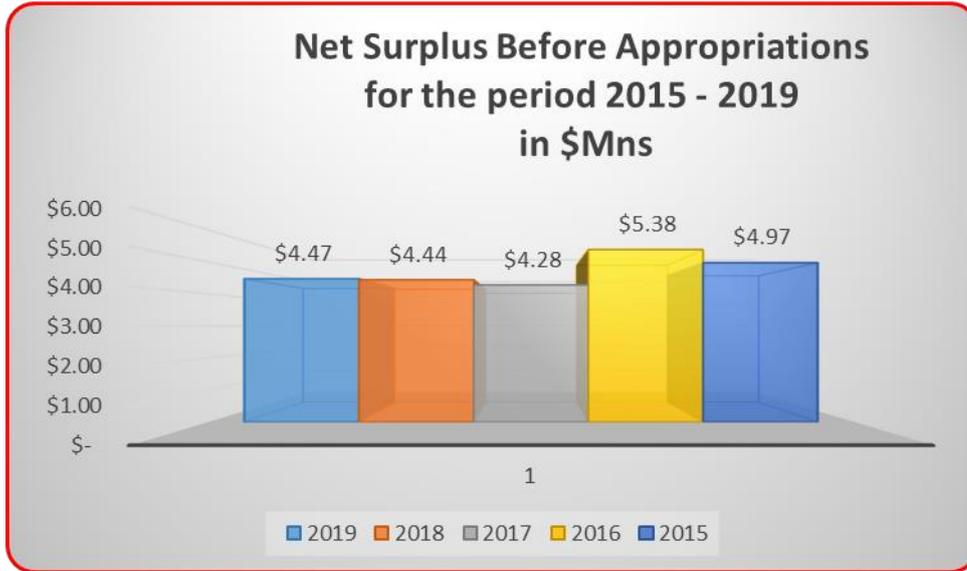


Table 5: Net Surplus Before Appropriations 2015- 2019

5.4. Total Assets

The Total Assets of the Society grew by a commendable 13.4% or \$12.0 Mn over its 2018 figures, as compared to 2017/2018 when the Total Assets had only grown by 5.0% or \$4.32 Mn. Over the five year period commencing 2015, the Total Assets of the Society grew by a whopping 37.86% or \$27.95 Mn. (see graph Total Assets) This growth is a direct result of the re-evaluation of the value of our Investment in the TDC subsidiary resulting from our successful negotiation. The property currently houses the TDC carpark on the Corners of Henry Street and South Quay and Broadway, Port of Spain.

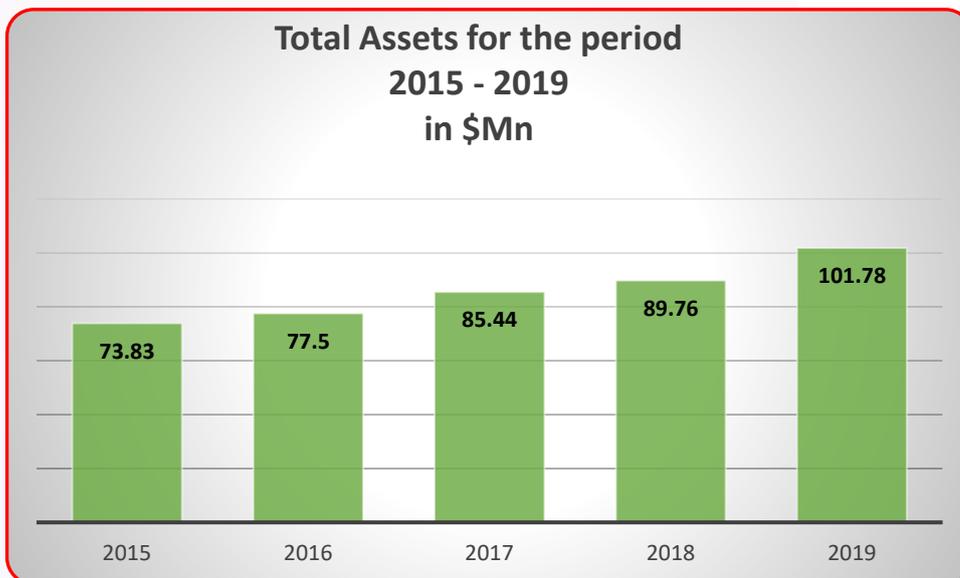


Table 6: Total Assets 2015 - 2019

5.5 Real Estate Acquisition

In 2019, the Society was also able to successfully conclude the purchase of #59 Fifth Street, Barataria, adjacent to the Society's Head Office at a cost of \$1.66 Mn. This addition to the Society's assets will enhance its possibilities for the future of the Society as we seek to improve and increase the services to you, our valued members. It is anticipated that this robust growth shall continue into the near future as the Society seeks to successfully conclude the purchase of the property on 7th Avenue which abounds the southern boundary of #59 Fifth Street, Barataria, thereby creating a semi-block.

5.6 Cash and Short-Term Investments

5.7 Total Cash and Short-term Investments increased by 1.1% or \$0.21 Mn from \$19.42 Mn in 2018 to \$19.63 Mn in 2019 as Cash at Bank decreased by 42% from \$2.9 Mn to \$1.7 Mn and Short-Term Investments increased by 8.8% from \$16.03 Mn to \$17.44 Mn. The increase in the CASH AND SHORT-TERM INVESTMENTS was mainly attributable to the increase in Short Term Investment which increased by \$1.41 Mn. This increase saw the Society reduce its investments in the Abercrombie Fund by \$0.95 Mn or 8.6% while increasing its investments in Corporate Notes by 203% or \$2.03 Mn from \$1.0 Mn to \$3.03 Mn. Other increases which are reflected in the Financial Statements relate mainly to the reinvestment of interest in our investment in ANSA Merchant Bank Income Fund and dividends in our investment in Income and Growth Fund with the Unit Trust Corporation.

5.8 The increase in the SHORT-TERM INVESTMENTS was reduced by an increase in the provision for Impairment Loss arising from the implementation of International Financial Reporting Standards 9 (IFRS9) which was \$0 in 2018 and \$0.074 Mn in 2019. If the provision for Impairment Loss is removed, Short Term Investments increased by 9.3% from \$16.03 Mn to \$17.52 Mn.

5.9 Over the five-year period, 2015 to 2019, Total Cash and Short-term Investments increased by 63% or \$7.56 Mn from \$12.07 Mn in 2015 to \$19.63 Mn in 2019 (see graph Cash and Short-term Investments). It is expected that there will be continued growth as the Society continues to execute its Strategic Plan.

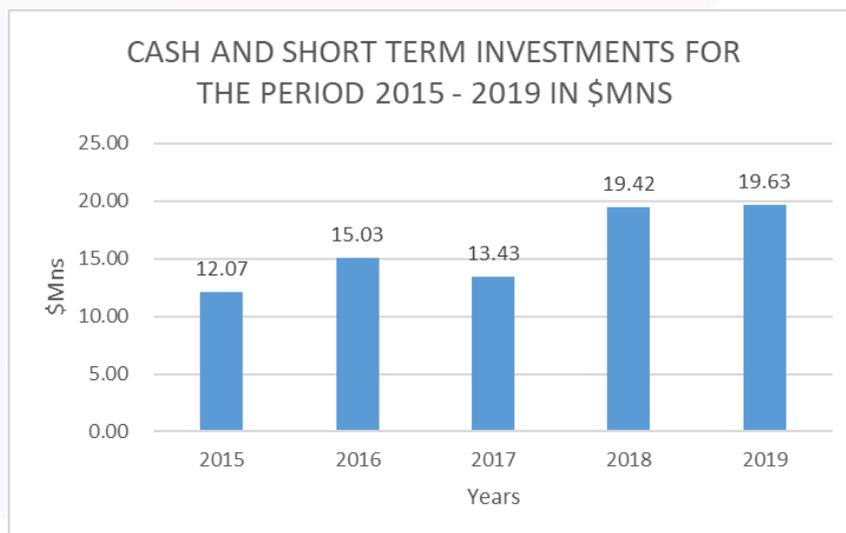


Table 7: Cash and Short Term Investment 2015- 2019

5.10 Long-Term Investments

- 5.11 The Society's Long-Term Investments grew in 2019 by 15.3% or \$0.38 Mn from \$2.46 Mn in 2018 to \$2.84 Mn in 2019. This increase is due primarily to the increase in the value of our shares in the First Citizens Bank with the share price increasing by 31% or \$10.53 at the end of December 2019, to \$44.50 each from \$33.97 each the previous year. This resulted in the share value improving from \$1.51 Mn in 2018 to \$1.98 Mn at the end of 2019. As at December 31, 2019 share price in TT NGL which were bought at \$21.00 had increased to \$23.96 or by 14.1% of the purchase price. The investment in the Government of the Republic of Trinidad and Tobago National Investment Fund Series A – 5 Years Fixed Rate 4.5% Bond remained unchanged.
- 5.12 The aforementioned investments continue to provide improved dividend income to the organisation of \$121,348 in 2019 up from \$75,878 in 2018, an increase of 60% or by \$45,470.
- 5.13 Our investment in the Broadgate Project has been written back and is stated at \$8.3 Mn in 2019 compared with \$1.198 Mn in 2018. The events resulting in this re-evaluation have been already been reported under 'Total Comprehensive Income' and 'Total Assets'.
- 5.14 In relation to our investment in the lands at Las Lomas, the five acres of land is stated at cost of \$1.5 Mn at the 31 December, 2019 which is unchanged from 2018. The Society currently has a lis pendens registered on the entire thirteen (13) acres of land, initiated enforcement proceedings against the Vendor and is currently awaiting judgement which has been delayed as a result of the COVID-19 Pandemic the timeline adjustments in the Court of Trinidad and Tobago.

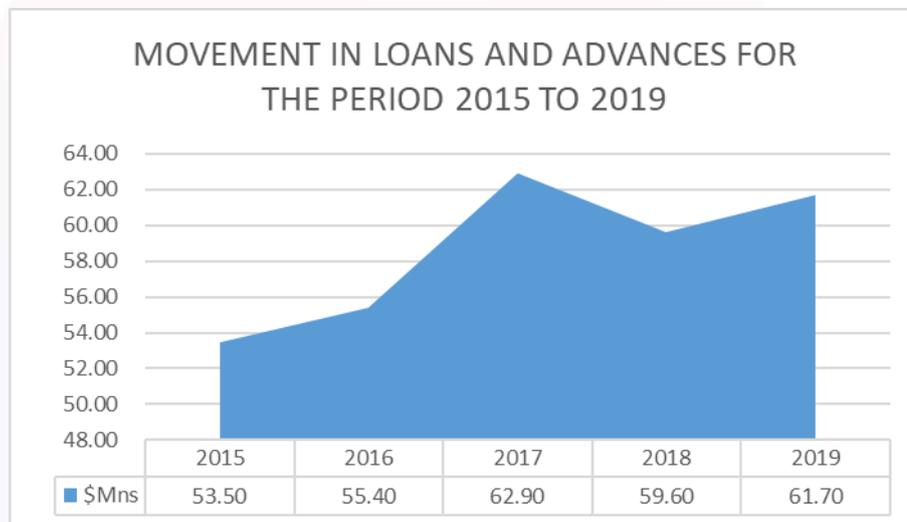


Table 8: *Loans and Advances 2015- 2019*

5.16 Share Balances

Share Balances continue to increase steadily as the organisation experienced yet another year of growth in shares improving by a moderate amount of 1.1% or \$0.72Mn up from \$65.32 Mn in 2018 to \$66.04 Mn in 2019 and over the last five years (see graph – Share Balances) an overall increase of 18.5% or \$10.31 Mn from 2015 to 2019. The primary share category or Share 0 increased by \$1.08 Mn or 1.7 % in 2019 to \$64.63 Mn, up from \$63.55 Mn in 2018, while the secondary Share 1 account which is used to provide a separate collateral account for motor vehicles, was reduced by 20.4% or \$0.36 Mn. as members either liquidated or consolidated their loans in order to improve their cash position.

5.17 Delinquency

After recording a negative growth of 4.2% in the Loan portfolio for 2018 which saw the value of the loans reduced from \$65.0 Mn in 2017 to \$61.6 Mn in 2018, the Society was able to return to growth in 2019 with an increase of \$2.2 Mn or 3.6% to \$63.9 Mn. As a result of this increase and following on the strict adherence and implementation of International Financial Reporting Standards 9 (IFRS 9), there was increase in the Provision for Doubtful Debts for 2019 in the amount of \$302K or 16.6% over 2018 which in itself had seen a decline from the previous year of 2017 in the amount of \$414K or 12%. This remarkable achievement was due to the prudent decisions taken by the Board in previous years. There was a corresponding increase in the Total Value of Instalments in Arrears by 15% from \$3.16 Mn in 2018 to \$3.63 Mn in 2019. It should be noted that the value of shares provided as collateral amounts to \$3.8 Mn. The Board continues to act in a caring but cautious manner in the management of the Society's portfolio and more specifically in the management of its arrears position this will be even more evident when one looks ahead as the impact of the various measures introduced by the Society to assist its members due to the strains brought about by the COVID 19 pandemic is considered in 2020 financial performance.

6.0 THE SOCIETY' RESPONSE TO THE CORONAVIRUS PANDEMIC INVASION

6.1 The news of this serious epidemic encroached on our Global Space like a thief in the night affecting world economies and forcing businesses to transition into a new normal. Your Society took steps to provide staff and members with the necessary protocols laid out by the Government of the Republic of Trinidad and Tobago at ALL our branches and implemented the Covid 19 guidelines and policies including the mandatory wearing of MASK.

6.2 In the early stages and throughout this period of uncertainty the following processes and procedures were undertaken by the Society:

- Shift Changes for staff with reduced hours of operations;
- Developed a sanitisation campaign with the distribution of the Society's branded mask and hand sanitisers;
- Supply staff with the necessary sanitary requirements and make available to members a Tent and sanitary items.
- Provided an urgent Pandemic Loan in the initial announcement of the virus to allow members emergency cash to access food and sanitary supplies given the fact that schools were ordered closed;
- Granted Three months Moratorium on loans repayments;
- Allowed reduction in Monthly Instalment on loans and introduced a Debt Consolidation campaign;
- Counselling and financial advice to members as and when required; and

- Use of our digitised system to accept loan applications, make bill payments, view balances and submit funds via ACH

Among other initiatives.

6.3 **Financial Adjustments**

An increase in share withdrawals in areas where there were loss of jobs by one spouse or both. The Society experienced this transitional shock but through our astute management and economic repositioning, Your Society withstood this economic shockwave by putting measures in place to remain relevant and focussed. We urge all our members to follow the Ministry of Health Guidelines and use this period for retrospect on your own life including the maximum use of your financial resources. Please utilise our online services provided to assist you in reducing the time spent to transact business and put systems in place to manage your outdoor activities and refrain from large crowds .

7.0 **AMENDMENT TO BYE LAWS:**

- 7.1 The Society's membership is reminded that at its 48th Annual General Meeting 2018, a resolution regarding amendment to Bye Law 18, Subsection B "Composition" of the Board of Directors resolved to change the composition of the Board of Directors from twelve (12) to nine (9).
- 7.2 The Bye Laws 18B was amended as follows: -
- **The Board of Directors shall consist of nine (9) members to serve for a term of three (3) years and be elected at an Annual General Meeting.**
 - **Provided that at the first General Meeting of the Society to be held after approval of these Bye-Laws, one-third of the members of the Board of Directors shall be elected to serve until the first Annual General Meeting, one-third of the members to serve until the second Annual General Meeting, and one-third of the members to serve until the third Annual General meeting. Thereafter all elections shall be terms of three (3) years.**
- 7.3 Members are advised that all resolutions and or amendments to the Bye Laws must be approved by the Commissioner of Co-operative, Co-operative Division of the Ministry of Labour prior to being effected.
- 7.4 The Board also reminds you, our members, that this amendment was recommended by the Board of Directors and approved by our membership based on a proposed mechanism for reduction of number of Directors. The mechanism proposed to be adopted is that of an incremental reduction in the number of vacant positions to be elected to the Board of Directors by one (1) each year for three (3) at successive Annual General Meetings commencing in the 2020 until the total number of serving Directors are reduced to nine (9) in 2022. Thereafter, the number of positions deemed vacant to be elected each year shall be three (3).
- 7.5 Members are advised that as at the date of this Report, notwithstanding being written to and requested on at least two (2) occasions, the Society is yet to receive the approval of the Commissioner of Co-operative. The Society has been advised and guided that until such approval is received from the Commissioner of Co-operative, the composition of the Board remains at twelve (12) members.

8.0 TRANSCORP BEACON GROUP HEALTH PLAN

- 8.1 As an addition to our suite of Products and Services offered, your Society partnered with The Beacon Insurance Company, ranked the four largest Insurers in Trinidad and Tobago, to offer a Group Health Plan exclusively to our members. Members have the option to receive coverage for themselves and family members including common-law spouse, for medical coverage, dental and vision and additional Life and Accidental Death and Dismemberment at an affordable monthly premium from as low as \$210.
- 8.2 As an additional bonus enrollment is available to members who are Senior Citizens between the ages of 65 to 99 years old and together with members under age 65, no pre-medical tests are required during the enrollment which continues up to December 31st, 2020. Members are also advised that immediate access to some of the benefits of the plan commences on the date of the individual member enrollment and claims processing can be expedited with the use of any mobile phone, tablet or computer. Members also have the option to drop off their claims at any of our Society branches and we can track your claims.
- 8.3 The Board encourages members to visit our website, contact our e-buisness Unit or our Plan Administrator helpdesk in accessing the information and for enrollment. For members experiencing financial challenges in accessing the initial funds payment of monthly insurance premiums, your Society has made available an interest free premium financing loan up to a maximum of \$11,000.00 to assist with covering your insurance premiums for up to one year.
- 8.4 As at November 30, 2020, a total of 296 members enrolled on the Group Health Plan

9.0 MARKETING AND MEMBERS EVENTS

- 9.1 The Society embarked upon an ambitious marketing campaign manifesting itself physically and virtually amongst the members of the Society and the citizenry of Trinidad and Tobago during the reporting period resulting in the retention of new members, meaningful borrowing, and consistent social presence.
- 9.2 The Society hosted several events fostering comradery and symbiotic relations with its membership and stakeholders respectively. These events included:
- Membership Drive
This initiative attracted and educated existing and potential new members of the Society's existence, its products and services coupled with promotional initiatives i.e. Group Health Plan and Car Sales Promotion. The Society hosted a series of membership drives of this nature themed 'Come in Unity' in Port of Spain and San Fernando respectively, which included a Health Caravan, the launch of our Group Health Plan and the presentation of vehicles from various dealerships.
 - Fathers Who Can Cook
Hosted at the Massa Nature Park in Gran Couva, the Society held its 3rd annual event of this nature. Now recognized as a staple event on the Society's calendar of events, it centered on delectable food, family and bragging rights of the culinary arts of the Winning Team for one year. For 2019, the reigning champion is the Arima Depot of Public Transport Service Corporation.

- Pan in the Rama
An exciting twist to carnival events, the Society hosted its 1st annual 'Pan in D Rama' event amidst the Panorama Semi-Finals, Queens Park Savannah. Avid pan-lovers of the Society thoroughly enjoyed the melodies emanating from the steel pan, whilst partaking in refreshments and comfortable seating area provided by the Society.

- 9.3 All events were vastly attended, and a great time was had by all.
- 9.4 Navigating through the pandemic, the Society would engage in unique events/initiatives conducive to the guidelines stipulated by the Government in the coming year.
- 9.5 We look forward to your usual patronage and/or participation in the Society's endeavours.

10.0 CONCLUSION

As we "Transition into the Next Normal" 2020 and beyond, we take this opportunity to thank our members of staff for the continued effort in supporting the strategic and operational deliverables of the Board of Directors in service to you, our members. We also recognise the yeoman service being provided by the Credit Committee in its functions, duties and responsibilities and thank the Supervisory Committee for its auditing role. The role and function of the Education Committee remains vital. As we moved forward into a possible phase in the life of the world being inflicted by the uncertainties of the days ahead, we continue to thank our members in remaining steadfast with us and persist in our mantra regarding the exercise of financial prudence. Your Society remains here for you.

We thank for the opportunity of being of service to you.

Warmest Regards



JACQUELINE BOWEN-RODRIGUEZ

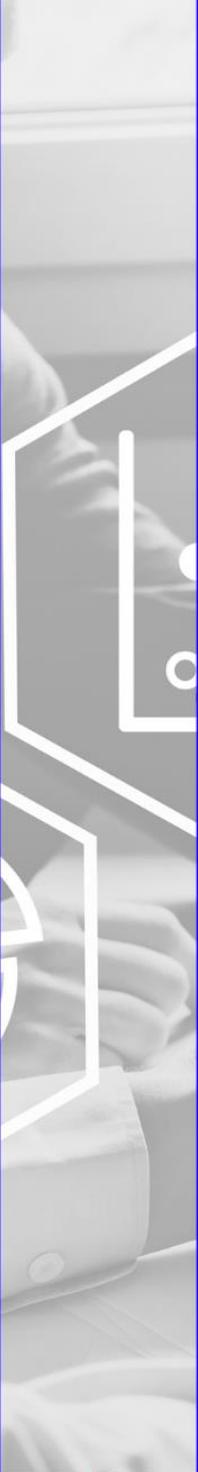
President
Board of Directors

Dated this 30th day of November 2020

List of Debtors 2020

MEMBER'S NAME	MEMBER'S NAME	MEMBER'S NAME
ALEXANDER, PAULUS	CHARLES, AVALON	GARCIA, NATASHA
ABBAY, STEVE	CHARLES, DAVID	GARCIA-THOMAS, ANGELA
ALFRED, DANEON KEVIN	CHARLES, LYNETTE	GEORGE, BEVERLY
ALLERT, JOAN	CHARLES, MICHAEL	GEORGE, CARTER
ANDREWS, NEGEL	CLARKE, ALFRED MC DONAL	GEORGE, NOVELLA THAM
ARCHER, ADRIAN	COCKBURN, MICHAEL	GIFT, NATALIE
ARISMENDEZ, RONALD	COLLEY, RAY	GODDARD, PHILLIP
ARJOON-STEELE, KAREN	COOPER, SHERRY-ANN	GOPIE, AKASH
ASSING, GARVIN	COX, BERTRAM	GRANT, LAWRENCE
BAPTISTE, JOSHUA SEON	COX, MICHELLE	HALL, LOWELL
BAPTISTE, RONELL	COX, SHERWIN	HAMLET, BAINET
BARCLAY, MICHAEL	CRAIG, ANTOINETTE	HANSON, LESLEY
BARROW, RENWRICK	CUDJOE, HUMPHREY	HAYDE, RONNEL
BASDEO, JOKHAN	CURDEN, JOHN JAMES	HAYLING, KENRICK
BASTIEN, ROMEL	CYRUS, DEXTER	HAZEL, GARFEILD
BELGRAVE, JANICE N.	DA COSTA, BETTY-LEU	HAZELL, ROSALIND LUCITA
BENJAMIN, SHENELL	DANN, ERNEST	HEADLEY, EUGENE
BENTICK, MARTHA	DAVID, RAUL	HENRY, CATHERINE
BHAGRAJ, DHANRAJ	DAVID, SAMUEL	HENRY, ROBERT
BHOWRAM, MAHASE	DAVIS, SHANIFFA	HERNANDEZ, DANIEL
BINDOO-SUPERVILLE, GALE	DAVIS, SHANIQUE	HERNANDEZ, KEVIN
BISHOP, LYNDON	DAVIS, SHARELLE	HERNANDEZ, VINCENT
BLACK, SHYANNE	DAVIS, SHARON A	HOLMES, URSIL
BLACKMAN, DANIEL	DE LA ROSA, ROSALIND	HOSEIN, MICHAEL
BLAKE, CLEMENT	DOLABAILLE, TEDINGTON	IFILL, OSWALD
BORNEO, MALISA	DOUGLAS, KERN PLACIDE	JACKMAN, JASON DELANO
BOYNES, VERONICA	DOUGLAS, LESLEY	JACKSON, SANDRA
BRIDGEMOHAN, DIPCHAN	DU BOISE, MAKESA	JACOB, STERLING
BRITTO, OSWALD	DURITY JOHN, DAWN	JAMES, GARY
BROOME, HUGH	EDWARDS, MARK	JAMES, JEREMIAH
BROWN, NICHOLAS	EWING, JASON	JEFFERS, LEN
BROWN, SHELDON	FINLEY, JEAN	JEMMOTT, FELIX
BROWNE, ANTHONY	FINLEY, KAREN	JOBE, KEVIN
BURKE, RUDDER	FITZ ALLEN, JEANETTE	JOBITY, DARIN
CAESAR, ANTHONY	FORDE, CARVER DANCHELL	JOHN, ALISHA
CAESAR, CLAUDIA	FORDE, DONNA	JOHNSON, DORAN
CALLISTE, WINSTON RICHARD	FRANCIS, KENRICK	JOHNSON, MAURICIA
CARUTH, LENNOX	FRANK, KELVIN	JOHNSON, RONNIE
CATO, MARGARET	FREDERICK, MICHAEL	JOSEPH, HAYLE
CAYENNE, CALVIN	FREDRICK-BENJAMIN, MARLENE	JOSEPH, LEARIE
CHABILAL, PAUL	FRIDY-BABB, CARLENE	JOSEPH, LENARD

MEMBER'S NAME	MEMBER'S NAME	MEMBER'S NAME
JOSEPH, RONALD	MOSES, DIRVES	RAMLAKHAN, PREAMCHAND
JULIEN, HUGH	MULZAC, CAULINE	RAMLAKHAN, SIMONE L.SOLOMO
KANHAI, OMA	NELSON, ARTHUR	RAMSAWAK, NARANG
KING, EZEKIEL	NEWTON, KAREN	REDHEAD, FRANKLIN
KING, PERCY	NICKIE, KENDELL	RIVERS SNR., VINCENT
LEE, KENRICK	OCONNOR, ASHELL	ROBERTS, JASON
LEOTAUD, WILSON	ORR, JEFFREY	ROBERTS, JOANNE
LESHMORE, ALLISON	ORR, RUBY	ROBINSON, CLIFFORD M
LEWIS, SHEREEN	PARSONS, DEXTER	ROBINSON, MAURICE
LEWIS, THOMAS	PATROVANIE, KATHLEEN	RODNEY, ANDY
LEZAMA, CHRISTOPHER	PAUL, GLENROY	RODNEY, BERNARD
LINTON, MICHELLE	PAUL, TRACY	ROSALLE, ANTHONY
LOCKHART, SYLVESTER	PHILBERT, ANDY	SAMAROO, ESLYN
LUCAS, ANINGA	PHILLIP, KEVIN	SCOTT, JANINE
MAHARAJ, RAMNARAIN	PHILLIP, STEFAN	SEALY, DWANE
MAHARAJ, RUDRANATH	PHILLIPS, BRIAN	SHEPPARD, ABIOLA
MANNETTE, MARVA	PHIPPS, RONALD	SIMMONS, NOLAN
MARK, VINCENT	PIVOTTE, J.S. ANNA-BELLE	SIMON, ARNOLD
MARSHALL, EARL	PRICE, ROSLYN	SIMON, JOHN
MARTIN, EVELYN-JOYCE	QUACCOO, ROSBY JUNIOR	SMITH, ELDON
MATHURA, RAGBIR	QUILDON, KERVAUGHN	SOLOMON, DAVE
MAUGHN, GAARON	QUILDON, MARIO	SOVERALL, KAMARIA
MAYNARD, JEFFREY	QUILDON, RYAN	SPENCE, JASON
MC KENZIE, YVONNE E.	RAGOONANAN, DALTMAN	STEPHEN, SUSAN
MC NISH, BRENSLY	RAM, PAMELA	STEWART, PAUL
MELVILLE, RHONDELL	RAMBERRAN, RAMNATH	STEWART, RICARDO
MODESTE, KEITH	RAMESAR, MOHAN	SYLVESTER, HUGH
MOORE, DENNISE	RAMJOHN, ZAID ALI	THOMAS, CARROL
THOMAS, HORACE	WILLIAMS, DENISE	
THOMAS, JACKLYN	WILLIAMS, FRANK	
THOMPSON, SEAN	WILSON WEEKES, DEBORAH	
TONY, HILLON	WILSON, LISA NATALIE	
VICTOR, MELVILLE	WILSON, MARGARET	
VIEIRA GEDLER, VICTOR ALEXIS	WILSON, MESCAL	
VILLAFANA, JUDY ANN	WILTSHIRE, TRACY ANN	
VINCENT, ALLAN	WONG, ANDRE	
VOISIN, DAVID	WOODS, MERLE	
WALCOTT, CARL	YORKE, AVERIL	
WALKER, ANCIL	WILLIAMS, DENISE	
WALKER, JASON	WILLIAMS, FRANK	
WALKER, NEZEKA NICHOLAS	WILSON WEEKES, DEBORAH	
WALKER, PATRICIA	WILSON, LISA NATALIE	
WALLACE, MARTIN	WILSON, MARGARET	
WILKINS, ANN-MARIE	WILSON, MESCAL	



**TRANSCORP
CREDIT UNION**
Co-operative Society Limited

**CREDIT
COMMITTEE
REPORT**

**47TH
ANNUAL GENERAL
MEETING REPORT**

"Transitioning into the Next Normal"



CREDIT COMMITTEE



Anthony Newton
CHAIRMAN



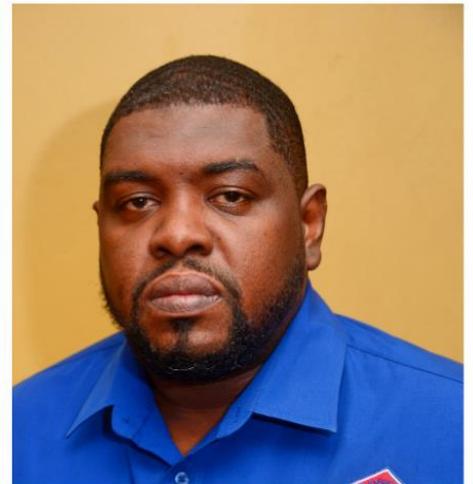
Geeeta Teelucksingh-Ali
SECRETARY



Shawn Mason
MEMBER



Charles Hardaway
MEMBER



Daryl Lamy
MEMBER

CREDIT COMMITTEE REPORT 2019

1.0 INTRODUCTION

1.1 The Credit Committee respectfully reports on its activities for the financial period January 01, 2019 to December 31, 2019 in accordance with the Bye-Laws of the Transcorp Credit Union & Co-operative Society.

2.0 COMPOSITION OF THE CREDIT COMMITTEE

2.1 The Credit Committee was elected at the 46th Annual General Meeting held on Saturday May 18, 2019 at the Hyatt Regency Hotel, Wrightson Road Port of Spain at which the following members were elected to serve:

- Mr. Anthony Newton
- Mrs. Geeta Teelucksingh-Ali
- Mr. Charles Hadaway
- Mr. Shawn Mason
- Mr. Daryl Lamy

Mr. Anderson Francis and Mr. David Alexis were elected as first and second alternates respectively.

3.0 MEETINGS

3.1 The inaugural meeting of the newly elected Credit Committee was held on May 21, 2019. Mr. Anthony Newton was elected Chairperson and Mrs. Geeta Teelucksingh-Ali, re-elected Secretary of the Committee.

3.2 Statutory meetings were held as required under the Bye-Laws while additional meetings were convened to meet the demands of the increased volume of loan applications particularly Stabilizer and Christmas Voucher loans. Additionally, the Committee attended Monthly Statutory Meetings of the Board of Directors at which the Committee's monthly reports were submitted.

3.3 The table below indicates the attendance record of the Credit Committee for the period May 21, 2019 to March 31, 2020.

ATTENDANCE RECORD

STATUTORY MEETINGS		
OFFICER'S NAME	PRESENT	EXCUSED
Anthony Newton	41	5
Charles Hadaway	42	4
Shawn Mason	43	3
Daryl Lamy	42	4
Geeta Teelucksingh-Ali	41	5

4.0 LOAN APPLICATIONS

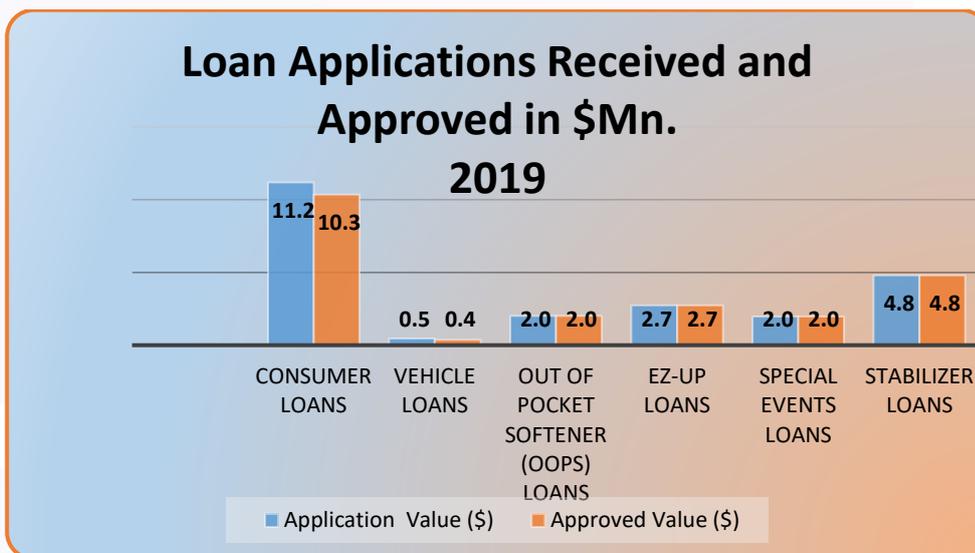
4.1 During the period under review, a total of Three Thousand Four Hundred and Ninety-six loan applications with a value of \$23.18 Mn came before the Credit Committee for consideration. Of the aforementioned applications 1,396 or 40% with a value of \$11.18 Mn or 48% represented Consumer Loans while only five (5) applications with a value of \$0.47 Mn were received for Motor Vehicle; this represented less than ¼% in applications and only 2.0% in the value of the applications received.

Table 1**BREAKDOWN OF ALL LOANS APPLIED AND APPROVED FOR THE PERIOD JANUARY 2019 TO DECEMBER 2019**

LOAN APPLICATION	No. of Loans Applied for	Value (\$)	No. of Loans Approved	Value (\$)
Consumer Loans	1396	\$11,179,009.27	1369	\$10,343,009.98
Vehicle Loans	5	\$467,900.47	4	\$365,887.62
Out of Pocket Softener (Oops) Loans	859	\$2,009,512.00	859	\$2,009,512.00
Ez-Up Loans	498	\$2,731,542.00	498	\$2,731,542.00
Hook meh loans	135	\$667,015.00	135	\$667,015.00
Dividend loans	111	\$506,196.42	111	\$506,196.42
Fathers Can Cook 2/Cook Out	129	\$193,500.00	129	\$193,500.00
Schoolbook Loans	49	\$220,000.00	49	\$220,000.00
Boat Cruise	97	\$146,500.00	97	\$146,500.00
Stabilizer Loans	190	\$4,809,533.00	190	\$4,809,533.00
Christmas Voucher Loans	27	\$248,650.00	27	\$248,650.00
TOTAL	3496	\$23,179,359.16	3468	\$22,241,346.02

4.2 Approved loans amounted to \$22.24 Mn or 96% of the value of loans applications received while only 32 applications were rejected. Consumer Loans dominate all applications approved, amounting to 1369 or 39.5% and \$10.3 Mn or 46.5% of said loans. Based on the aforementioned and the table above, it is noted that there is an absence of applications for the Business Development Loans – a new loan type that was launched at the last AGM and one to which members should avail themselves as it will assist in securing them an income “after retirement”.

4.3 Special Events loans as represented on the graph is a combination of loans for events such as the Boat Cruise, Hook Meh Loan, Dividend Loans, Fathers Who Can Cook, School book and Christmas Voucher Loans



LOANS APPLIED AND APPROVED – Jan- Dec 2019

Table 2

BREAKDOWN OF ALL CONSUMER LOAN APPLICATIONS APPLIED FOR AND APPROVED IN VALUE FOR THE PERIOD JANUARY 2019 TO DECEMBER 2019

LOAN APPLICATION	No. of Loans Applied	Value (\$)	No. of Loans Approved	Value (\$)
Business/Investment	11	\$536,728.70	10	\$410,492.07
Building Materials / House Renovations	54	\$1,117,805.48	48	\$924,903.66
Ceremonial Expenses	14	\$302,425.00	14	\$302,425.00
Christmas Expenses	67	\$718,237.66	66	\$704,237.66
Debt Consolidation	75	\$1,317,196.41	69	\$1,167,711.60
Educational Expenses	37	\$305,912.33	37	\$305,912.33
Furniture and House Hold Appliances	32	\$437,932.00	32	\$432,932.00
Legal Expenses	7	\$69,805.00	7	\$69,805.00
Medical Expenses	27	\$445,153.00	26	\$388,051.00
Multi -Purpose	72	\$1,262,442.63	69	\$1,049,676.93
Personal Expenses	921	\$3,509,811.50	914	\$3,448,302.50
Travelling Expenses	36	\$440,691.23	34	\$423,691.23
Vehicle Expenses	37	\$535,969.00	37	\$535,969.00
Consumer Loans to purchase vehicle	6	\$178,900.00	6	\$178,900.00
TOTAL	1396	\$11,179,009.94	1369	\$10,343,009.98

Graph 2

BREAKDOWN OF ALL CONSUMER LOAN APPLICATIONS APPLIED FOR AND APPROVED IN VALUE FOR THE PERIOD

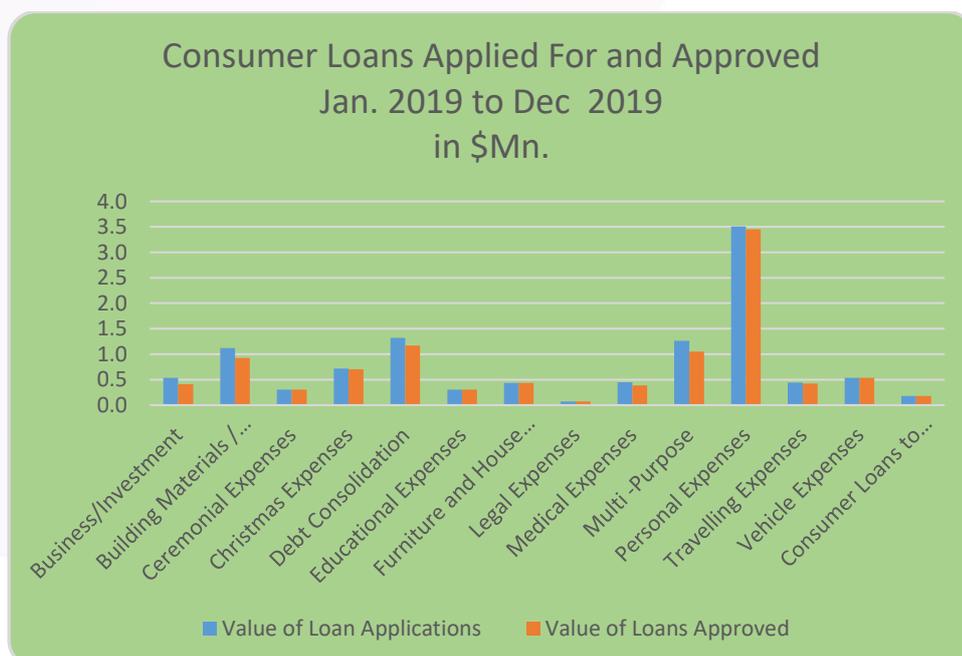
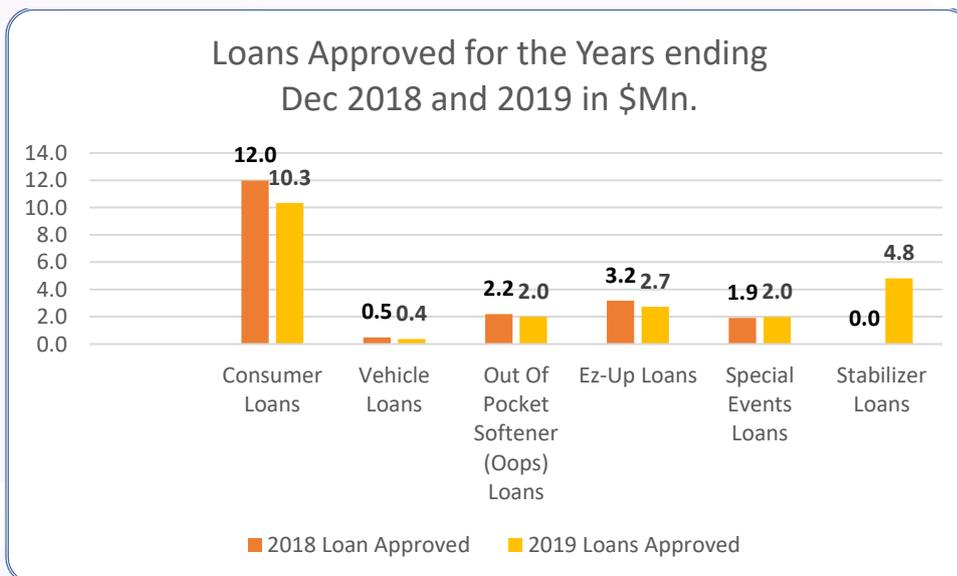


Table 3:**COMPARATIVE ANALYSIS OF ALL LOANS APPROVED IN 2018 AND 2019**

LOAN APPLICATION	2018		2019	
	No. of Loans Approved	Value (\$)	No. of Loans Approved	Value (\$)
Consumer Loans	835	11,981,959.49	1369	\$10,343,009.98
Vehicle Loans	8	490,719.00	4	\$365,887.62
Out of Pocket Softener (Oops) Loans	1026	2,189,760.00	859	\$2,009,512.00
Ez-Up Loans	607	3,182,591.00	498	\$2,731,542.00
Carpark Jam/ Hook Meh Loans	113	169,500.00	135	\$667,015.00
Eat Your Cake Loans	169	846,094.00	111	\$506,196.42
Fathers Can Cook/Cook Out	228	228,000.00	129	\$193,500.00
Schoolbook Loans	89	276,425.00	49	\$220,000.00
Christmas Voucher Loans	79	395,000.00	27	\$248,650.00
Let We Parang Loans/Boat Cruise	-	-	97	\$146,500.00
Stabilizer Loans			190	\$4,809,533.00
TOTAL	3154	\$19,760,048.49	3468	\$22,241,346.02

For the year 2019, there was an increase of 314 or 9.9% in the number of applications approved by the Credit Committee over that of 2018 when 3,154 applications were approved. Total loans approved for 2019 amounted to \$22.24 Mn, an increase of \$2.48 Mn or 12.55% over the figure of 2018 of \$19.8 Mn. It should be noted that from 2019 onwards, Stabiliser loans shall be separately categorised unlike 2018 when it was included under Consumer Loans. There was a reduction in the Society's signature loans where declines of 167 applications or 16.3% and \$0.18 Mn or 8.3% in approved values were experienced in the OOPS Loans, while the EZ-UP experienced declines of 109 or 18% and \$0.45 Mn or 14.2%. Christmas Voucher Loans were reduced as the members' preference was for the Stabiliser Loans.

The aforementioned are represented graphically under.



5.0 ACTIVITIES

5.1 Processing of Applications

- For the period under review, the Credit Committee met weekly to deliberate on loan applications in accordance with Bye-Laws 22 and 23 and followed the guidelines as set out in 5.0 of the Loan Policy.
- The Credit Committee continues to be vigilant and conduct its due diligence when dealing with loan applications. Our activities included but were not limited to, assessment of member's financial position, interviews, site visits and counselling where necessary.
- Applications were referred to the Board of Directors for waiver of the Loan Policy for loans in excess of the share to loan (2:1) ratio in order for the Committee to further consider the applications.

5.2 Training

The Credit Committee attended the following mandatory training programs:

- Anti-Money Laundering and Counter Financing of Terrorism Training Session (AML/CTF).
- All Officers are mandated to attend this training and are expected to comply with the AML/CFT Legislative and Regulatory requirements. Furthermore, to understand the Legislative framework and money laundering methods to bring overall awareness and to encourage Officers to do their due diligence to prevent our Society from being used illegally.

6.0 DELINQUENCY

6.1 While we are in the business of Credit, we have taken a special interest in the delinquency portfolio as the Recovery Officer is faced with many challenges. Delinquency remains a concern for all stakeholders involved, as it often results in a decrease in the earnings which directly affect the Credit Union. The Recoveries Department continues to work assiduously to recover our funds and reminds members of their responsibility to maintain their financial obligations to the Credit Union by meeting their commitments.

7.0 COMMENTS/ ADVICE

- The Credit Committee wishes to remind members of the importance of saving and to be financially responsible when accessing the services of the Credit Union.
- Special attention should be given to ensuring loan applications fall under the stipulated 50% Debt Service Ratio which determines the member's ability to repay the loan while maintaining their standard of living.
- When securing loans members in addition to their shares saved should consider the following provisions which can also assist in determining their suitability and security of the desired credit facility these include, fixed deposits, life insurance policies, appropriate Insurance Coverage, property lien, additional income.

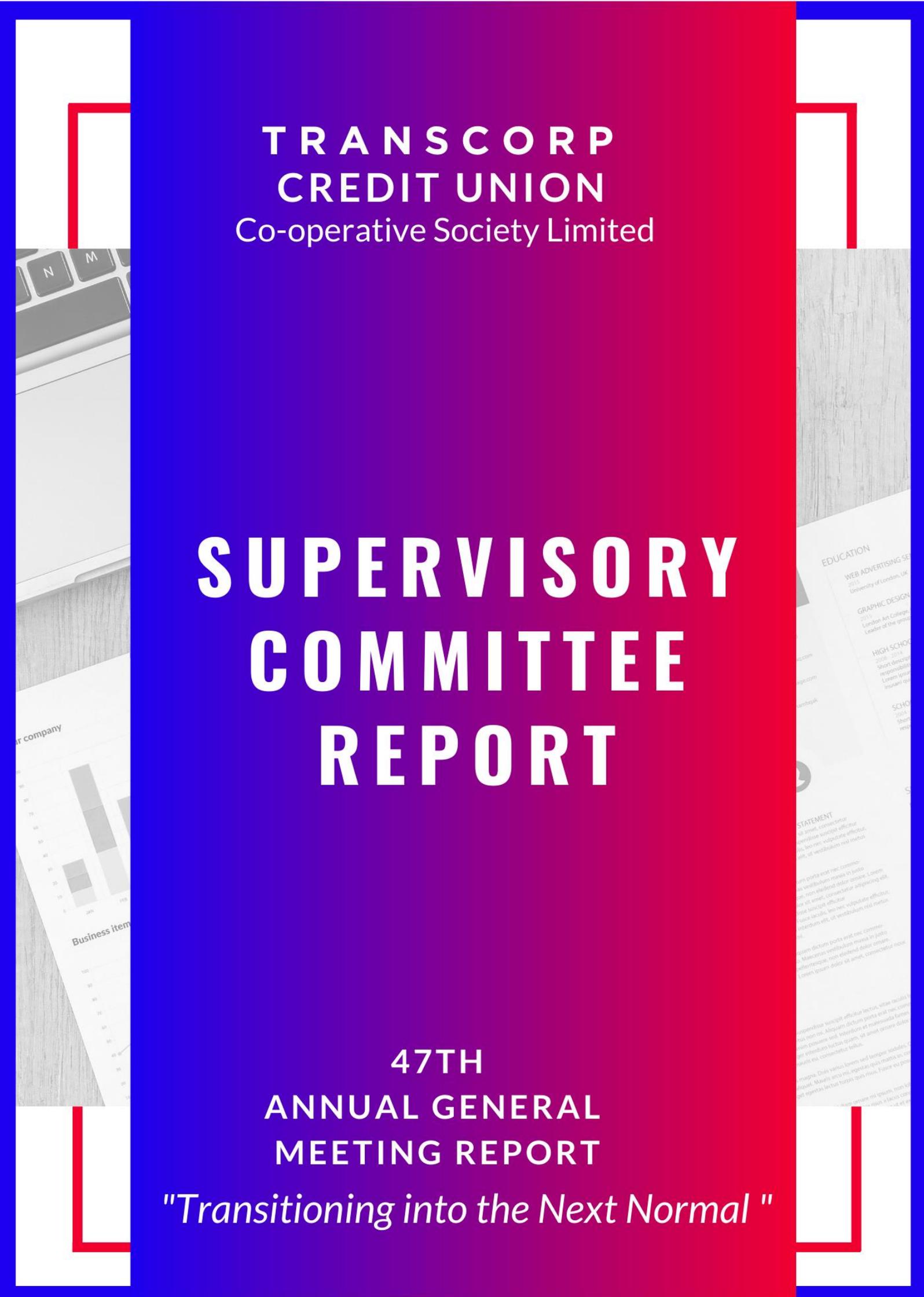
8.0 CONCLUSION

8.1 The Credit Committee wishes to express our heartfelt thanks to all Officers, Management, Staff and Membership of the Transcorp Credit Union for their continued support and co-operation for the year under review. We look forward to the continued support of the membership as the Credit Union becomes more sustainable as we navigate these uncertain times together.

We sincerely pledge our commitment to the TRANSCORP Credit Union Co-operative Society Limited.



.....
Geeta Teelucksingh-Ali
 Secretary



**TRANSCORP
CREDIT UNION**
Co-operative Society Limited

SUPERVISORY COMMITTEE REPORT

**47TH
ANNUAL GENERAL
MEETING REPORT**

"Transitioning into the Next Normal"

SUPERVISORY COMMITTEE



LEVI HORSFORD
Chairman

CARA VAUGHN
Secretary

SHERMICA GRAHAM
Member

Supervisory Committee Report 2019

1.0 INTRODUCTION

1.1 The primary function of the Supervisory Committee is to examine the adequacy of the Credit Union. To ensure the operations and affairs are carried out according to the byelaws, policies and procedures set out by the Organization, and to identify issues that are found contrary to these byelaws, report to the Manager and Board of Directors and make recommendations where necessary. This is necessary to ensure that the Credit Union's internal controls are strong enough to properly safeguard the interest of its membership.

2.0 OPERATIONS OF THE COMMITTEE:

2.1 On May 18th 2019 the Transcorp Credit Union held its Annual General Meeting at the Hyatt Regency where 349 of its members were in attendance. The membership elected the following persons to serve on the Supervisory Committee for the coming year. The Committee selected was unopposed by any of the membership.

Members

- Mr. Levi Horsford
- Ms. Cara Vaughn
- Ms. Shermica Graham

Alternates

- First Alternate – Ms. Paula Ghany
- Second Alternate – Ms. Karon Ragoobarsingh

Following the inaugural meeting of the committee the following members were elected to the leadership positions.

- Chairman – Mr. Levi Horsford
- Secretary – Ms. Cara Vaughn

Selection of Officers

The supervisory committee was invited to the first meeting of the Board of Directors after the AGM. There we witnessed the selection of the executive members of the Board of Directors and the Credit Committee.

Board of Directors

- President – Mrs. Jacqueline Bowen Rodriguez
- Vice Chairman – Mr Anthony Thompson
- Treasurer – Mrs. Gemma Bowen
- Secretary – Mr. Clyde Parris
- Assist Secretary – Mrs. Paula Yarde

Credit Committee

- Chairman – Mr. Anthony Newton
- Secretary – Mrs. Geeta Teelucksingh-Ali

To best fulfil the responsibility granted to us, the Supervisory Committee first got the necessary training from the Commissioner of Co-operative Division to ensure that we carry out our duties efficiently. The training was much needed as we were a fresh new Committee with no prior experience and it proved to be extremely educational and insightful. The Committee also agreed to meet at least once every month to conduct regular checks and balances of the Organization.

3.0 **Duties and Activities for the period 2019/2020**

3.1 During our tenure the Supervisory Committee conducted a number of checks and balances on the affairs for the Credit Union. The areas examined include but were not limited to the following;

- Loan Applications
- Bank Reconciliation
- Review of Financial Statements
- Fixed Assets Review
- Review of member Delinquency
- End of year cash count.

3.2 **Loans**

3.2.1 The Supervisory Committee performed audit checks on loan applications and the processing of these loans. Over the period we reviewed a number of loans ranging from Consumer Loans, Ez-Up, Oops, Vehicle loans and loans for special events. We ensured that all loan applications followed the necessary criteria as stated in the bylaws and all relevant documents were attached. Over the period 2018/2019 - 2019/2020 we noticed an increase of loans by 3% over the period 2018 and 2019. This highlighted that the credit union was still a relevant lending entity where members are more likely to take loan facilities due to ease of access.

3.3 **Bank Reconciliation**

3.3.1 The Committee regularly reviewed the bank reconciliation of all of the credit unions bank accounts over the period. These accounts included

- Abercrombie FCB Account
- FCB Tobago
- FCB Baratavia
- FCB San Fernando
- Dividends Account

3.3.2 We ensured that all account reconciliation was in line with proper accounting practices as recommended by the International Financial Reporting Standards (IFRS). We are pleased to report that no discrepancies were found in the preparation of these documents and the Credit Union has been doing a great job in reporting such.

3.5 **Review of Financial Statements**

3.4.1 The Supervisory Committee reviewed the Financial Statements for year ended 31st December 2019 which was presented by the management team of the Transcorp Credit Union Cooperative Society Ltd. The organisation utilised HLB Montgomery & Co to perform the audit as agreed to at the last annually general meeting. The committee reviewed the accounts to ensure that proper accounting procedures were followed in accordance with International Financial Reporting Standards (IFRS). The committee is satisfied with the preparation of the financial statements which met the approval in accordance with International Financial Reporting Standards IFRS.

3.4.2 Based on all the information that were provided on Statement of Comprehensive Income for the year ended 31st December 2019 the organisation had an increase surplus on total Comprehensive Income which had a movement from \$5,415,943 in 2018 to \$13,485,957 2019 which shows a positive assurance in the variance analysis of \$8,070,014.

3.4.3 The Supervisory Committee also reviewed Statement of Financial Position under Total Assets for 2018 which was \$89,764,032 and 2019 moved to \$101,785,172 a variance of \$12,021,140. Base on this variance analysis we can see that this increase shows an impact on the expansion of the organisation.

3.4.4. The Total Members Funds and Reserve had a movement from \$14,256,570 2018 to \$24,974,712 in 2019 this shows that the organisation had a major increase of \$10,718,142 and shows growth in the organisation.

3.5 **Review of Fixed Assets Register**

3.5.1 The fixed asset register is comprised of all the assets purchased by the Organization. An asset can be defined as an item of property owned by a person or company, regarded as having value and available to meet debts, commitments, or legacies. The register was categorised in five different sections these categories included;

- Computer Equipment
- Vehicles, Fixtures and Fittings
- Air Condition
- Furniture
- Equipment

3.5.2 The Supervisory Committee highlighted a few concerns to the Organization with regards to improper tagging and recording of assets on the register. To date all recommendations suggested by the Committee were implemented in the preparation of the register.

3.6 **Member Delinquency**

3.6.1 Transcorp Credit union has eleven (11) different lending products available to its members. As such it is only to be expected that some members may become delinquent in payments towards these loans. From reviewing the delinquency reports of the organisation, we can see that there are many ways a member can become delinquent, be it loss of job to decrease in income or the death of a member. The Credit Union has continued to do its part in reducing the number of delinquencies however there was seen to be much room for improvement. The supervisory committee brought a few recommendations to the attention of the Organization to help improve on their debt recovery.

3.7 **Year End Cash Count**

3.7.1 At the end of each financial year the Corporation closes off all cash accounts which are witnessed by an External Auditor and the Supervisory Committee. Each member of the Committee visited the three locations, Barataria, San Fernando and Tobago, where we supervised and verified the close off of the cash accounts. There were no discrepancies highlighted after this exercise.

4.0 **COMMENDATIONS**

4.1 The Committee would like to commend the Corporation on moving towards the digital age. We have seen quite a few changes in the way we do business. Information is now easily accessible through the online portal as well as the mobile application. Members are now able to request statements, balances, and even apply for loans on the website for an ease of access.

4.2 The outbreak of the Covid-19 virus has changed our perspective on how a business is managed. As such it was noted that the Corporation swiftly dealt with this issue and was able to introduce new ways in which to improve their system, promote best safety practices and minimize the risk of exposure to the virus in turn ensuring the safety of their members.

4.3 The introduction of the Automated Clearing House (ACH) has been a great improvement for the Corporation. No longer are members required to come to the office to collect a physical cheque to then visit a bank and cash or deposit the cheque. All funds are now directly deposited to the member's account reducing the unnecessary hassle.

5.0 CONCLUSION

5.1 The Supervisory Committee would like to express our gratitude towards the Management and Staff of the Credit Union for their support in helping us through our term. We do hope to continue this relationship in the coming future.

Respectfully submitted, For and on behalf of the Supervisory Committee



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Levi Horsford
Secretary



Transcorp Credit Union Online Banking Solution

Applying for OOPS or EZUP Loan?

This MUST be initiated and process
via our Online Banking Portal via
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**TRANSCORP
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Co-operative Society Limited

**EDUCATION
COMMITTEE
REPORT**

**47TH
ANNUAL GENERAL
MEETING REPORT**

"Transitioning into the Next Normal"



EDUCATION COMMITTEE



ANTHONY THOMPSON
Chairman



NATASHA BOWEN
Secretary



CLYDE PARRIS
Member



SHERWIN JOSEPH
Member

Education Committee Report 2019

1.0 INTRODUCTION

1.1 The Education Committee of Transcorp Credit Union (TCU) remains committed to empowering the lives of its membership through publicity, education and training, key operatives that would ensure the growth of this exceptional organization. Through the hosting of workshops, seminars and conferences, members are provided with information from dynamic speakers and educational material. As we commence this new year, the Committee continues to be guided by the TCU's Strategic Plan, which lists a number of services and deliverables aimed specifically towards our growing membership.

2.0 PRESENT COMMITTEE

2.1 In accordance with the guidance received from the Board of Directors subsequent to the 46th Annual General Meeting in 2018, the committee comprised the following persons:

- **Mr. Anthony Thompson** - **Chairman**
- **Ms. Natasha Bowen** - **Secretary**
- **Mr. Clive Best** - **Member**
- **Mr. Clyde Parris** - **Member**
- **Mr. Sherwin Joseph** - **Member**

Ms. Beverly Ann Kim Mitchell was co-opted in July 2019 to assist with events and workshops organized by the Committee.

3.0 COMMITTEE ACTIVITIES

3.1 **"Changing the Mindset of the Shareholder" - Education Seminar and Secondary Entrance Assessment (SEA) Awards Distribution Ceremony:** In efforts to sensitize the youth population on pertinent financial issues and to assist in the development of important saving habits, the Committee held the above function at the Raddisson Hotel on Saturday 10th August 2019, which brought both the youth and adult shareholders of the Credit Union together. Presentations were made by Mr. Winton Gordon (Calculating Your Dividends), Mr. Sajjad Hamid (How to Become an Entrepreneur) and Mr. Carl Morton (Achieving Financial Independence). Members actively participated in the in-house trivia and received information about credit union history and won tokens and prizes. Eight (8) recipients, representing 2015 to 2018, received their grants while their parents looked on. The 2019 award winners were Mr. Devonte Roach (1st Place) and Mr. Jervon Yearwood (2nd Place). All grants are valued at one thousand two hundred dollars (\$1,200.00). Feedback acquired from those in attendance was positive, as members expressed satisfaction with the quality of the presentations and the ambiance at Radisson.

3.2 *STUDENT ASSESSMENT PROCEDURE (SAP)*

The Education Committee commenced its Student Assessment Procedure (SAP), which is designed to ensure the continued progress of all our award recipients. All awardees are required to submit a copy of their end-of-term report by the end of the first week of the new academic term. The purpose of the SAP is to recognize students' areas of strength and identify areas of weakness so that the Committee can assist in helping each student to achieve full potential. Students are further advised that they are to maintain a minimum B+ average and proficiency in all other areas of assessment in order for grant distribution to continue. The Committee received assessment forms from the 2015 to 2018 recipients, a total of eight (8) students. One student received an unsatisfactory report from the school, and the Committee, after consultation with the parents, advised that the student's performance be monitored for future grant distribution.

3.3 **HIGHER LEVEL EDUCATION (H.L.E) GRANT**

Following its inception in 2014, the HLE Grant continues to be an avenue to provide assistance to members who are in pursuit of higher academic studies and technical/vocational pursuits. The Grant covers financial assistance for academic studies at accredited tertiary level institutions for three (3) years.

3.3.1 The Committee encourages all interested members to apply for the Grant. Pre-requisites for application are available at all TCU branches.

4.0 **COMMUNICATION**

4.1 Facebook – With over 1,702 likes and followers, Transcorp’s Facebook page continues to be a hub of information, as members continue to acquire information on products, services, upcoming events and exciting photos and videos. Appreciation is given to MPowerTT, who has been instrumental in the revamping and upgrading of the Facebook page.

4.2 Text Messaging System – Members are now notified of all activities at the Credit Union through the advent of the text-messaging service. Members who have not been in receipt of text messages are kindly asked to visit their nearest Credit Union office to have their contact numbers updated.

4.3 Website – The Committee is presently in talks with the Website Administrator to re-design and re-structure the Credit Union’s website. Once completed, members would have access to products and services through the click of a mouse and would receive relevant information about the Credit Union.

4.4 Credit Union App would be implemented to allow members to utilize the Advancement in technology to access our Mobile and Online services in real time and would reduce the need for “In Person Visit” to process a number of financial transactions.

5.0 **UPCOMING EVENTS**

The Committee is pleased to inform our membership to look out for the following events, workshops and seminars in 2020:

- Retirees’ Appreciation Day.
- Financial Planning and Investment Seminar (TOBAGO).
- Skills Training Short Courses and Workshops for members.
- Youth Career Fair and Karaoke Affair. We acknowledge that the existing COVID-19 situation would impact the hosting of many events.

6.0 CLOSING REMARKS AND VOTE OF THANKS

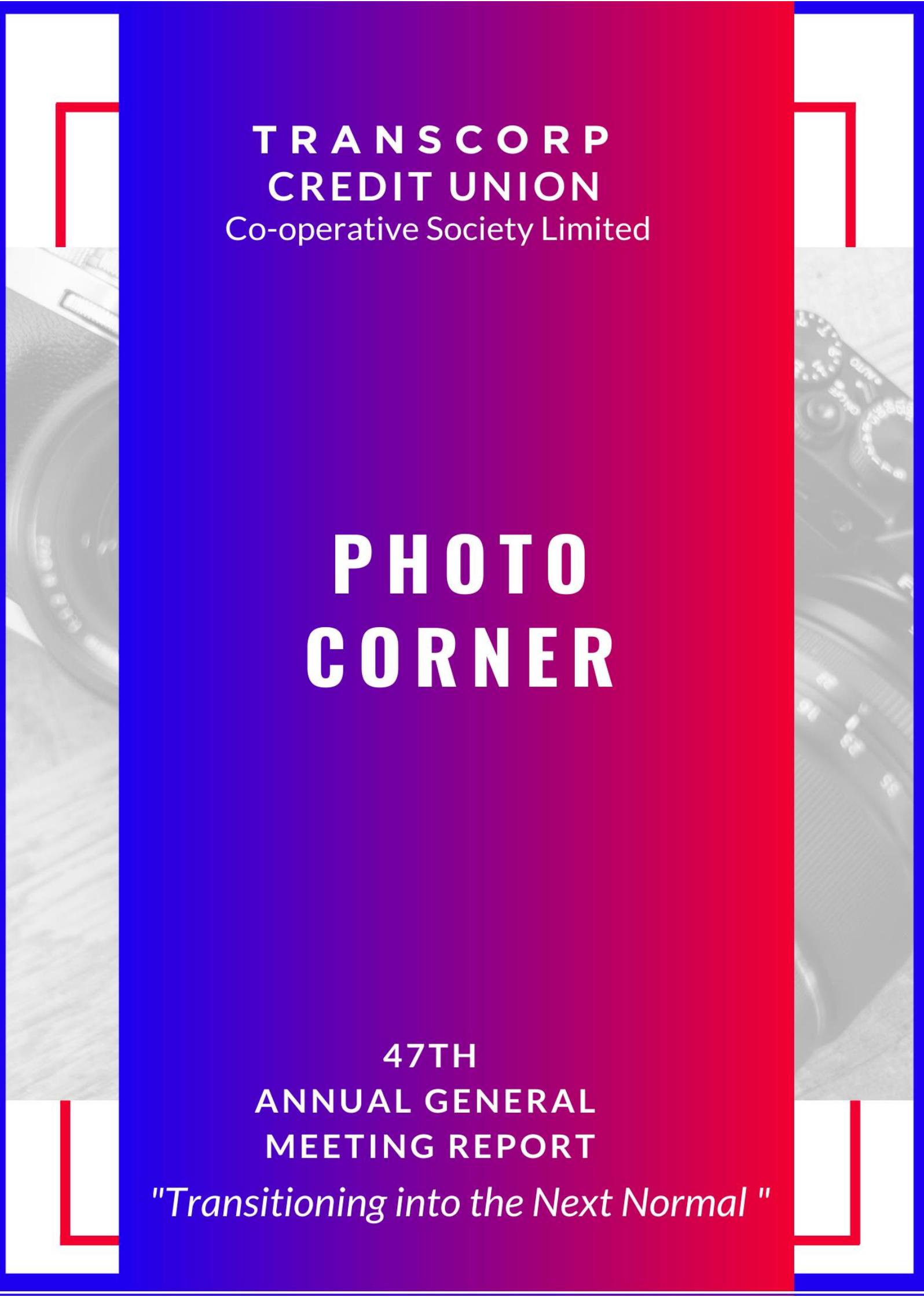
The Education Committee was able to achieve some of its objectives, but notes that more needs to be done to ensure that the needs of all members are satisfied through the effective and efficient delivery of programmes and workshops. We remain dedicated to the vision and mission of the Credit Union and undertake to support and promote Credit Union development. We recognize the dynamics of societal advancement and resolve to propose and revise existing policies and introduce new policies and tools that would seek to enhance the lives of the Credit Union membership. It is important as a Credit Union to keep abreast of current trends and practices that would prove beneficial to our membership.

The Committee is excited about the future of our organization and remains grateful to the Board of Directors for its unwavering support of our vision. We are presently operating alongside other assigned teams in organizing activities and events and encourage all members to continue to support programmes and events. We look forward to continuing to your unwavering support at all events.

Respectfully submitted

Natasha Bowen

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Natasha Bowen
Secretary
Education Committee



**TRANSCORP
CREDIT UNION**
Co-operative Society Limited

PHOTO CORNER

**47TH
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MEETING REPORT**

"Transitioning into the Next Normal"



Transcorp
EU



Members



Fun



Memories



Good
Times





Jillian Gittens



Shinelle Gittens



Sharon Lynch-Fadahunsi



Natasha Julal



Gillian Mannette



Kareem Cunningham



Florence Singh



Daneille Joseph



Brittany Lalloo-Ramkallawan



Petra Small



Afesha Homeward



Aleeyia Paul-Cox



Sheldon Seale



Abigail Munroe



Shawnella Burgess



Ranah Gobin-Jagram



Janelle Millette



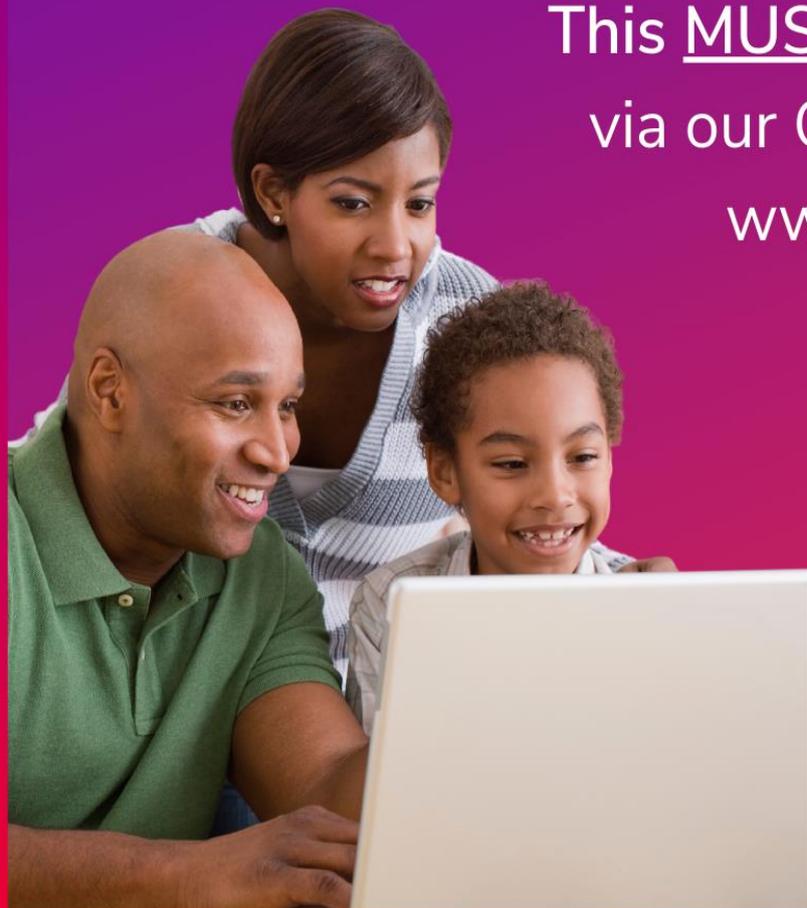
Kevin Oliver



Transcorp Credit Union Online Banking Solution

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**TRANSCORP
CREDIT UNION**
Co-operative Society Limited

**STATEMENT OF
INCREMENTAL
BUDGET 2020**

**47TH
ANNUAL GENERAL
MEETING REPORT**

"Transitioning into the Next Normal "



23.46	99
10.54	8
48.15	7
24.49	5
62.40	1
68.00	7
14.48	4
84.49	7
698.12	4
361.58	
586.56	
891.02	
714.46	
465.15	
714.46	
168.78	
12	
78	
1586.	
7891.02	
4901.50	
1800.44	
4023.46	
5710.54	
2148.15	
7624.49	
5469.40	

TRANSCORP CREDIT UNION CO- OPERATIVE SOCIETY LIMITED

Budgeted Income & Expenditure

Period: January 1st. To 31st. December 2020

INCOME	\$	\$
INTEREST INCOME		
INTEREST ON CONSUMER LOANS	7,398,918	
INTEREST ON SCHOOL BOOK LOANS	14,402	
INTEREST ON CHRISTMAS VOUCHER LOAN	21,474	
INTEREST ON OOPS LOAN	73,004	
INTEREST ON LONG TERM/8 LOAN	481,353	
INTEREST ON EDUCATION LOAN	2,129	
INTEREST ON LOAN C EZ-UP	582,128	
INTEREST ON TRANSFORMER LOAN	9,175	
INTEREST ON STABILIZER LOAN	1,732,531	
INTEREST ON OOPS 2	345,120	
TOTAL INTEREST INCOME		10,660,234
OTHER INCOME		
INT. INCOME - FONL	106,929	
INCOME FROM UNIT TRUST	41,373	
ENTRANCE FEES	4,300	
FIP DIVIDEND INCOME	36,068	
OTHER INCOME	10,693	
INCOME FROM CU EVENTS	74,940	
BAD BEBTS RECOVERED	5,000	
INT INCOME - ANSA MERCHANT BK	14,445	
INCOME ON STANDING ORDERS	564	
INTEREST FROM SAVINGS ACCOUNTS	383	
ADMINISTRATION FEE (LOANS)	170,000	
ADMINISTRATION FEE- ONLINE BANKING	300	
INCOME FROM FCB ABERCROMBIE FUND	147,951	
DIVIDEND INCOME	101,961	
TOTAL OTHER INCOME		714,907

TOTAL INCOME		11,375,141

Statement Continued on Next Page

EXPENDITURE	\$	\$
INTEREST PAID ON MEMBERS SAVINGS A/C	12,687	
INTEREST PAID ON MEMBERS F/DEP	23,941	
GENERAL MAINTAINANCE BUILDING/	77,330	
WATER RATES	8,538	
GREEN FUND LEVY- TAX EXPENSE	33,900	
GENEREAL INS-BARATARIA	26,860	
STATIONERY AND PRINTING	156,703	
POSTAGE AND STAMPS	3,631	
TELEPHONE	113,068	
ELECTRICITY	36,177	
DONATIONS	20,399	
LEGAL FEES	85,800	
ADVERTISING & PUBLIC RELATIONS	73,888	
SUBSISTENCE-STAFF WELFARE	2,265	
BANK CHARGES	71,308	
MEDICAL EXPENSES	1,150	
HEALTH & SAFETY EXPENSES	4,601	
AUDIT FEES	80,200	
REPAIRS, RENEWALS AND MAINTAIN	67,580	
EQUIPMENT RENTALS	44,100	
CREDIT UNION WEEK EXPENSES	16,142	
STAFF GRANTS	4,549	
CUNA INSURANCE	1,013,616	
BOD TELEPHONE EXPENSE	49,317	
CREDIT TELEPHONE EXPENSE	9,517	
SUPERVISORY TELEPHONE EXPENSE	3,132	
ANNUAL GENERAL MEETING	89,981	
CREDIT COMMITTEE EXPENSE	10,231	
B.O.D. SUBSISTENCE	205,200	
CREDIT COMMITTEE SUBSISTENCE	66,000	
SUPERVISORY COMMITTEE SUBSISTENCE	32,400	
EDUCATION COMMITTEE SUBSISTENCE	14,400	
PROJECT MANAGEMENT EXP	33,000	
LIAISON OFFICERS SUBSISTENCE	18,000	
EDUCATION COMMITTEE EXPENSES	33,286	
B.O.D EXPENSES	34,855	
HUMAN RESOURCE COMMITTEE EXPENSE	18,135	
OFFICE EXPENSE	114,432	
OFFICE RENT	138,000	
MARKETING COMMITTEE EXPENSES	172,423	

SUPERVISORY COMMITTEE EXPENSES	1,200	
SEMINAR/CONVENTIONS	1,716	
STABILIZATION FUND	5,747	
VEHICLE EXPENSES	33,870	
STORAGE	3,588	
SALARIES AND WAGES	1,813,000	
N.I.S EMPLOYERS CONTRIBUTION	148,998	
CONTRACT STAFF	141,431	
TRAINING EXPENSES	24,395	
CONSULTANTS FEES	28,062	
COMPUTER SUPPLIES/EXPENSES	186,601	
SUBSCRIPTION FEES	5,000	
NEWSPAPER & MAGAZINES	320	
SECURITY	286,161	
COURIER/ DRIVER SERVICES	3,713	
TRAVELLING EXPENSES	51,434	
TRANSPORTATION EXPENSES	1,150	
PROFESSIONAL FEES	45,026	
STAFF UNIFORMS	19,389	
STAFF GRATUITY EXPENSE	69,553	
CONTRACT SERVICES	48,470	
SEVERANCE PAYMENTS	72,892	
TOTAL EXPENDITURE		6,012,458

SURPLUS		5,362,683
DEPRECIATION		250,707

NET SURPLUS		5,111,976

**TRANSCORP
CREDIT UNION**
Co-operative Society Limited

**FINANCIAL
STATEMENTS
2019**

**47TH
ANNUAL GENERAL
MEETING REPORT**

"Transitioning into the Next Normal "

23.46	99
10.54	8
18.15	7
24.49	5
62.40	1
68.00	7
14.48	4
84.49	7
698.12	4
361.58	8
586.56	8
891.02	8
714.46	8
465.15	8
714.46	8
168.78	8
12	8
1586.	8
7891.02	8
4901.50	8
1800.44	8
4023.46	8
5710.54	8
2148.15	8
7624.49	8
5462.40	8

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

FINANCIAL STATEMENTS

31ST DECEMBER 2019

HLB Montgomery & Co
Chartered Accountants
118 Abercromby Street
Port of Spain

**INDEPENDENT AUDITOR'S REPORT
To The Members of Transcorp Credit Union Co-operative Society Limited**

Opinion

We have audited the Financial Statements of Transcorp Credit Union Co-operative Society Limited, which comprise the Statement of Financial Position as at 31st December 2019, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Members' Funds and the Statement of Cash Flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Credit Union in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

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

Other Information included in the Credit Union's 2019 Annual Report

Management is responsible for the other information. The other information consists of the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The Annual Report was not made available to us before the date of this Auditor's Report.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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.

Not having read the Annual Report, we are unable to ascertain whether there are any material misstatements therein.

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

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

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

The Board of Directors is responsible for overseeing the Credit Union's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

HLB *Montgomery & Co*
 HLB MONTGOMERY & CO
 22nd June, 2020
 118 Abercromby Street
 Port of Spain
 Trinidad & Tobago

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

STATEMENT OF FINANCIAL POSITION

31ST DECEMBER 2019

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
<u>Assets</u>			
Cash on Hand	2	498,532	484,680
Cash at Bank	2	1,684,456	2,898,439
Short Term Investments	3	17,444,864	16,033,079
		19,627,852	19,416,198
		19,627,852	19,416,198
<u>Other Assets</u>			
Accounts Receivable and Prepayments	4	2,051,377	1,894,080
Members' Loans	5	61,745,543	59,831,630
Investments	3	2,841,581	2,463,612
Investment in Land	6	1,500,000	1,500,000
Investment in Subsidiary	3	8,266,106	198,073
Fixed Assets	7	5,752,713	4,460,439
		82,157,320	70,347,834
		82,157,320	70,347,834
<u>Total Assets</u>		\$101,785,172	\$89,764,032
<u>Liabilities and Members' Funds</u>			
<u>Liabilities</u>			
Accounts Payable and Accruals	8	4,937,442	4,178,761
Members' Deposits	9	5,836,149	6,008,177
Members' Share Balance	10	66,036,869	65,320,524
		76,810,460	75,507,462
<u>Total Liabilities</u>		76,810,460	75,507,462
<u>Members' Funds and Reserves</u>			
Retained Earnings		15,837,227	6,217,634
Reserve Fund		5,818,235	5,321,475
Education Fund		1,248,158	1,061,884
Building Fund		1,624,583	1,376,203
Building Revaluation Reserve		(587,451)	(304,260)
Revaluation Reserve		1,033,960	583,634
		\$24,974,712	\$14,256,570
<u>Total Members' Funds and Reserves</u>		\$24,974,712	\$14,256,570
<u>Total Liabilities and Reserves</u>		\$101,785,172	\$89,764,032

The accompanying significant accounting policies on pages 7 to 16 and notes on pages 16 to 24 form an integral part of these Financial Statements. These Financial Statements were authorized for issue by the Board of Directors of Transcorp Credit Union Co-operative Society Limited on 22nd June 2020

.....  President  Treasurer  Chairman
Supervisory-Committee

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

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31ST DECEMBER 2019

	Notes	<u>2019</u>	<u>2018</u>
<u>Revenue</u>			
Loan Interest		10,537,826	10,183,043
Investment Income		292,472	223,385
Dividend Income		121,348	75,878
Other Income		546,958	466,689
		<hr/>	<hr/>
Total Revenue		11,498,604	10,948,995
		<hr/>	<hr/>
<u>Expenses</u>			
Depreciation		218,722	212,856
Administrative and other	11(a)	2,913,312	2,795,068
Officers and Board Expenses	11(b)	705,556	706,645
Employee Costs	11(c)	2,149,571	2,174,302
Interest and Bank Charges	11(d)	100,347	93,176
Expected Credit Loss (IFRS 9)		369,933	(414,510)
Impairment Loss (IFRS 9)		73,565	-
Loss on Disposal of Property, Plant & Equipment		-	934
		<hr/>	<hr/>
Total Expenses		6,531,006	5,568,471
		<hr/>	<hr/>
Income before Appropriations		4,967,598	5,380,524
Add Other Comprehensive Income			
Items that may not be reclassified subsequently to the Profit and Loss			
Gain on Financial Assets classified as FVOCI		450,326	35,419
Gain on Revaluation of Investment in Transcorp Development Company Limited		8,068,033	-
		<hr/>	<hr/>
<u>Total Comprehensive Income</u>		<u>\$13,485,957</u>	<u>\$5,415,943</u>
		=====	=====

**TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED**
STATEMENT OF CHANGES IN MEMBERS' FUND AND RESERVES
FOR THE YEAR ENDED 31ST DECEMBER 2019

	<u>Retained Earnings</u>	<u>Reserve Fund</u>	<u>Education Fund</u>	<u>Building Fund</u>	<u>Building Revaluation Reserve</u>	<u>Revaluation Reserve</u>	<u>Total</u>
Balance as at 1 January, 2019	6,217,634	5,321,475	1,061,884	1,376,203	(304,260)	583,634	14,256,570
Unrealised Gain	8,068,033						8,068,033
Total Income For the Year	4,967,598						4,967,598
Appreciation in Value of Investments						450,326	450,326
Revaluation of Assets					(283,191)		(283,191)
	19,253,265	5,321,475	1,061,884	1,376,203	(587,451)	1,033,960	27,459,336
10% Reserve Fund	(496,760)	496,760	-	-	-	-	-
5% Education Fund	(248,380)	-	248,380	-	-	-	-
5% to Building Fund	(248,380)	-	-	248,380	-	-	-
Honorarium Paid for 2018	(92,233)	-	-	-	-	-	(92,233)
Educational Fund Expenses		-	(62,106)	-	-	-	(62,106)
Dividend Paid - 2018	(2,140,463)	-	-	-	-	-	(2,140,463)
Rebate Paid-2018	(189,822)	-	-	-	-	-	(189,822)
Balance as at 31st December, 2019	15,837,227	5,818,235	1,248,158	1,624,583	(587,451)	1,033,960	24,974,712
=====							
	<u>Retained Earnings</u>	<u>Reserve Fund</u>	<u>Education Fund</u>	<u>Building Fund</u>	<u>Building Revaluation Reserve</u>	<u>Revaluation Reserve</u>	<u>Total</u>
Balance as at 1st January, 2018	5,100,738	4,783,423	851,388	1,107,177	(304,260)	548,215	12,086,681
Impact of Adoption of IFRS 9	(165,490)						(165,490)
Total Comprehensive income	5,380,524					35,419	5,415,943
10% Reserve Fund	(538,052)	538,052					
5% Education Fund	(269,026)		269,026				
5% to Building Fund	(269,026)			269,026			
Honorarium Paid for 2017	(98,467)						(98,467)
Educational Fund Expenses			(58,530)				(58,530)
Dividend Paid -2017	(2,923,567)						(2,923,567)
Balance as at 31st December, 2018	6,217,634	5,321,475	1,061,884	1,376,203	(304,260)	583,634	14,256,570
=====							

**TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2019**

<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	<u>2019</u>	<u>2018</u>
Net Surplus for the Year	4,967,598	5,380,524
Adjustments for items not involving the movement of funds:		
Depreciation	218,722	212,856
Loss on Disposal of Property, Plant and Equipment	-	934
Provision for Loan Loss	369,933	(414,510)
Provision for Impairment of Investments	73,565	-
	<hr/>	<hr/>
<u>Operating Surplus before Changes in Working Capital</u>	5,629,818	5,179,804
<u>CHANGES IN WORKING CAPITAL</u>		
Increase in Accounts Receivables and Prepayments	(157,297)	(1,308,475)
Increase in Accounts Payable and Accruals	758,681	1,066,303
	<hr/>	<hr/>
<u>Net Cash from Operating Activities</u>	6,231,202	4,877,632
<u>Cash Flows from Investing Activities</u>		
Purchase of Property, Plant & Equipment	(1,794,187)	(359,542)
Members' Loans	(2,283,846)	3,348,055
Decrease in Due from Subsidiary	-	500,000
Decrease/(Increase) in Long-Term Investments	72,357	(445,375)
	<hr/>	<hr/>
<u>Net Cash from Investing Activities</u>	(4,005,676)	(3,043,138)
<u>Cash Flows from Financing Activities</u>		
(Decrease)/ Increase in Member Deposits	(172,028)	169,018
Increase in Member Shares	716,345	980,445
Education Expenses Paid	(62,106)	(58,530)
Honorarium Paid	(92,233)	(98,467)
Dividend Paid	(2,140,463)	(2,923,567)
Rebate Paid	(189,822)	-
	<hr/>	<hr/>
<u>Net Cash from Financing Activities</u>	(1,940,307)	(1,931,101)
Net Increase in Cash and Cash Equivalents	285,219	5,989,669
Cash Resources at beginning of the year	19,416,198	13,426,529
	<hr/>	<hr/>
Cash Resources at end of year	<u>19,701,417</u>	<u>19,416,198</u>
<u>REPRESENTED BY</u>		
Cash in Hand and at Bank	2,182,988	3,383,119
Short Term Investments	17,518,429	16,033,079
	<hr/>	<hr/>
	<u>\$19,701,417</u>	<u>\$19,416,198</u>

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

SIGNIFICANT ACCOUNTING POLICIES CONTINUED

31ST DECEMBER 2019

(d) Property, Plant and Equipment (Continued)

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the Statement of Comprehensive Income.

(e) Financial Instruments

Financial Instruments carried on the statement of financial position include cash and cash equivalents, investments, investment securities, loans to members, accounts receivable, accounts payable, members' deposits and members' share savings. The standard treatment for recognition, derecognition, classification and measurement of financial instruments is described in notes (i)-(vii) below.

(i) Recognition and initial measurement

The Credit Union initially recognizes financial instruments on the date on which they are originated.

A financial asset or financial liability, except for an item not at FVTPL, is measured initially at fair value plus transaction costs that are directly attributable to its acquisition or issue.

The Credit Union measures fair value in accordance with IFRS 13, which defines fair value as the price that would be received to sell an asset or paid to transfer in an orderly transaction between market participants at the measurement date.

(ii) Subsequent measurement

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

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

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

(iii) Modification and Derecognition of Financial Assets

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

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

SIGNIFICANT ACCOUNTING POLICIES CONTINUED

31ST DECEMBER 2019

(d) Property, Plant and Equipment (Continued)

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the Statement of Comprehensive Income.

(e) Financial Instruments

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TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

SIGNIFICANT ACCOUNTING POLICIES CONTINUED

31ST DECEMBER 2019

(e) (iii) Modification and Derecognition of Financial Assets(cont'd)

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

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

(i) Classification

From 1 January, 2018, the Credit Union classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost, as explained in note 2(d);
- FVOCI, as explained in note 2 (d);
- FVTPL

The Credit Union only measures cash and cash equivalents and loans to members and other financial investments at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. The details of these conditions are outlined below.

Business model assessment

The Credit Union determined its business model at a level that best reflects how the Credit Union manages its financial assets to achieve its business objective.

The business model is assessed based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Credit Union's original expectation, the Credit union does not change the classification of the remaining financial

assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The SPPI test

As a second step of its classification process the Credit Union assesses the contractual terms of financial instruments to identify whether they represent solely payments of principal and interest (the SPPI test).

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

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

SIGNIFICANT ACCOUNTING POLICIES CONTINUED

31ST DECEMBER 2019

(e) (iv) Classification (cont'd)

Financial assets or financial liabilities held for trading

The Credit Union classifies assets or financial liabilities as held for trading when they have been purchased or issued primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is evidence of a recent pattern of short-term profit taking. Held-for-trading assets and liabilities are recorded and measured at the statement of financial position at fair value. Changes in fair value are recognized in net trading income. Interest and dividend income or expense is recorded in net trading income according to the terms of the contract, or when the right to payment has been established.

(i) Reclassification

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

(ii) Impairment

Financial assets at amortised costs are impaired at one of two levels:

- (1) Twelve-months Expected Credit loss (ECL) – these are losses that result from default events that are possible within twelve months after the reporting date. Such financial assets are at 'Stage 1'.
- (2) Lifetime ECL – These are losses that result from all possible default events over the life of the financial instrument. Such financial assets are at 'Stage 2' or 'Stage 3'.
A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition.

For all other financial instruments, ECLs are measured at an amount equal to the twelve-month ECL.

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

Measurement of ECL

The key inputs used for measuring ECL are:

- (i) Probability of default (PD);
- (ii) Loss given default (LGD); and
- (iii) Exposure at default (EAD)

The Credit Union measures ECL on an individual basis for all loans. The Credit Union's financial instruments are grouped on the basis of shared risk characteristics such as:

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

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

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

SIGNIFICANT ACCOUNTING POLICIES CONTINUED

31ST DECEMBER 2019

(e) (vi) Impairment (cont'd)

Performing financial assets – Stage 1

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

Significant increase in credit risk – Stage 2

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

Credit-impaired financial assets – Stage 3

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

- (i) significant financial difficulty of the borrower or issuer;
- (ii) a breach of contract such as a default or past due event;
- (iii) the disappearance of an active market for a security because of financial difficulties; or
- (iv) the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

The Credit Union assesses whether debt instruments that are financial assets measured at amortised cost are credit-impaired at each reporting date. There is a rebuttable presumption that financial assets that are in default for more than ninety (90) days are credit impaired. The Credit Union also considers a financial asset to be credit impaired if the borrower is unlikely to pay its credit obligation. To determine this, the Credit Union takes into account both qualitative indicators such as unemployment, bankruptcy, divorce or death and quantitative indicators such as overdue status.

The Credit Union uses its historical experience and forward-looking information that is available without undue cost or effort. If there has been a significant increase in credit risk, the Credit Union will measure the loss allowance based on lifetime rather than twelve-month ECL.

Cash and Cash Equivalents

While cash and cash equivalents are also subjected to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Write off

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

Collateral held as security

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

General Loans	Shares in the Credit Union
Mortgage Lending	Deed of Mortgage on property
Vehicle Loans	Deed of Mortgage on vehicle

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

SIGNIFICANT ACCOUNTING POLICIES CONTINUED

31ST DECEMBER 2019

(e) (vi) Impairment (cont'd)

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

Assets obtained by taking possession of collateral

The Credit Union did not obtain any assets during the year by taking possession of collateral held as security against loans held at the year end.

(i) Financial Liabilities

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

(f) Investment in subsidiary

The investment was initially recognized at cost and subsequently carried at cost plus transaction costs.

(g) Revenue Recognition

Loan Interest

Interest charged on all loans to members is calculated on the outstanding balance at the end of each month at rates varying between 0.75% and 1.5 % per month. Loan interest is accounted for on accruals basis.

Investment Income

Income from investments is accounted for on the accruals basis except for dividends, which are accounted for on a cash basis.

(h) Foreign Currency

Monetary assets and liabilities denominated in foreign currencies are expressed in Trinidad and Tobago dollars at rates of exchange ruling at the Statement of Financial Position date. All revenue and expenditure transactions denominated in foreign currencies are translated at the average rate and the resulting profits and losses on exchange from these trading activities are recorded in the Statement of Comprehensive Income.

(i) Dividends payable to members

Dividends are computed on a weighted average value of shares held throughout the year, the weighted average being determined on the basis of the value of shares held at the end of each month. Dividends that are proposed and declared after the statement of financial position dates are not shown as a liability but are disclosed as a note to the financial statements.

(j) Comparative Figures

Certain changes in the presentation have been made during the year and comparative figures have been restated accordingly.

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

SIGNIFICANT ACCOUNTING POLICIES CONTINUED

31ST DECEMBER 2019

(k) Provisions

Provisions are recognized for liabilities of uncertain timing or amounts that have been arisen as a result of past transactions, including legal or constructive obligations. The provision is measured at the best estimate of expenditure required to settle the obligation at the reporting date.

(l) Credit Union Policies

The governance policies of the Credit Union include the following:

(i) Reserve Fund

In accordance with Bye-Law 30, of the Credit Union and the Co-operative Society Act, 1971 Section 47, (2) at least 10% of the net surplus of Credit Union for the year is to be transferred to a Reserve Fund. All losses sustained through extraordinary circumstances over which the Credit Union has no control may, with the approval of the Commissioner of Co-operative Development be written off, in the Reserve Fund.

(ii) Education Fund

In accordance with Bye-Laws 11 and 31 of the Credit union, an amount of not less than 5% of the net surplus for the year, may be credited to an Education Fund. This fund is to be used for education purposes.

(iii) Dividends

Dividends are recommended by the Board of Directors and confirmed by the members at the Annual General Meeting. Dividends are computed on the basis of the number of shares in issue at the end of each month. The Board of Directors has proposed a dividend of 5% for the year ended December 31, 2019 to be paid to members when approved. Additionally, an interest rebate of 2% on the interest paid by a member for loans taken during the period January 1, 2019 to December 31, 2019 will be given.

(m) Financial Risk Management

The Credit Union's activities are primarily related to the use of financial instruments and involve the analysis, evaluation, acceptance and management of some degree of risk or a combination of risks. Taking risks is core to the financial business, and the operational risks are inevitable consequences of being in business.

The Credit Union is exposed to credit risk, compliance risk, interest rate risk, liquidity risk, operational risk, and reputation risk in the course of its operations. The risk management policies employed by the Credit Union to manage these risks are as follows:

(a) Credit Risk

The Credit Union is exposed to credit risk, which is the risk that a member (s) will cause a financial loss for the Credit Union by failing to discharge an obligation.

Credit Risk is the most important risk for the Credit Union which principally arises in lending activities that lead to loans and other financing. In order to effectively manage credit risks the following are considered:

- (i) Proper judgement of the credit worthiness of the member when analyzing the loan application;
- (ii) Adequate collateral held as security for funds advanced;
- (iii) Maintenance of a strict and aggressive collection policy;

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

SIGNIFICANT ACCOUNTING POLICIES CONTINUED

31ST DECEMBER 2019

(m) Financial Risk Management (cont'd)

- (i) Maintenance of a prudent loan provisioning policy;
- (ii) Regular reporting to the Board of Directors on the performance of the loan portfolio.

(a) Interest Rate Risk:

The Interest Rate risk is the risk that arises from the possibility that changes in the market rates will affect future cash flows or the fair values of financial instruments. The Credit Union is exposed to interest rate risks on fixed deposits and money market investments that can experience fluctuations on interest rates currently or upon reinvestment after maturity.

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

(b) Liquidity Risk:

Liquidity risk is the risk that the Credit Union will be unable to meet its payment obligations when they fall due under normal and stressed circumstances. Through experience and monitoring, the Credit Union is able to maintain sufficient liquid resources to meet current obligations.

Liquidity Gap

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

31st December 2019	Notes	On Demand	Up to 1 Year	1 to 5 Years	Over 5 Years	Total
<u>Financial Assets</u>						
Cash in Hand and at Bank	2	2,182,988	-	-	-	2,182,988
Short Term Investments	3	14,419,153	3,025,711	-	-	17,444,864
Long Term Investments	3	2,393,581	-	448,000	-	2,841,581
Members' Loans	5	61,745,543	-	-	-	61,745,543
		-----	-----	-----	-----	-----
		\$80,741,265	\$3,025,711	\$448,000	-	\$84,214,976
		=====	=====	=====	=====	=====
<u>Financial Liabilities</u>						
Members' Deposits	9	4,520,378	1,315,771	-	-	5,836,149
Members' Shares	10	66,036,869	-	-	-	66,036,869
Accounts Payable and Accruals	8	4,937,442	-	-	-	4,937,442
		-----	-----	-----	-----	-----
		\$75,494,689	\$1,315,771	-	-	\$76,810,460
		=====	=====	=====	=====	=====

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

SIGNIFICANT ACCOUNTING POLICIES CONTINUED**31ST DECEMBER 2019**

31st December 2018	Notes	On Demand	Up to 1 Year	1 to 5 Years	Over 5 Years	Total
<u>Financial Assets</u>						
Cash in Hand and at Bank	2	3,383,119	-	-	-	3,383,119
Short Term Investments	3	15,033,079	1,000,000	-	-	16,033,079
Long Term Investments	3	2,015,612	-	448,000	-	2,463,612
Members' Loans	5	59,831,630	-	-	-	59,831,630
		-----	-----	-----	-----	-----
		\$80,263,440	\$1,000,000	\$448,000	-	\$81,711,440
		=====	=====	=====	=====	=====
<u>Financial Liabilities</u>						
Members' Deposits	9	4,687,406	1,320,771	-	-	6,008,177
Members' Shares	10	65,320,524	-	-	-	65,320,524
Accounts Payable and Accruals	8	4,178,761	-	-	-	4,178,761
		-----	-----	-----	-----	-----
		\$74,186,691	\$1,320,771	-	-	\$75,507,462
		=====	=====	=====	=====	=====

(d) Operational Risk:

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

(e) 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 Republic of Trinidad and Tobago. The risk is limited to a significant extent due to the supervision applied by the Inspector of Financial Institutions at the Central Bank of Trinidad and Tobago, as well as by the monitoring controls applied by the Credit Union and the officer of the Commissioner of Co-operative Development.

(f) Reputation Risk:

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

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

SIGNIFICANT ACCOUNTING POLICIES CONTINUED

31ST DECEMBER 2019

(n) Critical Accounting Estimates and Judgements:

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

Estimates and judgments 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 Credit Union makes estimates and assumptions concerning the future. However, actual results could differ from those estimates.

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

Critical judgments and estimates with a significant risk of material adjustment in the next financial year, are as follows:

- (i) Whether investments are classified as held to maturity investments, available for sale or loan and receivables.
- (ii) Adequacy of allowances for credit losses on the basis described in significant accounting policy note (e)
- (iii) Management exercises judgement in determining whether future economic benefits can be derived from expenditures to be capitalised and in estimating the useful lives and residual values of the assets.

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31ST DECEMBER 2019

1) REGISTRATION AND OBJECTIVES

Transcorp Credit Union Society Ltd was registered under the Co-operative Societies Act of Trinidad and Tobago Ch: 81:03 on July 7, 1969.

The registered office of the Credit Union is situated at 60 Fifth Street, Barataria with branch operations in San Fernando and Scarborough, Tobago.

Its objectives are to improve the social and economic welfare of its members, encourage the spirit and practice of thrift, self-help and co-operation among its members and to promote the development of co-operative ideas.

It is governed by the laws of the Republic of Trinidad and Tobago and its Bye-Laws as adopted by members at general meetings.

The Credit Union has an 85.5% shareholding in its subsidiary Transcorp Development Company Limited.

The financial Statements of Transcorp Development Company Limited and its wholly owned subsidiary, Broadgate Place Property Company Limited, have been consolidated with those of the Credit Union.

2) CASH ON HAND AND AT BANK

	<u>2019</u>	<u>2018</u>
Cash on Hand:		
Float - Treasury	292,626	319,384
Cash at Tellers	205,906	165,296
	498,532	484,680
	=====	=====
Cash at Bank:		
First Citizens Bank Ltd Current Accounts	1,154,730	2,477,975
First Citizens Bank Ltd Savings Accounts	522,941	413,662
First Citizens Bank Ltd USD Accounts	6,785	6,802
	1,684,456	2,898,439
	=====	=====
Total Cash on Hand and at Bank	2,182,988	3,383,119

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS**31ST DECEMBER 2019****(3) INVESTMENTS****(a) Short Term Investments**

Short-Term Investments consists of mutual fund units held and corporate notes:-

	<u>2019</u>	<u>2018</u>
Financial assets at fair value through profit and loss (FVTPL)		
Mutual Fund Units:		
Trinidad and Tobago Unit Trust Corporation – Money Market Fund	3,599,189	3,226,469
Ansa Merchant Bank Limited – Income Fund	853,151	815,916
First Citizens Bank Limited – Abercrombie Fund	10,040,378	10,990,694
 <u>Financial Assets at Held-to-Maturity (Amortised Cost)</u>		
Corporate notes:		
First Line Oil Notes Limited	3,025,711	1,000,000
Less Provision for Impairment – IFRS 9	(73,565)	-
	17,444,864	16,033,079
	=====	=====

(b) Long-Term Investments

Long Term Investments consists of equity investments held at the following institutions: -

	<u>2019</u>	<u>2018</u>
<u>Financial Assets at fair value through other comprehensive income (FVOCI)</u>		
Quoted Equities		
First Citizens Bank Limited	1,975,934	1,508,370
Trinidad and Tobago NGL Limited	417,647	507,242
National Investment Fund Limited	448,000	448,000
	2,841,581	2,463,612
	=====	=====
	<u>2019</u>	<u>2018</u>

(c) Investment in Subsidiary – Transcorp Development Company Limited	8,266,106	198,073
Total Long- Term Investments	11,107,687	2,661,685
	=====	=====

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

31ST DECEMBER 2019

(4) ACCOUNTS RECEIVABLE AND PREPAYMENTS

	<u>2019</u>	<u>2018</u>
Accounts Receivable	15,165	165
Payroll Receivable	884,533	982,206
Other Receivables	79,470	60,227
Members' Loan Receivable	42,422	42,422
CUNA Death Claim Receivable	777,024	556,224
Delinquency Recoverable	24,491	24,491
	1,823,105	1,665,735
Prepayments	228,272	228,345
	2,051,377	1,894,080
	2,051,377	1,894,080

(5) MEMBERS' LOANS

	<u>2019</u>	<u>2018</u>
Loan to Members	63,863,542	61,647,867
Allowance for expected credit losses	(2,117,999)	(1,816,237)
	61,745,543	59,831,630
	61,745,543	59,831,630
Analysis of movement in provision for loan losses		
Balance at the beginning of the year	1,816,237	2,065,257
Add: Impact of initial adoption of IFRS 9	-	165,490
Add: Additional expected credit losses	301,762	-
Less: Reduction in expected credit losses	-	(414,510)
	2,117,999	1,816,237
	2,117,999	1,816,237

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

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

31ST DECEMBER 2019

(5) MEMBERS' LOANS – RISK ASSESSMENT

	Stage 1 12 month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Low Risk	57,006,663	-	-	57,006,663
Medium Risk	-	1,585,870	-	1,585,870
Sub-Standard	-	883,667	-	883,667
Doubtful	-	-	565,412	565,412
Impaired	-	-	3,821,930	3,821,930
Total gross members' loans	57,006,663	2,469,537	4,387,342	63,863,542

The table below analyses the movement of the loss allowance on Loans to members at amortised costs during the year.

	Stage 1 12 month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Loss allowance – beginning of year	1,111,503	93,442	611,292	1,816,237
Net Increase/(Decrease) due to Changes in credit risk	<u>(29,030)</u>	<u>4,095</u>	<u>326,697</u>	<u>301,762</u>
Loss allowance, end of year	<u>1,082,473</u>	<u>97,537</u>	<u>937,989</u>	<u>2,117,999</u>

6) INVESTMENT IN LAND

This represents an investment of Five (5) acres of land at Las Lomas which will be developed for the benefit of members. The land is stated at cost which approximates its Fair Value as at 31st December, 2019. The Credit Union currently has a lis pendens registered on the entire Thirteen (13) acres and has commenced enforcement against the vendor

	<u>2019</u>	<u>2018</u>
	<u>1,500,000</u>	<u>1,500,000</u>

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

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

31ST DECEMBER 2019

7) PROPERTY, PLANT & EQUIPMENT

	<u>Office Furniture & Equipment</u>	<u>Leasehold improvements</u>	<u>Computer Equipment</u>	<u>Conditioning Units</u>	<u>Motor Vehicle</u>	<u>Freehold Property</u>	<u>Land</u>	<u>Total</u>
<u>Cost</u>								
At beginning of Year	938,218	484,740	495,506	57,011	249,000	2,676,422	1,250,000	6,150,897
Additions	34,893	24,496	74,029	-	-	-	1,660,769	1,794,187
Revaluation	-	-	-	-	-	(672,422)	389,231	(283,191)
At end of Year	\$973,111	\$509,236	\$569,535	\$57,011	\$249,000	\$2,004,000	\$3,300,000	\$7,661,893
<u>Accumulated Depreciation:</u>								
At beginning of Year	649,029	314,134	319,768	35,198	171,857	200,472	-	1,690,458
Current Year charge	60,834	36,836	43,876	4,362	19,286	53,528	-	218,722
At end of Year	\$709,863	\$350,970	\$363,644	\$39,560	\$191,143	\$254,000	-	\$1,909,180
Net Book Value 31.12.2019	\$263,248	\$158,266	\$205,891	\$17,451	\$57,857	\$1,750,000	\$3,300,000	\$5,752,713

	<u>Office Furniture & Equipment</u>	<u>Leasehold Improvements</u>	<u>Computer Equipment</u>	<u>Air Conditioning Units</u>	<u>Motor Vehicle</u>	<u>Freehold Property</u>	<u>Land</u>	<u>Total</u>
<u>Cost</u>								
At beginning of Year	758,736	440,316	443,333	44,811	249,000	2,676,422	1,250,000	5,862,618
Additions	179,482	44,424	123,436	12,200	-	-	-	359,542
Disposal	-	-	(71,263)	-	-	-	-	(71,263)
At end of Year	\$938,218	\$484,740	\$495,506	\$57,011	\$249,000	\$2,676,422	\$1,250,000	\$6,150,897
<u>Accumulated Depreciation:</u>								
At beginning of Year	584,133	279,461	360,260	30,991	146,142	146,944	-	1,547,931
Current Year charge	64,896	34,673	29,837	4,207	25,715	53,528	-	212,856
Write Back on Disposal	-	-	(70,329)	-	-	-	-	(70,329)
At end of Year	\$649,029	\$314,134	\$319,768	\$35,198	\$171,857	\$200,472	-	\$1,690,458
Net Book Value 31.12.2018	\$289,189	\$170,606	\$175,738	\$21,813	\$77,143	\$2,475,950	\$1,250,000	\$4,460,439
	\$3,371,639							

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

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

31ST DECEMBER 2019

(8) ACCOUNTS PAYABLES & ACCRUALS

	<u>2019</u>	<u>2018</u>
CUNA Death Claim Payable	3,510,030	2,980,537
Provisions for Severance Gratuity	871,709	854,694
Accruals	81,488	233,892
CUNA Premiums Payable	328,531	66,204
Other Accounts Payable	145,684	43,434
	4,937,442	4,178,761
	=====	=====

(9) MEMBERS' DEPOSITS

	<u>2019</u>	<u>2018</u>
Members' Savings Deposits	2,312,478	2,670,596
Members' Special Deposits	1,191,302	1,026,645
Secured Deposits	71,225	208,163
Deposit 5	86,762	66,158
Deposit 6	803,657	658,083
Members' Fixed Deposits	1,315,771	1,320,771
Other Members' Deposits	54,954	57,761
	5,836,149	6,008,177
	=====	=====

(10) MEMBERS' SHARES

	<u>2019</u>	<u>2018</u>
Members' Shares	64,630,660	63,554,445
Members' Shares 1 and 2	1,406,209	1,766,079
	66,036,869	65,320,524
	=====	=====

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS CONTINUED**31ST DECEMBER 2019****(11) EXPENSES****(a) ADMINISTRATIVE AND OTHER**

	<u>2019</u>	<u>2018</u>
Advertising and Public Relations	25,782	61,249
Annual General Meeting	300,016	196,191
Audit fees	154,488	96,400
Cash Overage & Shortage	(692)	227
Computer Supplies/Expenses	129,144	110,905
Consultants Fees	67,540	123,852
Credit Union Week Expenses	18,612	13,785
Cuna Insurance	969,204	939,536
Donations	9,400	52,358
Electricity	38,653	35,393
Equipment Rentals	47,221	41,791
General Building Maintenance	71,288	84,469
Green Fund Levy	134,829	-
Insurance	39,612	33,838
Legal and Professional Fees	72,324	33,873
Office Expenses	77,895	88,791
Office Rent	134,500	132,000
Postage and Stamps	5,286	3,056
Repairs, Renewals and Maintenance	7,031	14,096
Security	267,371	260,110
Special Meetings/Seminar	8,245	167,989
Stablitzation Fund	34,589	-
Stationery and Printing	141,165	137,572
Storage	13,158	14,427
Subscription Fees	-	5,000
Telephone	56,473	88,239
Transportation Expenses	1,150	720
Travelling Expenses	53,829	32,386
Vehicle Expenses	26,667	18,737
Water Rates	8,532	8,532
	<hr/>	<hr/>
	2,913,312	2,795,068
	=====	=====

(b) OFFICERS AND BOARD EXPENSES

	<u>2019</u>	<u>2018</u>
Board of Directors' Expenses	41,717	73,292
Board of Directors' Subsistence	203,578	205,200
Credit Committee Expenses	16,197	18,016
Credit Committee Subsistence	66,000	66,000
Education Committee Expenses	34,335	4,998
Education Committee Subsistence	14,400	14,400
Human Resource Committee Expenses	18,695	18,983
Liaison Committee Expenses	150	-
Liaison Officers Subsistence	17,500	6,500
Marketing Committee Expenses	183,538	185,878
Supervisory Committee Expenses	2,635	3,784
Supervisory Committee Subsistence	32,400	32,400
Subsistence Transferred Account	74,411	77,194
	<hr/>	<hr/>
	\$705,556	\$706,645
	=====	=====

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

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

31ST DECEMBER 2019

(11 (c) EMPLOYEE COSTS

	<u>2019</u>	<u>2018</u>
Contract Services	-	12,278
National Insurance Employer's Contributions	138,861	145,668
Salaries and Wages	1,821,134	1,769,222
Severance Payments	95,019	100,000
Staff Grants	4,277	21,000
Staff Gratuity Expenses	85,225	53,940
Staff Training and Welfare	5,055	54,418
Staff Uniforms	-	17,776
	\$2,149,571	\$2,174,302
	=====	=====

(d) INTEREST AND BANK CHARGES

	<u>2019</u>	<u>2018</u>
Interest paid on Members' Savings	6,043	8,471
Interest paid on Members' Fixed Deposits	25,304	25,371
Bank Charges	69,000	59,334
	\$100,347	\$93,176
	=====	=====

(12) RELATED PARTIES

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

Related Parties to the Credit Union are:

Transcorp Development Company Limited – a subsidiary in which the Credit Union holds 85.5% of the shares and Key Management Personnel – Key management personal are those persons having the authority and responsibility for planning, directing and controlling the activities of the Credit Union.

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

Balances and transactions with related parties during the year were as follows:

ASSETS:

	<u>2019</u>	<u>2018</u>
Loans to Directors, Key Management Personnel and Committee Members	<u>1,671,508</u>	<u>1,486,917</u>

DEPOSITS AND OTHER LIABILITIES:

Deposits held by Directors, Key Management Personnel and Committee Members	<u>175,243</u>	<u>135,119</u>
Shares held by Directors, Key Management Personnel and Committee Members	<u>2,604,165</u>	<u>2,439,379</u>

(13) CONTINGENT LIABILITIES

As at December 31, 2019, there were no Contingent Liabilities (2018:NIL)



**TRANSCORP
CREDIT UNION**
Co-operative Society Limited

**CONSOLIDATED
FINANCIAL
STATEMENT
2019**

**47TH
ANNUAL GENERAL
MEETING REPORT**

"Transitioning into the Next Normal"

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

31ST DECEMBER 2019

HLB Montgomery & Co
Chartered Accountants
118 Abercromby Street
Port of Spain

INDEPENDENT AUDITOR'S REPORT

To The Members of Transcorp Credit Union Co-operative Society Limited

Opinion

We have audited the Consolidated Financial Statements of Transcorp Credit Union Co-operative Society Limited, which comprise the Consolidated Statement of Financial Position as at 31st December 2019, the Consolidated Statement of Profit or Loss and Other Comprehensive Income, the Consolidated Statement of Changes in Members' Funds and the Consolidated Statement of Cash Flows for the year then ended, and the notes to the Consolidated Financial Statements, including a summary of significant accounting policies.

In our opinion the accompanying Consolidated Financial Statements present fairly, in all material respects, the financial position of the Credit Union as at 31st December 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and the Co-operative Societies Act of Trinidad and Tobago.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Credit Union in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

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

Other Information included in the Credit Union's 2019 Annual Report

Management is responsible for the other information. The other information consists of the information included in the Annual Report, other than the Consolidated Financial Statements and our auditor's report thereon. The Annual Report was not made available to us before the date of this Auditor's Report.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above 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.

Not having read the Annual Report, we are unable to ascertain whether there are any material misstatements therein.

Responsibilities of Management and those charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the Consolidated Financial Statements in accordance with IFRSs, and for such internal controls 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 Consolidated Financial Statements, management is responsible for assessing the Credit Union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Credit Union or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Credit Union's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- ▶ Identify and assess the risks of material misstatement of the Consolidated 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 Credit Union'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 Credit Union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Credit Union to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

HLB Montgomery & Co.....
 HLB MONTGOMERY & CO
 22nd June, 2020
 118 Abercromby Street
 Port of Spain
 Trinidad & Tobago

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31ST DECEMBER 2019

<u>Assets</u>	<u>Notes</u>	<u>2019</u>	<u>2018</u>
Cash on Hand and at Bank	2	2,559,443	3,613,168
Short Term Investments	3	19,112,150	18,316,836
		21,671,593	21,930,004
<u>Other Assets</u>			
Work in Progress		41,574,423	-
Accounts Receivable and Prepayments	4	3,177,562	2,649,285
Members' Loans	5	61,745,543	59,831,630
Investments	3	3,209,403	2,871,727
Investment in Land	6	1,500,000	1,500,000
Fixed Assets	7	101,351,749	5,111,214
		212,558,680	71,963,856
<u>Total Assets</u>		234,230,273	\$93,893,860
<u>Liabilities and Members' Funds</u>			
<u>Liabilities</u>			
Accounts Payable and Accruals	8	5,963,257	5,302,743
Provision for Taxation		13,287	7,995
Members' Deposits	9	5,836,149	6,008,177
Members' Shares	10	66,036,869	65,320,524
		77,849,562	76,639,439
<u>Total Liabilities</u>		77,849,562	76,639,439
<u>Members' Funds and Reserves</u>			
Retained Earnings		27,547,867	4,888,270
Reserve Fund		5,818,235	5,321,475
Education Fund		1,248,158	1,061,884
Building Fund		1,624,583	1,376,203
Building Revaluation Reserve		(587,451)	(304,260)
Revaluation Reserve		96,646,482	4,447,440
Non- Controlling Interests		24,082,837	463,409
		\$156,380,711	\$17,254,421
<u>Total Members' Funds and Reserves</u>		\$156,380,711	\$17,254,421
<u>Total Liabilities and Reserves</u>		\$234,230,273	\$93,893,860

The accompanying Significant Accounting policies on pages 7 to 16 and notes on pages 16 to 24 form an integral part of these Financial Statements. These Financial Statements were authorized for issue by the Board of Directors of Transcorp Credit Union Co-operative Society Limited on 22nd June 2020.

.....  for President  Treasurer  Chairman
Supervisory-Committee

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31ST DECEMBER 2019

<u>Revenue</u>	Notes	<u>2019</u>	<u>2018</u>
Loan Interest		10,537,826	10,183,043
Investment Income		343,898	245,951
Gain on Investment		21,449,410	20,381
Dividend Income		121,348	87,636
Rental Income		124,800	1,693,994
Other Income		1,844,172	466,689
Bad Debts		3,122,680	-
		<hr/>	<hr/>
Total Revenue		37,544,134	12,697,694
		<hr/>	<hr/>
<u>Expenses</u>			
Depreciation		326,499	340,109
Administrative and other	11(a)	4,109,597	4,100,577
Officers and Board Expenses	11(b)	779,556	789,445
Employee Costs	11(c)	2,325,858	2,358,753
Interest and Bank Charges	11(d)	104,516	97,893
Expected Credit Loss (IFRS 9)		369,933	(414,510)
Impairment Loss (IFRS 9)		73,565	-
Loss on Disposal of Property, Plant & Equipment		-	934
		<hr/>	<hr/>
Total Expenses		8,089,524	7,273,201
		<hr/>	<hr/>
Income before Appropriations		29,454,610	5,424,493
Add Other Comprehensive Income Items that may not be reclassified subsequently to the Profit and Loss			
Gain on Financial Assets classified as FVOCI		450,326	-
		<hr/>	<hr/>
<u>Total Comprehensive Income</u>		\$29,904,936	\$5,424,493
Taxation		(13,164)	(15,246)
		<hr/>	<hr/>
<u>Net Income for the Year</u>		\$29,891,772	\$5,409,247
		<hr/>	<hr/>
Income Attributable to:			
Owners of the Company		26,075,635	5,405,082
Non-Controlling Interests		3,816,137	4,165
		<hr/>	<hr/>
		29,891,772	5,409,247
		<hr/>	<hr/>

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN MEMBERS' FUND AND RESERVES
FOR THE YEAR ENDED 31ST DECEMBER 2019

	Retained Earnings	Reserve Fund	Education Fund	Building Fund	Building Revaluation Reserve	Revaluation Reserve	Non Controlling Interests	Total
Balance as at 1 January 2019	4,888,270	5,321,475	1,061,884	1,376,203	(304,260)	4,447,440	463,409	17,254,421
Total Comprehensive Income	26,075,635	-	-	-	-	-	3,816,137	29,891,772
Appreciation in Value of Investments	-	-	-	-	-	450,326	-	450,326
Revaluation of Assets	-	-	-	-	(283,191)	91,748,716	19,803,291	111,268,816
	30,963,905	5,321,475	1,061,884	1,376,203	(587,451)	96,646,482	24,082,837	158,865,335
10% to Reserve Fund	(496,760)	496,760	-	-	-	-	-	-
5% to Education Fund	(248,380)	-	248,380	-	-	-	-	-
5% to Building Fund	(248,380)	-	-	248,380	-	-	-	-
Honorarium Paid for 2018	-	-	-	-	-	-	-	-
Educational Fund Expenses	(92,233)	-	-	-	-	-	-	(92,233)
Dividend Paid -2018	-	-	(62,106)	-	-	-	-	(62,106)
Rebate Paid - 2018	(2,140,463)	-	-	-	-	-	-	(2,140,463)
	(189,822)	-	-	-	-	-	-	(189,822)
Balance as at 31st December, 2019	\$27,547,867	\$5,818,235	\$1,248,158	\$1,624,583	(587,451)	\$96,646,482	\$24,082,837	\$156,380,711
	Retained Earnings	Reserve Fund	Education Fund	Building Fund	Building Revaluation Reserve	Revaluation Reserve	Non Controlling Interests	Total
Balance as at 1 January 2018	,746,816	4,783,423	851,388	1,107,177	(304,260)	4,412,019	459,244	15,055,807
Impact on Initial Adoption of IFRS9	(165,490)	-	-	-	-	-	-	(165,490)
Balance as at 1 January 2018	3,581,326	4,783,423	851,388	1,107,177	(304,260)	4,412,019	459,244	14,890,317
Total Comprehensive Income	5,405,082	-	-	-	-	-	4,165	5,409,247
Unrealised Gain on Investment	-	-	-	-	-	35,421	-	35,421
	(538,052)	538,052	-	-	-	-	-	-
10% to Reserve Fund	-	-	-	-	-	-	-	-
5% to Education Fund	(269,026)	-	269,026	-	-	-	-	-
5% to Building Fund	(269,026)	-	-	269,026	-	-	-	-
Honorarium Paid for 2018	(98,467)	-	-	-	-	-	-	(98,467)
Educational Fund Expense	-	-	(58,530)	-	-	-	-	(58,530)
Dividend Paid -2018	-	-	-	-	-	-	-	-
	(2,923,567)	-	-	-	-	-	-	(2,923,567)
Balance as at 31st December, 2018	\$4,888,270	\$5,321,475	\$1,061,884	\$1,376,203	\$(304,260)	\$4,447,440	\$463,409	\$17,254,421

**TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2019**

<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	<u>2019</u>	<u>2018</u>
Net Surplus for the Year	29,904,936	5,424,493
Adjustments for items not involving the movement of funds:		
Depreciation	326,499	340,109
Loss on Disposal of Property, Plant and Equipment	-	934
Provision for Loan Loss	369,933	(414,510)
Provision for Impairment of Investments	73,565	35,421
Bad Debts	(3,122,680)	-
Gain on Investments	(21,449,410)	-
	<hr/>	<hr/>
<u>Operating Surplus before Changes in Working Capital</u>	6,102,843	5,386,447
<u>CHANGES IN WORKING CAPITAL</u>		
Increase in Accounts Receivables and Prepayments	(528,277)	(967,153)
Increase in Accounts Payable and Accruals	660,514	1,044,659
	<hr/>	<hr/>
<u>Net Cash from Operating Activities</u>	6,235,080	5,463,953
<u>Taxation Paid</u>	(7,872)	(16,929)
	<hr/>	<hr/>
<u>Cash Flows from Investing Activities</u>		
Purchase of Property, Plant & Equipment	(1,850,225)	(393,889)
Members' Loans	(2,283,846)	3,348,055
Increase in Long-Term Investments	(337,676)	(681,176)
	<hr/>	<hr/>
<u>Net Cash from Investing Activities</u>	(4,471,747)	(2,272,990)
<u>Cash Flows from Financing Activities</u>		
(Decrease)/ Increase in Member Deposits	(172,028)	169,018
Increase in Member Shares	716,345	980,445
Education Expenses Paid	(62,106)	(58,530)
Honorarium Paid	(92,233)	(98,467)
Dividend Paid	(2,140,463)	(2,923,567)
Rebate Paid	(189,822)	-
	<hr/>	<hr/>
<u>Net Cash from Financing Activities</u>	(1,940,307)	(1,931,101)
Net (Decrease)/Increase in Cash	(184,846)	5,788,913
Cash Resources at beginning of the year	21,930,004	16,141,091
	<hr/>	<hr/>
Cash Resources at end of year	21,745,158	2,272,990
	=====	=====
<u>REPRESENTED BY</u>		
Cash in Hand and at Bank	2,559,443	3,613,168
Short Term Investments	19,185,715	18,316,836
	<hr/>	<hr/>

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES

31ST DECEMBER 2019

The significant accounting policies in these financial statements have been applied consistently to all periods presented in the financial statements unless otherwise stated.

(a) Basis of Preparation

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), and are stated in Trinidad and Tobago dollars which is the functional currency and rounded to the nearest whole dollar. Changes to significant accounting policies are described in Note 2(d). These financial statements are stated on the historical cost basis, except for the measurement at fair value or amortised cost of certain financial instruments and property.

(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 judgment in the process of applying the Credit Union's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent 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) Adoption of New and Revised IFRSs and IFRICs

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after 1 January, 2019, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Credit Union, except for IFRS 16 (Leases), (effective for accounting periods beginning on or after 1 January, 2019) and could change the classification and measurement of financial assets. The Credit Union does not plan to adopt this standard early and the extent of the impact has not been determined.

(d) Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation. Depreciation is provided at the following rates considered appropriate to write off the assets over their estimated useful lives:

Vehicle	-	25% on the reducing balance
Furniture and Office Equipment	-	20% on the reducing balance
Furniture and Fixtures	-	20% on the reducing balance
Computers and Accessories	-	20% on the reducing balance
Air condition Units	-	20% on the reducing balance
Building	-	2% on the straight-line basis

No depreciation is provided on Land.

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

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES CONTINUED

31ST DECEMBER 2019

(d) Property, Plant and Equipment (Continued)

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the Statement of Comprehensive Income.

(e) Financial Instruments

Financial Instruments carried on the statement of financial position include cash and cash equivalents, investments, investment securities, loans to members, accounts receivable, accounts payable, members' deposits and members' share savings. The standard treatment for recognition, derecognition, classification and measurement of financial instruments is described in notes (i)-(vii) below.

(i) Recognition and initial measurement

The Credit Union initially recognizes financial instruments on the date on which they are originated.

A financial asset or financial liability, except for an item not at FVTPL, is measured initially at fair value plus transaction costs that are directly attributable to its acquisition or issue.

The Credit Union measures fair value in accordance with IFRS 13, which defines fair value as the price that would be received to sell an asset or paid to transfer in an orderly transaction between market participants at the measurement date.

(ii) Subsequent measurement

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

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

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

(iii) Modification and Derecognition of Financial Assets

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

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES CONTINUED

31ST DECEMBER 2019

(e) (iii) Modification and Derecognition of Financial Assets(cont'd)

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

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

(i) Classification

From 1 January, 2018, the Credit Union classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost, as explained in note 2(d);
- FVOCI, as explained in note 2 (d);
- FVTPL

The Credit Union only measures cash and cash equivalents and loans to members and other financial investments at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. The details of these conditions are outlined below.

Business model assessment

The Credit Union determined its business model at a level that best reflects how the Credit Union manages its financial assets to achieve its business objective.

The business model is assessed based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Credit Union's original expectation, the Credit union does not change the classification of the remaining financial

assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The SPPI test

As a second step of its classification process the Credit Union assesses the contractual terms of financial instruments to identify whether they represent solely payments of principal and interest (the SPPI test).

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

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES CONTINUED

31ST DECEMBER 2019

(e) (iv) Classification (cont'd)

Financial assets or financial liabilities held for trading

The Credit Union classifies assets or financial liabilities as held for trading when they have been purchased or issued primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is evidence of a recent pattern of short-term profit taking. Held-for-trading assets and liabilities are recorded and measured at the statement of financial position at fair value. Changes in fair value are recognized in net trading income. Interest and dividend income or expense is recorded in net trading income according to the terms of the contract, or when the right to payment has been established.

(i) Reclassification

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

(ii) Impairment

Financial assets at amortised costs are impaired at one of two levels:

- (1) Twelve-months Expected Credit loss (ECL) – these are losses that result from default events that are possible within twelve months after the reporting date. Such financial assets are at 'Stage 1'.
- (2) Lifetime ECL – These are losses that result from all possible default events over the life of the financial instrument. Such financial assets are at 'Stage 2' or 'Stage 3'.
A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition.

For all other financial instruments, ECLs are measured at an amount equal to the twelve-month ECL.

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

Measurement of ECL

The key inputs used for measuring ECL are:

- (i) Probability of default (PD);
- (ii) Loss given default (LGD); and
- (iii) Exposure at default (EAD)

The Credit Union measures ECL on an individual basis for all loans. The Credit Union's financial instruments are grouped on the basis of shared risk characteristics such as:

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

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

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

CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES CONTINUED

31ST DECEMBER 2019

(e) (vi) Impairment (cont'd)

Performing financial assets – Stage 1

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

Significant increase in credit risk – Stage 2

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

Credit-impaired financial assets – Stage 3

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

- (i) significant financial difficulty of the borrower or issuer;
- (ii) a breach of contract such as a default or past due event;
- (iii) the disappearance of an active market for a security because of financial difficulties; or
- (iv) the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

The Credit Union assesses whether debt instruments that are financial assets measured at amortised cost are credit-impaired at each reporting date. There is a rebuttable presumption that financial assets that are in default for more than ninety (90) days are credit impaired. The Credit Union also considers a financial asset to be credit impaired if the borrower is unlikely to pay its credit obligation. To determine this, the Credit Union takes into account both qualitative indicators such as unemployment, bankruptcy, divorce or death and quantitative indicators such as overdue status.

The Credit Union uses its historical experience and forward-looking information that is available without undue cost or effort. If there has been a significant increase in credit risk, the Credit Union will measure the loss allowance based on lifetime rather than twelve-month ECL.

Cash and Cash Equivalents

While cash and cash equivalents are also subjected to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Write off

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

Collateral held as security

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

General Loans	Shares in the Credit Union
Mortgage Lending	Deed of Mortgage on property
Vehicle Loans	Deed of Mortgage on vehicle

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES CONTINUED

31ST DECEMBER 2019

(e) (vi) Impairment (cont'd)

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

Assets obtained by taking possession of collateral

The Credit Union did not obtain any assets during the year by taking possession of collateral held as security against loans held at the year end.

(i) Financial Liabilities

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

(f) Investment in subsidiary

The investment was initially recognized at cost and subsequently carried at cost plus transaction costs.

(g) Revenue Recognition

Loan Interest

Interest charged on all loans to members is calculated on the outstanding balance at the end of each month at rates varying between 0.75% and 1.5 % per month. Loan interest is accounted for on accruals basis.

Investment Income

Income from investments is accounted for on the accruals basis except for dividends, which are accounted for on a cash basis.

(h) Foreign Currency

Monetary assets and liabilities denominated in foreign currencies are expressed in Trinidad and Tobago dollars at rates of exchange ruling at the Statement of Financial Position date. All revenue and expenditure transactions denominated in foreign currencies are translated at the average rate and the resulting profits and losses on exchange from these trading activities are recorded in the Statement of Comprehensive Income.

(i) Dividends payable to members

Dividends are computed on a weighted average value of shares held throughout the year, the weighted average being determined on the basis of the value of shares held at the end of each month. Dividends that are proposed and declared after the statement of financial position dates are not shown as a liability but are disclosed as a note to the financial statements.

(j) Comparative Figures

Certain changes in the presentation have been made during the year and comparative figures have been restated accordingly.

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES CONTINUED

31ST DECEMBER 2019

(k) Provisions

Provisions are recognized for liabilities of uncertain timing or amounts that have been arisen as a result of past transactions, including legal or constructive obligations. The provision is measured at the best estimate of expenditure required to settle the obligation at the reporting date.

(l) Credit Union Policies

The governance policies of the Credit Union include the following:

(i) Reserve Fund

In accordance with Bye-Law 30, of the Credit Union and the Co-operative Society Act, 1971 Section 47, (2) at least 10% of the net surplus of Credit Union for the year is to be transferred to a Reserve Fund. All losses sustained through extraordinary circumstances over which the Credit Union has no control may, with the approval of the Commissioner of Co-operative Development be written off, in the Reserve Fund.

(ii) Education Fund

In accordance with Bye-Laws 11 and 31 of the Credit union, an amount of not less than 5% of the net surplus for the year, may be credited to an Education Fund. This fund is to be used for education purposes.

(iii) Dividends

Dividends are recommended by the Board of Directors and confirmed by the members at the Annual General Meeting. Dividends are computed on the basis of the number of shares in issue at the end of each month. The Board of Directors has proposed a dividend of 5% for the year ended December 31, 2019 to be paid to members when approved. Additionally, an interest rebate of 2% on the interest paid by a member for loans taken during the period January 1, 2019 to December 31, 2019 will be given.

(m) Financial Risk Management

The Credit Union's activities are primarily related to the use of financial instruments and involve the analysis, evaluation, acceptance and management of some degree of risk or a combination of risks. Taking risks is core to the financial business, and the operational risks are inevitable consequences of being in business.

The Credit Union is exposed to credit risk, compliance risk, interest rate risk, liquidity risk, operational risk, and reputation risk in the course of its operations. The risk management policies employed by the Credit Union to manage these risks are as follows:

(a) Credit Risk

The Credit Union is exposed to credit risk, which is the risk that a member (s) will cause a financial loss for the Credit Union by failing to discharge an obligation.

Credit Risk is the most important risk for the Credit Union which principally arises in lending activities that lead to loans and other financing. In order to effectively manage credit risks the following are considered:

- (i) Proper judgement of the credit worthiness of the member when analyzing the loan application;
- (ii) Adequate collateral held as security for funds advanced;
- (iii) Maintenance of a strict and aggressive collection policy;

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES CONTINUED**31ST DECEMBER 2019****(m) Financial Risk Management (cont'd)**

- (i) Maintenance of a prudent loan provisioning policy;
- (ii) Regular reporting to the Board of Directors on the performance of the loan portfolio.

(a) Interest Rate Risk:

The Interest Rate risk is the risk that arises from the possibility that changes in the market rates will affect future cash flows or the fair values of financial instruments. The Credit Union is exposed to interest rate risks on fixed deposits and money market investments that can experience fluctuations on interest rates currently or upon reinvestment after maturity.

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

(b) Liquidity Risk:

Liquidity risk is the risk that the Credit Union will be unable to meet its payment obligations when they fall due under normal and stressed circumstances. Through experience and monitoring, the Credit Union is able to maintain sufficient liquid resources to meet current obligations.

Liquidity Gap

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

31st December 2019	Notes	On Demand	Up to 1 Year	1 to 5 Years	Over 5 Years	Total
<u>Financial Assets</u>						
Cash in Hand and at Bank	2	2,182,988	-	-	-	2,182,988
Short Term Investments	3	14,419,153	3,025,711	-	-	17,444,864
Long Term Investments	3	2,393,581	-	448,000	-	2,841,581
Members' Loans	5	61,745,543	-	-	-	61,745,543
		\$80,741,265	\$3,025,711	\$448,000	-	\$84,214,976
		=====	=====	=====	=====	=====
<u>Financial Liabilities</u>						
Members' Deposits	9	4,520,378	1,315,771	-	-	5,836,149
Members' Shares	10	66,036,869	-	-	-	66,036,869
Accounts Payable and Accruals	8	4,937,442	-	-	-	4,937,442
		\$75,494,689	\$1,315,771	-	-	\$76,810,460
		=====	=====	=====	=====	=====

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES CONTINUED**31ST DECEMBER 2019**

31st December 2018	Notes	On Demand	Up to 1 Year	1 to 5 Years	Over 5 Years	Total
<u>Financial Assets</u>						
Cash in Hand and at Bank	2	3,383,119	-	-	-	3,383,119
Short Term Investments	3	15,033,079	1,000,000	-	-	16,033,079
Long Term Investments	3	2,015,612	-	448,000	-	2,463,612
Members' Loans	5	59,831,630	-	-	-	59,831,630
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		\$80,263,440	\$1,000,000	\$448,000	-	\$81,711,440
		<hr/> <hr/>				
<u>Financial Liabilities</u>						
Members' Deposits	9	4,687,406	1,320,771	-	-	6,008,177
Members' Shares	10	65,320,524	-	-	-	65,320,524
Accounts Payable and Accruals	8	4,178,761	-	-	-	4,178,761
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		\$74,186,691	\$1,320,771	-	-	\$75,507,462
		<hr/> <hr/>				

(d) **Operational Risk:**

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

(e) **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 Republic of Trinidad and Tobago. The risk is limited to a significant extent due to the supervision applied by the Inspector of Financial Institutions at the Central Bank of Trinidad and Tobago, as well as by the monitoring controls applied by the Credit Union and the officer of the Commissioner of Co-operative Development.

(f) **Reputation Risk:**

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

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31ST DECEMBER 2019

1) REGISTRATION AND OBJECTIVES

Transcorp Credit Union Society Ltd was registered under the Co-operative Societies Act of Trinidad and Tobago Ch: 81:03 on July 7, 1969.

The registered office of the Credit Union is situated at 60 Fifth Street, Barataria with branch operations in San Fernando and Scarborough, Tobago.

Its objectives are to improve the social and economic welfare of its members, encourage the spirit and practice of thrift, self-help and co-operation among its members and to promote the development of co-operative ideas.

It is governed by the laws of the Republic of Trinidad and Tobago and its Bye-Laws as adopted by members at general meetings.

The Credit Union has an 85.5% shareholding in its subsidiary Transcorp Development Company Limited.

The financial Statements of Transcorp Development Company Limited and its wholly owned subsidiary, Broadgate Place Property Company Limited, have been consolidated with those of the Credit Union.

2) CASH ON HAND AND AT BANK

	<u>2019</u>	<u>2018</u>
Cash on Hand	498,995	485,144
Cash at Bank	2,060,448	3,128,024
Total Cash on Hand and at Bank	2,559,443	3,613,168
	=====	=====

3) INVESTMENTS

(a) Short Term Investments

Short-Term Investments consists of mutual fund units held and corporate notes:-

	<u>2019</u>	<u>2018</u>
Financial assets at fair value through profit and loss (FVTPL)		
Mutual Fund Units:		
Trinidad and Tobago Unit Trust Corporation – Money Market Fund	3,599,189	3,402,737
Ansa Merchant Bank Limited – Income Fund	853,151	815,916
First Citizens Bank Limited – Abercrombie Fund	11,199,718	13,098,183
Firstline Securities Limited – Discounted Invoices	507,946	-
<u>Financial Assets at Held-to-Maturity (Amortised Cost)</u>		
Corporate notes:		
First Line Oil Notes Limited	3,025,711	1,000,000
Less Provision for Impairment – IFRS 9	(73,565)	-
	19,112,150	18,316,836
	=====	=====

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31ST DECEMBER 2019

3) INVESTMENTS CONTINUED

(b) Long-Term Investments

Long Term Investments consists of equity investments held at the following institutions: -

<u>Financial Assets at fair value through other comprehensive income (FVOCI)</u>	<u>2019</u>	<u>2018</u>
Quoted Equities		
First Citizens Bank Limited	1,975,934	1,508,370
Trinidad and Tobago NGL Limited	605,469	735,357
National Investment Fund Limited	628,000	628,000
Total Investment in Instruments	<u>3,209,403</u>	<u>2,871,727</u>

(4) ACCOUNTS RECEIVABLE AND PREPAYMENTS

	<u>2019</u>	<u>2018</u>
Accounts Receivable	582,640	433,044
Payroll Receivable	884,533	982,206
Other Receivables	635,271	379,852
Members' Loan Receivable	42,422	42,422
CUNA Death Claim Receivable	777,024	556,224
Delinquency Recoverable	24,491	24,491
	<u>2,946,381</u>	<u>2,418,239</u>
Prepayments	231,181	231,046
Total Accounts Receivable and Prepayments	<u>3,177,562</u>	<u>2,649,285</u>

(5) MEMBERS' LOANS

	<u>2019</u>	<u>2018</u>
Loan to Members	63,863,542	61,647,867
Allowance for expected credit losses	(2,117,999)	(1,816,237)
Total loans net of expected credit losses	<u>61,745,543</u>	<u>59,831,630</u>
Analysis of movement in provision for loan losses		
Balance at the beginning of the year	1,816,237	2,065,257
Add: Impact of initial adoption of IFRS 9	-	165,490
Add: Additional expected credit losses	301,762	-
Less: Reduction in expected credit losses	-	(414,510)
Balance at the end of year	<u>2,117,999</u>	<u>1,816,237</u>

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

31ST DECEMBER 2019

(5) MEMBERS' LOANS

	<u>2019</u>	<u>2018</u>
Loan to Members	63,863,542	61,647,867
Allowance for expected credit losses	(2,117,999)	(1,816,237)
	<hr/>	<hr/>
Total loans net of expected credit losses	61,745,543	59,831,630
	<hr/> <hr/>	<hr/> <hr/>
Analysis of movement in provision for loan losses		
Balance at the beginning of the year	1,816,237	2,065,257
Add: Impact of initial adoption of IFRS 9	-	165,490
Add: Additional expected credit losses	301,762	-
Less: Reduction in expected credit losses	-	(414,510)
	<hr/>	<hr/>
Balance at the end of year	2,117,999	1,816,237
	<hr/> <hr/>	<hr/> <hr/>

(5) MEMBERS' LOANS – RISK ASSESSMENT

	Stage 1 12 month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Low Risk	57,006,663	-	-	57,006,663
Medium Risk	-	1,585,870	-	1,585,870
Sub-Standard	-	883,667	-	883,667
Doubtful	-	-	565,412	565,412
Impaired	-	-	3,821,930	3,821,930
	<hr/>			
Total gross members' loans	57,006,663	2,469,537	4,387,342	63,863,542
	<hr/> <hr/>			

The table below analyses the movement of the loss allowance on Loans to members at amortised costs during the year

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

31ST DECEMBER 2019

(5) MEMBERS' LOANS – RISK ASSESSMENT CONTINUED

	Stage 1 12 month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Loss allowance – beginning of year	1,111,503	93,442	611,292	1,816,237
Net Increase/(Decrease) due to Changes in credit risk	(29,030)	4,095	326,697	301,762
Loss allowance, end of year	1,082,473	97,537	937,989	2,117,999

6) INVESTMENT IN LAND

This represents an investment of Five (5) acres of land at Las Lomas which will be developed for the benefit of members. The land is stated at cost which approximates its Fair Value as at 31st December, 2019. The Credit Union currently has a lis pendens registered on the entire Thirteen (13) acres and has commenced enforcement against the vendor

2019	2018
<u>1,500,000</u>	<u>1,500,000</u>

7) PROPERTY, PLANT & EQUIPMENT

	<u>Office Furniture & Equipment</u>	<u>Leasehold improvements</u>	<u>Computer Equipment</u>	<u>Air Conditioning Units</u>	<u>Motor Vehicle</u>	<u>Freehold Property</u>	<u>Land</u>	<u>Total</u>
Cost								
At beginning of Year	1,674,438	647,328	672,820	57,011	473,886	2,676,422	1,250,000	7,451,905
Additions	79,541	22,889	87,027	-	-	-	1,660,769	1,850,226
Revaluation	-	-	-	-	-	(672,422)	389,231	(283,191)
Reinstated	-	-	-	-	-	-	95,000,000	95,000,000
At end of Year	\$1,753,979	\$670,217	\$759,847	\$57,011	\$473,886	\$2,004,000	\$98,300,000	\$104,018,940
Accumulated Depreciation:								
At beginning of Year	1,100,119	250,626	484,033	35,198	270,244	200,472	-	2,340,692
Current Year charge	126,764	40,545	50,389	4,362	50,911	53,528	-	326,499
At end of Year	\$1,226,883	\$291,171	\$534,422	\$39,560	\$321,155	\$254,000	-	\$2,667,191
Net Book Value 31.12.2019	\$527,096	\$379,046	\$225,425	\$17,451	\$152,731	\$1,750,000	\$98,300,000	\$101,351,749

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

31ST DECEMBER 2019

7) PROPERTY, PLANT & EQUIPMENT CONTINUED

	<u>Office Furniture & Equipment</u>	<u>Leasehold Improvements</u>	<u>Computer Equipment</u>	<u>Air Conditioning Units</u>	<u>Motor Vehicle</u>	<u>Freehold Property</u>	<u>Land</u>	<u>Total</u>
<u>Cost</u>								
At beginning of Year	1,416,187	647,328	621,241	44,811	473,886	2,676,422	1,250,000	7,129,875
Additions	258,253	-	123,436	12,200	-	-	-	393,889
Disposal	-	-	(71,263)	-	-	-	-	(71,263)
At end of Year	\$1,674,440	\$647,328	\$673,414	\$57,011	\$473,886	\$2,676,422	\$1,250,000	\$7,452,501
<u>Accumulated Depreciation:</u>								
At beginning of Year	966,064	206,548	518,597	30,991	202,363	146,944	-	2,071,507
Current Year charge	134,054	44,078	36,361	4,207	67,881	53,528	-	340,109
Write Back on Disposal	-	-	(70,329)	-	-	-	-	(70,329)
At end of Year	\$1,100,118	\$250,626	\$484,629	\$35,198	\$270,244	\$200,472	-	\$2,341,287
<u>Net Book Value 31.12.2018</u>	\$574,322	\$396,702	\$188,785	\$21,813	\$203,642	\$2,475,950	\$1,250,000	\$5,111,214
	\$3,371,639							

(8) ACCOUNTS PAYABLES & ACCRUALS

	<u>2019</u>	<u>2018</u>
CUNA Death Claim Payable	3,510,030	2,980,537
CUNA Premiums Payable	328,531	66,204
Accruals	81,488	137,852
Provisions for Severance Gratuity	871,709	854,695
Other Accounts Payable	1,171,499	1,263,455
Total Accounts Payable and Accrual	5,963,257	5,302,743

(9) MEMBERS' DEPOSITS

	<u>2019</u>	<u>2018</u>
Members' Savings Deposits	2,312,478	2,670,596
Members' Special Deposits	1,191,302	1,026,645
Secured Deposits	71,225	208,163
Deposit 5	86,762	66,158
Deposit 6	803,657	658,083
Members' Fixed Deposits	1,315,771	1,320,771
Other Members' Deposits	54,954	57,761
Total Members' Deposits	5,836,149	6,008,177

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

31ST DECEMBER 2019

(10) MEMBERS' SHARES

	<u>2019</u>	<u>2018</u>
Members' Shares	64,630,660	63,554,445
Members' Shares 1 and 2	1,406,209	1,766,079
Total Members' Shares	66,036,869	65,320,524

(11) EXPENSES

(a) ADMINISTRATIVE AND OTHER

	<u>2019</u>	<u>2018</u>
Advertising and Public Relations	26,782	61,249
Annual General Meeting	300,016	196,191
Audit fees	218,070	123,290
Bad Debts	-	287,344
Car park Expenses	106,246	146,556
Cash Overage & Shortage	(692)	-
Computer Supplies/Expenses	129,144	110,905
Consultants Fees	67,540	123,852
Credit Union Week Expenses	18,612	13,785
Cuna Insurance	969,204	939,536
Donations	9,400	62,358
Electricity	82,009	83,408
Equipment Rentals	47,221	41,791
General Building Maintenance	71,288	100,869
General Insurance	51,788	47,274
Green Fund Levy	134,829	-
Legal and Professional Fees	368,558	263,773
Loss on Investment	40,293	-
Management Charges	94,871	150,400
Meeting Expenses	16,827	1,960
Office Expenses	128,556	114,435
Office Rent	216,100	200,800
Postage and Stamps	27,236	15,103
Repairs, Renewals and Maintenance	29,338	14,096
Security	470,796	483,810
Special Meetings/Seminar	8,245	164,570
Stabilization Fund	34,589	-
Stamp Duty	67,000	-
Stationery and Printing	152,744	145,421
Storage	18,037	19,749
Subscription Fees	-	5,000
Telephone	76,811	103,353
Transportation Expenses	1,150	720
Travelling Expenses	53,829	32,386
Vehicle Expenses	48,645	29,108
Water Rates	24,515	17,485
	4,109,597	4,100,577

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

31ST DECEMBER 2019

11 (b) OFFICERS AND BOARD EXPENSES

	<u>2019</u>	<u>2018</u>
Board of Directors' Subsistence	277,578	288,000
Board of Directors' Expenses	41,717	73,292
Credit Committee Subsistence	66,000	66,000
Credit Committee Expenses	16,197	18,016
Supervisory Committee Subsistence	32,400	32,400
Supervisory Committee Expenses	2,635	3,784
Subsistence Transferred Account	74,411	77,194
Education Committee Subsistence	18,695	18,983
Education Committee Expenses	34,335	14,400
Human Resource Committee Expenses	14,400	4,998
Marketing Committee Expenses	183,538	185,878
Liaison Officers Subsistence	17,500	6,500
Liaison Committee Expenses	150	-
	\$779,556	\$789,445
	=====	=====

(11 (c) EMPLOYEE COSTS

	<u>2019</u>	<u>2018</u>
Contract Services	-	12,277
National Insurance Employer's Contributions	151,665	163,972
Salaries and Wages	1,973,888	1,932,370
Severance Payments	95,019	100,000
Staff Grants	4,277	21,000
Staff Gratuity Expenses	85,225	53,940
Staff Training and Welfare	15,784	57,418
Staff Uniforms	-	17,776
	\$2,325,858	\$2,358,753
	=====	=====

11 (d) INTEREST AND BANK CHARGES

	<u>2019</u>	<u>2018</u>
Interest paid on Members' Savings	6,043	8,472
Interest paid on Members' Fixed Deposits	25,304	25,371
Bank Charges	73,169	63,745
Interest and Penalties	-	305
	\$104,516	\$97,893
	=====	=====

TRANSCORP CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

31ST DECEMBER 2019

(12) RELATED PARTIES

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

Related Parties to the Credit Union are:

Transcorp Development Company Limited – a subsidiary in which the Credit Union holds 85.5% of the shares and Key Management Personnel – Key management personal are those persons having the authority and responsibility for planning, directing and controlling the activities of the Credit Union.

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

Balances and transactions with related parties during the year were as follows:

ASSETS:	<u>2019</u>	<u>2018</u>
Loans to Directors, Key Management Personnel and Committee Members	<u>1,486,917</u>	<u>1,486,917</u>
<u>DEPOSITS AND OTHER LIABILITIES:</u>		
Deposits held by Directors, Key Management Personnel and Committee Members	<u>135,119</u>	<u>135,119</u>
Shares held by Directors, Key Management Personnel and Committee Members	<u>2,439,379</u>	<u>2,439,379</u>

(13) CONTINGENT LIABILITIES

As at December 31, 2019, there were no Contingent Liabilities (2018:NIL)



**TRANSCORP
CREDIT UNION**
Co-operative Society Limited

NOMINATION COMMITTEE REPORT

**47TH
ANNUAL GENERAL
MEETING REPORT**

"Transitioning into the Next Normal"

COVID-19 brought many challenges to the Credit Union's business operations. However, the Board of Directors endeavoured to maintain business continuity, protecting the workforce and the membership while abiding with legal and regulatory requirements for physical and social distancing as they were broadcasted.

The Credit Union employed resilient methods that allowed management to mitigate identified risks and take necessary measures to ensure that business operations continue to function. In so doing the Board of Directors were forced to address various challenges and disavow traditional methods for several of our standard operating procedures by embracing technology and other innovative ways to better serve the membership which included recruitment of nominees to serve on different Committees of the organisation.

As we navigated through the many challenges which arose due to the COVID-19 pandemic crisis, the Nomination Committee of the Board of Directors were able to rise above those challenges to ensure the mandate of evaluating and examining the skills set and characteristics of candidates required by the Society to serve on Board of Directors and Committees are maintained.

1.0 COMMITTEE COMPOSITION:

During the month of February 2020, the following Directors/Member were appointed to the Nomination Committee (hereafter referred to as the "Committee") by the Board of Directors pursuant to **Article 17** of the Society's Bye Laws:

- i) Mrs. Gemma Bowen – Chairman
- ii) Mr. Carlton Jackson – Secretary
- iii) Mr. Brian Johnson – Member

2.0 CRITERIA FOR NOMINATION:

2.1 The Nomination Committee is mandated with the task of screening aspiring members' eligibility to be nominated as Officers of the Society's Board of Directors, Credit Committee and Supervisory Committee respectively, in accordance to **Bye Law 17**.

2.2 In assessing the nominees, the Committee determined the suitability of each nominee in accordance with the "fit and proper guidelines" stipulated under **Bye Law 17 (IV)** hereunder:

"Every individual who is or is to be a member of the Board of Directors or Officer of the Society must be a "Fit and Proper" individual to hold the particular position which he holds or is to hold in accordance with the policies of the Society as determined by the Board of Directors and/or general membership from time to time".

2.3 Further, the Committee also sought the guidance of **Bye Law 18, 20, 23, 24, and 25** regarding the duties and functions of the Board of Directors, Credit Committee and Supervisory Committee respectively, where each nominee is required to adhere to following:

1. *Must be a member of the Society for no less than 3 years.*
2. *Must have a minimum shareholding of twenty thousand dollars (\$20,000.00).*

2.4 The Committee also considered the "**Fit and Proper**" guidelines of the Central Bank of Trinidad and Tobago's first issued in May 2005 and later revised in February 2019.

3.0 PROCESS OF SELECTION

- 3.1 The Society issued nomination notices via our social media platforms including our Facebook page, print media, internal notice boards and at our various branches.
- 3.2 Nomination forms coupled with compliance documents were examined by the Committee. Nominees were interviewed via telephone as the only option available due the COVID 19 Pandemic restrictions for social interactions. Telephone interviews with Nominees took place over the period May to November, 2020.
- 3.3 Communication with each nominee lasted approximately fifteen minutes. Several questions were posed to nominees in areas of their respective expertise, experience, qualifications, intended contributions or past contribution to the Society. The principles of collective responsibilities including time, commitment, capability, suitability, competency, expectation, and foresight were also taken into consideration as it relates to their vision for the upliftment and enhancement of the Society.

Additionally, Members were assessed in the following requisite areas:

- i. Deportment and delivery
- ii. Financial prosperity
- iii. Ambition and foresight.

4.0 AMENDMENT TO BYE LAWS:

- 4.1 The Society's membership is reminded that at its 48th Annual General Meeting 2018, a resolution regarding amendment to Bye Law 18, Subsection B "Composition" of the Board of Directors resolved to change the composition of the Board of Directors from twelve (12) to nine (9).
- 4.2 The proposed amendment to Bye Law 18B was amended as follows: -
- **The Board of Directors shall consist of nine (9) members to serve for a term of three (3) years and be elected at an Annual General Meeting.**
 - **Provided that at the first General Meeting of the Society to be held after approval of these Bye-Laws, one-third of the members of the Board of Directors shall be elected to serve until the first Annual General Meeting, one-third of the members to serve until the second Annual General Meeting, and one-third of the members to serve until the third Annual General meeting. Thereafter all elections shall be terms of three (3) years.**

- 4.3 Members are advised that all resolutions and or amendments to the Bye Laws must be approved by the Commissioner of Co-operative, Co-operative Division of the Ministry of Labour prior to being effected.
- 4.4 The Committee also reminds you, our members, that this amended was recommended by the Board of Directors and approved by our membership based on a proposed mechanism for reduction of number of Directors. The mechanism proposed to be adopted is that of an incremental reduction in the number of vacant positions to be elected to the Board of Directors by one (1) each year for three (3) successive Annual General Meetings commencing in the 2020 until the total number of serving Directors are reduced to nine (9) in 2022. Thereafter, the number of positions deemed vacant to be elected each year shall be three (3).
- 4.5 Members are advised that as at the date of this Report, notwithstanding being written to and requested on at least two (2) occasions, the Society is yet to receive the approval of the Commissioner of Co-operative.
- 4.6 Having regard to the above, members are advised that 18B, as is, remains until and or unless our proposed amendment is approved by the Commissioner of Co-operative.

4.0 NOMINEES AND VACANCIES:

- 5.1 Members are guided to the **Bye Laws 17 (iii)** which disallows nomination of members from the floor at the Annual General Meeting save and except where such is deemed necessary for the proper constitution of the Board of Directors or Committees.
- 5.2 Over the nomination period, the following nominees were categorised as follows:
- 5.2.1 BOARD OF DIRECTORS**
Six (06) Nominees
- 5.2.2 CREDIT COMMITTEE**
Seven (07) Nominees
- 5.2.3 SUPERVISORY COMMITTEE**
Five (05) Nominee
- 5.3 Members are required select and elect nominees for the following vacancies:
- 5.3.1 BOARD OF DIRECTORS**
Four (04) Vacancies
- 5.3.2 CREDIT COMMITTEE**
Five (05) vacancies
- 5.3.3 SUPERVISORY COMMITTEE**
Three (03) vacancies
- 5.2 Having undergone the nomination process, the following table represents the listing of outgoing officers and incoming nominees who were assessed as having met the technical requirements under the Bye Laws and Compliance policies of the Society

OUTGOING MEMBERS		
Board of Directors	Credit Committee	Supervisory Committee
Jacqueline Bowen-Rodriguez	Anthony Newton	Levi Horsford
Clyde Parris	Geeta Teelucksingh-Ali	Cara Vaughn
Winton Gordon	Shawn Mason	Shermica Graham
Clive Best	Charles Hardaway	
	Darryl Lamy	
NOMINEES		
Jacqueline Bowen-Rodriguez	Anthony Newton	Shermica Graham
Clyde Parris	Geeta Teelucksingh-Ali	Levi Horsford
Winton Gordon	Shawn Mason	David Alexis
Clive Best	Charles Hadaway	Robinson Manswell
Gail-Ann Baptiste	Darryl Lamy	Kegan John
Merlene Onika Mc Bain	Keeba Charles	
	Angelo Joseph	

- 5.2** In consideration of the number of nominees above, the Society shall act in accordance with Bye-Law 17(iii) stated above and advise that no nomination is required from the floor on th day of the Annual General Meeting.

Board of Directors

Nominees Profiles

Mrs. Jacqueline Bowen-Rodriguez



Mrs. Jacqueline Bowen-Rodriguez currently serves as the President of the Board of Directors of the Society, a position which she has held for the last five (05) years. She has been a serving Director of the Society since 2005. Mrs Bowen-Rodriguez is an Attorney-at-law by profession for the past eighteen (18) years and she operates her private practice specializing in a number of areas including Industrial Relations, Family Law, Wills and Probates, Corporate and Contracts, Land and Conveyance, Construction Law, Civil Litigation and has acquired Post Graduate qualifications and training in the area of FDIC Construction Contracts, Credit union and Co-operative governance, compliance and Anti Money Laundering Regulations and is a Certified

Mediator and Conciliator having undergone extensive training in the latter areas.

Of recent vintage as President of our Society, together with efforts of serving Directors, she has spearheaded the strategic development in the following areas of digital optimisation including online and mobile banking, increased marketing drive in recruitment of new members, membership social events/programmes and improved comradery, introduction of the Beacon Group Medical Plan, improved statutory and regulatory compliance regarding financial intelligence and auditing, real estate acquisitions among other initiatives improving the efficiency of services to our members

On the family front Mrs Bowen-Rodriguez is a dedicated wife and committed mother of two children all of whom are members of the Society.

Mrs Bowen-Rodriguez, also being the Corporate Secretary and Director of the subsidiary companies of the Society mainly Transcorp Development Company Limited and Broadgate Place Property Company Limited. She visualizes our Society being a premier credit union catering for all the social, financial, emotional and physical needs of all our members by the capitalization and development of our current assets projecting a growth rate by 30% of the current asset base by 2025. She advocates that the brand of Transcorp has become a household name in the short order and is confident that our Society is on the right path to achieving greater recognition as we remain member-focused

Mr. Clyde Parris



Mr. Clyde Parris has been a member of the Credit Union for over thirty-seven (37) years. He has retired from the Public Transport Service Corporation (PTSC) where he started off as a Bus Conductor, elevated to the position of Bus Driver, and later as a Driver/Conductor and finally the position of Station Assistant. In all Mr. Parris served for thirty-four (34) years as a member of the PTSC family.

Mr. Parris has served as a Director on the Board of Transcorp Credit Union for the last four (04) years and at present serves in the position of Secretary to the Board of Directors poised with the responsibility of being the custodian of the record of the Society and communication. During his tenure, Mr. Parris served and currently serves on various strategic committees of the Board of Directors including the Marketing Committee, Education Committee and Industrial Relations and Human Resource Committee.

Mr. Parris remains committed and goes beyond the call of duty to the organisation since he believes **“hard work pays off”**.

Mr. Winton Gordon



Mr. Winton Gordon has been a member of the Transcorp Credit Union for over seven (7) years, four (4) years of which he held position of Manager of the Society.

Mr. Gordon was a former member of the Institute of Chartered Secretary Administrators. He worked for over forty-two (42) years of which thirty-one (31) was in the financial sector and twenty-five (25) of those years were spent in managerial positions.

During his tenure as Manager, Mr. Gordon maintained daily oversight and administration over the operations of the Society and assisted in the execution of a number of strategic initiatives including the renovation works to our Head Office in Barataria and investment opportunities presented to the Society. As a Director, he held the position of Secretary to the Board of Directors for one (1) year, being responsible for the record keeping mandate of the Society and communications. During his tenure, Mr. Gordon served and currently serves on various strategic committees of the Board of Directors including the Marketing Committee, the Industrial Relations and Human Resource Committee and the Finance and Investment Committee.

Mr. Gordon considers himself a “people person” who is dedicated to the continued growth of the Society.

Mr. Clive Best



Mr. Clive Best has been a member of the Transcorp Credit Union for the past forty years. He has served on the Education Committee for over five years before being elected to the Board of Directors in 2017.

He is currently employed as a Field Controller of the Transmission and Maintenance Department at T&TEC.

Mr. Best is confident that his contributions as a Director has been exceptional and he is making himself available to serve in the capacity again with the same amount of enthusiasm as he had before.

Ms. Gail- Ann Baptiste

Ms. Gail-Ann Baptiste has been an employee of the PTSC for the past seventeen years and is attached to the Operations Department. She holds the position of Station Supervisor II and is currently acting in the position of Traffic Supervisor.

She is a people-oriented individual who is self-motivated and is quite passionate about self-development. She is a firm believer in fair play, transparency, discipline, exceptional customer service, balanced professional performance, teamwork and the golden rule of life.

Ms. Baptiste believes that she can contribute positively by becoming a Director of the Credit Union. This will allow her to be part of a team that efficiently satisfies the needs of the organisation's membership

Ms. Merlene Onika Mc Bain

Ms. Merlene Onika Mc Bain has been a member of the Transcorp Credit Union for the past ten (10) years. She holds the position of Messenger I in the Engineering Department of the PTSC.

She is humble, easy going, a go getter and most of all a true team player.

She is interested in becoming a Director because she believes that if given the opportunity, she will be able to make a positive difference to ensure that the Credit Union goes on to greater heights.

Credit Committee

Nominees Profiles

Mr. Anthony Newton

Mr. Anthony Newton has been a member of the Credit Union for over thirty-five (35) years. He has served on the Supervisory Committee for three (03) years and the Credit Committee for over seventeen (17) years. For the last three (03) years he has been serving as Chairman of the Credit Committee and is dedicated to listening and helping members with Financial issues.

Mr. Newton has been a member of the PTSC family since 1980 and currently holds the position of General Foreman (Mechanic).

He maintains outstanding relationships at his workplace and in his community. This makes him "**beam**" with pride and continues to believe that "**performance beats ole talk all the time**".

Mrs. Geeta Teelucksingh-Ali



Mrs. Geeta Teelucksingh-Ali has been a member of the Society for the last thirty years, she retains the position of Chief Clerk within Operations Department and she was recently celebrated her 35 years of yeoman service to the Public Transport Service Corporation.

Mrs. Teelucksingh-Ali has served on the Supervisory Committee for a number of years. She applies her knowledge in Business Administration to effectively carry out the mandate given to the Credit Committee for the oversight of the business of the Credit Union on behalf of the membership.

Mrs. Teelucksingh-Ali remains cognitive of the Committees' individual and collective responsibility to the members. She continues to challenge all members to develop an entrepreneurial thinking which may assist them to overcome any challenge they may face and remains committed to facing these uncertain times together.

Mr. Charles Hadaway



Mr. Charles Hadaway now retired from PTSC after thirty-eight (38) years of service left the Corporation in the capacity of Station Inspector.

He is a member of the Credit Union for over Thirty-five years and has served on the Credit Committee for twenty-four (24) of those thirty (35) years. Despite his reluctance to service in the role of Chairman of the Credit Committee he believes now is the appropriate time to show his leadership qualities because he honestly believes in the ideals of the organisation.

Mr. Shawn Mason



Mr. Shawn Mason is a member of the Society for the past twenty-one (21) years. He has served on various occasions on the Supervisory Committee during a period of fourteen (14) years. He served on the Credit Committee for the year under review.

Based on his experience on both Committees he now believes that he is ready to hold the mantle of Chairman of the Credit Committee. He enjoys helping members to sort out their Financial issues.

Mr. Mason has been employed at the Public Transport Service Corporation (PTSC) for the past twenty-three (23) years.

Mr. Darryl Lamy



Mr. Darryl Lamy has been a member of the Society for the past six (06) years. He is employed at the Public Transport Service Corporation (PTSC) for the last sixteen (16) years. He is currently acting in the position of Clerk III in the Engineering Department.

Mr. Lamy is the Branch President of the Public Services Association (PSA) Staff Side at the PTSC. He is the holder of a certificate in Human Resource Management.

Currently he serves as a member of the Credit Committee. His aspiration is to lead the Credit Committee in the future and holds fast to his initial objective for advancement. He further believes that he needs at least one (01) more year to fully appreciate the functions of the Committee to better serve the organisations' members.

He has enjoyed the comradery with fellow committee members, staff, and members in general.

Ms. Keeba Charles



Ms. Keeba Charles is a family-oriented individual who has been a member of the Credit Union for the past (07) seven years. She has been employed with the Public Transport Service Corporation (PTSC) for the past eight (08) years and is currently a Clerk in the Properties Department. She was engaged by the Corporation as a cleaner and subsequently promoted to her present post.

Ms. Charles has a passion for helping and believes she can make a meaningful contribution to the Society and is determined to succeed, since she believes "failure is not an option".

Mr. Angelo Joseph



Mr. Angelo Joseph has been an employee of the PTSC for the last ten years. He has been able to work his way up from labourer/ cleaner to Driver/Parker. He is also a general member of the TIWU Branch (Shop Steward) in Port of Spain. He obtained a Diploma in Industrial Relations from Cipriani Labour College.

He brings with him a wealth of experience in dealing with people in varying situations and his dedication to serve on the Credit Committee will allow him to put his experience to good use in another capacity.

He is concerned with the wellbeing of others and a team player who believes he will be an asset to the organisation if given the opportunity to serve

Supervisory Committee

Nominee Profile

Ms. Shermica Graham



Ms. Shermica Graham is a member of the Society for the past twelve (12) years. She has served on the Supervisory Committee for the last two (02) years.

She has been employed at the Public Transport Service Corporation (PTSC) for thirteen (13) and holds the position of Accountant I. She has achieved a Bachelor of Science Degree (BSc) in Accounting and is currently pursuing ACCA qualifications.

During the current term, her knowledge has made the difference whilst operating on the Committee. She is hoping that she will be able to make greater contributions to assist the organisation in its quest to go forward if given another opportunity to serve on the Committee again.

Mr. Levi Horsford



Mr. Levi Horsford has been a member of the Credit Union for the past Twelve years and is employed at the PTSC for the past Thirteen years and is assigned to the Finance and Accounts Department in the position of Accountant I.

He has served as the Chairman of the Supervisory Committee from the last AGM to present. During the time he has served as he indicated that he has gained valuable knowledge and experience and is once again committed and ready to function diligently to ensure that the Credit Union continues to follow Rules and Regulations set forth in bye-laws.

Mr. David Alexis



Mr. David Alexis is a member of the Society and an employee of the PTSC for the last thirteen years, nine of which was in the position of Driver/Conductor and the last four years as a Dispatcher.

His favourite pastimes are cooking, watching football and recreational fishing. He is passionate about helping others any way that he can in an effort to enhance their wellbeing.

Mr. David Alexis has previously served one term on the Credit Committee and is now offering contribute and gain experience on the Supervisory Committee.



Mr. Robinson Manswell is a member of the Society and an employee of the PTSC for the last Twenty -two years and now hold the position of Foreman Mechanic and has a passion for his job.

He participates in events organised by the Credit Union and is now offering himself to serve as an Officer in the Society and is a team player. He admires the longevity of the organisation. He currently works at the Sangre Grande Depot and believes it will allow him the opportunity to listen to members' problems and assist in having resolutions. It will also help him to gain knowledge in the operations of the Society and offer suggestions for improvements.



Mr. Kegan John is a member of the Society and also an employee of the PTSC for the last Twelve years and now hold the position of Labour Officer and is attached to the Human Resource Department.

He participates in events organised by the Credit Union and is now offering himself to serve as an Officer in the Society on the Supervisory Committee. He believes the time has come to get involved in the administration of the Society's affairs and offer meaningful advice whilst verifying the records of the organisation and looking at the structural arrangements.

6.0 CONCLUSION AND RECOMMENDATION

The Nomination Committee takes this opportunity to thank the Nominees for presenting themselves to serve your Society and their regard towards the continued development of our organization. The Committee has recommended to the Board of Directors that a more vigorous drive and the increased marketing of training opportunities be made available to members in understanding the functions and roles of Officers ought to be implemented in attracting more members to present themselves for service.

We thank you for being of service to our Society.

Carlton Jackson
Committee Secretary
NOMINATION COMMITTEE 2020



**TRANSCORP
CREDIT UNION**
Co-operative Society Limited



**AMENDMENTS
TO BYE LAWS**

**47TH
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MEETING REPORT**

"Transitioning into the Next Normal"



PROPOSED RESOLUTION OF THE BOARD OF DIRECTORS
AMENDMENTS TO BYE-LAWS

The Board of Directors propose to amend the following Bye-Laws:

INTERPRETATION

The Society Bye-Law reads as follows:

“Meetings’ means any General Meeting or any meeting of the Board of Directors or Credit, Supervisory, Consumer, Education or any other committee of the Society”

The following amendment is proposed:

“Meetings’ means any General Meeting of the membership or any meeting of the Board of Directors or Credit, Supervisory, Education or any other committee of the Society, whether held in person, by way of virtual conferencing and or hybrid (a combination of in person meeting and virtual conferencing)”

Rationale: *In order to facilitate varied modes of hosting and or holding meetings of the Society by way of electronic means, especially having regard to the current COVID-19 Pandemic, there is a need to update and amend the bye-laws accordingly.*



**TRANSCORP
CREDIT UNION**
Co-operative Society Limited

**RESOLUTIONS/
RECOMMENDATIONS**

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RESOLUTIONS/RECOMMENDATIONS

1. Maximum Liability

- 1.1 Whereas the Co-operative Societies Act, Chapter 81:03, Regulation 14 requires that the Society shall, from time to time, fix at a General Meeting the maximum liability it may incur in respect of loans or deposits whether from members or non-members:
- 1.2 *Motion: Be it resolved that:* the Maximum Liability Limit of the Transcorp Credit Union Co-operative Society Limited for loans inclusive of deposits is set at **Fifteen Million Dollars (\$15,000,000)** for the financial year ending December 31st 2020.

2. Appointment of an Auditors

Motion: Be it resolved that: the firm HLB Montgomery & Co., Chartered Accountants, be appointed Auditors for the financial year January 1st, 2020 to December 31st 2020.

3. Dividends and Interest Rebate

Motion: Be it resolved that:

- a) In consideration of the financial performance in 2019, that in accordance with Bye Law 11 A, a Dividend Payment of 5% be paid to all members holding shares in the Society as at December 31st, 2019.
- b) The 5% recommended Dividend Payment be placed on members deposits after all outstanding arrears are satisfied.
- c) A 2% Rebate on Loan Interests paid by a member on loans granted by the Society for the Financial Year ending December 31, 2019 to be paid only to members in good standing at the date of approval of this Resolution and shall be paid to the said members deposit accounts in the Society.

4. Honorarium

Motion: Be it resolved that that in accordance with Bye Law 11 A, an honorarium not exceeding the amount of **ONE HUNDRED AND NINETEEN THOUSAND DOLLARS (\$119,000.00)** be paid to elected officers in appreciation of services rendered for the year 2019. This includes Board of Directors, Credit Committee and Supervisory Committee.

5. Retained Earnings

Be it resolved that any balances remaining after payment of Dividends, the Rebate on Loan Interest and Honorarium remains in the Retained Earnings.

6. Write-off of Delinquent Loans

Be it resolved that delinquent loans over five (5) years that are under the value of \$2,000.00 (i.e. principal, interests and arrears) and which loans, as at December 31st 2018, amount to a total value of **SIXTY-FIVE THOUSAND, TWO HUNDRED AND NINETY THREE DOLLARS AND TWELVE CENTS (\$65,293.12)** are to be written off.



**TRANSCORP
CREDIT UNION**
Co-operative Society Limited

NOTES

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NOTES



When visiting our Office, you MUST adhere to the following:

Wash your hands.

At the washing stations provided



No Mask, No Service.

No entrance is permitted without face mask.



Temperature check.

All persons must get their body temperature check



Sanitize your hand

All individuals must sanitize their hands at the sanitization stations at the entrance



Daily Record Keeping

Record of your name and temperature will be logged by the security personal



Limited entry

No more than one member permitted to access the office at any point in time



Practice social distancing.

If you need to go out, maintain at least 2 meters (6 feet) distance from others.



Feeling ill?

If you are feeling ill, please do not visit the office.



Transcorp Credit Union

Help Desk: 675-3053

www.transcorpku.com





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