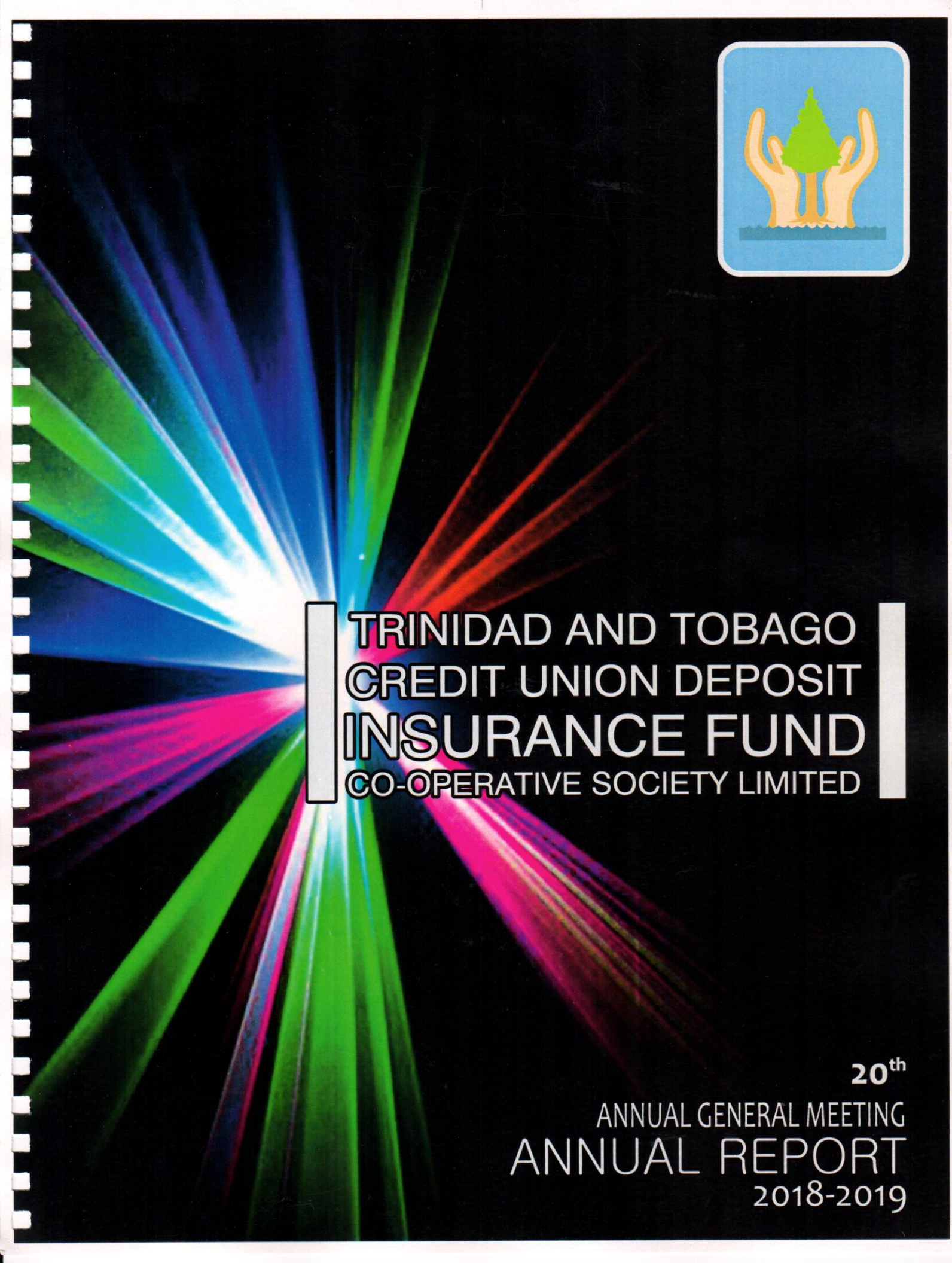

TRINIDAD AND TOBAGO CREDIT UNION DEPOSIT INSURANCE FUND CO-OPERATIVE SOCIETY LIMITED

20th

ANNUAL GENERAL MEETING

ANNUAL REPORT

2018-2019

THE PURPOSE

"TO ENSURE THE PROTECTION AND STABILITY OF CREDIT UNIONS"

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Dr Anthony Elias	President
Mr Dorwin Manzano	Vice President
Mr Khristendath Neebar	Secretary
Mr Noel Jones	Director
Mr Stephen Creese	Director
Mr Gerard Pinard	Director
Mr Robert Mayers	Director

AUDIT COMMITTEE

Mr Anthony De Freitas	Chairman
Mrs Christina Bahadoor-Hosein	Secretary
Mr Brian Matthew	Member

STAFF

Mr Lincoln Jitman	Manager
Mr Otto Carl De Bique	Accounting/Operations Officer
Mrs Sharon Mc Kenzie-Downes	Executive Assistant
Miss Muriel Samaroo	Examiner
Mr Alexander Jagan	Assistant Examiner

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Republic Bank Limited
Promenade Centre
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JMMB Bank
South Park Shopping Centre
Michael Rahael Boulevard
San Fernando

Auditors

I. A. Ali & Associates
354 Marshall Street
Warrenville
Cunupia

CORPORATE INFORMATION

REGISTER OF MEMBERS

REGISTER OF MEMBERS

Aero Services Credit Union Co-operative Society Limited
Angostura Group Employees Credit Union Co-operative Society Limited
Airport Authority Employees Credit Union Co-operative Society Limited
Bethel Credit Union Co-operative Society Limited
CEMCU Credit Union Co-operative Society Limited
Central Community Credit Union Co-operative Society Limited
Consolidated Telephone Credit Union Co-operative Society Limited
Duncan Village Credit Union Co-operative Society Limited
GPCU Credit Union Co-operative Society Limited
Guaymay Energy Alliance Credit Union Co-operative Society Limited
Hand Arnold Credit Union Co-operative Society Limited
Huggins Credit Union Co-operative Society Limited
Lambeau Credit Union Co-operative Society Limited
Mt Pleasant Credit Union Co-operative Society Limited
National Flour Mills (Employees) Credit Union Co-operative Society Limited
PECU Credit Union Co-operative Society Limited
Progressive Credit Union Co-operative Society Limited
PSCU Credit Union Co-operative Society Limited
SFCCU Credit Union Co-operative Society Limited
St Theresa's (Woodbrook) Credit Union Co-operative Society Limited
TATECO (POS) Credit Union Co-operative Society Limited
TATECO (San F'do) Credit Union Co-operative Society Limited
Teachers Credit Union Co-operative Society Limited
Telephone Workers Credit Union Co-operative Society Limited
TEXTEL Credit Union Co-operative Society Limited
Transcorp Credit Union Co-operative Society Limited
Trinidad and Tobago Fire Service Credit Union Co-operative Society Limited
Trinidad and Tobago Police Credit Union Co-operative Society Limited
Usine (Ste Madeleine) Credit Union Co-operative Society Limited
UWI Credit Union Co-operative Society Limited
VENTURE Credit Union Co-operative Society Limited
Whim Credit Union Co-operative Society Limited
Zenith Credit Union Co-operative Society Limited

NOTICE OF THE 20TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 20th Annual General Meeting of the Trinidad and Tobago Credit Union Deposit Insurance Fund Co-operative Society Limited (TTCUDIF) will take place on **SATURDAY OCTOBER 26, 2019** at the **CALYPSO LOUNGE, 12TH FLOOR, RADISSON HOTEL TRINIDAD, WRIGHTSON ROAD, PORT OF SPAIN** commencing at 9.00 a.m.

NOTICE OF A•G•M•

AGENDA

1. **The National Anthem of the Republic of Trinidad & Tobago**
2. **Invocation – Credit Union Prayer**
3. **Call to Order**
   a) Notice of Meeting
   b) Adoption of Standing Orders
4. **President's Address**
5. **Minutes of the 19th Annual General Meeting - Confirmation and Business Arising**
6. **Reports**
   a) Board of Directors
   b) Audit Committee
7. **Auditor's Report and Audited Financial Statements 2018-2019**
8. **Budget 2019-2020**
9. **Election of Officers**
   a) Nominations Report
   b) Nominations
   c) Elections
10. **Resolutions**
11. **Amendment to Bye-Laws**
12. **Other Business**
13. **Vote of Thanks and Adjournment**

Khristendath Neebar
Secretary

2019 September, 13

NB: Registration commences at 8.00 a.m.
Breakfast will be served from 8.00 a.m.

STANDING ORDERS

STANDING ORDERS

1. (a) A delegate shall state his/her name and his/her Credit Union when addressing the Chair.
   (b) Speeches shall be clear and relevant to the subject before the Meeting.
   (c) A delegate shall not speak for more than two (2) minutes on any one subject
2. A delegate shall address the meeting when called upon by the Chairman to do so.
3. A delegate shall not address the meeting except through the Chairman.
4. A delegate shall not speak twice on the same subject except:
   (a) The mover of a motion who has the right to reply.
   (b) He/She rises to object or to explain (with permission of the Chair).
5. No speeches shall be made after the question has been put and carried or negated.
6. The mover of a procedural motion (adjournments, postponement, lay on table) shall have no right to reply.
7. A delegate speaking on a point of order, shall state the point clearly and concisely. (A point of order must have relevance to the Standing Orders).
8. A delegate shall not call another delegate to order but may draw the attention of the Chair to a "Breach of Order".
9. Only one amendment shall be before the meeting at one and the same time.
10. When a motion is withdrawn, any amendment to it fails.
11. The Chairman shall have in addition to his ordinary vote, a "**Casting Vote**" in the case of an equality of votes.
12. If there is an equality of votes on an amendment, and if the Chairman does not exercise his casting vote, the amendment is lost.
13. The Chairman shall make provision for the protection of delegates from personal abuse.
14. No delegate shall impute improper motives to the Chairman, Board of Directors, Officers of the Deposit Insurance Fund or any delegate or observer.

MINUTES OF 19TH ANNUAL GENERAL MEETING OF THE TRINIDAD AND TOBAGO CREDIT UNION DEPOSIT INSURANCE FUND CO-OPERATIVE SOCIETY LIMITED, HELD ON SATURDAY OCTOBER 13, 2018 AT THE CALYPSO LOUNGE, 12th FLOOR, RADISSON HOTEL, TRINIDAD, WRIGHTSON ROAD, PORT OF SPAIN

1.0 CALL TO ORDER

1.1 Dr. Anthony Elias, President, called the meeting to order at 9.05 a.m. A safety briefing was given by a representative of the hotel, for which Dr. Elias expressed sincere appreciation and thanks.

1.2 The Vice-President, Dorwin Manzano, invited Members to stand and sing the National Anthem, which was followed by the recital of the Credit Union Prayer.

1.3 The meeting observed one-minute of silence for departed Members.

2.0 CREDENTIAL COMMITTEE'S REPORT

2.1 At 9.04 a.m. there were twenty-five (25) units represented by twenty- five (25) delegates and twenty -two (22) observers, six (6) Directors, two (2) Members of the Audit Committee, eight (8) Guests and five (5) Staffers present. In accordance with Bye-Law 25 (f), the meeting was duly constituted.

3.0 NOTICE OF MEETING

3.1 The Vice-President invited the Secretary, Mr. Khristendath Neebar, to read the Notice of the Meeting.

3.2 The Secretary read the Notice and Agenda of the Meeting.

4.0 INTRODUCTION OF HEAD TABLE

4.1 The Vice President introduced the Members seated at the Head Table as follows:

Dr. Anthony Elias	President
Mr. Khristendath Neebar	Secretary
Ms. Luenda Burke	Director
Mr. Gerard Pinard	Consultant Director
Mr. Robert Mayers	Consultant Director
Mr. Lincoln Jitman	Manager

5.0 ACKNOWLEDGEMENT OF GUESTS

5.1 The Chairman formally acknowledged and welcomed the following guests:

Mr. Favion Taylor	- Auditor, I. A. Ali & Associates
Ms. Deborah Ann Scott	- Co-operative Officer
Ms. Susan Adams	- Co-operative Officer
Ms. Esmie Raphael	- Central Finance Facility
Ms. Margaret West-Weston	- TTCUDIF - Audit Committee
Mr. Brian Matthew	- TTCUDIF - Audit Committee

6.0 STANDING ORDERS

6.1 The Vice-President drew delegates' attention to the Standing Orders of the meeting, as stated on page 5 of the Annual Report/Brochure.

6.2 The Standing Orders were taken as read on a motion moved by Miss Esmie Raphael of Venture Credit Union and seconded by Mr. Wesley Meade of Trinidad & Tobago Fire Service Credit Union and unanimously carried.

6.3 The Standing Orders were adopted on a motion moved by Mr. Noel Jones of Guaymay Alliance Credit Union and seconded by Mr. Neville Navarro of Zenith Credit Union and unanimously carried.

7.0 PRESIDENT'S ADDRESS

7.1 The President was invited to the podium to address the meeting.

7.2 Dr. Anthony Elias thanked the attendees for taking time off their busy Saturday morning to attend the meeting. He noted that Saturdays are difficult days for some persons to attend and yet there are other persons who do not recognize the extent to which Officers of Credit Unions go, to get their Credit Union's business done.

7.3 More so, it was the beginning of Credit Union Week and TTCUDIF has started off with its Annual General Meeting (AGM). He was happy to have Members join TTCUDIF at its AGM where its performance for its last fiscal year is presented.

7.4 Dr. Elias indicated that the Auditors had signed off the accounts on September 17, 2018 and that TTCUDIF was having its Annual General Meeting in keeping with the stipulated one month of receipt of the Auditors' report.

7.5 The President stated that he intended to make a short contribution because most of the information that is presented at the AGM is in the Annual Report/AGM Brochure. He stated that last year, there were complaints from participants that the Annual General Meeting was inevitably stretched out for way too long a period and that the business could be dealt with in a shorter period of time. He intended to respect that view today with the support of the participants at the meeting.

7.6 He highlighted the following:

i. The TTCUDIF's Annual Overseas Training Programme was held in Miami from the 14th - 18th May 2018. A contingent of 94 persons travelled comprised of participants, presenters and companions. There were twenty-one (21) Credit Unions represented, two (2) persons came independent of their Credit Unions, and two (2) Officials from the Tobago House of Assembly (THA) were in attendance.

ii. He apologized to those who TTCUDIF was not able to accommodate. He called on Members to understand that flights are very difficult and expensive to get at the last moment. He appealed to individuals and Credit Unions, who waited until the last moment to inform TTCUDIF that they wanted to attend, to recognize the difficult position in which TTCUDIF is placed by this tardy action.

iii. He was fully aware of the value TTCUDIF brings to those programmes. Its affordability and the length of time it takes to administer and deliver those programmes. People complained that the programmes are too long, but he noted that Members attend for the content of the programmes. He stated that there are also free days during the course of the Seminar.

iv. He made reference to a comment on an evaluation form which stated that the programme should be 9.00 a.m to 2.00 p.m so that there can be enough time to go and shop.

v. He stated that the programme will be held last week of May - first week of June in 2019 and that the planning of such had already begun. Notices are sent out early, so if your Credit Union or you as an individual wish to attend, please inform TTCUDIF early.

vi. The President stated that the Examination Unit is fully functional and site visits are conducted to help Members. Its mandate is to identify failures or discrepancies in the Credit Union's operation so that TTCUDIF can assist the member by providing recommendations.

vii. He noted that there were Credit Unions that wait until two days before TTCUDIF is scheduled to do an on-site examination, to call and inform that TTCUDIF cannot be accommodated on the scheduled days. He intimated that when this happens TTCUDIF cannot, at that point, call another Credit Union and state that it would like to do a site visit. He made it clear that this issue has to be addressed because TTCUDIF was not doing on-Site visits to penalize Credit Unions but to assist where identified which would redound to the benefit of both the Credit Union member and TTCUDIF.

viii. Assets increased from $58.766 million to $60.678 million with the net value increasing from $47.712 million to $49.823 million. He noted that TTCUDIF's return on assets was 4%. Figures floating around for companies ranged from 1% to 3.6% return on assets.
TTCUDIF's income from investments, this year, increased by 16.2% over last year. Surplus for the year was 5.2% before provisions were made.
Share Deposit Guarantee Fund, which is the base fund used for the insurance, increased by 3.1% over last year.
He noted that whilst everyone was focused on IFRS 9, there are many other Internal Financial Reporting Standards that will affect Credit Unions but not to the extent as IFRS 9.
The President stressed that IFRS9 is a serious matter which deals with, not just provision for delinquent loans but also impairment on investments. All Credit Unions will be affected in some way or the other and will have their own unique challenges from this reporting standard.

ix. Dr. Elias stressed that notices for TTCUDIF's AGM were sent out in a timely manner and some Credit Unions did not respond but upon their attendance, they demand that they be allowed to vote at the AGM.

x. He pointed out that there is a level of responsibility, and protocol suggested that Credit Unions have to review their systems.

xi. He added that, the forms are clear that each Credit Union has one (1) delegate and two (2) observers. The delegate is the one who is entitled to speak, vote or act on behalf of the Credit Union.

xii. Last year a Credit Union had three (3) persons at the AGM and they all moved and seconded motions. Another Credit Union had two (2) persons and it was the same. There have been numerous situations like that.

xiii. At this 19th AGM, the rule of the delegate, being allowed to act on behalf of the Credit Union, will be strictly observed.

xiv. The President apologized for the apparent error to the rule in the past and noted that the time had come to take the responsibility properly.

xv. The President introduced the staff of TTCUDIF to the meeting and thanked them for their work in putting the organization first.

xvi. He specifically thanked Mr. Neville Navarro who was nominated for election at the AGM but withdrew because of family commitments. He stated that he did not have the time that will allow him to perform in the best interest of the organization. Dr. Elias expressed the view that Mr. Navarro showed his commitment to TTCUDIF and it was an example from which many persons can learn.

xvii. In closing, he thanked all Members and their organizations for their support.

7.7 Dr. Elias recognized and welcomed Mr. Hugh Edwards and two Co-operative Officers.

8.0 ANNUAL REPORT/AGM BROCHURE

8.1 The Annual Report/Brochure was taken as read on a motion moved by Mr. Victor Quintin of PECU Credit Union and seconded by Mr. Harry Garibsingh of CEMCU Credit Union and unanimously carried.

9.0 MINUTES OF 18TH ANNUAL GENERAL MEETING – NOVEMBER 12, 2017

9.1 The Secretary, Mr. Khristendath Neebar, was invited to take the meeting through the Minutes of the 18th Annual General Meeting.

9.2 He drew Members' attention to the Minutes of the 18th Annual General Meeting as stated on pages 6 to 15 of the Annual Report/AGM Brochure.

9.3 Matters Arising from the Minutes

a. Mr. Neville Navarro of Zenith Credit Union queried what was the situation with respect to Item 18.2 where Mr. Joseph Remy extended an invitation to TTCUDIF to join the Credit Union League regarding discussions on the impending legislation to govern Credit Unions.

b. Dr. Elias indicated that, subsequent to eleven (11) months ago, there has been no further communication; TTCUDIF still had not been invited to anything; however, TTCUDIF continues to do what it has to do in the interest of the Movement.

9.4 Confirmation of Minutes

On a motion moved by Mr. Noel Jones of Guaymay Energy Alliance Credit Union and seconded by Mr. Keith Matthew of Hand Arnold Credit Union, the Minutes were confirmed.

10.0 2ND CREDENTIAL COMMITTEE'S REPORT

10.1 At 9.50 a.m. there were twenty-five (25) units represented by twenty-five (25) delegates and twenty-eight (28) observers, six (6) directors, two (2) Members of the Audit Committee, eight (8) guests and five (5) staffers present.

11.0 BOARD OF DIRECTORS' REPORT

11.1 The Secretary drew Members' attention to the Board of Directors' Report and invited questions/comments.

11.2. During the financial year 2017/2018, several Educational Workshops and Training Seminars for Directors, Committee Members and Management and Staff were conducted both locally and overseas, namely:

- AML/CFT & IFRS 9 Seminar
- NIF (IPO) Seminar
- FIU Seminar, Board Responsibilities, Supervisory Oversight and Credit Committee Roles and Responsibilities
- 2018 Overseas Governance and Leadership Training Seminar

11.3 Some highlights were:

- On-Site and Off-Site Examinations continue to be conducted.
- For the financial year ended June 30th, 2018, there was a net surplus of $1,865,624 after a provision for possible impairment on investment.
- Total Comprehensive Income for the year was $2,245,302.00.
- There was a 13% increase in Income from Investments
- There was a 6.1% increase on Members contributions
- Direct Expenses fell by 8.4%
- Assets increased by 3.9%

11.4 The Board of Directors of TTCUDIF expressed appreciation to the following entities:

- Members Units of the TTCUDIF
- The Commissioner and Officers of the Co-operative Development Division, Ministry of Labour and Small Enterprise Development
- KCL Capital Market Brokers Limited
- KSBM Asset Management
- JMMB Securities (T & T) Ltd.
- Sheppard Securities Limited
- Auditor: I. A. Ali & Associates
- CUNA Caribbean Insurance Society Limited
- Trinidad and Tobago Unit Trust Corporation
- Attorney: Wheeler & Co
- Bankers and Financial Institutions
- Central Finance Facility Co-operative Society Limited
- The Association of Co-operative Credit Union Presidents of Trinidad and Tobago.

11.5 On behalf of the Board of Directors of TTCUDIF, the Secretary expressed sincere thanks and appreciation to the Manager and Staff for their dedication and contribution over the past year.

11.6 Discussion

11.7 In response to a query from Mr. Harry Garibsingh of CEMCU Credit Union, on the legality of the Minutes where non-delegates moved or seconded motions, Mr. Neebar indicated that arguably the right persons voted for the resolutions, although the motions may have been brought to the table by a non-delegate.

11.8 Acceptance

11.9 The report was accepted on a motion moved by Mr. Harry Garibsingh of CEMCU Credit Union and seconded by Mrs. Marilyn John Fahey of Progressive Credit Union.

12.0 AUDIT COMMITTEE'S REPORT

12.1 The President invited Ms. Margaret West-Weston, Chairman of the Audit Committee, to present the report.

12.2 Ms. West-Weston presented the Report for the period October 2017 to October 2018, as stated on pages 21 to 23 of the Annual Report/Brochure.

12.3 She stated that the Audit Plan was accepted by the Board of Directors in January 2018 and consisted of the following activities:

- A monthly review of the Financials of TTCUDIF, inclusive of the Investment Report, and attesting to its correctness.
- Monitoring of the conduct of on-site and off-site examinations of selected member units, and the submission of those reports to the board of the Credit Unions.
- A review of the Compliance Manual developed to meet the requirements of the Financial Intelligence Unit.
- Cash counts and bank reconciliations.
- Providing a monthly summary report of its findings to the Board of Directors.
- Review of the operations of the Board of Directors through the attendance at and review of the discussions emanating therefrom.

12.4 The outcome of the Audit Plan was as follows:

- ❖ The monthly Financial Statements were presented in a manner acceptable to the Audit Committee.
- ❖ The Audit Committee was able to fully accept the Financial Statements and to adequately monitor the investments.
- ❖ The Committee reviewed both the monthly Accounts and the Audited Financial Statements to June 2018 and there were no significant issues. The finances remained stable during the year, and it was obvious that the funds and investments under the direction of the President, Dr. Elias, were managed with a high level of prudence.

- ❖ All Financial Statements were signed off by the Chairman of the Audit Committee. All reconciling items were cleared and the required accruals effected.
- ❖ The staff continued to administer its on-site and off-site visits to member units. It is hoped that with the addition of another staffer and greater support for scheduling of visits from member units, there will be an increase in the number of annual visits.
- ❖ The Committee conducted two (2) cash counts and one (1) bank reconciliation activity for the year under review and found them to be all satisfactory.
- ❖ The Members of the Audit Committee, on a rotational basis, attended and participated in the Agenda of Board Meetings.
- ❖ All documents pertinent to Board Meetings, inclusive of the Minutes, were distributed in a timely manner to ensure proper exposure to the issues prior to the meetings.

Recommendations

- ❖ The Committee recommends that the Investment Policy and other reference documents, namely the Society's By-Laws, need to be reviewed on a regular basis to always fall in line with existing practices.
- ❖ The Compliance Manual, which was developed in 2017, in its present form and content, does not reflect the compliance for a secondary body and should be reviewed to suit its objectives.

TTCUDIF has had another successful year.

12.5 The Audit Committee congratulated the President, Board of Directors, Manager and Staff for their commitment to the organization and extended best wishes to them in their future endeavours.

12.6 Discussion

12.7 There was no discussion on the Audit Report.

12.8 Acceptance

12.9 The report was accepted, unanimously, on a motion moved by Mr. Victor Quintin of PECU Credit Union and seconded by Mr. Neville Navarro of Zenith Credit Union.

13.0 AUDITORS' REPORT

13.1 Mr. Favion Taylor of I. A. Ali & Associates presented the Auditors' Report.

13.2 Acceptance

13.3 The Auditors Report was accepted, unanimously, on a motion moved by Mr. Brian Matthew of Aero Services Credit Union and seconded by Ms. Esmie Raphael of Venture Credit Union.

14.0 AUDITED FINANCIAL STATEMENTS

14.1 Mr. Robert Mayers presented the Audited Financial Statements.

14.2 Some highlights of the Audited Financial Statements:

- ❖ Total Assets increased from $63,349,529 to $65,793,535.

- ❖ Total Liabilities increased from $64,857 to $263,561.
- ❖ Total Members' equity increased from $63,284,672 to $65,529,974.
- ❖ Securities held to maturity represented 44%. Available for sale represented 44% and 12% represented short term investments.
- ❖ Total Income was $4.7 million as at June 2018.
- ❖ Total Expense was $2.857 million
- ❖ There was a Net Surplus of 1.865 million
- ❖ Total Comprehensive Income was $2.245 million
- ❖ 41% of expenses this year related to provision for impairment

14.3 Discussion

14.4 There were no comments/questions on the Financial Statements.

14.5 Acceptance

14.6 The Audited Financial Statements were accepted unanimously, on a motion moved by Mr. Wesley Meade of Fire Service Credit Union and seconded by Mrs. Alana Goodridge of Public Service Credit Union.

15.0 BUDGET 2018 – 2019

15.1 The Manager, Mr. Lincoln Jitman, was invited to share the 2018 – 2019 Budget of TTCUDIF.

15.2 He highlighted the following projections for 2018 - 2019:

- Total Income of $4.4 million
- Total Expenses of $2.811 million
- Surplus of $1.589 million

15.3 Discussion

15.4 In response to a query under "Governance Expenses" where Seminars, Conferences and Official Visits have doubled this year, from Mrs. Ann Marie Forbes Richardson of TATECO (POS) Credit Union, the Manager explained that the Auditors merged together expenses for seminars, conferences and official visits with educational and training expenses. In the past, Educational and Training Expenses were separate. The Budget is prepared in keeping with the expenses lumped together.

15.5 Acceptance

15.6 The Budget was accepted, unanimously, on a motion moved by Mr. Noel Jones of Guaymay Energy Alliance Credit Union and seconded by Ms. Esme Raphael of Venture Credit Union.

16.0 NOMINATIONS COMMITTEE'S REPORT

16.1 Director Krishendath Neebar presented the Nominating Committee's Report.

16.2 It was noted that there were two (2) vacancies on the Board and three (3) on the Audit Committee.

16.3 Three (3) nominees were recommended for the Board of Directors, namely: Mr. Noel Jones of Guaymay Energy Alliance Credit Union, Sen. The Hon. Stephen Creese of Public Service Credit Union and Mr. Phillip Wilson of Police Credit Union.

16.4 Four (4) nominees were also recommended for the Audit Committee, namely: Mr. Anthony De Freitas of Textel Credit Union, Mr. Brian Matthew of Aero Services Credit Union, Mr. Horace Leach of Trinidad and Tobago Fire Service Credit Union and Mrs. Christina Bahadoor-Hosein of Duncan Village Services Credit Union.

16.5 Acceptance

16.6 The report was accepted, unanimously, on a motion moved by Ms. Esme Raphael of Venture Credit Union and seconded by Mr. Brian Matthew of Aero Services Credit Union.

17.0 3RD CREDENTIALS REPORT

17.1 It was stated that at 11.35 a.m. there were twenty-six (26) units, twenty-six (26) delegates, six (6) directors, one (1) member of the Audit Committee, four (4) guests and five (5) staffers present.

18.0 ELECTION OF OFFICERS

18.1 Mr. Favion Taylor, representative of I. A. Ali and Associates, distributed as well as collected the ballots. The Co-operative Officers oversaw the counting of ballots.

18.2 Elections Results

18.3 The results of the Elections were as follows:

Board of Directors

Officers	No. of Votes	Tenure
Sen. The Hon. Stephen Creese	21	3 years
Mr. Noel Jones	19	1 year
Mr. Phillip Wilson (Alternate)	5	1 year

Audit Committee

Officers	No. of votes	Tenure
Mr. Anthony De Freitas	23	1
Mr. Brian Matthew	23	1
Mrs. Christina Bahadoor-Hosein	17	1
Mr. Horace Leach	9	1

18.4 Destruction of Ballots

18.5 A motion for the destruction of ballots was moved by Mr. Neville Navarro of Zenith Credit Union, seconded by Mrs. Marilyn John Fahey of Progressive Credit Union and accepted, unanimously, by the meeting.

MINUTES OF 19TH A•G•M•

19.0 RESOLUTION

19.1 Appointment of Auditors

19.2 On a motion moved by the Vice President Mr. Dorwin Manzano and seconded by Mr. Harry Garibsingh of CEMCU Credit Union, the meeting, unanimously, approved the following resolution:

Be it resolved that the firm of I. A. Ali and Associates be appointed Auditor for the financial year commencing July 1st, 2018 and ending June 30, 2019.

20.0 OTHER BUSINESS

20.1 Miss Esmie Raphael of VENTURE Credit Union observed that in part of the budget presentation, the colours used were too dark so the figures were difficult to read. She then suggested that when dark colours are used, white writing should be used so it can be read easily.

21.0 VOTE OF THANKS

21.1 Dr. Anthony Elias thanked all for attending, the three (3) outgoing Directors, namely Ms. Luenda Burke, Mr Ewarth Braithwaite, Mr. Gerard Pinard and all Members of the Audit Committee.

22.0 ADJOURNMENT

22.1 The meeting was brought to a close at 12.45 p.m.

Respectfully Submitted

Khristendath Neebar, Secretary.

BOARD OF DIRECTORS REPORT 2018-2019

1. INTRODUCTION

The Board of Directors is pleased to report on its corporate governance and its activities for the period 1st July 2018 to 30th June 2019.

Our theme ***"Ensuring the Protection and Stability of Credit Unions"*** encapsulates the comfort experienced by our Members who understand the value of Deposit Insurance on their investment.

2. GOVERNANCE STRUCTURE

The Board of Directors for the period was constituted as follows:

Table 1 – Board of Directors

NAME	POSITION
Dr. Anthony Elias	President
Dorwin Manzano	Vice President
Khristendath Neebar	Secretary
Stephen Creese *	Director
Noel Jones *	Director
Gerard Pinard	Consultant Director
Robert Mayers	Consultant Director

- * From October 2018
- Ms. Luenda Burke and Mr. Ewarth Brathwaite served as Directors for the period July to September 2018.

Administrative and Operational support for the Board were provided by the following staff:

Table 2 - Staff

NAME	POSITION
Lincoln Jitman	Consultant Manager
Sharon Downes	Executive Assistant
Muriel Samaroo	Examiner
Otto Carl De Bique	Accounts/Operations Officer
Alexander Jagan*	Assistant Examiner

*Mr. Alexander Jagan was added as a member of staff from March 2019.

Table 3 – Audit Committee

NAME	POSITION
Anthony De Freitas	Chairman
Christina Bahadoor-Hosein	Secretary
Brian Matthew	Member

Table 4 – Attendance at Statutory Board of Directors Meetings (Period July 2018 to June 2019).

Name	Position	Present	Excused
Dr. Anthony Elias	President	8	0
Khristendath Neebar	Secretary	8	0
Dorwin Manzano	Vice President	8	0
Stephen Creese*	Director	4	1
Noel Jones *	Director	5	0
Gerard Pinard	Director	7	1
Robert Mayers	Director	8	0
Lincoln Jitman	Consultant Manager	8	0
Audit Committee Rep.		7	1

*From October 2018

- Ewarth Brathwaite and Ms. Luenda Burke served from July to September 2018 – both were present for all three meetings for this period.
- There were 8 statutory meetings held for the period.

3. OUTGOING OFFICERS

The outgoing Officers for this year (2018 - 2019) are Directors Noel Jones, Dorwin Manzano and all Members of the Audit Committee.

Mr. Dorwin Manzano is statute barred from the Board and Mr Brian Matthew from the Audit Committee; all other outgoing Officers are eligible for re-election.

4. SOCIAL AND EDUCATIONAL ACTIVITIES

The TTCUDIF, provides our Members with training to edify and equip them to better manage their Credit Unions. Consequently, one of TTCUDIF's primary objectives is to continue to increase the competencies and skills of the leaders and aspiring leaders of our member units. Our training programmes are priced as affordable as possible to allow our Members to attend and to benefit from the excellent knowledge shared by our respected presenters and to assimilate the practical information disseminated through our workshops.

Our training is geared towards all levels of Management, Board of Directors, Committee Members and aspiring leaders. We urge you to take advantage of attending these programmes as the knowledge and information gained would most definitely assist you in enhancing your management and governance skills and competencies, in promoting the growth and development of your Credit Union and thereby ensuring the on-going success of your Organisation.

4.1 TRAINING

TTCUDIF conducted Training for our Members as follows:

- **LOCAL - AML/CFT & IFRS9 Seminar**

- This programme was held in December 2019 at our in-house training facilities at 49-50 Montrose Main Road, Chaguanas. The presenters were Ms. Keshma Maharaj and Mr. Anothny De Freitas.

4.2 OVERSEAS - 2019 Governance & Leadership Training Seminar

Our flagship training programme was held at The Holiday Inn Hotel, Hialeah Gardens, Miami during the period May 20th – 24th, 2019. The theme of the Seminar was – ***"Sink or Swim – Surviving Challenges for Credit Unions in Trinidad and Tobago".***
One hundred and ten (110) persons comprised the group, Participants and Presenters accounted for ninety-three (93) of this amount. Eighteen (18) Credit Unions were represented with six (6) Independent Participants and two (2) persons from the Tobago House of Assembly.

This intensive four-day programme covered numerous Presentations and Workshops which included the following:

- The Transformation Agenda – Obtaining Economic Security
- Loan Management and Delinquency Control
- Loan Evaluation Workshop
- Wealth Strategies
- Analysing Stock Market Investments – Workshop Case Studies
- The Challenges of Sustainability and Growth
- Understanding Financial Statements
- Obtaining Economic Security – The Role of the Credit Union
- Handling Common Industrial Issues
- Strategic Human Resource Management
- **Jamaica's Challenges and its Development** Planning
- IFRS9 – Financial Instruments
- IFRS9 – Case Study/Workshop
- Estate Planning and Inheritance
- Identifying Corporate Governance Issues
- Corporate Governance and Leadership – A Credit Union Perspective
- Binding Precedents in Co-operative Law
- A Presentation on CFF's – *'Raison d'etre.'*
- Analysing Bonds and Fixed Income Investments
- Navigating the current Investment Landscape
- Managing Performance
- The effect of losing a Sandals Type Investment on Tobago and its Credit Unions.
- Milestone Mapping.

The Board extends a special thank you to the following organizations and individuals which assisted in the cost and time off granted for their senior Employees to facilitate in Critical Presentations.

Dr. Justin Ram – Caribbean Development Bank
Roshan Basdeo – JMMB Investments (T&T) limited
Julian Mair – JMMB Group Limited (Jamaica)
Marli Creese – NCB Global Finance Limited
Rajin Ramkisson –Rajin Ramkissoon Chartered Accountant
Karen Piper-Taylor – Wheeler & Co.

At the end of the programme, participants received certificates of attendance. Feedback (written evaluations) received from participants and presenters, gave the Seminar a highly positive and favourable rating of 97.4% (collation of the completed evaluation forms on the overall performance of the Seminar - excellent and very good - 97. 4%).

5. FUTURE EDUCATION SEMINARS

This year we intend to host another session on FIU - AML/CFT training proposed for the month of December 2019. We are exploring other topic areas and implore you to ensure that Credit Union is register early (*limited space is available*) for these programmes to ensure that your Credit Union is included in gaining the wealth of knowledge shared and assimilated through these training Seminars

6. EXAMINATIONS

Deposit insurance systems for Credit Unions strengthen and contribute to the stability of the movement. The goals of TTCUDIF include proactively identifying and addressing financial and operational weaknesses that threaten the desired success and viability of our Member Units through Management Reports and assistance. TTCUDIF's Examination Unit is charged with the responsibility of performing both Off-Site and On-Site examinations on Member Units in making every effort to ensure their protection and stability.

Off-Site Examination is an analysis done on the Member Unit's audited financial statements. The process is geared towards arriving at a set of financial ratios for assessing the performance and financial condition of the Credit Union. The analysis generates an alert where certain ratios breach a predetermined critical level benchmarked against the PEARLS system. A Report is prepared and forwarded to the Board of Member Units for addressing and engaging with TTCUDIF as is required.

On-Site Examination is an appraisal that TTCUDIF conducts, (based upon Member Units agreement to the period carded for examinations), at the premises of the **Member Unit**. This allows TTCUDIF to undertake primary data collection, hold interviews with management and staff, analyse Financial and Investment data, evaluate the Operational, IT and Administrative controls and practices, examine the Loan and Credit portfolios, assess the Strategic plan/activities and review policies etc., of the Member Unit and to engage in observations of the administration of general business at source.

TTCUDIF provides **a comprehensive report with recommendations** from this extensive activity and in-depth assessment. A Management's Report (outlining critical observations and suggestions for attending the issues identified) is also provided and forwarded to the Unit's Board of Directors for their information and guidance.

On-Site Examinations completed for the period July 2018 – June 2019 included the following Member Credit Unions:

- NFM
- Duncan Village
- Zenith
- Hand Arnold
- Usine Ste. Madeleine
- Bethel
- Port Employees (PECU)
- UWI

We urge the Board to peruse these Reports and liaise with us at TTCUDIF on matters of concern, for clarification or for assistance that may be required to ensure the ongoing effectiveness and efficiency of its Credit Unions.

7. FINANCIAL PERFORMANCE

TTCUDIF realized a Net Surplus of $1,093,396 for the Financial Year. It should be noted there was the write off of $1,262,158 for possible impairment on investments in keeping with IFRS9 reporting standards. Additionally, there was a decrease in contributions to the Fund of $1,089,880. These shortfalls were compensated for by an increase in investment income and gains on the value of investments.

8. ACKNOWLEDGMENTS

- Members Units of the Trinidad and Tobago Credit Union Deposit Insurance Fund
- The Commissioner for Co-operative Development and Officers from the Division
- KCL Capital Market Brokers Limited
- KSBM Asset Management
- JMMB Investments (T&T) Limited
- Sheppard Securities Limited
- ANSA Merchant Bank Limited
- NCB Global Finance Limited – Capital Market
- I. A. Ali & Associates – Auditor
- CUNA Caribbean Insurance Society Limited
- Wheeler & Co. - Attorney
- Our Bankers and Financial Institutions
- Central Finance Facility Co-operative Society Limited
- The Association of Co-operative Credit Union Presidents of Trinidad and Tobago

On behalf of the Board of Directors, I wish to express my sincere thanks and appreciation to the Manager (Mr. Lincoln Jitman) and Staff for the dedication, commitment and contribution continuously extended to TTCUDIF.
It has been a pleasure working with the Board of Directors and Officers of TTCUDIF over the period and I thank you all for giving me the opportunity to serve.

For and behalf of the Board of Directors, TTCUDIF,

Khristendath Neebar (Attorney-at-Law)
Secretary,
TTCUDIF.

AUDIT COMMITTEE REPORT

AUDIT COMMITTEE REPORT

INTRODUCTION

The Committee is pleased to present its report for the financial reporting period 1st July 2018 to 30th June 2019.

OPERATIONS OF THE COMMITTEE

At the 19th Annual General Meeting of the TTCUDIF which was held on Saturday 13th October 2018, the following persons were elected to serve for the 2018-2019 term:

- Member - Mr. Brian Matthew (nominated by Aero Services C.U.)
- Member - Mr. Anthony De Freitas (nominated by TEXTEL C.U.)
- Member - Ms Christina Bahadoor-Hosein (nominated by Duncan Village C.U.)
- Alternate - Mr. Horace Leach (nominated by T&T Fire Service C.U.)

At the first meeting held on 13th October 2018 the following officers were elected:

- Mr. Anthony De Freitas– Chairman
- Ms Christina Bahadoor-Hosein – Secretary
- Mr. Brian Matthew – Member

ATTENDANCE AT MEETINGS

Name	Meetings Attended
Christina Bahadoor-Hosein	16/16
Anthony De Freitas	16/16
Brian Matthew	14/16

At its first meeting held on 13th October 2018, the Committee produced a draft Audit Plan which was finalized at its second meeting on 1st November 2018. All the Committee's activities and reviews are captured hereunder.

FINANCIAL STATEMENTS

All Management Accounts were reviewed by the Committee and signed off by the Chairman. The Fund's financials continued to see positive growth with the following highlights (June 2019 vs. June 2018):

- Increase in Total Assets of 4.7%
- Increase in Share/Deposit Insurance Fund of 1.8%
- Increase in Interest & Dividend Income of 21.7%

However, there were significant reductions in key segments:

- Members' Contributions (Income) decreased by 48%
- Net Surplus decreased by 42%

TTCUDIF realized a Net Surplus to June 2019 of $1.09M, compared to $1.87M to June 2018. This resulted from the decrease in Members' Contributions and an increase in the Provision for potential impairment of Investments of $0.37M as required in accordance with the IFRS 9 Reporting Standard.

BANK RECONCILIATIONS & CASH SPOT CHECKS

Four (4) random Petty Cash Counts were conducted and the Committee was satisfied with the physical cash count against that stated in the Cash Book and General Ledger. The Committee also reviewed the Bank Reconciliation Statements prepared by the Accountant and all schedules reconciled to the General Ledger. All reconciling items were cleared on a timely basis.

AUDIT COMMITTEE REPORT

INVESTMENT PORTFOLIO

We reviewed the Investment Report monthly. The mix of Equities, Bonds and Short-Term Financing Investments yielded $2.99M; an increase of $0.53M in Investment Income. The significant increase in Investment Income was able to partially offset the negative effects of the decrease in Income from Member Contributions (48%) and the increase in the IFRS 9 Provision for Impairment of Investments & Receivables to June 2019. The Investment Reserve Account reflected a gain of $2.04M.

INVESTMENT POLICY

Discussions with the Board of Directors about the Society's Investment Policy to confirm its applicability to the current and short-term economic environment.

ACCOUNTING POLICY

This document was reviewed with all concerned and relevant adjustments were made, authorized and implemented in May 2019. A Policy Change Control Form is included and to be signed upon any further review.

AML/CFT COMPLIANCE POLICY

This Policy was reviewed, and recommendations provided to the Manager for consideration by the Board. After presentation of same to the Board during the ensuing period, it is expected that agreed changes will be effected and the document authorized.

GOVERNANCE AND LEADERSHIP CONFERENCE 2019

Positive and constructive feedback was received from those participants who interacted with the Members of the Audit Committee. Those who participated in previous conferences expressed the view that the 2019 Session was the best that they attended in terms of Content, Presenters and Participation. Those who had not attended previously made positive comments about the high calibre of the Presenters, as well as the quality and depth of the presentations. Some shared the view that there could be additional workshops and increased experiential learning. The Committee is satisfied that all Expenses and Payments from Participants were properly accounted for.

CONCLUSION

The Committee applauds the Society's Leadership in maintaining a level of stability despite current financial realities. We look forward to the realization of a successful year of growth in the Society's Financial Results and acceptance by the Government of Trinidad and Tobago of The Trinidad and Tobago Credit Union Deposit Insurance Fund Co-operative Society Limited, an Organization wholly owned by its Member Credit Unions, as the choice for Credit Union Deposit Insurance in Trinidad and Tobago.

We hereby thank the Society's Membership for the opportunity to serve, together with the Manager, Staff and Board of Directors for their support during 2018-2019.

Anthony De Freitas	Brian Matthew	Christina Bahadoor-Hosein
Chairman	Member	Secretary

RESOLUTION

RESOLUTION:

Appointment of Auditor

BE IT RESOLVED that the firm of I. A. Ali & Associates be appointed Auditor for the financial period July 01, 2019 to June 30, 2020.

Trinidad and Tobago Credit Union Deposit Insurance Fund Co-operative Society Limited
Operational Budget 2019/2020

	2018/2019 Budget	2018/2019 Actual	*Variance*	2019/2020 Proposed Budget
REVENUE				
Interest on Investments	1,500,000	1,603,302	*103,302*	1,600,000
	1,500,000	**1,603,302**	***103,302***	**1,600,000**
Other Operating Income:				
Dividend & Other Income	700,000	1,388,185	*688,185*	1,200,000
Members Contibutions	2,200,000	1,174,299	*(1,025,701)*	1,200,000
Admin Fee				
	2,900,000	**2,562,484**	***(337,516)***	**2,400,000**
TOTAL INCOME	**4,400,000**	**4,165,786**	***(234,214)***	**4,000,000**
EXPENSES				
Governance Expenses				
Annual General Meeting	60,000	51,600	*8,400*	60,000
Board & Committee Meeting Expenses	44,000	29,452	*14,548*	36,000
Board & Committee Stipends	271,000	227,575	*43,425*	271,000
Sem./Conf. & Official Visits	330,000	(157,528)	*487,528*	330,000
Strategic Retreat/ Special Meetings	25,000	0	*25,000*	25,000
Travelling and Subsistence	10,000	0	*10,000*	10,000
	740,000	**151,099**	***588,901***	**732,000**
Administrative Expenses				
Bank Charges, Comm. & Transfer Fees	10,000	9,282	*718*	10,000
Depreciation	30,000	12,839	*17,161*	30,000
Insurance	15,000	14,882	*118*	15,000
Office Expenses	72,000	44,285	*27,715*	55,000
Office Rental	264,000	264,000	*0*	264,000
Electricity	20,000	8,286	*11,714*	20,000
Stationery	25,000	17,549	*7,451*	25,000
Telephones, Fax & Internet	35,000	23,686	*11,314*	30,000
	471,000	**394,809**	***76,191***	**449,000**
Personnel Costs				
NIS Employers' Contribution	53,000	27,900	*25,100*	54,000
Pension Benefits	26,000	14,244	*11,756*	26,000
Other Staff Costs	80,000	43,079	*36,921*	80,000
Salaries	622,000	418,000	*204,000*	622,000
	781,000	**503,223**	***277,777***	**782,000**
Education & Training (Membership)	**25,000**	**8,784**	***16,216***	**25,000**
Professional Fees				
Audit Fees	45,000	38,400	*6,600*	45,000
Legal & Prof. Fees	190,000	155,362	*34,638*	190,000
Management Consultancy	269,000	268,140	*860*	269,000
	504,000	**461,902**	***42,098***	**504,000**
Marketing and Promotional Expenses				
Advertising & Promotional	40,000	4,295	*35,705*	40,000
Donation	50,000	0	*50,000*	50,000
	90,000	***4,295***	***85,705***	***90,000***
Provision for Impairment on Investment	**200,000**	**1,548,278**	***(1,348,278)***	**200,000**
TOTAL EXPENSES	**2,811,000**	**3,072,390**	***(261,390)***	**2,782,000**
Operating Net Surplus	**1,589,000**	**1,093,396**	***(495,604)***	**1,218,000**
Other Comprehensive income:				
Unrealised gains/losses	(200,000)	2,040,337	*2,240,337*	(200,000)
Other Comprehensive Income for the yr	(200,000)	2,040,337	*2,240,337*	(200,000)
TOTAL COMPREHENSIVE INCOME	**1,389,000**	**3,133,733**	***1,744,733***	**1,018,000**

TRINIDAD AND TOBAGO CREDIT UNION DEPOSIT INSURANCE FUND CO-OPERATIVE SOCIETY LIMITED

49-50, Montrose Main Road, Chaguanas, Trinidad, W.I.
Tel: (868) 671-6328, 672-2588, 672-2358 • **Fax:** (868) 672-2133 • **E-mail:** mail@stabfundtt.com
Website: www.stabfundtt.com

Statement of Management's Responsibility

Management is responsible for the following:

- Preparation and fairly presenting the accompanying financial statements of the Trinidad & Tobago Credit Union Deposit Insurance Fund Co-operative Society Limited, which comprise the statement of financial position as at June 30, 2019, the statements of comprehensive income, changes in members' equity and reserves and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;

- Ensuring that the Society keeps proper accounting records;

- Selecting appropriate accounting policies and applying them in a consistent manner;

- Implementing, monitoring and evaluating the system of internal control that assures security of the Society's assets, detection/prevention of fraud, and the achievement of Society's operational efficiencies;

- Ensuring that the system of internal control operated effectively during the reporting period;

- Producing reliable financial reporting that comply with laws and regulations; and

- Using reasonable and prudent judgement in the determination of estimates.

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

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

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

General Manager

September 30, 2019

Accountant

September 30, 2019

TRINIDAD & TOBAGO CREDIT UNION DEPOSIT INSURANCE FUND CO-OPERATIVE SOCIETY LIMITED

Financial Statements
for the year ended
June 30, 2019

TRINIDAD & TOBAGO CREDIT UNION DEPOSIT INSURANCE FUND
CO-OPERATIVE SOCIETY LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

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TRINIDAD AND TOBAGO CREDIT UNION DEPOSIT INSURANCE FUND CO-OPERATIVE SOCIETY LIMITED

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Statement of Management's Responsibility

Management is responsible for the following:

- Preparation and fairly presenting the accompanying financial statements of the Trinidad & Tobago Credit Union Deposit Insurance Fund Co-operative Society Limited, which comprise the statement of financial position as at June 30, 2019, the statements of comprehensive income, changes in members' equity and reserves and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;
- Ensuring that the Society keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Society's assets, detection/prevention of fraud, and the achievement of Society's operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that comply with laws and regulations; and
- Using reasonable and prudent judgement in the determination of estimates.

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

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

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

General Manager

September 30, 2019

Accountant

September 30, 2019

I.A.ALI & ASSOCIATES
Chartered Accountants

L.P. #54 Marshall Street, Warrenville, Cunupia
Tel: (868) 221-8535 • Fax: (868) 693-2246
Email: imtiaz.a.ali@hotmail.com
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Independent Auditor's Report

To the members of
Trinidad & Tobago Credit Union Deposit Insurance Fund Co-operative Society Limited

Opinion

We have audited the financial statements of Trinidad & Tobago Credit Union Deposit Insurance Fund Co-operative Society Limited (the Society), which comprise the statement of financial position as at June 30, 2019, and the statement of comprehensive income, statement of changes in members' equity and reserves and statement of cash flows for the year then ended, and 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 Society as at June 30, 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the Republic of Trinidad and Tobago, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

Member of:

Association of Certified Fraud Examiners | Association of Chartered Certified Accountants | Institute of Chartered Accountants of Trinidad & Tobago

I.A.ALI & ASSOCIATES
Chartered Accountants

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Independent Auditor's Report (continued)

To the members of
Trinidad & Tobago Credit Union Deposit Insurance Fund Co-operative Society Limited

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Member of:

Association of Certified Fraud Examiners | Association of Chartered Certified Accountants | Institute of Chartered Accountants of Trinidad & Tobago

I.A.ALI & ASSOCIATES
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To the members of
Trinidad & Tobago Credit Union Deposit Insurance Fund Co-operative Society Limited

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

I.A. Ali & Associates

I.A. Ali & Associates
Cunupia
Trinidad
September 30, 2019

Member of:

Association of Certified Fraud Examiners | Association of Chartered Certified Accountants | Institute of Chartered Accountants of Trinidad & Tobago

TRINIDAD & TOBAGO CREDIT UNION DEPOSIT INSURANCE FUND CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2019

	Notes	2019 $	2018 $
ASSETS			
Property, plant and equipment	4	73,490	79,159
Investment securities:			
- measured at amortised cost	8(a)	28,537,432	28,949,953
- measured at fair value through other comprehensive income	8(b)	27,159,488	24,916,759
Receivables and prepayments	6	713,426	1,223,818
Mortgage loans	5	37,435	2,366
Cash and short-term funds	7	12,344,768	10,621,481
Total Assets		**68,866,038**	**65,793,535**
LIABILITIES AND MEMBERS' EQUITY			
Liabilities			
Members' shares		3,400	3,400
Payables and accruals	9	198,931	260,161
Total Liabilities		202,331	263,561
Members' Equity			
Reserve fund		8,406,074	8,296,734
Education fund		279,976	378,976
Training fund		257,528	-
Investment re-measurement reserve		5,713,457	3,673,120
Share deposit insurance guarantee fund		54,006,672	53,181,144
Total Members' Equity		68,663,707	65,529,974
Total Liabilites and Members' Equity		**68,866,038**	**65,793,535**

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

On September 30, 2019, the Board of Directors of Trindad & Tobago Credit Union Deposit Insurance Fund Co-operative Society Limited authorised these financial statements for issue.

SECRETARY

PRESIDENT

CHAIRMAN OF AUDIT COMMITTEE

TRINIDAD & TOBAGO CREDIT UNION DEPOSIT INSURANCE FUND
CO-OPERATIVE SOCIETY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2019

	Notes	2019 $	2018 $
Income			
Members' share guarantee contributions		1,174,299	2,264,179
Interest income	10	1,603,302	1,582,172
Dividend & other income		1,388,185	876,823
Total income		**4,165,786**	**4,723,174**
Expenditure			
Administrative	11	394,809	406,241
Governance	12	151,099	295,559
Personnel	13	503,223	479,367
Legal & professional		461,902	462,594
Marketing & promotions		4,295	23,180
Education & training - membership		8,784	12,683
Investment securities written-off		-	1,177,926
Provision for impairment of investment securities		1,262,158	-
Provision for impairment of receivables		286,120	-
Total expenditure		3,072,390	2,857,550
Net surplus for the year		**1,093,396**	**1,865,624**
Other comprehensive income:			
Items that may be reclassified subsequently to profit and loss			
Changes in fair value of investments		2,040,337	379,678
Other comprehensive income for the year		**2,040,337**	**379,678**
Total comprehensive income for the year		**3,133,733**	**2,245,302**

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

TRINIDAD & TOBAGO CREDIT UNION DEPOSIT INSURANCE FUND CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF CHANGES IN MEMBERS' EQUITY AND RESERVES FOR THE YEAR ENDED JUNE 30, 2019

	Reserve Fund	Education Fund	Training Fund	Investment Re-measurement Reserve	Share Deposit Insurance Guarantee Fund	Total
	$	$	$	$	$	$
Year ended June 30, 2019						
Balance at July 1, 2018	8,296,734	378,976	-	3,673,120	53,181,144	65,529,974
Total comprehensive income for the year	-	-	-	2,040,337	1,093,396	3,133,733
Members education, training and development expense	-	(100,000)	257,528	-	(157,528)	-
Transfers	109,340	1,000	-	-	(110,340)	-
Balance at June 30, 2019	**8,406,074**	**279,976**	**257,528**	**5,713,457**	**54,006,672**	**68,663,707**
Year ended June 30, 2018						
Balance at July 1, 2017	8,110,172	285,695	-	3,293,442	51,595,363	63,284,672
Total comprehensive income for the year	-	-	-	379,678	1,865,624	2,245,302
Transfers	186,562	93,281	-	-	(279,844)	-
Balance at June 30, 2018	**8,296,734**	**378,976**	**-**	**3,673,120**	**53,181,144**	**65,529,974**

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

TRINIDAD & TOBAGO CREDIT UNION DEPOSIT INSURANCE FUND CO-OPERATIVE SOCIETY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

	2019 $	2018 $
Cash flows from operating activities		
Net surplus for the year	1,093,396	1,865,624
Adjustments to reconcile net surplus to net cash		
generated by operating activities:		
Depreciation	12,839	13,491
Operating surplus before working capital changes	1,106,235	1,879,115
Decrease in receivables and prepayments	510,392	1,690,847
(Increase)/decrease in mortgage loans	(35,069)	46,640
Decrease in members loans	-	2,000,000
(Decrease)/increase in payables and accruals	(61,230)	198,704
Net cash generated by operating activities	1,520,328	5,815,306
Cash flows from investing activities		
Net change in investment securities	210,129	(7,064,792)
Additions to property, plant and equipment	(7,170)	(20,310)
Net cash generated by/(used in) investing activities	202,959	(7,085,102)
Net increase/(decrease) in cash and cash equivalents	**1,723,287**	**(1,269,795)**
Cash and cash equivalents		
at beginning of year	**10,621,481**	**11,891,276**
Cash and cash equivalents at end of year	**12,344,768**	**10,621,481**
Cash and cash equivalents		
Cash and short-term funds	12,344,768	10,621,481
Total cash and cash equivalents	**12,344,768**	**10,621,481**

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

TRINIDAD & TOBAGO CREDIT UNION DEPOSIT INSURANCE FUND CO-OPERATIVE SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

1. REGISTRATION AND ACTIVITIES

The Society was registered in the Republic of Trinidad and Tobago under the Co-operative Societies Act Chapter 81:03. Its registered office is located at 49-50 1st Floor, Montrose Main Road, Chaguanas. The Society's objective is to engender confidence in the Credit Union movement within Trinidad and Tobago by ensuring:

(a) The protection and stability of member units through preventive and/or curative assistance and,

(b) The security of members' shares and deposits.

2. SIGNIFICANT ACCOUNTING POLICIES

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

a. Basis of preparation

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), and are stated in Trinidad and Tobago dollars. These financial statements are stated on the historical cost basis, except for the measurement at fair value through other comprehensive income and certain other financial instruments.

(i) Standards, amendments and interpretations to existing Standards applicable to the Society in the current year which were adopted by the Society.

IFRS 9 Financial Instruments (IFRS 9) was adopted on July 1, 2018. As permitted by the transition provisions of IFRS 9, an election was made to restate prior period results; accordingly, all comparative period information is presented in accordance with the previous accounting policies. Adjustments to carrying amounts of financial assets and liabilities at the date of initial application (July 1, 2018) were recognised in opening share deposit insurance guarantee fund. (If any).

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

The following new standards, interpretations and amendments, which have not been applied in these financial statements, will or may have an effect on the Society's future financial statements in the period of initial application. In all cases, the entity intends to apply these standards from the mandatory application date as indicated in the note below.

IFRS 16 Leases supersedes IAS 17 Leases and its related interpretations. IFRS 16 eliminates the classification by a lessee or leases as either operating or finance. Instead, all leases are treated in a similar way to finance leases in accordance with IAS 17. Under IFRS 16 leases are recorded on the statement of financial position by recognising a liability for the present value of its obligation to make future lease payments with an asset (comprised of the amount of the lease liability plus certain other amounts) either being disclosed separately in the statement of financial position (within right-of-use assets) or together with property, plant and equipment. The most significant effect of the new requirements will be an increase in recognised lease assets and financial liabilities. However, IFRS 16 does not require a lessee to recognise assets and liabilities for short-term leases and leases of low-value assets. IFRS 16 clarifies that a lessee seperates lease components and service components of a contract and applies the lease accounting requirements only to the lease components. IFRS 16 applies to the annual periods commencing on or after January 1, 2019.

2. SIGNIFICANT ACCOUNTING POLICIES(continued)

a. Basis of preparation (continued)

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

The Society did not early adopt any new revised or amended standards.

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 Society's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenditure during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

Judgements made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next financial year are discussed below:

Allowances for credit losses

Loans and investments accounted for at amortised cost are evaluated for impairment on a basis described in note (2i).

c. Cash and cash equivalents

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

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

d. Foreign currencies

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 prevailing rates and the resulting gains and losses are recorded in the Statement of Comprehensive Income.

2. SIGNIFICANT ACCOUNTING POLICIES(continued)

e. Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation. Depreciation is provided on the reducing balance basis at rates estimated to write-off the assets over their expected useful lives.

Current rates of depreciation are:

Furniture & fixtures	-	10% to 25%
Office equipment	-	10% to 20%
Leasehold improvements		15% to 20%

f. Revenue recognition

Members' share guarantee contributions

Revenue from members' share guarantee contributions is recognized on the accrual basis after an examination of members' audited financial statements.

Interest income

Interest income is recognized using the effective interest method.

Dividend income

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

Training income

Training income is recognized on the accrual basis.

g. Accounts receivable

Accounts receivable are initially measured at cost. Appropriate allowances for estimated irrecoverable amounts are recognised in the Statement of Comprehensive Income on a basis described in note (2i).

h. Provisions

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

2. SIGNIFICANT ACCOUNTING POLICIES(continued)

i. Financial assets

The Society classifies its investment financial assets at, amortised cost (2018: held-to-maturity investments), fair value through other comprehensive income (2018: available-for-sale investments). The classification depends on the purpose for which financial assets were acquired or originated.

(i) Amortised cost (2018: held-to-maturity investments and loans and receivables)

Financial assets measured at amortised cost include corporate bonds, notes, repurchase agreements and fixed deposits.

These are financial assets with fixed or determinable payments and fixed maturity that the Society has the intent an ability to hold to maturity. These are initially measured at cost, being the fair value plus the transaction cost that are directly attributable to the acquisition of the instrument.

All non-trading financial liabilities and financial assets measured at amortised cost are subsequently measured at amortised costs less impairment losses. Amortised cost is calculated on the effective interest rate method. Premiums and discounts, including initial transaction costs, are included in the carrying amount of the related instrument and amortised based on the effective interest rate of the instrument. The amortisation of premiums and discounts is taken to the statement of comprehensive income.

(ii) Fair value through other comprehensive income (2018: available-for-sale investments)

Financial assets measured at fair value through other comprehensive income includes certain equity instruments.

These financial assets are investments that are intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in exchange rates or equity prices or that are not classified as loans and receivables.

These financial assets are initially recognised at fair value plus transaction cost that are directly attributable to their acquisition.

After initial recognition, investments which are classified as "fair value through other comprehensive income" are measured at fair value with unrealised gains or losses on revaluation recognised as a separate component of equity until the investment is sold, collected or otherwise disposed of, or until the investment is determined to be impaired, at which time the cumulative loss or gain previously reported in the investment re-measurement reserve is included in the statement of comprehensive income.

2. SIGNIFICANT ACCOUNTING POLICIES(continued)

j. Financial assets(continued)

Impairment of financial assets

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

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

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

In the prior year (2018) Financial assets are assessed at each reporting date to determine whether there is any objective evidence that they are impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

An impairment loss in respect of a financial asset measured at amortised cost is calculate as a difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Any impairment losses in respect of a financial asset at amortised cost are recognised in the statement of comprehensive income.

An impairment loss in respect of a fair value through other comprehensive income financial asset is calculated by reference to its fair value. Any cumulative gains/losses on remeasurement of equity investments, which the society has opted, irrevocably, to measure at fair value through other comprehensive income, are recognized in other comprehensive income as 'Items that may not be reclassified to profit and loss'. Upon derecognition, the cumulative gains/(losses) previously recognized in other comprehensive income is not reclassified to profit and loss but instead, transferred within equity.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost and at fair value through other comprehensive income (2018: held-to-maturity investments) that are debt securities, the reversal is recognised in the statement of comprehensive income. For investments measured at fair value through other comprehensive income (2018: an available-for-sale investments) that are equity securities, the reversal is recognised directly in equity.

Impairment of non-financial assets

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES(continued)

j. Financial assets(continued)

Impairment of non-financial assets(continued)

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

k. Financial liabilities

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

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

l. Reserve Fund

Section 47(2) of the Co-operatives Societies Act 1971 requires that at least 10% of the net surplus of the Society's for the year is to be transferred to a reserve fund. In accordance with Bye-Law 14 of the Society, this reserve fund may be used only with the approval of the Commissioner of Co-operative Development for bad loans and other losses sustained through extraordinary circumstances over which the Society had no control.

m. Education Fund

In accordance with the Bye-Law 13(a) and 15 of the Society, an amount of not more than 5% of the net surplus for the year may be transferred to an education fund, which shall be used for the education and training of the members, officers and staff of the Society.

In accordance with International Financial Reporting Standards, all items of income and expenses must be accounted for through the statement of comprehensive income. Thus, an intra- reserve transfer is made from this fund to the share deposit insurance guarantee fund at year end to reflect the net expenditure incurred on education projects during the year.

n. Training Fund

The training fund hold gains from training programs for the members, officers and staff of the Society, and it shall be used finance future training programs or mitigate shortages.

In accordance with International Financial Reporting Standards, all items of income and expenses must be accounted for through the statement of comprehensive income. Thus, an intra- reserve transfer is made between this fund and the share deposit insurance guarantee fund at year end to reflect the net surplus/deficit incurred on training projects during the year.

o. Comparative information

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year. Certain reclassifications were made as set out in note (7) to the financial statements

3. FINANCIAL RISK MANAGEMENT

Financial Risk Factors

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

Financial Instruments

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

	2019	
Financial Assets	$ Carrying Value	$ Fair Value
Cash and short-term funds	12,344,768	12,344,768
Investment securities	55,696,920	55,696,920
Receivables and prepayments	713,426	713,426
Mortgage loans	37,435	37,435
	68,792,549	68,792,549

	2019	
Financial Liabilities	$ Carrying Value	$ Fair Value
Payables and accruals	198,931	198,931
	198,931	198,931

	2018	
Financial Assets	$ Carrying Value	$ Carrying Value
Cash and short-term funds	10,621,481	10,621,481
Investment securities	53,866,712	53,866,712
Receivables and prepayments	1,223,818	1,223,818
Mortgage loans	2,366	2,366
	65,714,377	65,714,377

	2018	
Financial Liabilities	$ Carrying Value	$ Carrying Value
Payables and accruals	260,161	260,161
	260,161	260,161

3. FINANCIAL RISK MANAGEMENT (continued)

Financial Instruments (continued)

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

a. Interest rate risk

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

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

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

b. Credit risk

Credit risk arises when there is a failure by counter parties to discharge their obligations and could reduce the amount of cash inflows from financial assets on hand at the Statement of Financial Position date.

The Society's loan portfolio is managed and consistently monitored and is adequately secured by collateral and where necessary, allowance have been established for potential credit losses on delinquent accounts.

Cash balances are held with high credit quality financial intermediaries/agencies and the Society has policies to limit the amount of exposure to any single financial intermediary/agency.

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

Maximum exposure to credit risk before collateral held or credit enhancements

	2019 $	2018 $
Due from banks and other financial institutions	68,041,687	64,488,193
Mortgage loans	37,435	2,366
	68,079,122	64,490,559

3. FINANCIAL RISK MANAGEMENT (continued)

Financial Instruments (continued)

Financial assets that are neither past due nor impaired

	2019	2018
	$	$
Cash held in reputable financial institutions	12,344,768	10,621,481
Investments securities with no default anticipated	55,696,920	53,866,712
Accounts receivable with full repayment expected	713,426	1,223,818
Mortgage loans	37,435	2,366
	68,792,549	65,714,377

c. Liquidity risk

The Society's approach to managing liquidity is to ensure, as far as possible, that it has sufficient liquidity to meet its liabilities without incurring losses or risking damage to its reputation. In order to achieve this objective the Society maintains a certain percentage of its total assets in cash, fixed deposits and money market instruments to meet demands for cash withdrawals and other short-term liabilities.

d. Currency risk

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

e. Operational risk

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

f. Compliance risk

Compliance risk is the risk of financial loss, including fines and other penalties, which arise from non-compliance with laws and regulations of the state. The risk is limited to a significant extent due to the supervision applied by the Commissioner for Co-operative Development division, as well as by the monitoring controls applied by the Society.

g. Reputation risk

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

4. PROPERTY, PLANT AND EQUIPMENT

	Furniture & Fixtures	Office Equipment	Leasehold Improvements	Total
	$	$	$	$
Year ended June 30, 2019				
Cost	160,879	282,997	251,201	695,077
Accumulated depreciation	(135,318)	(235,604)	(250,665)	(621,587)
Net Book Value	**25,561**	**47,393**	**536**	**73,490**
Net Book Value				
July 1, 2018	29,380	48,979	800	79,159
Additions	-	7,170	-	7,170
Depreciation charge	(3,819)	(8,756)	(264)	(12,839)
June 30, 2019	**25,561**	**47,393**	**536**	**73,490**
Year ended June 30, 2018				
Cost	160,879	275,828	251,201	687,908
Accumulated depreciation	(131,499)	(226,849)	(250,401)	(608,749)
Net Book Value	**29,380**	**48,979**	**800**	**79,159**
Net Book Value				
July 1, 2017	21,193	49,953	1,194	72,340
Additions/adjustments	11,928	8,382	-	20,310
Depreciation charge	(3,741)	(9,356)	(394)	(13,491)
June 30, 2018	**29,380**	**48,979**	**800**	**79,159**

	2019 $	2018 $
5. MORTGAGE LOANS		
Mortgage loans	572,029	566,960
Provision for impairment	(534,594)	(564,594)
	37,435	**2,366**
6. RECEIVABLES AND PREPAYMENTS		
Contributions due from Members' Credit Unions	976,248	1,534,785
Interest receivable and prepayments	745,757	411,491
Provision for impairment	(1,008,579)	(722,459)
	713,426	**1,223,818**
7. CASH AND SHORT-TERM FUNDS		
Cash in hand	3,000	3,000
Republic Bank Limited	258,507	520,404
First Citizens Bank Limited	287,132	69,825
JMMB Bank (Trinidad and Tobago) Limited	534,227	-
Trinidad & Tobago Unit Trust Corporation	1,768,271	3,852,936
Republic Bank Limited - US$ Money Market Fund	1,203,155	110,139
KSBM Asset Management Limited	6,063,482	5,260,507
Guardian IPI Balanced Fund	842,759	804,670
Sheppard Securities Limited	140,758	-
KCL Capital Market Brokers Limited	1,243,477	-
	12,344,768	**10,621,481**

A reclassification was made from short-term investments (now investment securities) for the prior year amounting to $10,028,252 ($593,229 as previously reported).

8(a) INVESTMENT SECURITIES MEASURED AT AMORTISED COST (2018: HELD-TO-MATURITY INVESTMENTS)		
KSBM Asset Management Limited - Bonds and US$ Repurchase Agreements	26,258,625	21,244,187
Sheppard Securities Limited - Bonds	23,267	163,361
KCL Capital Market Brokers Limited - Participatory Investment Certificate	3,517,698	7,542,405
Provision for Impairment	(1,262,158)	-
	28,537,432	**28,949,953**

In accordance with IFRS 9, the Society assessed the forward looking credit risk of the investment portolio held at amortised cost and the estimated expected credit losses of $1,262,158 were provided for, as at June 30, 2019.

	2019 $	2018 $
8(b) INVESTMENT SECURITIES MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (2018: AVAILABLE-FOR-SALE INVESTMENTS)		
Equity Instruments		
Ansa McAl Limited 5,000 shares (2018 - 5,000 shares)	275,900	290,000
CLICO Investment Fund 110,275 shares (2018- 110,275 shares)	2,679,682	2,260,638
First Citizens Bank Limited 156,218 shares (2018 - 156,218)	6,248,720	5,467,630
Guardian Holdings Limited 48,425 shares (2018 - 130,605 shares)	891,020	2,218,979
Guardian Media Limited 1,724 shares (2018 - 1,724 shares)	21,981	30,998
National Commerical Bank of Jamaica Limited 65,000 shares (2018 - 65,000 shares)	635,050	354,250
National Enterprises Limited 100,000 shares (2018 - 100,000 shares)	666,000	955,000
Massy Holdings Limited 37,650 shares (2018 - 37,650 shares)	2,071,126	1,777,080
One Caribbean Media Limited 46,000 shares (2018 - 46,000 shares)	464,600	567,640
Trinidad and Tobago NGL Limited 114,313 shares (2018 - 89,313 shares)	3,259,063	2,677,603
Prestige Holdings Limited 23,516 shares (2018 - 23,516 shares)	222,932	235,395
Republic Bank Limited 2,160 shares (2018 - 2,160 shares)	261,360	221,962
Point Lisas Industrial Port Development Corporation Limited 42,254 shares (2018 - 42,254 shares)	152,537	160,988
Royal Bank of Canada 5,344 shares (2018 - 5,344 shares)	2,857,063	2,715,019
Sagicor Financial Limited 224,197 shares (2018 - 184,200 shares)	2,241,970	1,445,970
Trinidad Cement Limited 500 shares (2018 - 500 shares)	1,275	1,525
West Indian Tobacco Company Limited 9,400 shares (2018 - 9,400 shares)	1,036,538	831,900
Standard & Poor's Depository Receipt 1,009 shares (2018 - 889 shares)	1,975,036	1,611,144
Consumer Staples 940 shares (2018 - 940 shares)	364,664	323,596
Technology Select Sector SPDR 866 shares (2018 - 866 shares)	451,489	401,912
Financial Select Sector 2,069 shares (2018 - 2,069 shares)	381,482	367,531
	27,159,488	**24,916,759**

	2019 $	2018 $
9. PAYABLES AND ACCRUALS		
Sundry payables and accruals	**198,931**	**260,161**
10. INTEREST INCOME		
Interest from short-term investments and bonds	**1,603,302**	**1,582,172**
11. ADMINISTRATIVE EXPENSES		
Bank charges and commissions	9,282	4,923
Depreciation	12,839	13,491
Electricity	8,286	10,000
Insurances	14,882	14,067
Office expenses	44,285	51,696
Office rental	264,000	264,000
Stationery	17,549	21,367
Telephone, fax and internet	23,686	26,697
	394,809	**406,241**
12. GOVERNANCE EXPENSES		
Annual general meeting	51,600	42,417
Board and committee meetings	29,452	26,040
Board and committee stipend	227,575	251,633
Seminars, conferences and official visits (net)	(157,528)	(24,531)
	151,099	**295,559**
13. PERSONNEL EXPENSES		
Salaries	418,000	414,121
National insurance	27,900	22,007
Pensions	14,244	12,116
Other staff costs	43,079	31,123
	503,223	**479,367**

14. RELATED PARTY TRANSACTIONS

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

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

	2019	2018
	$	$
Key management compensation		
Board and committee stipend	**227,575**	**251,633**

15. FAIR VALUES

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. The existence of published price quotation in an active market is the best evidence of fair value.

Where market prices are not available, fair values are estimated using various valuation techniques, including using recent arm's length market transactions between knowledgeable, willing parties, if available, current fair value of another similar financial instrument that is substantially the same and discounted cash flow analysis.

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

(a) Current assets and liabilities

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

(b) Investments

The fair value of investments are determined on the basis of market prices available as at June 30, 2019.

16. CAPITAL RISK MANAGEMENT

The Society manages its capital to ensure that it will be able to continue as a going concern, whilst providing value to its members by offering protection, stability and security to members' shares and deposits. The Society's overall strategy remains unchanged from previous years.

17. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

The Society has no contingent liabilities and capital commitments.

18. SUBSEQUENT EVENTS

Management evaluated all events that occurred from July 1, 2019 through the date the financial statements were available to be issued. During the period, the Society did not have any subsequent events requiring recognition or disclosure in the financial statements.

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

CREDIT UNION PRAYER

(Prayer Of Saint Francis Of Assisi)

Lord, make me an instrument of thy peace
Where there is hatred, let me sow Love
Where there is injury, Pardon
Where there is doubt, Faith
Where there is despair, Hope
Where there is darkness, Light
And where there is sadness, Joy

O Devine 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 of Eternal Life