



Ariza

Credit Union

Your Financial Freedom. *Your Future.*

annual report 2016

expanding horizons

*Same Values*



# mission, vision

core values

## mission

To maintain our role as leader in providing all-inclusive financial solutions based on co-operative ideals

## vision

To improve the quality of life of our members through sound financial solutions tailored to their needs.

## core values

1. Member focus
2. Professionalism and Commitment
3. Excellence and Innovation
4. Collaboration and Teamwork
5. Growth

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Lord, make me an instrument of thy peace  
Where there is hatred let me show 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

Oh Divine Master, grant that I may not so much seek  
to be consoled as to console;  
To be understood as to understand;  
To be loved as to love;  
For it is in giving that we receive,  
It is in pardoning, that we are pardoned,  
And it is in dying that we are born to eternal life.

Bless, Oh Lord our deliberations and grant that  
Whatever we may say and do  
Will have thy blessing and guidance  
Through Jesus Christ Our Lord  
Amen

## prayer

## song

With us there are no barriers  
'Cause we're all the same  
The more of us the happier  
The louder we'll proclaim  
That we are owner-members  
Our rule is honesty  
We are the Credit Union  
And all the world can see

Chorus  
Together, we give and receive  
Together, we help each other to achieve  
"Cause in our world today  
It's not safe to be alone  
We all will be true savers  
Though it be great or small  
We will become shareholders  
Providing loans for all  
When great need arises  
There's no uncertainty  
Once in the Credit Union  
There's help for you and me.

We pledge to be of service  
To better our land  
We harbour no prejudice  
Upon this theme we stand  
One man one vote for members  
Of high or low degree  
For in the Credit Union  
There's pure Democracy

**Credit Union House**  
906 Church Street,  
St. George's, Grenada

**St. George's Headquarters**

Bruce Street  
St. George's  
P.O. Box 886  
Telephone: (473) 440 1759 / 8296 /2099  
Fax: (473) 440 8031  
Website: [www.arizacu.com](http://www.arizacu.com)  
Facebook: [www.facebook.com/arizacreditunion](http://www.facebook.com/arizacreditunion)  
[www.facebook.com/excelclub](http://www.facebook.com/excelclub)

**Grenville Branch Office**

Canal Road  
Grenville,  
St. Andrew's  
Telephone: (473)438-4929/4930  
Fax: (473) 438-4928

**Carriacou Branch Office**

Church Street  
Hillsborough,  
Carriacou  
Telephone:(473) 443-7461  
Fax: (473) 443-8520

**Auditors:**

Pannell Kerr Foster

**Bankers:**

RBTT Bank (Grenada) Ltd  
Grenada Co-operative Bank Ltd.

**Solicitors/Attorneys:**

Wilkinson, Wilkinson & Wilkinson  
Law Office of George E.D. Clyne

## executive bodies

**Executive Officers**

Bro. Christopher DeAllie	-	President
Bro. Carlyle Felix	-	Vice-President
Bro. Garvin Roberts	-	Treasurer
Bro. Ernie James	-	Asst. Treasurer
Sis. Gemma Bain Thomas	-	Secretary
Sis. Annette Henry	-	Asst. Secretary

**Members**

Bro. Augustine Francis Balwant  
Bro. Duane Noel  
Bro Javan Williams

**Executive Management:**

Chief Executive Officer  
Sis. Lucia Livingston-Andall  
Executive Manager -Finance and Operations  
Bro. Kippling Charles  
Executive Manager -Loans & Credit Administration (Ag.)  
Sis. Florence Ann Williams

**Management:**

Risk and Compliance - Sis. Gerlan Peters  
Marketing & Communications- Sis. Kimalene Regis  
IT & Special Projects- Bro. Lenus Walker  
Grenville Branch-Sis. Sabrina Rodney-Ogilvie  
Accountant-Sis. Neika Johnson

# notice of meeting

Notice is hereby given that the Annual General Meeting (AGM) of the Grenada Public Service Co-operative Credit Union Ltd. is scheduled for Thursday 29th June 2017 at 3:00 p.m. at the Spice Basket, Beaulieu, St. George's.

## AGENDA

### OPENING SESSION

- 1.1. Call to order and welcome
- 1.2. Credit Union prayer
- 1.3. Silent tribute
- 1.4. Apologies for absence
  
2. Greetings from Guest Societies
3. Remarks by invited officials
4. Break

### BUSINESS SESSION

1. Elections
- 1.2 Nominations Committee Report
- 1.3 Voting
- 1.4 Sitting of new Directors
  
2. Consideration of the Minutes of the Annual General Meeting (AGM) held 30th June 2016
3. Committee Reports
  - 3.1. Board of Directors
  - 3.2. Credit
  - 3.3. Supervisory & Compliance
  - 3.4. Treasurer and Auditors
  - 3.5. Budget 2017 and 2018
  
4. Resolutions
  - 4.1 Approval of Budget
  - 4.2 Change of Name
  - 4.3. Amending of Bye-Laws
  - 4.4. Register the address of Ariza Credit Union Ltd.

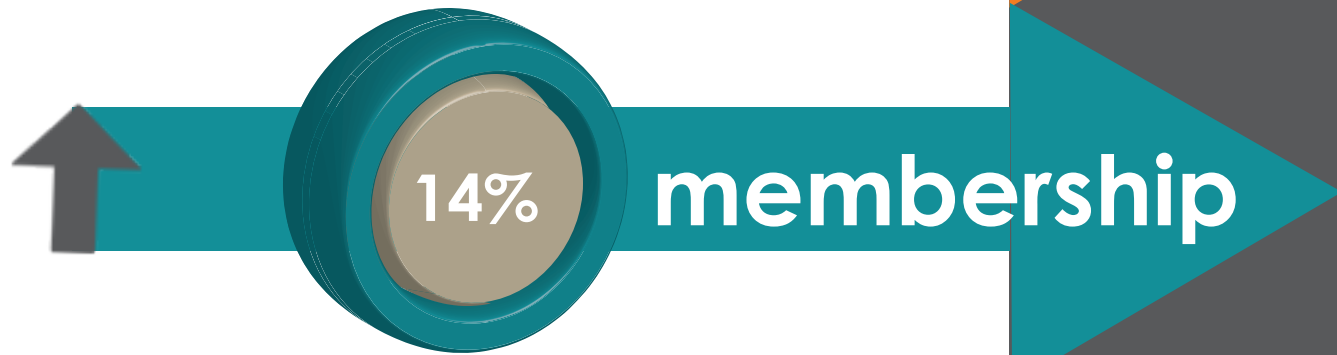
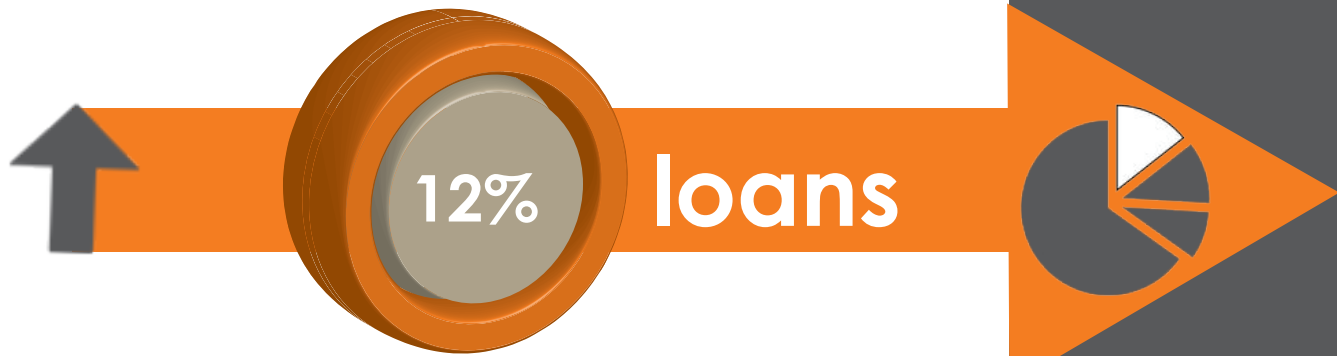


Sis. Gemma Bain Thomas  
Secretary

1. (a) Only Delegates are allowed to address the Chair  
(b) A member to stand when addressing the Chair  
(c) Speeches to be clear and relevant to the subject before the meeting
2. A member shall only address the meeting when called upon by the Chairman to do so, after which he (she) shall immediately take his (her) seat.
3. No member shall address the meeting except through the Chairman
4. A member shall not speak twice on the same subject except:  
(a) The mover of the motion – who has the right to reply  
(b) He rises to object or to explain (with the permission of the Chair.)
5. The mover of a procedural motion – (Adjournment, laid on the table, motion to postpone) to have no right to reply.
6. No speeches to be made after the “Question” has been put and carried or negated.
7. A member rising on a “Point of Order” to state the point clearly and concisely.  
(A “Point of Order” must have relevance to the “Standing Orders”).
8. (a) A member shall not “Call” another member “To Order” but may draw the Chair to a “Breach of Order”.  
(b) In no event can a member call the chair to order.
9. A “ Question” should not be put to the vote if a member desires to speak on it or move an amendment to it except that “a Procedural Motion”, “the Previous Question”, “Proceed to the next business” or the closure ‘ That question be put now” may be moved at any time.
10. Only one amendment should be before the meeting at one and the same time.
11. When a motion is withdrawn, any amendment to it fails.
12. The Chairman shall have in addition to his ordinary vote, a “casting Vote” in the case of equality votes.
13. If there is an equality of votes on an amendment, and if the Chairman does not exercise his (her) casting vote, the amendment is lost.
14. Provisions to be made for protection by the Chairman from vilification (personal abuse)
15. No member shall impute improper motives against the Chairman, Board of Directors, Officers or any other member.

	2016	2015	2014	2013	2012
<b>ASSETS</b>					
Gross Loans	226,051,348	201,819,571	184,918,340	169,675,663	148,890,170
Net Loans	220,860,859	197,129,081	181,227,850	165,618,297	145,332,804
Investments	25,588,385	23,277,759	20,861,531	19,740,317	20,268,965
Fixed Assets	19,114,763	12,810,256	11,591,861	2,870,311	2,774,459
<b>Total Assets</b>	<b>287,192,262</b>	<b>253,305,663</b>	<b>226,862,880</b>	<b>194,114,968</b>	<b>176,212,175</b>
<b>LIABILITIES</b>					
Member Regular Shares	119,094,956	105,244,887	92,375,572	80,963,969	76,247,301
Other Deposits	128,411,906	114,202,054	104,250,972	80,169,838	67,267,567
<b>Total Deposits</b>	<b>247,506,862</b>	<b>219,446,941</b>	<b>196,626,544</b>	<b>161,133,807</b>	<b>143,514,868</b>
<b>CAPITAL</b>					
Member Equity Shares	11,801,327	10,128,542	8,333,352	6,673,159	5,473,453
Surplus and Reserves	19,234,169	17,773,146	16,137,960	14,379,511	13,184,017
<b>Institutional Capital</b>	<b>31,035,496</b>	<b>27,901,688</b>	<b>24,471,312</b>	<b>21,052,670</b>	<b>18,657,470</b>
<b>INCOME</b>					
Interest on Loans	18,644,171	17,389,237	16,348,778	14,875,261	13,586,098
Other Income	1,049,702	1,541,034	1,016,403	1,334,894	961,645
<b>Total Income</b>	<b>19,693,873</b>	<b>18,930,271</b>	<b>17,365,181</b>	<b>16,210,155</b>	<b>14,547,743</b>
<b>EXPENDITURE</b>					
Interest on Deposits	8,670,913	8,715,028	8,738,811	7,614,551	7,000,063
Other Expenses	8,193,226	5,732,161	6,084,578	6,710,744	5,521,421
<b>Total Expenses</b>	<b>16,864,139</b>	<b>14,447,189</b>	<b>14,823,389</b>	<b>14,325,295</b>	<b>12,521,484</b>
<b>SURPLUS</b>					
Operating Surplus for the Year	2,910,519	4,483,082	3,027,939	3,112,186	2,526,259
Provision for Risk Assets	500,000	1,000,000	1,000,000	1,227,326	500,000
Impairment of Financial Assets	80,785	-	-	-	-
<b>Upappropriated Surplus</b>	<b>2,329,734</b>	<b>3,483,082</b>	<b>2,027,939</b>	<b>1,884,860</b>	<b>2,026,259</b>
<b>DIVIDEND</b>					
	-	444,964	431,825	355,247	272,694
<b>REBATE</b>					
	-	523,340	509,141	478,530	306,165
<b>MEMBERSHIP</b>					
	13,002	11,309	10,377	9,413	8,677





management executives



**Bro. Kippling Charles**  
Executive Manager:  
Finance and Operations



**Sis. Lucia Livingston-Andall**  
Chief Executive Officer



**Sis. Florence Williams**  
Executive Manager:  
Loans and Credit Administration

management team



**Sis. Gerlan Peters**  
Manager:  
Risk & Compliance



**Sis. Kimalene Regis**  
Manager:  
Marketing & Communications



**Sis. Neika Johnson**  
Accountant



**Sis. Sabrina Rodney-Ogilvie**  
Manager:  
Grenville Branch



**Bro. Lenus Walker**  
Manager:  
IT & Special Projects

## Administrative Dept. Head



Sis. Lucia Livingston-Andall

## Marketing & Projects



Kimalene Regis & Edwin Francis (L to R)

## Administration



Janice Darbeau, Roxanne Antoine, Nghia Haynes, Abigail Alexander, Richard George & Tiffani Hall (L to R)

## Compliance & Audit



Gerlan Peters & Candia Nicholas (L to R)

## Information Technology



Ozimba Toussaint & Lenus Walker (L to R)

## Member Care



Michelle Cambridge-Marryshow, Kishorn Palmer,  
Sonia Cadet, Michael Marshall, Iyana Brown (L to R)

## Finance & Operations Dept. Head



Bro. Kippling Charles

## Member Service Representatives



Frances Gilbert, Kurt Bartholomew, Jaime Phillip,  
Alisa Mc Lawrence, Chenelle Mitchell (L to R)

## Tellers



Cristel Lalite, Jerilee Edwards, Nerissa Chitterman,  
Terissa Mitchell, Aidan Peters (L to R)

## Carriacou Branch



Wineth Stewart & Princess John (L to R)

## Grenville Branch



Neisha Allard, Sabrina Rodney-Ogilvie & Londell Francique  
(L to R)

## Loans & Credit Administration Department Head



Sis. Florence Williams

## Loan Analysts & Receptionists



Caryl Hayes, Kevin Gilbert, Sindy-Ann Morain,  
Geoffrey Grey, Geanelle Mitchell, Marietta Mitchell  
(L to R)

## Credit Admin. & Securities



Mondella Lynch-Alleyne, Kesha Bartholomew, Edlyn  
Lalsee & Kendra Noel (L to R)

see pg. 100 for complete ariza ambassador list





*Fellow Co-operators,*

2016 has been another year of success and accomplishment for the Ariza Credit Union.

As at 31 December 2016, the Credit Union recorded an operating surplus of \$2.6 million and saw solid growth in total assets of \$33.8 million that is 13.4% over last year; total assets of our Credit Union is now \$287 million. This improvement is heavily driven by the loans portfolio increase of \$24.2 million. This year we welcomed 1,693 new members taking the tally to 13,002. This strong performance was only possible because our members continue to make Ariza its first choice financial institution.

This year, we celebrate our success under the theme “Expanding Horizons, Same Values” as we endeavor to fulfil our mandate, digging deeper into the soul of the Grenadian economy bringing a more personalized service to our members.

Our Credit Union has undergone several changes over the last year and as we grow and move forward, it is important that we remember some of the changes we embarked upon:-

- review and reengineer all internal processes to improve efficiency and service delivery;
- develop a more service oriented culture at every level of the organization to include directors, committee members, management and staff;
- change the perception of the Credit Union to be more innovative and appealing to the wider Grenadian market and the younger generation.

### **Accomplishments of our Credit Union**

Brothers and Sisters, technology is one of the main pillars on which we build our Credit Union. In this rapidly changing world, members are not prepared to wait in long lines to access their hard-earned money. They are simply demanding it around the clock from anywhere in the world and we must have the vision to recognize this and make appropriate decisions now.

This being said, I am happy to report that we have successfully piloted our mobile and online banking service. This was also coupled with increased security measures at our ATMS and general service points.

I am also happy to report, that the electronic filing project currently being undertaken is well advanced and the expectation is that this will be completed by year end. We can also expect a complete overhaul of our computer systems as we set the platform for higher standards of efficiencies and a more personalized service to members.

Fellow co-operators, during the year, considerable time and effort was spent at Ariza in developing our compliance department in order to meet the regulatory requirements of the various pieces of legislations with regard to money laundering and terrorist financing. This is an issue that needs the attention of the Credit Union movement as we move forward and make adjustments to safeguard our members' assets.

Fellow members, I am happy to report that occupation of our new headquarters was completed with an opening ceremony held on the 5<sup>th</sup> December 2016. This move to our new headquarters coincided with:

- the review of our internal processes;
- repositioning to a more service orientation culture; and the
- rebranding and name change;

Thereby laying the foundation for a modern financial services organization where we focus heavily on you, our members, making services more efficient and accessible. This move brings the Credit Union to you, right in the heart of St. George's, with parking facilities, and sufficient space to serve you better. Our new headquarters includes a conference and training facility where members will be receiving periodic training. I encourage members to make full use of these training opportunities.

Ariza is not just a new building. A complete organizational review has been undertaken and involves re-training at every level of the organization - from the Board of Directors, to line staff, committee members and members.

Over the years the Credit Union has grown significantly without a corresponding growth in the number of staff thus putting tremendous pressure on our existing compliment of staff who worked tirelessly to ensure that members' needs are met seamlessly. This new initiative will see the creation of some new positions which will compensate for present and anticipated growth.

For us, the rebranding could not have been just a change of name; it must have coincided with a shift in the way we think and do business. If our technology platform is not ready we will still find ourselves struggling to meet members' needs. This is exactly why the Board has given approval for the overhaul of the IT platform and made the investment into electronic filing, new operating software to facilitate services such as mobile banking.

In this changing world of fierce competition where everyone is looking for instant service, companies are required to adjust or face unpleasant consequences. Making the right investment in technology today will reap tremendous dividends tomorrow.

### **The Morne Jaloux Development**

I am happy to report that we have completed two of the five model homes for the viewing of our members. To date the marketing of these homes is showing great interest and the hope is that as we move into the next year another five homes will be built.

The Board continues to put measures in place to ensure success of the project. The project is structured to build homes on demand and therefore will not require a heavy outlay of cash by the Credit Union.

### **Delinquency Management**

Delinquency management continues to be a major focus of the Board. The Board understands that delinquency management begins from the application stage of every loan. The training of all staff at various levels in the Credit Union have commenced in order to improve the underwriting skills of our staff. The need to further expand the credit department into areas such as commercial lending and improve our response time is being looked at.

During the year, strong emphasis continued to be focused on the management of non-performing loans. Delinquency at the end of the 2016 financial year stood at 5.62% which was 0.62% above the standard.

We offer special thanks to our Credit Department and all of management who carry out the Board's mandate in this regard.

### **Conclusion**

As I demit office, I remain fully confident that my colleagues who remain and those joining will continue to shape the Credit Union into a premier financial institution of which we all would be proud. I thank my colleague directors for allowing me to serve as President of the Board and for giving me the support to effectively carry out my function.

I now take this opportunity to salute our regulators and the Supervisory and Compliance Committee who monitored our decisions with independence and without compromise. I thank the Credit Committee for its continued sacrifice and dedication to duty; the General Manager, senior management and the hardworking, conscientious staff who continue to work for the good of our Credit Union. I thank our members who overwhelming supported the many initiatives undertaken over the years. Your support is the foundation that will see the building of a super structure. Most importantly, I thank God for giving me the wisdom to lead with humility.

May God bless Ariza and best wishes for a successful AGM.



Christopher De Allie  
President

board of directors' report



**Bro. Christopher De Allie**  
President



**Bro. Carlyle Felix**  
Vice President



**Sis. Gemma Bain-Thomas**  
Secretary



**Bro. Garvin Roberts**  
Treasurer



**Sis. Annette Henry**  
Assist. Secretary



**Bro. Ernie James**  
Assist. Treasurer



**Bro. Francis Balwant**  
Member



**Bro. Duane Noel**  
Member



**Bro. Javan Williams**  
Member

## BOARD COMPOSITION

The Credit Union continued on its organizational development and renewal journey during 2016 under the direction of its team of directors as follows:

Sis. Gemma Bain-Thomas  
 Sis. Annette Henry  
 Bro. Francis Balwant  
 Bro. Christopher De Allie  
 Bro. Ernie James  
 Bro. Duane Noel  
 Bro. Garvin Roberts  
 Bro. Javan Williams

At the first meeting of the Board of Directors following the June 2016 AGM, the following executive officers were elected:

Bro. Christopher De Allie	-	President
Bro. Carlyle Felix	-	Vice President
Sis. Gemma Bain-Thomas	-	Secretary
Sis. Annette Henry	-	Asst. Secretary
Bro. Garvin Roberts	-	Treasurer
Bro. Ernie James	-	Asst. Treasurer

By the end of the year the Board was confident that it had begun to realize the fruits of its organizational renewal efforts when it opened the state of the art headquarter building on Bruce Street, St. Georges on 5<sup>th</sup> December 2016 and, simultaneously launched the Credit Union's new brand and trade name "**ARIZA**". This name epitomized the vision of the Board of continuously creating an enabling organization where members' dreams and visions can be realized; through a strategy of providing access to quality service, with a focus on attractive branches, innovative electronic services and warm, friendly staff, empowered to serve.

The joyful events of the headquarter opening and launch of the new brand were shared by fellow co-operators at home, in the region and further afield in North America. We continue to be grateful for this display of solidarity and support.

## EXTERNAL ENVIRONMENT

The environment through which the Credit Union conducted its business during the year was filled with uncertainty and continuous changes.

On the Political front, uncertainty resulting from actions taken by some banks in the metropolitan capitals to withdraw correspondence banking facilities from banks in the region perceived to be high risk, led, in part, to the signing of the Inter- Governmental Agreement under the Foreign Account Tax Compliance Act (FATCA) with the United States in November 2016. As a result of this action, the Government of Grenada, through its financial institutions, committed to report to the US Internal Revenue Service (IRS) information on assets of US\$50,000 or more held by US taxpayers, or by foreign entities in which US taxpayers hold substantial ownership interest.

Honoring the obligations under this agreement would prove to be costly. Notwithstanding, the Board is committed to putting the necessary infrastructure in place to ensure compliance.

## Economic

The world economic outlook, according to the International Monetary Fund (IMF), remained challenging due partly to uncertainties resulting from the BREXIT Vote, which signaled the exit of the United Kingdom from the European Economic Union. Our Credit Union, however, has not experienced a severe fallout from this since only a relatively insignificant segment of our diaspora membership is based in Europe.

Grenada's economy performed positively as it met its targets under the Structural Adjustment Programme set out for the 4<sup>th</sup> and 5<sup>th</sup> IMF reviews. It realized a surplus in the year of \$53.6M or 1.9% of GDP as compared to a deficit in 2015.

## Social and Technological

Younger, more technologically savvy users are demanding from service providers increased focus on convenience, speed and safety in the financial world. Additionally, there has been an increase in cybercrime experienced not only worldwide but locally, e.g. ATM card skimming and other forms of fraud.

## Legal

Credit Unions continue to await the implementation of the new Co-operative Societies Regulations and revisions to the 2011 Co-operative Societies Act. The proposed changes are expected to provide clarity, common understanding and acceptance on key issues such as the definition of capital and capital adequacy.

## CREDIT UNION SECTOR PERFORMANCE

Growth in the Credit Union sector continued to outperform the financial services market as competition strengthened both among Credit Unions and externally between the sector and the rest of the market. The sector continued to assert itself as a viable player in the market.

Total assets under control by Credit Unions grew by 11.6% from \$590M in 2015 to \$659M in 2016, while loans grew by 12.9% from \$430M to \$486M and membership grew by 9.5% from 58K to 63.5K. The closure of several bank branches and the imposition of fees on customers continued to have a positive impact on Credit Unions' growth with the Credit Unions benefiting directly through an increase in membership, deposits and loans. The following table summarizes the performance of all Credit Unions vis-a-vis Ariza.

	ALL CREDIT UNIONS			ARIZA CREDIT UNION		
	As of December 2016	As of December 2015	% Change	As of December 2016	As of December 2015	% Change
<b>Deposits</b>	530,017,040	506,856,912	4.57%	247,506,861	219,446,941	12.79%
<b>Loans</b>	486,122,533	430,562,801	12.90%	220,860,859	201,819,571	9.43%
<b>Total Assets</b>	660,295,392	589,873,607	11.94%	287,192,262	253,305,663	13.38%
<b>Members</b>	63,512	58,020	9.47%	13,002	11,309	14.97%

# ariza's performance

## Financial Performance

Financial performance was strong and outperformed budget in most areas. The Credit Union ended the year with a surplus before appropriations of \$2.78M against a budget of \$2.45M.

The Board continued to be pleased with the efforts by management at containing cost without compromising service delivery. Occupation of the new building and implementation of some of the growth strategies are expected to increase operational expenses during 2017. Management continues to keep a keen eye on operational efficiencies ratios in keeping with the PEARLS International standards and these are expected to be maintained.

Despite strong financial performance ,the Credit Union fell just short of the required capital adequacy ratio of 7% of assets; being 6.85% at year end. This disqualified the payment of dividends. Conscious of the fact that current calculations omitted the inclusion of qualifying shares as capital; an anomaly which it is anticipated would be corrected with the passage of the new legislation in 2017, and which, if included, would have resulted in a ratio of 7.8%; and conscious also of the need to adequately reward and incentivize members for their patronage to the Credit Union, the Board approved the payment of an additional payment to members based on their equity shares and interest payments made on loans during the year. This payment would be credited to members Transactions Savings Accounts (T accounts) immediately following the Annual General Meeting.

Further details on the financial performance are presented in the TREASURER'S Report.

## Corporate Governance

During the year the Board, its subcommittees and all volunteer committees continued to be fully engaged and committed to the process of ensuring a safe, sound Credit Union. Regular meetings were held as required by all the committees and dialogue on issues were held as necessary. The Board conveys its gratitude to the Supervisory & Compliance Committee on their dedication and thoroughness. It also acknowledges the increase in the volume of loans being considered on a weekly basis by the Credit Committee with the higher level of scrutiny required to maintain a high quality portfolio and applauds the work of the committee.

One of the areas determined to be in need of strengthening is that of succession planning for the Board and Committees to ensure the existence of a pool of trained and committed members from which to draw on retirement of existing directors or other committee members. The gains made by the Credit Union cannot be compromised through lack of planning in this area and management has been mandated to put measures in place to identify the relevant set of training and engage members in this regard.

As part of its obligations to members the Board continued with the implementation of the Memorandum of Understanding which was signed with Legend Way International for the **Morne Jaloux Property Development**. A number of challenges were encountered along the way resulting in a delay in the launch of this project as scheduled during 2016. The **Property Development Committee** proceeded with discussions for the utilization of the lands purchased in Hillsborough Carriacou for the construction of an office there. Discussions were meaningful and prospects for 2017 are significant.

The Board on the recommendation of the **Investment Committee** continued to rollover the \$5 Million invested in various local and regional institutions.

### **Compliance and Risk Management**

In keeping with the requirements for combating money laundering and financing terrorism the Credit Union continued to make the necessary adjustments to its policies and procedures to ensure compliance. The Credit Union contracted the services of Compliance Aid, an anti- money laundering specialist to assist with the revision of the policies and procedures in this area. The Policy Review Committee along with the Compliance Officer worked with the consultants to ensure that the final product mirrored international standards. To date, we are pleased to report that the policy has been instituted, a Compliance Unit has been constituted, and the initial round of training to staff has been completed. This is a continuous effort, and as such will be repeated annually.

### **Transformational activities**

The Credit Union in its quest for a higher level of service delivery embarked on a transformational program aimed at improving its brand, its behaviors and its branches. This required extensive communication and outreach. To achieve this the Credit Union embarked on the following:

#### **1. Cocktails and Conversation**

In February 2016 an evening of Cocktails and Conversation was held for the purpose of presenting the Ariza Concept, getting feedback and starting a conversation about a proposed trading name and logo. The feedback gathered during the evening was used as inputs in presenting the Ariza Concept to the wider membership.

#### **2. Special General Meeting**

A Special General Meeting was held on 17<sup>th</sup> March 2016 under the theme, "Same Credit Union, More Value." The meeting approved the motion for the Credit Union's new trade name and selected the logo with improvements to be used.

#### **3. Same Credit Union More Value Campaign**

Subsequent to the Special General Meeting, members were notified via individualized letters of the decision taken at the meeting. A Facebook and website campaign ensued with pictures and videos of members endorsing the decision and verbalizing what that change could mean for everyone.

#### **4. Rebranding**

A Rebranding Gala was held at the Spice Basket Theatre on Sunday 4<sup>th</sup> December 2016. The event was geared at introducing the brand to stakeholders, long-term Credit Union partners, affiliates and co-operators. Attendees included members from the Credit Union fraternity in the region, who came to show their support and endorsement of the venture. The Ariza Brand Ad was unveiled at the event.

#### **5. Official Unveiling of the Brand and Opening of New Headquarters**

On December 5<sup>th</sup> 2016, unveiling and opening ceremonies were held simultaneously at all Ariza branch offices and locations. At the new headquarters on Bruce Street, St George's, the Ribbon was cut by Minister of Labour, Economic Development, Trade & Planning, Hon. Oliver Joseph. Sen. Hon. Norland Cox, Parliamentary Secretary in the Ministry of Carriacou and Petite Martinique Affairs & Local Government did the honors in Carriacou, while Director Francis Balwant, presided at the Grenville Branch.



## **Organizational Renewal and Reengineering**

Delivery of the service standards promised under the new brand dictated simultaneous attention to the efficiencies of internal processes, organizational structure and human resource capacity. A re-engineering project, facilitated by external consultants, concentrated on reviewing and revising internal processes and training staff for personal and professional development. This process resulted in the approval by the Board of a new organizational structure which included the creation of a new level of junior managers, two executive management positions and additional positions in key areas to strengthen operations and to provide for upward mobility within the organization. Specialist training was also offered in the key areas of credit analysis, financial planning and risk management to professional staff.

The review of the internal processes also highlighted the inadequacy of the current Management Information System (MIS) to efficiently support the growing needs of the organization. During the year search began for a new, more robust system and demonstrations were held with two providers. The Board view this as an integral part of the organizational renewal thrust and mandated that the search continues into the new-year until a cost efficient solution is found.

## **SOCIAL RESPONSIBILITY & COMMUNITY OUTREACH**

### **Scholarships**

The Credit Union continued with its scholarships program, granting awards under its secondary schools and tertiary education support categories.

### **Secondary Schools Awards**

#### **1. Secondary schools scholarship award**

These awards are administered by the Credit Union's Secondary Schools Scholarship Committee and are granted to two students annually based on the mixed criteria of academic performance and need. The awards this year were granted to Jayden Holder daughter of Sis. Nellie Holder and Rayana Douglas, daughter of Bro. Andrei Ottley. The Committee, under the chairmanship of Sis. Meryl Baptiste-Lord continue to work diligently to provide on-going support and counselling to the students under the program.

#### **2. Blue Ribbon Award**

This award recognizes the member of the Education Savings Plan who excelled in performance at the Caribbean Primary Exit Assessment. This year, the Award was granted to three students ranking 10<sup>th</sup> on the island.

- Rochelle Griffith - daughter of Bro. Mc Kie Griffith
- Nathanael D. Stafford -Son of Bro. Solomon Stafford
- Jose D. Buxo Gamboa - son of Bro. Jose O. Buxo

### **Tertiary Education Awards**

#### **1. Brighter Futures Scholarship**

This award is for support for attendance at the T. A. Marryshow Community College for two years. This year's awards went to:

- Gideon George son of Sis Michelle Peters-George
- Nathaniel Modeste son of Sis. *Lynthia Modest*

## 2. Joseph Bain Scholarship

The Joseph Bain Award 2016 assisted four (4) members in their pursuit of University level education at various institutions.

<b>NAME</b>	<b>SCHOOL</b>	<b>DEGREE</b>
Amanda Benjamin	University of the Southern Caribbean	Bachelor in Human Resource Management
Shannon Noel	The University of the West Indies	Masters' Degree in Civil Engineering
Batatia S. F. Williams	Student Accountancy Centre Limited	Association of Chartered Certified Accountants (ACCA)
David Andall	University of London	Bachelor of Laws (LLB)

## DONATIONS AND CONTRIBUTIONS

Sponsorship and donations to the tune of \$40K were granted during the year to provide support to our local community. We are especially proud of our assistance to GRENCASE, who executed a project to bring training for micro and small business operators on the island of Carriacou. Our support to various charitable organizations, schools and churches cannot go unnoted, and we are proud to be of assistance to groups and associations who highlight and address need in our community such as the School for the Deaf, the Vincent De Paul Society, the Grenada Alumni Association, The Willie Redhead Foundation, the Grenada Cultural Foundation, and the Grenada Kidney Foundation.

We are pleased to partner with them and other such organizations as we work together to build Grenada. Contributions also continued in the sporting arena through sponsorship of the Annual Grenada Amateur Swimming Association / EXCEL cross harbor swim. This year we witnessed for the first time the participation of our own chief executive in the swim from the Carenage to Grand Anse Beach. We congratulate her on completing the course.

## PROVIDENT FUND

The Provident Fund Committee administered the Fund and recommended support to deserving members as per the mandate of their constitution. During the year, donations in the amount of \$25K were made primarily for medical emergencies. Financial Assistance were made in some cases, and our customary Christmas hamper distribution for the needy and shut-ins was expanded to include 2 additional members. The Committee, under the chairmanship of Sis. Gloria Payne-Banfield, has worked diligently to serve the cause of our members and for this we are grateful.

## HUMAN RESOURCE REPORT

### 1. Human Resource Management-Job training

The Credit Union has been assisting schools, both secondary and tertiary, with their internship for many years and this year has been no exception. Attachments were accepted from St. Joseph Convent St. Georges, St. Joseph Convent Grenville and T.A Marryshow Community College. These attachments give the Credit Union the opportunity to spot potential for future hiring and the organization is happy to be part of this initiative.

### 2. Resignations

There were three resignations for the year 2016, Bro. Jaydelle Celestine and Sis Raquel Langdon Member Service Representatives employed for 8 and 4 years respectively; and Sis. Ann Marie Fletcher, auxiliary staff attached to the Grenville branch, employed for nine years. We thank them for their years of service to the Credit Union and wish them all the best in their future undertakings.

## human resource

### 3. Training

Staff and committee volunteers participated in the following training sessions in 2016

Participants	Training	Institution	Date
Lucia Livingston-Andall Florence Williams	Certified Financial Planning	Jamaica Institute of Financial Services	23th February 2016-October 2016
Nghia Haynes Tiffani Hall Kinesha Moses	General Office Administration Training	Business Support Center	February- July 2016
Gerlan Peters	Caribbean Anti- Money Laundering and Financial Crimes Conference	ComplianceAid, Miami	10th - 11th March 2016
Heather Thomas Kevin Gilbert	Certified Credit Professional (CCP)	Jamaica Institute of Financial Services	17th March 2016-November 2016
Gerlan Peters	Certified International Risk Manager (CIRM)	Jamaica Institute of Financial Services	19April 2016-December 2016
Sabrina Rodney-Ogilvie Caryl Hayes	Mortgage Underwriting Programme	Eastern Caribbean Home Mortgage Bank	25th -29th April 2016
Lucia Livingston-Andall Annette Henry	CCCU Convention 2016	Caribbean Confederation of Credit Union	30th June - 7th July 2016
Lenus Walker	4'Cs Training Programme	Caribbean Credit Card Corporation Ltd. (4c's)	5-9th July 2016
Sonia La Touche-Cadet Janice Darbeau Kevin Gilbert Marietta Mitchell Caryl Hayes Sindy-Ann Morain Keshia Bartholomew Geanelle Mitchell Kimalene Regis Edwin Francis Neisha Allard Sabrina Rodney-Ogilvie Princess Herry-John	Developing Selling Techniques for Financial Products	Jamaica Institute of Financial Services	7th- 8th July 2016
Roxanne Antoine	Occupational Safety and Health Consultation	Grenada Employment Federation	September 14th 2016

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Charlyn Bowen	Effective Credit Management &	Caribbean Credit Bureau Ltd.	September 20th 2016
Heather Thomas	Debt Recovery Seminar		
Caryl Hayes			
Sabrina Rodney-Ogilvie			
Geoffrey Grey			
Sabrina Rodney-Ogilvie	Mortgage Underwriting Programme	Eastern Caribbean Home Mortgage Bank	21st- 25th November 2016

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## TRANSITIONS

The following members died during the year 2016. We express condolences to their loved ones.

Name	Date of Death	Address		
Sheldon Bain	February 17, 2016	Marian	St. George's	Grenada
Sonia K. Greaves	February 23, 2016	St. Paul's	St. George's	Grenada
Magdalene Lewis	February 28, 2016	Harford Village	St. Andrew's	Grenada
Prinston Alexander	March 19, 2016	Lasagesse	St. David's	Grenada
Declan Alexander	March 20, 2016	Munich	St. Andrew's	Grenada
Winston Frank	March 24, 2016	Molinere	St. George's	Grenada
Marcia Walker	March 26, 2016	Vendome	St. George's	Grenada
Harold Frame	March 30, 2016	Harmony Hall	St. David's	Grenada
Florence Dan	April 16, 2016	Tanteen Terrace	St. George's	Grenada
Agatha Spann	May 5, 2016	Belmont	St. George's	Grenada
Roosavelt Henry	May 5, 2016	Munich	St. Andrew's	Grenada
Joslyn Sylvester	May 23, 2016	Fort Jeudy	St. David's	Grenada
Florence Henry-Andall	May 5, 2016	Black Bay	St. John's	Grenada
Joseph Charter	December 8, 2015	Mardigras	St. George's	Grenada
LeRoy Thomas	May 5, 2016	Mon Tout	St. George's	Grenada
Sir Reginald Palmer	May 23, 2017	Mt. Parnassus	St. George's	Grenada
Mona K. Scipio	July 17, 2016	Tottenham	London	England
Mary Paul	May 26, 2016	Victoria	St. Mark's	Grenada
Paul J. Henry	November 14, 2015	Mansfield	London	England
Theresa Doughty	June 14, 2016	Morne Jaloux	St. George's	Grenada
Gloria St. Bernard	June 10, 2016	Observatory Road	St. George's	Grenada
Glenroy Church	June 25, 2016	La Borie	St. George's	Grenada
Angella James-Teka	July 9, 2016	Café	St. George's	Grenada
Martha T. Fisher	July 2, 2016	Tempe	St. George's	Grenada

Lordnell Bubb	April 23, 2016	La Tante	St. David's	Grenada
Philomen Ambrose	July 2, 2016	Mt. Alexander	St. Patrick's	Grenada
Leonora Weekes-Mc Farlene	July 18, 2016	Springs	St. George's	Grenada
Jerome Pierre	August 6, 2016	Harford village	St. Andrew's	Grenada
Carlton La Crette	August 6, 2016	River Road	St. George's	Grenada
Cleverena S. Wellington	August 4, 2016	Grand Mal	St. George's	Grenada
Christine George	May 3, 2015	St. John's Village	St. Andrew's	Grenada
Cecelia Noel	December 4, 2014	Tempe	St. George's	Grenada
Peter Bruno	August 30, 2016	Grand Anse	St. George's	Grenada
Gloria Ann Frame	October 8, 2016	Pearls	St. Andrew's	Grenada
Denise Surae	October 4, 2016	Springs	St. George's	Grenada
Michael Alexander	October 31, 2016	Mt. Rich	St. Patrick's	Grenada
James Mc Intosh	October 4, 2016	Canningtown	London	England
Dolman Gibbs	October 28, 2016	Mt. Moritz	St. George's	Grenada
Hilary Louison	April 9, 2016	Paddock	St. George's	Grenada
Lenox Philips	November 24, 2016	Woolwich Road	St. George's	Grenada
Vennie Thomas	November 12, 2016	La Potrie	St. Andrew's	Grenada
James Devere Pitt	December 3, 2016	Lowther's Lane	St. George's	Grenada
Rena Parke	December 21, 2016	La Borie	St. George's	Grenada
Thomas Chase	December 22, 2016	Marian	St. George's	Grenada

## ACKNOWLEDGEMENTS

The Board of Directors expresses heartfelt appreciation to members of the Supervisory and Compliance Committee, the Credit Committee, the Scholarships Committees, the Provident Fund Committee, the Rebranding Committee and Management and Staff for their dedicated services during 2016. This year was especially demanding as no efforts were spared to ensure effective execution of routine duties while at the same time ensuring timely completion of the rebranding and refurbishments projects to facilitate the move to the new Headquarter building and launch of the new brand.

The Board also commends its standing sub-committees on property development, policy review and human resource management on the execution of their functions. We extend a heartfelt thank you to you the members for giving us the opportunity to serve you and for your continued confidence and support. We look forward to working with you in 2017 and beyond.



Christopher De Allie  
PRESIDENT



Gemma Bain-Thomas  
SECRETARY



Lucia Livingston-Andall  
CHIEF EXECUTIVE OFFICER

credit committee's report



**Bro. Maximus Lazarus**  
Chairman



**Bro. Dorrان Strachan**  
Secretary



**Bro. Simon Lewis**  
Member



**Bro. Adrian Joseph**  
Member



**Sis Judy Pivotte**  
Member

**Mandate**

The mandate of the Credit Committee is to consider all applications for loans, make recommendations in respect of improved policies, procedures and practices and approve loans to members in accordance with the policies approved by the Board of Directors.

The Committee met weekly to execute its mandate. It was facilitated in its work by the staff of the Loans and Credit Administration Department.

**Composition**

During the period the Committee comprised of the following members.

Credit Committee Members	
Maximus Lazarus	Chairman
Dorran Strachan	Secretary
Adrian Joseph	Member
Simon Lewis	Member
Judy Pivott	Member

**Overview**

The Credit Union continued to experience significant growth in the loan portfolio despite the intense competition in the market. This was facilitated by the lowering of the interest rate on mortgages and other personal loans and the continuation of the "switch" promotion campaign whereby members were encouraged to bring back their business to the Credit Union. Members responded favorably by transferring their loans from other institutions. Other promotions throughout the year included the reintroduction of the Awesome August promotion with a focus on back to school loans for students as well as financing vacation and other personal debts. The "Own your Own" promotion was also launched in conjunction with the opening of the new Headquarter Building on Bruce Street in the latter part of the year thus affording members a limited time opportunity to own land, home or motor vehicle at even more competitive rates.

**Loan Approvals and Disbursements**

Significant growth were experienced in almost every sector as reflected in Tables 1 and 3. The significant growth in disbursements for Education, growing by 57% over the previous period, growth in business lending by 69% and Agriculture and fishing at 99% , are worthy of note since these trends present opportunities for the Credit Union to tap into.

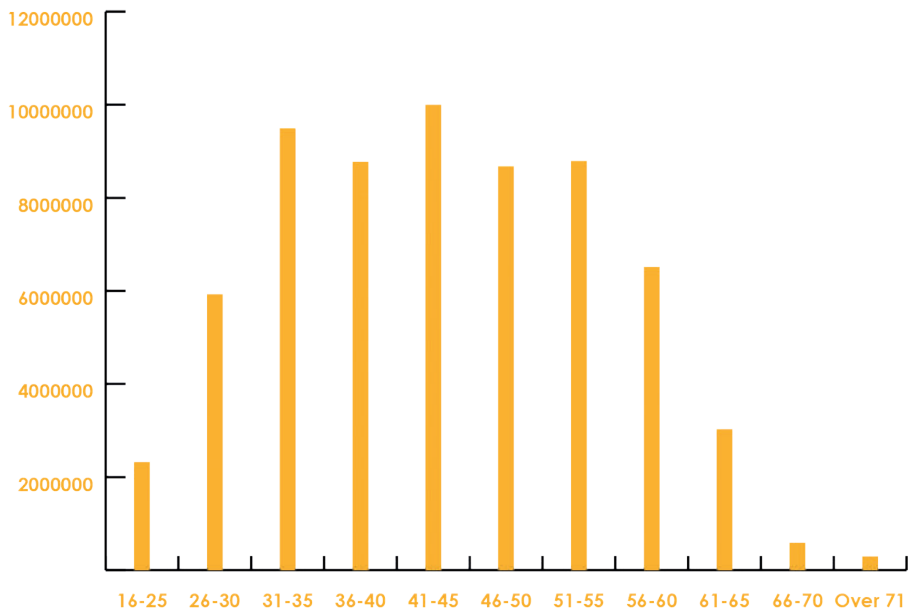
# loans

## SUMMARY OF ACTIVITIES

Table 1. Loan Disbursements 2016

Category	Number of loans			Value of Loans		
	2016	2015	% Change	2016	2015	% Change
Debt Consolidation	<b>682</b>	482	41.49	<b>9,531,568</b>	8,691,520	9.67
Personal Expenses	<b>3266</b>	3102	5.29	<b>17,299,269</b>	10,714,339	61.46
Education	<b>383</b>	254	50.79	<b>3,163,269</b>	2,009,798	57.39
Housing	<b>581</b>	451	28.82	<b>15,740,427</b>	17,157,293	-8.26
Home Furnishing	<b>109</b>	84	29.76	<b>668,319</b>	486,862	37.27
Agriculture	<b>44</b>	26	69.23	<b>962,834</b>	482,770	99.44
Land Purchase	<b>49</b>	57	-14.04	<b>3,427,652</b>	5,225,112	-34.4
Business	<b>286</b>	259	10.42	<b>4,617,327</b>	2,724,180	69.49
Vacation Travel	<b>122</b>	123	-0.81	<b>906,228</b>	841,628	7.68
Motor Vehicle	<b>388</b>	317	22.4	<b>8,103,199</b>	5,363,255	51.09
<b>Total</b>	<b>5,910</b>	<b>5,155</b>	<b>14.65</b>	<b>64,420,094</b>	<b>53,696,740</b>	<b>19.97</b>

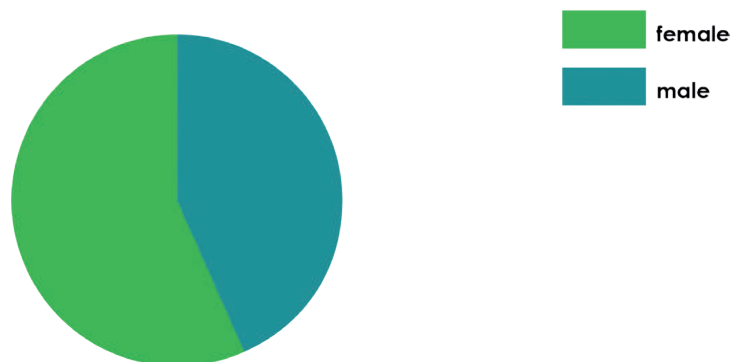
Chart 1. Loans Disbursed by AGE 2016





**Table 2. Loans Disbursed by GENDER 2016**

Gender	Number	Value
Male	2576	28,074,277
Female	3334	36,345,817



**Table 3. Portfolio distribution**

Category	Number of Loans			Value of Loans		
	2016	2015	%Change	2016	2015	% Change
Housing	<b>998</b>	803	24.3	<b>85,073,288</b>	77,697,253	9.49
Personal & Living expenses	<b>3367</b>	2915	15.5	<b>67,494,699</b>	61,133,783	10.4
Home furnishing	<b>122</b>	94	29.8	<b>1,789,463</b>	1,225,279	46.05
Land	<b>174</b>	151	15.2	<b>13,145,677</b>	11,529,768	14.02
Vehicle	<b>463</b>	389	19	<b>15,043,649</b>	12,465,653	20.68
Education	<b>393</b>	265	48.3	<b>8,979,058</b>	7,858,428	14.26
Debt Consolidation	<b>970</b>	705	37.6	<b>23,663,485</b>	22,967,643	3.03
Business	<b>354</b>	300	18	<b>7,889,729</b>	4,134,666	90.82
Agriculture & Fishing	<b>50</b>	31	61.3	<b>1,294,617</b>	869,537	48.89
Vacation & Travel	<b>164</b>	136	20.6	<b>1,811,959</b>	1,938,592	-6.53
<b>Total Portfolio</b>	<b>7055</b>	<b>5789</b>	<b>22</b>	<b>226,185,624</b>	<b>201,820,598</b>	<b>12</b>

**Portfolio Growth**

**Table 4. Gross loans & Growth Rate 2012-2016**

2016	2015	2014	2013	2012
226,185,624	201,820,598	184,731,359	169,675,662	148,890,170
12%	9.50%	8%	14%	6%

## General Observations

As a Credit Committee we are concerned about the risk of over-indebtedness and the apparent absence of prudent borrowing and spending by some of our members. There are cases of rising personal debt where a large percentage of income is being used to service debt; a situation that is clearly not sustainable, and which leaves no room for emergencies such as sickness, loss of income or change in income.

Another concern is that of members simultaneously accessing loans from different institutions thereby resulting in even higher risk of serious financial burden if not financial disaster.

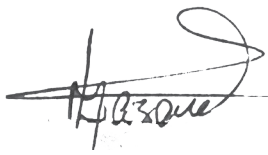
"He who will not economize will have to agonize"

Members who do not learn to live on a budget are likely to suffer a great deal of stress and financial uncertainty in the coming years. We continue to encourage members to adhere to the co-operative principles supported by our lending policies and procedures which provide better benefits in the long term over short term gains. The benefits provided to members continue to be the Credit Union's greatest strengths. These are reflected in:

- The provision of cash back on interest paid yearly on loans based on operating surplus and patronage by members ;
- Above market rates of interest paid on savings;
- Life Savings protection up to \$13,500
- Loan Protection up to \$54,000

## Salutation

We extend heartfelt thanks and appreciation to the Board of Directors, the Chairperson and members of the Supervisory and Compliance Committee, the Supervisor and staff of the Loans Department, The CEO and staff of the Credit Union and to you our general membership. We say thanks for the opportunity for serving you. Wishing you peace, financial freedom and prosperity going forward.



Maximus Lazarus  
Chairman

# supervisory & compliance committee's report



**Sis. Merina Jessamy**  
Chairman



**Sis. Shirlyn Decoteau-Sayers**  
Secretary



**Sis. Karel Hood**  
Member



**Sis. Merryl Phillip-Sylvester**  
Member



**Sis. Pearlena Sylvester**  
Member

The Supervisory & Compliance Committee submits its report in accordance with the requirements of Section 66(1) (f) of the Co-Operative Societies Act No. 08 of 2010 and the By-Laws of the Credit Union Revised May 2015. In addition, the Committee observes, in the execution of its duties, the following seven cooperative principles for Credit Unions endorsed by the Credit Union National Association (CUNA):

- Voluntary and open membership
- Democratic member control
- Member's economic participation
- Autonomy and Independence
- Education, Training and Information
- Cooperation among Cooperatives
- Concern for community

The principles are founded in the philosophy of cooperation and the values of equality, equity and mutual self-help. The following members were elected to serve on Supervisory and Compliance Committee following the Annual General Meeting held on June 30, 2016:

Sis. Merina Jessamy  
Sis. Shirlyn De Coteau-Sayers  
Sis. Merryl Phillip-Sylvester  
Sis. Karel Hood  
Sis. Pearlena Sylvester

At its first meeting held July 5, 2016, Sis. Merina Jessamy and Sis. Shirlyn Sayers were elected to serve as Chair and Secretary respectively.

The Supervisory and Compliance Committee met for regular and working sessions and completed the following tasks:

- Review of Bank Reconciliations
- Review of Monthly Management Accounts
  - Computation of Pearls Ratios
- Review of Deposits
- Review of Loans
- Cash Counts/Audits
- Review of Securities
- Review of Insurance Policies
- Review of Membership Application Forms
- Review of GPSCCU Policies

- Review of Committee Reports
- Review of Board Minutes

**Review of Bank reconciliations**

The Committee reviewed bank reconciliations and the related general ledger control accounts for the months January to October 2016. The review was performed on all the bank accounts held by the entity. The Committee was satisfied that the Bank Statements and the General Ledger figures agreed. The Committee observed that most of the reconciliations were completed and reviewed on average two months after statement's date.

**Recommendations**

The Committee recognizes and commends the fact that the October 2016 reconciliation was prepared and reviewed during the month of November 2016. The Committee recommends that efforts be made to complete the reconciliations within 15 working days after the end of the month to ensure that errors are detected and resolved in a timely manner.

**Analysis of Monthly Management Accounts**

The Committee reviewed the Monthly Management Accounts for the period March, April and May 2016 and September, October and November 2016. The Committee was of the view that the statements were correct to the best of its knowledge.

**Computation of PEALS ratios**

PEARLS ratios were calculated using the Management Accounts as at November 30, 2016 and compared with the Credit Union's calculations. The following are the ratios that are outside the recommended range:

	Ratio 2016	Recommended Ratio
Deposits/total assets	85%	70-80%
Institutional capital/Total assets	8%	At least 10%
Liquidity reserves/total savings deposits	7%	10%
Delinquent loans/gross loan	Over 5%	5% or less
Non-earning assets/total assets	15%	5% or less
Membership growth rate	14%	Minimum 15%

**Recommendations**

The Committee recognizes and commends the Credit Unions efforts in membership growth from nine percent (9%) to fourteen percent (14%) within a twelve months period to November 2016. This is within one percent of the bench-mark ratio. The Committee observed an increase in delinquency for 2016 in comparison to 2015.

	Nov '16	Nov '15
Balance of Del loans >30 /Gross Loan	8.99%	6.75%
Balance of Del loans >60 /Gross Loan	6.44%	5.70%
Balance of Del loans >90 /Gross Loan	5.62%	5.19%

In light of the above, the Committee recommends the following:

- That new strategies be developed to ensure that the non-earning assets to total assets improves.
- That efforts be made to minimize the risks associated with loans and that the securities on delinquent loans be realized in a timelier manner.
- That management ensures strict monitoring of the rising deposit to total assets ratio.

### Report on deposits

The Committee conducted an analysis of the ten (10) largest members' deposits.

The ten largest members' deposits as a percentage of total deposits were also calculated.

<b>Top 10 Members' Deposit</b>	<b>Total Deposit</b>	<b>% of Total Deposit</b>
6,971,835	240,686,408	2.90%

The ten largest deposits total is less than three percent (3%) of total deposits. This is acceptable based on industry standards. The SCC also calculated the loan balances to deposits ratio as at September 30, 2016 and the ratio is 91%. While the recommended loan to deposit ratio is 80– 90% for the banking sector, the Committee is satisfied with the present rating of 91% the reason being that in not so distant past the ratio was over a 100%.

### Recommendation

The Committee recommends that the Credit Union's loan to deposit ratio be maintained within the recommended range of 80% to 90%.

### Report on loans

The Committee reviewed loan files with the aim of ascertaining whether the processing of loans was in keeping with the Credit Policy and Procedures.

The Committee reviewed the following types of loans:

- ✓ Delinquent loans
- ✓ Directors, Committee members and employees' loans
- ✓ Ten(10) largest loans

### Recommendations

The Committee recommends that Loan Officers should be trained to use their knowledge of the economy to assess the expenses reported by customers. There should be ongoing training for the Loan Officers in assessing members and loan applications.

Great care should be taken in accepting new members and taking over of loans that were in arrears with other financial institutions as there is a high possibility that the Credit Union will be inheriting risks and liabilities that supersedes benefits expected. The Committee also recommends strict adherence to policies and procedures governing the granting, disbursement and filing of loans.

# reports

## **Report on cash counts**

The Committee conducted cash counts of Tellers, the Vault and ATM Cash float at all branches of the Credit Union to determine whether actual total cash in hand was equal to the cash recorded on system at the time of the count. The Committee was satisfied with the findings. The Committee would like to express its satisfaction with the cooperation of all requisite staff.

## **Report of properties in foreclosure**

The Committee reviewed properties in foreclosure and recommends that the filing process and the procedures should be reviewed to ensure efficient and effective review of the files. The Committee also recommends that the report on 'properties in foreclosure' be updated on a quarterly basis.

## **Review of dormant accounts**

Based on the information provided, the Committee concluded that there were no dormant accounts reactivated during the period of review.

However, the SCC recommends that the Dormant Account Policy should be updated to include the process for contacting members with dormant accounts. The inclusion of a dormant account administrative fee charge is also recommended.

## **Review of securities**

The Committee reviewed the Securities held by the Credit Union for the period under review and was satisfied that the Statements on Securities were in order.

## **Review of insurance policies**

The Committee reviewed Insurance Policies held by the Credit Union. The insurances policies reviewed were for Building, Vehicles, Computers, Money and Indemnity. The Committee was satisfied that the insurance coverage is adequate.

## **Review of membership application forms**

A review was conducted of a sample of membership forms for 2015 and 2016. The purpose of the review was to verify that the stipulated requirements for membership were met and the necessary documents submitted. The Committee recommends that all the required documents for membership are collected and attached to the membership forms.

## **Review of committee reports**

The SCC recommends that a report and evidence of the implemented recommendations should be included in subsequent reports.

## **Review of Board Minutes**

The Committee reviewed Board Minutes for the fiscal year and observed that sign off of Minutes was not always completed by the Secretary and the President. The Committee has a better appreciation of the Minutes as the Board papers are now being submitted for perusal and wish to recommend this as a standing procedure for subsequent Committees.

### **Review of complaints from members**

The purpose of this task was to ensure that all members were treated with fairness, equity and in accordance with the By-Laws and Cooperative Society Act. The Committee did not receive any complaints from members.

### **GENERAL RECOMMENDATIONS**

The Committee recommends that priority be given to the building of the office on Carriacou and that the timeline for the construction be shared with all members.

Furthermore, the Committee highly recommends the establishment of a computerized securities register and a regular update of the Fixed Assets Register.

### **Conclusion**

In conclusion, we extend our gratitude to the general membership for affording us the opportunity to serve on this Committee. The Committee place on record appreciation for the outgoing member Sis. Meryll Phillip-Sylvester for her services. We wish her good success. We would like to thank the Board, Management and Staff for their cooperation in ensuring that our tasks were completed within reasonable time. Above all, we will like to thank God for his protection, wisdom and guidance in our deliberations and team camaraderie.



.....  
Merina Jessamy  
Chair, Supervisory and Compliance Committee





**1.0 Composition:**

Bro. Christopher De Allie	President of the Board
Bro Phillip Telesford	Past President of the Board
Sis Shirley Modeste- Buckmire	Member
Sis Merlyn St. Bernard	Member
Bro John Auguste	Member

The Committee was constituted in accordance with Section 41(1a and 1b) of the Credit Union's By-laws.

**2.0 Meetings:**

One meeting was held on Friday 2<sup>nd</sup> June 2016. Sis Merlyn St. Bernard was unavoidably absent.

**3.0 Vacancies**

There were three vacancies to be filled on the Board of Directors, one on the Supervisory and Compliance Committee and two on the Credit Committee as follows:

## 3.1 Board of Directors

**Board of Directors**

Bro. Christopher DeAllie	Completing 2 <sup>nd</sup> term and not eligible for re-election
Bro. Francis Balwant	Completing 2 <sup>nd</sup> term and not eligible for re-election
Bro. Garvin Roberts	Completing 2 <sup>nd</sup> term and not eligible for re-election

## 3.2 Supervisory and Compliance Committee

**Supervisory & Compliance Committee**

Sis. Meryll Phillip –Sylvester	Completing 2 <sup>nd</sup> term and not eligible for re-election
--------------------------------	--

## 3.3 Credit Committee

**Credit Committee**

Bro. Maximus Lazarus	Completing 2 <sup>nd</sup> term and not eligible for re-election
----------------------	--

**4.0 Nominees:**

The following nominations were received in response to advertisements in the local printed press, on notice boards within the various workplaces, at the Credit Union's office and through SMS text messages:

## Board of Directors

- 1) Sis Karen M. M. Samuel
- 2) Sis. Carla M. Thomas- Ross
- 3) Sis Quinta K. Charles
- 4) Bro. George Radix
- 5) Bro Marcus. J. Christopher
- 6) Bro. Brian Pitt
- 7) Bro Dennis Cornwall
- 8) Bro Aaron Moses

## Supervisory and Compliance Committee

- 1) Bro Wayne Radix
- 2) Sis Cleonetta Davidson
- 3) Sis Ann Isaac

## Credit Committee

- 1) Sis. Ann Isaac
- 2) Bro Justin Hazzard
- 3) Bro Wayne Radix

## 5.0 General Guiding Principles:

The following were adopted as the general guiding principles for selecting nominees:

- 1) All committee members must actively work toward achieving and maintaining the Credit Union's vision
- 2) They must:
  - Be committed;
  - Possess the necessary technical capability in the chosen area;
  - Have the necessary time at their disposal to attend meetings and make contributions to the work of the different committees;
  - Be able and willing to represent the Credit Union in national, regional and international fora such as the National League, OECS Summit, the CCCU Convention and the World Council, if necessary.
- 3) All nominees must meet the requirement of sections 41 (2) of the By-laws

## 6.0 Committee Specific Guidelines

In addition to the General Guiding Principles some specific principles for the different committees were also adopted as follows:

### 6.1 Board of Directors

- 1) Candidates should meet the General Guiding Principles.
- 2) Candidates should be capable of ensuring that the Credit Union achieves its goals.
- 3) Consideration must be given to have fair representation of women on the Board.
- 4) Consideration should be given to representation from Carriacou.

- 5) Candidates should be able to contribute to the effective implementation of the Credit Union's on-going projects such as the ATM, Real Estate project and focus on technology and innovation.
- 6) Consideration should be given to fair representation for the older members of the Credit Union.
- 7) Consideration should be given to increasing the opportunities for involvement by younger and new members within the open bond.
- 8) Consideration should be given to having a range of relevant skills on the Board in keeping with the current projects and plans of the Credit Union such as:
  - i. Legal
  - ii. Marketing and Public Relations
  - iii. Project Management
  - iv. Banking and Investment Management
  - v. Accounting
  - vi. Real Estate Development

## **6.2 Supervisory and Compliance Committee**

The Committee members must understand their role as the highest regulatory body within a system of self-governance. The Committee must:

- 1) Possess the skills and knowledge necessary to conduct effective internal audits and due diligence checks as they relate to ensuring:
  - effectiveness in procedures and processes and adherence to the highest standards, for example the PEARLS standard;
  - Adherence to regulatory requirements such as the Act and accompanying Regulations and Bye-laws, and Anti-money laundering and other regulations
- 2) Conduct themselves with the highest level of propriety as it relates to adhering to the rules and regulations of the Credit Union;
- 3) Command the respect of the Membership, Regulators and Competitors;
- 4) Be confidential in their dealings with the Credit Union.

## **6.3 Credit Committee**

Members must be:

- 1) Highly confidential;
- 2) Able to analyse financial viability of projects and assist in developing risk based lending strategies;
- 3) Aware of risk associated with an open bond and able to assist with mitigating measures;
- 4) Advise on strategies to effectively grow the loan portfolio while mitigating against undue risk
- 5) Assist in developing new loan product and strategies.

## **7.0 Adoption of Scorecard**

The Committee gave consideration to a scorecard designed to capture and weight the general and specific criteria as outlined above and agreed to adapt the scorecard as an aid in determining the most suitable candidates for the various positions.

The scorecard rated nominees against the following criteria:

- 1) Skills set required
- 2) Work experience
- 3) Education
- 4) Availability
- 5) Team player/work ethics
- 6) Demographic

7) Relevant training

## 8.0 Consideration of Nominees

The Committee considered all the nominees and awarded individual scores in accordance with the guidelines. They unanimously decided to recommend the following nominees:

### Board of Directors:

1. Carla Thomas – Ross
2. Aaron Moses
3. Dennis Cornwall

### Supervisory and Compliance Committee

1. Wayne Radix

### Credit Committee

1. Ann Isaac
2. Justin Hazzard

## 9.0 General Observations and Comments

During its deliberations, the committee made the following observations:

- The Credit Union has grown into a large financial institution which must continue to be professionally managed in order to remain financially viable and lead the sector.
- There is therefore a need for a deliberate succession plan to fill positions on the board and the committees.
- There should always be at least a cadre of ten to twenty fully trained members prepared to take up positions when they become vacant.
- A program for identifying interested members and exposing them to relevant training in preparation for serving should commence immediately.
- In order to ensure continuity and smooth transitioning provisions should be made to allow the Immediate Past Chairman of the Board to continue for another year in office to work along with the current chairman.
- The performance of all committee members, whether, demitting office or not, should be submitted to the nominating committee yearly for review.

## 10.0 Acknowledgement:

The members of the Nominations Committee express sincere thanks and appreciation to the Board of Directors for the opportunity given to serve and to the management and staff for facilitating its work. Further, the Committee commends the members who took the opportunity to tender nominations for the positions advertised and expresses the hope that many more members would avail themselves of this privilege in the future.

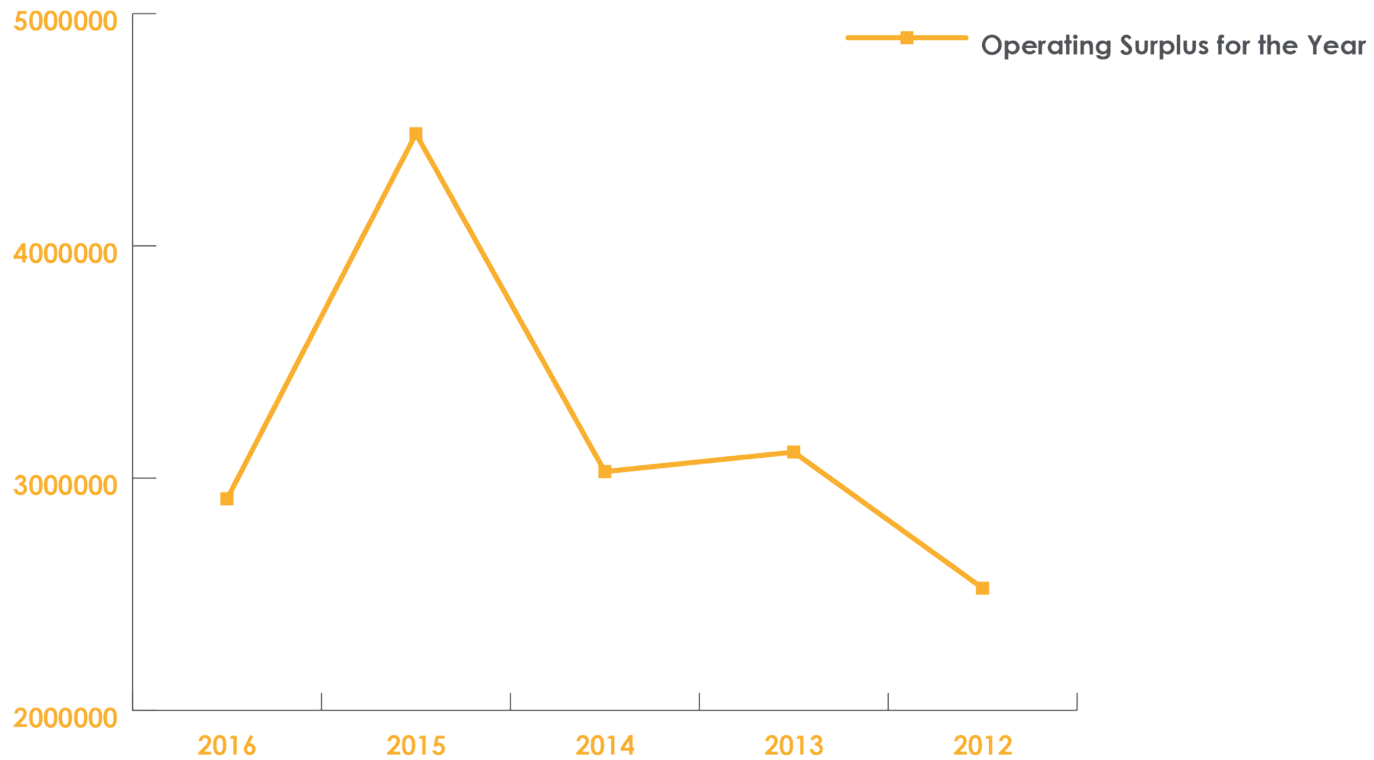


Christopher De Allie  
PRESIDENT

The financial performance in 2016 for the Grenada Public Service Credit Union trading as Ariza was once again a laudable one. In the past year the Credit Union enjoyed membership growth of 15%, strong loan growth of 12% and asset growth of 13.4%. This is indicative of another year of strong financial performance

**Operating Surplus**

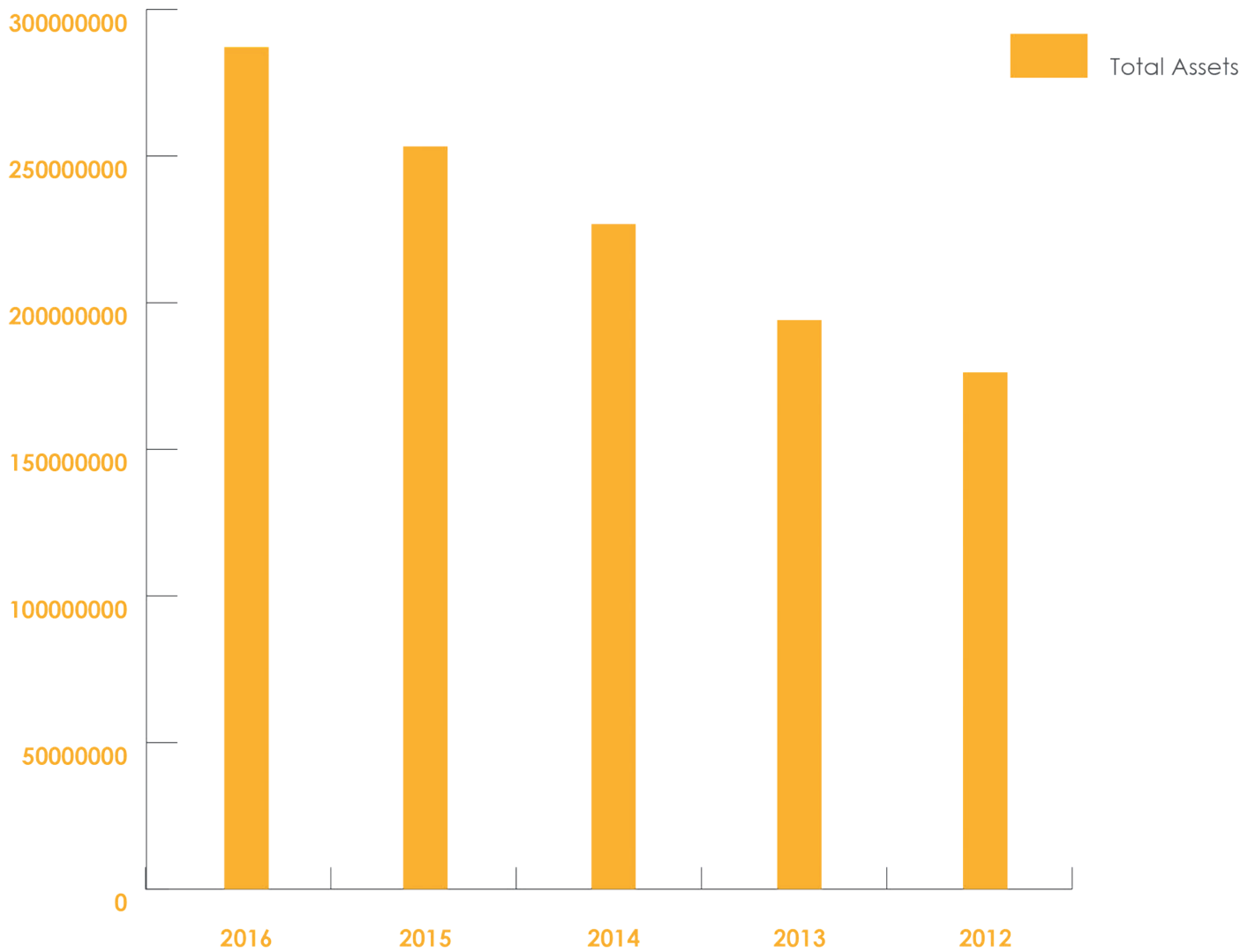
At the end of 2016 operational surplus stood at \$2.82M. This commendable performance is the result of the continuous effort and focus on the value created for our members and our financial strength.



As at 31<sup>st</sup> December 2016 provision for risk assets grew by \$500K. This resulted in an operational surplus of 2.32M after provision for risk assets and impairment. This represents a decrease of \$1.15M compared to 2015.

**Assets**

The growth in total assets was 13.4% or \$33.8M. Total assets at year's end stood at \$287.2M. The overall growth in the asset base continued to be driven mainly by growth in loans and deposits. Fixed Assets grew by \$6.30M which resulted mainly from the purchase of furniture and computer equipment for our new building.



### Loans

The loans portfolio experienced a growth of \$24.2M or 12%. Gross Loans stood at \$226.0M as at December 31<sup>st</sup> 2016. Total disbursements in 2016 were \$50.6M. Total disbursements in 2015 stood at \$53.7M. The net loans portfolio stood at \$220.8M at the end of 2016 as compared to \$197.1M in 2015. The loan loss provision stood at \$ 5.19M in 2016 compared to \$4.69M in 2015.

The 90 day delinquency ratio stood at 5.62% in 2016 compared to 5.19% in 2015. This represents an increase of 0.43%. I once again appeal to you our members to continue to honor your loan commitments to the Credit Union.

## Deposits

Members' deposits grew by 12.8% or \$28.2M in 2016 as against 11.6% or \$22.8M in 2015. This is as a result of increased confidence placed in the financial soundness of the Grenada Public Service Credit Union. The portfolio stood at \$247.5M at the end of 2016. Regular shares grew to \$119.1M in 2016 from \$105.2M in 2015 representing a growth of \$13.9M or 13.2%. Fixed Deposits grew by \$3.60M or 5% to \$76.12M in 2016 compared to \$2.86M or 4.1% in 2015.

### Comparative Operating Highlights

	2016 % Change	2016	2015	2014
<b>Assets</b>				
Net Loans	12.04%	<b>220,860,859</b>	197,129,081	181,727,850
Investments	6.07%	<b>19,176,071</b>	18,079,544	14,722,575
Development Land	23.36%	<b>6,412,314</b>	5,198,215	4,697,866
Fixed Assets	49.21%	<b>19,114,763</b>	12,810,256	11,590,849
<b>Liabilities</b>				
Regular Shares	13.16%	<b>119,094,956</b>	105,244,887	92,375,572
Other Deposits	12.44%	<b>128,411,905</b>	114,202,054	104,250,972
<b>Capital</b>				
Equity/Qualifying Shares	16.52%	<b>11,801,327</b>	10,128,542	8,333,352
<b>Income</b>				
Interest from Loans	7.22%	<b>18,644,171</b>	17,389,237	16,348,778
Other Income	-31.88%	<b>1,049,702</b>	1,541,034	1,016,403
<b>Expenditure</b>				
Interest on Deposits	-0.51%	<b>8,670,913</b>	8,715,028	8,738,811
Other Expenditure	42.93%	<b>8,193,226</b>	5,732,161	6,084,578
<b>Surplus</b>				
Unappropriated surplus for the year	-18.76%	<b>2,829,734</b>	3,483,082	3,027,939

operating highlights

## KEY PERFORMANCE INDICATORS

The PEARLS prudential standards set the benchmarks that Credit Unions should achieve and maintain to ensure viability. The system assesses Protection, Effective Financial Structure, Asset Quality, and Rate of Return on Costs, Liquidity Levels and Signs of Growth. An evaluation is provided hereunder as to the Credit Unions performance against that of a Model Credit Union.

### **Protection:**

This ratio measures the adequacy of the allowances made for delinquent loans by the Credit Union. PEARLS require that a provision of 35% be made for all delinquent loans less than 12 months and provision of 100% for loans more than 12 months.

As at December 31<sup>st</sup> 2016 the GPSCCU was fully protected against all delinquent loans that were greater than 12 months. The Credit Union had adequate provision in place for such loans less than 12 months.

### **Effective Financial Structure:**

The financial structure of the Credit Union is the single most important factor in determining growth potential, earnings capacity, and overall financial strength. This looks at the ideal structure of a Credit Union in terms of its assets, liabilities and capital.

The Savings/Total Asset ratio of 86.18% was at the higher end of the standard range of 70-80%. The Net Loans/Total Asset ratio of 76.90% was within the standard of 70-80% range by. The Credit Union's Institutional Capital/Total Assets ratio stood at 6.70%.

### **Asset Quality:**

The assets of the Credit Union should be primarily involved in the generation of income. A non-productive or non-earning asset is one that does not generate income. An excess of non-earning assets is an indication of the assets held that are not generating any income for the Credit Union. Two key ratios used are: Non-Earning Assets/Total Assets Ratio and Delinquency Ratio.

Non-Earning Assets/Total Assets ratio stood at 14.10% which was above the model standard of 5%.

Using the benchmark of 90 days, the delinquency ratio at year end was 5.62 % of the loan portfolio. This was an increase on the 5.19% experienced at December 31<sup>st</sup> 2016 and is slightly above the standard of 5% by 0.62%. The ideal goal is to maintain the delinquency rate below 5% of total loans outstanding.



## Rates of Return and Cost:

These ratios allow one to compare whether the credit union is earning and paying market rates on its assets, liabilities and capital. It also measures the Operational Costs of the Credit Union against its assets.

The Operating Expenses/ Average Total Assets ratio stood at 2.60% which was within the standard of  $\leq 5\%$ . Rates of return on investments stood at 3.81% while interest on Savings Deposit/Average Savings Deposit was at 3.71% at year end.

## Liquidity:

Liquidity determines the ability of the Credit Union to meet its short-term & long-term obligations. The liquid assets less short term payables/total savings deposits stood at 12.36% at the end of year 2015 which was just below the standard of 15%.

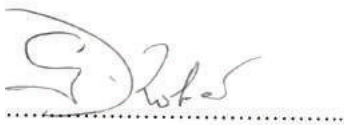
## Signs of Growth:

These ratios measure both the financial and membership growth of the Credit Union.

The Credit Union's total asset growth of 13.38% exceeded the standard of inflation. Loans growth at 12.01% was above the benchmark of 5%. Savings at 12.72% was also above the 5% benchmark. Institutional capital growth (annualized) stood at 7.06%, the standard is 10% minimum. The total membership has increased by 14.97% or 1693 for the year 2016. Membership stood at 13,002 as at December 31<sup>st</sup> 2016. This is indicative of the robust support the Credit Union enjoys in the community that it serves.

## Conclusion

Overall performance has been commendable as management continues to keep their tight reign on expenses and to more deliberately manage the loans portfolio quality. Your Credit Union remains committed to serving and enhancing the value of you our members through innovative financial avenues.



Garvin Roberts  
Treasurer

PEARLS Ratios

		Target	Dec-16	Dec-15
<b>P</b> rotection	Provision for Loan Losses /Del>12 Months	100%	<b>100%</b>	100%
	Provision for Loan Losses /Loans Del<12 Months	35%	<b>35%</b>	35%
	Solvency	>=110%	<b>113%</b>	113%
<b>E</b> ffective Financial Structure	Net Loans/Total Assets	70-80%	<b>76.90%</b>	77.82%
	Liquid Investments/Total Assets (N)	Max 16%	<b>6.21%</b>	6.57%
	Savings deposits/total assets	70-80%	<b>86.18%</b>	86.63%
	Member Share Capital/Total Assets (N)*	Max 20%	<b>4.11%</b>	4.00%
	Institutional Capital (other)/Total Assets (N)*	Min 10%	<b>6.70%</b>	7.02%
<b>A</b> sset Quality	Balance of Del loans > 90 /Gross Loan Portfolio	<=5%	<b>5.62%</b>	5.19%
	Non-Earning Assets/Total Assets	<=5%	<b>14.10%</b>	12.87%
<b>R</b> ates of Return and Cost (Annualized)	Fin Investment Income/Avg. fin investments	Market Rate 3%	<b>3.81%</b>	4.40%
	Fin cost:savings deposit/average sav deposits	Market Rate 3%	<b>3.71%</b>	4.19%
	Operating Expenses/average Total Assets	<=5%	<b>2.60%</b>	2.25%
	Net Income/Average Total Assets (N)	Min 1%	<b>0.78%</b>	1.45%
<b>L</b> iquidity	Liquid Assets-ST payables/total deposits	Min 15%	<b>12.36%</b>	14.91%
<b>S</b> igns of Growth (annualized Growth Rate)	Total Assets	> inflation+10%	<b>13.38%</b>	11.90%
	Loans to Members	5%	<b>12.01%</b>	9.14%
	Savings deposits	5%	<b>12.72%</b>	11.61%
	Share Capital (N)	Min 15%	<b>16.56%</b>	21.54%
	Institutional Capital	Min 10%	<b>8.22%</b>	15.10%
	Membership	Min 15%	<b>14.97%</b>	8.98%

# financial statements

2017



**GRENADA PUBLIC SERVICE (CO-OPERATIVE) CREDIT UNION LIMITED**  
**(Trading as Ariza Credit Union)**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2016**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
GRENADA PUBLIC SERVICE (CO-OPERATIVE) CREDIT UNION LIMITED  
(Trading as Ariza Credit Union)**

**Opinion**

We have audited the financial statements of the Grenada Public Service Co-operative Credit Union Limited, which comprise the statement of financial position at December 31, 2016, and the statement of comprehensive income, statement of changes in equity 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 Credit Union as at December 31, 2016 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Credit Union in accordance with the ethical requirements that are relevant to our audit of the financial statements in Grenada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 the 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.

Partners: Henry A. Joseph FCCA (Managing), Michelle A. Millet B.A., CPA, CGA (Mrs.), Michelle K. Bain ACCA (Miss.)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF**  
**GRENADA PUBLIC SERVICE (CO-OPERATIVE) CREDIT UNION LIMITED**

**(Trading as Ariza Credit Union)**

**(continued)**

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Credit Union's internal control.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF**

**GRENADA PUBLIC SERVICE (CO-OPERATIVE) CREDIT UNION LIMITED**

**(Trading as Ariza Credit Union)**

**(continued)**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Credit Union's ability to continue as a going concern. If we conclude that a material uncertainty exists; we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Credit Union to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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.

GRENADA

June 9<sup>th</sup>, 2017



Accountants & Business Advisers

## STATEMENT OF FINANCIAL POSITION AT 31ST DECEMBER, 2016

	Notes	2016	2015
<b>EARNING ASSETS</b>			
Members' loans	4	220,860,858	197,129,081
Investment property	5	6,412,314	5,198,215
Loans and receivables financial assets	6	17,834,982	16,638,454
Available-for-sale financial assets	6	<u>1,341,090</u>	<u>1,441,090</u>
Total earning assets		<b>246,449,244</b>	220,406,840
<b>NON-EARNING ASSETS</b>			
Property, plant and equipment	7	19,114,702	12,810,256
<b>OTHER ASSETS</b>			
Accounts receivables and prepayments	8	4,511,556	2,744,896
Cash and cash equivalents	9	<u>17,116,760</u>	<u>17,343,671</u>
Total non-earning assets		<b>40,743,018</b>	<u>32,898,823</u>
<b>TOTAL ASSETS</b>		<b><u>\$287,192,262</u></b>	<u>\$253,305,663</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Members' equity shares	10	<u>11,801,327</u>	<u>10,128,542</u>
Statutory reserve	11	10,783,920	10,032,003
Accumulated surplus	12	<b>8,450,247</b>	<u>7,741,143</u>
Institutional Capital		<u>19,234,167</u>	<u>17,773,146</u>
<b>OTHER FUNDS AND RESERVES</b>			
Development fund	13	139,323	174,154
Education fund	14	214,801	165,495
Education savings plan fund		196,268	172,355
Provident fund		186,629	211,570
LP/LS insurance fund	15	<u>787,350</u>	<u>642,634</u>
		<b>1,524,371</b>	<u>1,366,208</u>
Total equity		<b><u>32,559,865</u></b>	<u>29,267,896</u>
<b>Current Liabilities</b>			
Members' life time savings		119,094,956	105,244,887
Other deposits	16	128,411,905	114,202,054
Non-interest bearing liabilities	17	6,984,533	4,343,855
Other liabilities		<u>141,003</u>	<u>246,971</u>
<b>TOTAL LIABILITIES</b>		<b><u>254,632,397</u></b>	<u>224,037,767</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>\$287,192,262</u></b>	<u>\$253,305,663</u>

The notes on pages 59 to 79 form an integral part of these financial statements

 : DIRECTOR

 : DIRECTOR



## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER, 2016

	2016	2015
<b>INCOME</b>		
<hr/>		
Income from loans		
Interest from member loans	18,644,171	17,389,237
Fees and charges	424,244	808,097
Loan protection	-363,915	-305,036
Other income from loans	-	70,312
Net loan income	<u>18,704,500</u>	<u>17,962,610</u>
Income from liquid investments		
Interest on investment – dated securities	656,217	689,528
Dividends on investments	22,299	6,054
Non-related income	310,859	272,079
Total non-interest income	<u>989,375</u>	<u>967,661</u>
Total income	<u>19,693,875</u>	<u>18,930,271</u>
<b>LESS: EXPENSES</b>		
<b>FINANCIAL COST</b>		
<hr/>		
Interest expenses on savings	8,670,913	8,703,140
Life savings insurance	342,340	257,901
Other financial cost	161,962	66,402
Members' incentive payment	651,262	-
Total financial cost	<u>9,826,477</u>	<u>9,027,443</u>
<b>Gross Margin</b>	<u>9,867,398</u>	<u>9,902,828</u>
<b>OPERATING EXPENSES</b>		
<hr/>		
Personnel expenses	3,395,480	2,810,417
Governance	652,243	355,630
Occupancy expenses	497,133	534,423
Marketing expenses	799,343	497,583
Administration	1,275,260	944,842
Depreciation	362,707	326,876
Loss/(gain) on asset disposal	55,498	-50,025
Total operating expenses	<u>7,037,664</u>	<u>5,419,746</u>
Total operating surplus	2,829,734	4,483,082
Less: Provision for risk assets	-500,000	-1,000,000
Surplus for the year before appropriation	2,329,734	3,483,082
Appropriations:		
Transfer to: Education fund	69,892	87,077
Statutory reserve	582,433	870,770
Development fund	-	174,154
Provident fund	-	87,077
Net surplus for the year	<u>\$1,677,409</u>	<u>\$2,264,004</u>

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER, 2016

	Note	2016	2015
<b>OPERATING ACTIVITIES</b>			
Net surplus for the year		<b>2,329,734</b>	3,483,082
Adjustments for:			
Depreciation		<b>362,707</b>	326,876
Net movements in reserves		<b><u>257,754</u></b>	<u>1,203</u>
Cash provided by operating activities before working capital changes		<b>2,950,195</b>	3,811,161
Increase in accounts receivable and prepayments		<b>-1,766,660</b>	-32,130
Increase/(decrease) in non-interest bearing liabilities		<b>2,640,678</b>	-367,190
Increase in pension benefit		<b><u>625,904</u></b>	<u>934,213</u>
Cash provided by operating activities		<b><u>4,450,117</u></b>	<u>4,346,054</u>
<b>INVESTING ACTIVITIES</b>			
Transfer/disposal of equipment		<b>738,929</b>	-
Purchase of property, plant and equipment		<b>-7,406,082</b>	-1,545,270
Increase in investment property		<b>-1,214,099</b>	-500,350
Increase in financial assets		<b>-1,196,528</b>	-1,915,879
Decrease in available-for-sale financial asset		<b>100,000</b>	-
Increase in members' loans		<b><u>-23,731,777</u></b>	<u>-15,901,231</u>
Cash used in investing activities		<b><u>-32,709,557</u></b>	<u>-19,862,730</u>
<b>FINANCING ACTIVITIES</b>			
Dividends paid		<b>-968,305</b>	-934,664
Increase in members' shares		<b>1,672,785</b>	1,795,190
Increase in members' deposits		<b><u>27,328,049</u></b>	<u>22,025,142</u>
Cash provided by financing activities		<b><u>28,032,529</u></b>	<u>22,885,668</u>
(Decrease)/increase in cash and cash equivalents		<b>-226,911</b>	7,368,992
Cash and cash equivalents - at the beginning of the year		<b><u>17,343,671</u></b>	<u>9,974,679</u>
- at the end of the year	9	<b><u>\$17,116,760</u></b>	<u>\$17,343,671</u>

The notes on pages 59 to 79 form an integral part of these financial statements

## NOTES TO THE FINANCIAL STATEMENTS AT 31ST DECEMBER, 2016

### 1. CORPORATE INFORMATION

The Credit Union was established in 1947 and originally registered in March 1958 under the Co-operative Societies Ordinance as amended by the Co-operative Societies Act No. 8 of 2011 for the purpose of affording members of the Credit Union the opportunity to accumulate savings and to obtain credit for provident or productive purposes at reasonable rates of interest.

The Credit Union employed on average fifty-three (53) persons during the year compared to forty-five (45) persons in 2015.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### **(a) Basis of Preparation**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and are expressed in Eastern Caribbean Currency Dollars. The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Credit Union's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to these financial statements are disclosed in Note 3.

#### **(b) New Accounting Standards Policies**

- (i) There are no new standards, amendments or interpretations that are effective for the first time for the financial year beginning on or after 1<sup>st</sup> January, 2016 that would be expected to have a material impact on the Credit Union's financial statement.
- (ii) Amendments and interpretations issued but not effective for the financial year beginning 1<sup>st</sup> January, 2016 and not early adopted. These either do not apply to the activities of the Credit Union or have no material impact on its financial statement.

NOTES TO THE FINANCIAL STATEMENTS AT 31ST DECEMBER, 2016 (continued)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) *New accounting Standards, Amendments and Interpretations (continued)*

Standard	Description	Effective for annual periods beginning on or after
IAS 7	Statement of Cash Flows: Disclosure Initiative (amendments)	1 <sup>st</sup> January, 2017
IAS 12	Income taxes recognition of Deferred Tax Assets for Unrealized Losses (amendments)	1 <sup>st</sup> January 2017
IAS 40	Investment property: Transfer of Investment Property (amendments)	1 <sup>st</sup> January, 2018
IFRS2	Share-based payment: Classification and Measurement of Share-based payment transactions (amendments)	1 <sup>st</sup> January, 2018
IFRS 9	Financial Instruments: Classification and measurement	1 <sup>st</sup> January, 2018
IFRS 15	Revenue from Contracts with Customers	1 <sup>st</sup> January, 2018
IFRS 16	Leases	1 <sup>st</sup> January, 2019

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Property, Plant and Equipment

The Credit Union's assets are stated at cost less accumulated depreciation.

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

Increases in the carrying amount arising on revaluation of land and buildings are credited to revaluation surplus in equity. Decreases that offset previous increases of the same asset are charged against the surplus directly in equity; all other decreases are charged to the statement of income.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or re-valued amounts to their residual values over their estimated useful lives. The rates used are as follows:

	Per annum
Buildings	2.5%
Plant and Machinery (ATM)	25%
Motor vehicle	20%
Furniture and equipment	10%
Computers	33%

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of income. When revalued assets are sold, the amounts included in revaluation surplus are transferred to retained earnings.

2.

**SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(d) Financial instruments**

Financial instruments are contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised on the Credit Union's statement of financial position when the Credit Union becomes a party to the contractual provisions of the instrument.

*Recognition and measurement*

All regular way purchases and sales of financial assets are recognised or de-recognised on the trade date that is the date on which the Credit Union commits itself to purchase or sell an asset. A regular way purchase and sale of financial assets is a purchase or sale of an asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the market place concerned.

When financial assets are recognised initially, they are measured at fair value of the consideration given plus transaction costs directly attributable to the acquisition of the asset.

Financial assets are de-recognised when the contractual rights to receive the cash flows expire or where the risks and rewards of ownership of the assets have been transferred.

*Financial assets*

The Credit Union classifies its financial assets into the following categories: Loans and receivables and available-for-sale. Management determines the appropriate classification of its financial assets at the time of purchase and re-evaluates this designation at every reporting date.

*Loans and receivables*

Investments classified as loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on the active market. They are included in current assets, except for maturities greater than twelve (12) months after the statement of financial position date. These are classified as non-current assets. The Credit Union's loans and receivables comprise of treasury bills and fixed deposits which are stated at cost.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Financial instruments (continued)

*Available-for-sale*

Investments are classified as available-for-sale as they are intended to be held for an indefinite period. These investments may be sold in response to needs for liquidity or changes in interest rates or equity prices. These investments are carried at fair value, based on quoted market prices where available. However, where a reliable measure is not available, cost is appropriate. The majority of these investments continue to be carried at cost as in almost all cases they are not traded on an active market and methods of reasonable estimation of fair value are unavailable. Where available-for-sale investments are carried at fair value unrealized gains or losses are recognized directly in equity until the investment is derecognised or determined to be impaired at which time the cumulative gain or loss previously recorded in equity is recognized in profit or loss. Available-for-sale investments are included in non-current assets unless management intends to dispose of the investment within twelve (12) months of the date of the statement of financial position.

*Fair Value*

Fair value amounts represent the approximate values at which financial instruments could be exchanged in current transactions between willing parties. However, the Credit Union's financial instruments lack an available trading market and therefore it is not possible to determine independently the estimated fair values. The fair values of the financial instruments are therefore considered to approximate their book value.

*Impairment of financial assets*

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) *Financial instruments (continued)*

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

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

The Credit Union first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant. If the Credit Union determines that no objective evidence of impairment exists for an individually assessed financial asset, it includes the asset in a group of financial assets with similar credit risk characteristics and impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

Impairment losses are recorded in an allowance account and are measured and recognised as follows:

- (i) Financial assets measured at amortised cost

The difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate is recognised in the statement of comprehensive income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as improvement in the debtor's credit rating). The previously recognised loss is reversed to the extent that the carrying amount of the financial asset does not exceed what the amortised cost would have been had the impairment not been recognised at the date that the impairment is reversed. The amount of the reversal is recognised in the statement of comprehensive income.



**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(d) Financial instruments (continued)**

*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 de-recognised 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.

**(e) Foreign Currencies**

Foreign currency transactions during the year have been effected at the rates of exchange ruling at the dates of the transactions. All revenue and expenditure transactions denominated in foreign currencies are translated at mid-exchange rates and the resulting profits and losses on exchange from these trading activities are dealt with in the statement of comprehensive income.

**(f) Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from the estimates and assumptions used.

**(g) Provision for loan losses**

Allowance for doubtful loans are based on the requirements of the Co-operative Societies Act - 2011 and the PEARLS Standards which recommends that delinquent loans less than three hundred and sixty-five (365) days in arrears are provided for to the extent of 35% while those in excess of that period are provided for in full. The Credit Union has further defined its provision policy taking into account security values on property. For loans that are secured by property, the policy dictates that a forced sale value of 70% of the market value be taken into consideration. Therefore if the 70% of forced sale value is greater or equal to 110% of the loan balance no provision is made. However, if the forced sale value is less than 110% of the loan balance for arrears between 61-365 days and over 365 days provision is made for the difference between the loan balance and the forced sale value.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

**(h) Cash and Cash Equivalents**

For the purposes of the cash flow statements, cash and cash equivalents comprises of cash on hand and at bank and short – term fixed deposits within original maturity of three months or less.

**(i) Dividends**

Dividends that are proposed and declared during the period are accounted for as an appropriation of retained earnings in the statement of changes in equity.

Dividends that are proposed and declared after the statement of financial position date are not shown as a liability on the statement of financial position but are disclosed as a note to the financial statements.

**(j) Employee Benefits**

The Credit Union operates a defined contribution pension plan. The Credit Union pays fixed contribution into the fund and has no legal or constructive obligation to pay further contributions. The Credit Union's contribution is recorded as an expense in the statement of comprehensive income.

**(k) Investment Property**

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment property of the Credit Union comprises of land situated at Morne Jaloux, La Borie and Grand Anse, St. George's held for long-term yields. Investment property is treated as a long-term investment and is carried at cost.

## NOTES TO THE FINANCIAL STATEMENTS AT 31ST DECEMBER, 2016 (continued)

### 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The development of estimates and the exercise of judgment in applying accounting policies may have a material impact on the Credit Union's reported assets, liabilities, revenues and expenses. The items that may have the most effect on the financial statements are set out below.

#### *Valuation of property*

The Credit Union utilizes professional valuers to determine the fair value of its properties. Valuations are determined through the application of a variety of different valuation methods which are all sensitive to the underlying assumptions chosen.

#### *Impairment of loans*

Provision is made for doubtful debts based on the specific identification of doubtful balances. As debts become uncollectible they are written off against the provision.

#### *Fair value of available-for-sale investments*

The fair values of financial instruments that are not quoted in active markets are determined using the last traded value for the investment. Where no such value exist the investment is carried at cost.

### 4. MEMBERS' LOANS

	2016	2015
General loans	226,051,348	201,819,571
Less: allowance for doubtful loans	<u>5,190,490</u>	<u>4,690,490</u>
	<u>\$220,860,858</u>	<u>\$197,129,081</u>

### 5. INVESTMENT PROPERTY

Land at cost – 1 <sup>st</sup> January, 2016	5,198,215	4,697,865
Additions during the year	<u>1,214,099</u>	<u>500,350</u>
Balance at 31 <sup>st</sup> December, 2016	<u>\$6,412,314</u>	<u>\$5,198,215</u>

NOTES TO THE FINANCIAL STATEMENTS AT 31ST DECEMBER, 2016 (continued)

6. FINANCIAL ASSETS

Loans and Receivables

	2016	2015
Grenville Co-operative Credit Union Limited – Fixed deposit	<b>520,000</b>	500,000
Bank of St. Lucia – Fixed rate note	<b>934,920</b>	890,400
Grenada Co-operative Bank Limited - Fixed deposit	<b>1,139,073</b>	1,115,645
Government of Grenada - Treasury bills	<b>3,023,810</b>	3,224,155
Government of St. Lucia - Treasury bills	<b>1,415,906</b>	1,415,906
Government of Antigua & Barbuda – Treasury bills	<b>1,493,325</b>	1,447,575
Government of St. Vincent – Fixed rate bond	<b>1,100,412</b>	1,073,573
Grenada Co-operative League Limited - Fixed deposit	<b>1,389,362</b>	1,342,881
- Deposit account	<b>66,140</b>	65,485
First Citizens Investment Limited	<b>469,305</b>	457,859
Grenada Union of Teachers Credit Union - Fixed deposit	<b>3,111,036</b>	3,020,423
Communal Co-operative Credit Union Ltd - Fixed deposit	<b>2,171,663</b>	2,084,552
First Citizen – Fixed income paper	<b><u>1,000,030</u></b>	-
	<b><u>\$17,834,982</u></b>	<b><u>\$16,638,454</u></b>

Available - for - Sale

East Caribbean Cooperative Central Limited - 5,000 shares of \$100 each	<b>50,000</b>	50,000
Grenca Investments Limited - 40,000 ordinary shares of \$2.50	-	100,000
Grenada Co-operative League Limited - 11,717 ordinary shares of \$5.00 each	<b>76,095</b>	76,095
East Caribbean Home Mortgage Bank - 194 shares of \$160 each	<b>31,040</b>	31,040
- 625 shares of \$160 each	<b>100,000</b>	100,000
- 1,560 shares of \$160 each	<b>249,600</b>	249,600
Corporation Enterprise Finance Facility Limited - 10,000 shares \$50 each	<b>500,000</b>	500,000
Grenada Co-operative Bank Limited - 47,765 shares of \$7.00 each	<b><u>334,355</u></b>	<u>334,355</u>
	<b><u>\$1,341,090</u></b>	<b><u>\$1,441,090</u></b>

**NOTES TO THE FINANCIAL STATEMENTS AT 31ST DECEMBER, 2016 (continued)**

**7. PROPRERTY, PLANT AND EQUIPMENT**

	Work in Progress	Freehold land and Building	Furniture, Fixtures and Equipment	Computer Equipment and Software	Automatic Teller Ma- chine
Balance at 1st January, 2015					
Cost	30,275	11,280,733	635,039	858,188	662,535
Accumulated depreciation	-	<u>-428,634</u>	<u>-365,347</u>	<u>-773,544</u>	<u>-622,821</u>
<b>NET BOOK VALUE</b>	<b>\$30,275</b>	<b>\$10,852,099</b>	<b>\$269,692</b>	<b>\$84,644</b>	<b>\$39,714</b>
For year ended 31st December, 2015					
Opening book value	30,275	10,852,099	269,692	84,644	39,714
Additions for the year	683,433	328,358	61,718	356,761	-
Depreciation charge for year	-	<u>-34,428</u>	<u>-44,127</u>	<u>-123,212</u>	<u>-12,589</u>
<b>NET BOOK VALUE</b>	<b>\$713,708</b>	<b>\$11,146,029</b>	<b>\$287,283</b>	<b>\$318,193</b>	<b>\$27,125</b>
Balance at 31st December, 2015					
Cost	713,708	11,609,091	696,757	1,214,949	662,535
Accumulated depreciation	-	<u>-463,062</u>	<u>-409,474</u>	<u>-896,756</u>	<u>-635,410</u>
<b>NET BOOK VALUE</b>	<b>\$713,708</b>	<b>\$11,146,029</b>	<b>\$287,283</b>	<b>\$318,193</b>	<b>\$27,125</b>
For year ended 31st December, 2016					
Opening book value	713,708	11,146,029	287,283	318,193	27,125
Additions for the year	-	5,946,059	809,152	399,813	251,058
Transfer	-683,433	-	-	-	-
Disposals for the year – Cost	-	-	-	-	-
Disposals for the year - Accumulated depreciation	-	-	-	-	-
Depreciation charge for year	-	<u>-53,726</u>	<u>-53,103</u>	<u>-149,257</u>	<u>-16,975</u>
<b>NET BOOK VALUE</b>	<b>\$30,275</b>	<b>\$17,038,362</b>	<b>\$1,043,332</b>	<b>\$568,749</b>	<b>\$261,208</b>
Balance at 31st December, 2016					
Cost	30,275	17,555,150	1,505,909	1,614,762	913,593
Accumulated depreciation	-	<u>-516,788</u>	<u>-462,577</u>	<u>-1,046,013</u>	<u>-652,385</u>
<b>NET BOOK VALUE</b>	<b>\$30,275</b>	<b>\$17,038,362</b>	<b>\$1,043,332</b>	<b>\$568,749</b>	<b>\$261,208</b>

NOTES TO THE FINANCIAL STATEMENTS AT 31ST DECEMBER, 2016 (continued)

7. PROPRERTY, PLANT AND EQUIPMENT (continued)

	Motor Vehicle	Leasehold Improvement	IDC Development	Total
Balance at 1st January, 2015				
Cost	244,600	282,154	188,630	14,182,154
Accumulated depreciation	<u>-137,515</u>	<u>-186,979</u>	<u>-75,452</u>	<u>-2,590,292</u>
<b>NET BOOK VALUE</b>	<b>\$107,085</b>	<b>\$95,175</b>	<b>\$113,178</b>	<b>\$11,591,862</b>
For year ended 31st December, 2015				
Opening book value	107,085	95,175	113,178	11,591,862
Additions for the year	115,000	-	-	1,545,270
Depreciation charge for year	<u>-35,115</u>	<u>-39,679</u>	<u>-37,726</u>	<u>-326,876</u>
<b>NET BOOK VALUE</b>	<b>\$186,970</b>	<b>\$55,496</b>	<b>\$75,452</b>	<b>\$12,810,256</b>
Balance at 31st December, 2015				
Cost	359,600	282,154	188,630	15,727,424
Accumulated depreciation	<u>-172,630</u>	<u>-226,658</u>	<u>-113,178</u>	<u>-2,917,168</u>
<b>NET BOOK VALUE</b>	<b>\$186,970</b>	<b>\$55,496</b>	<b>\$75,452</b>	<b>\$12,810,256</b>
For year ended 31st December, 2016				
Opening book value	186,970	55,496	75,452	12,810,256
Additions for the year	-	-	-	7,406,082
Transfer	-	-	-	-683,433
Disposal for the year	-	-55,496	-	-55,496
Depreciation charge for year	<u>-51,920</u>	-	<u>-37,726</u>	<u>-362,702</u>
<b>NET BOOK VALUE</b>	<b>\$135,050</b>	<b>\$ -</b>	<b>\$37,726</b>	<b>\$19,114,702</b>
Balance at 31st December, 2016				
Cost	359,600	-	188,630	22,167,919
Accumulated depreciation	<u>-224,550</u>	-	<u>-150,904</u>	<u>-3,053,217</u>
<b>NET BOOK VALUE</b>	<b>\$135,050</b>	<b>\$ -</b>	<b>\$37,726</b>	<b>\$19,114,702</b>

NOTES TO THE FINANCIAL STATEMENTS AT 31ST DECEMBER, 2016 (continued)

8. ACCOUNTS RECEIVABLE AND PREPAYMENTS

	2016	2015
Due from Communal Co-operative Credit Union Limited	<b>266,935</b>	98,912
	<b>2,290,851</b>	1,153,147
Due from Grenada Co-operative Bank Limited – ATM	<b>475,560</b>	56,724
Other accounts receivable	<b>260,489</b>	277,564
Interest receivable	<b>513,099</b>	641,629
	<b>441,771</b>	205,559
Prepaid expenses	-	5,389
Re-Branding prepayment	<b>262,851</b>	305,972
Government payroll receivable		
Members overdraft accounts	<b>3,182,624</b>	3,182,624
British American Insurance Company Limited		
	<b><u>1,509,712</u></b>	<u>1,509,712</u>
- Corporate savings contracts – net		
Colonial Life Insurance Company Limited	<b>9,203,892</b>	7,437,232
	<b><u>4,692,336</u></b>	<u>4,692,336</u>
- Flexible premium annuity		
	<b><u>\$4,511,556</u></b>	<u>\$2,744,896</u>
Less: Provision for impairment		

The amounts due from British American Insurance Company Limited and Colonial Life Insurance Company Limited have been provided for in full as there is considerable doubt as to their recovery.

9. CASH AND CASH EQUIVALENTS

Cash on hand	<b>2,159,699</b>	1,438,193
RBTT Bank Grenada Limited		
- Current account	<b>10,347,736</b>	6,057,391
Grenada Co-operative Bank Limited		
- Current account (i)	<b>57,482</b>	56,366
- Current account (ii)	<b>260,234</b>	2,195,707
- Current account (iii)	<b>818,238</b>	4,913,707
Republic Bank (Grenada) Limited		
- Current account	<b><u>3,473,371</u></b>	<u>2,682,307</u>
Cash and cash equivalents in the statement of cash flows	<b><u>\$17,116,760</u></b>	<u>\$17,343,671</u>

**NOTES TO THE FINANCIAL STATEMENTS AT 31ST DECEMBER, 2016 (continued)**

**10. EQUITY SHARES**

These shares are of a nominal value of \$20.00 when fully paid up. Each member is required to own ten (10) shares of \$20.00 each. A minimum of \$5.00 can be paid towards the acquisition of shares.

**11. STATUTORY RESERVE**

	<b>2016</b>	2015
Balance at 1st January, 2016	<b>10,032,003</b>	9,029,171
Transfer - St. Patrick's Credit Union	<b>(4,137)</b>	-
- Education expense	<b>(850)</b>	-
 Add: Receipts from loans written off	 <b>140,451</b>	 112,752
	<b>34,020</b>	19,310
Entrance fees	<u><b>582,433</b></u>	<u>870,770</u>
 Allocations for the year - 25% of surplus	 <u><b>\$10,783,920</b></u>	 <u>\$10,032,003</u>

**Balance at 31<sup>st</sup> December, 2016**

In accordance with Section 125 (4) of the Cooperative Societies Act No.8 of 2011, at least 20% of the surplus for the year shall be transferred to the Reserve Fund.

**12. STATEMENT OF CHANGES IN MEMBERS' EQUITY**

Accumulated surplus at 1 <sup>st</sup> January, 2015	<b>6,411,803</b>	6,101,870
2014 Prior year adjustment	-	(175,672)
2015-net surplus for the year	<b>3,483,082</b>	2,027,939
Transfer to reserves and funds	<b>(1,219,078)</b>	(709,779)
Rebate/dividends paid	<u><b>(934,664)</b></u>	<u>(832,555)</u>
 Balance at December 31 <sup>st</sup> , 2015	 <b>7,741,143</b>	 6,411,803
 2016-net surplus for the year	 <b>2,329,734</b>	 3,483,082
Transfer to reserves and funds	<b>(652,325)</b>	(1,219,078)
Rebate/dividends paid	<u><b>(968,305)</b></u>	<u>(934,664)</u>
 <b>Balance at 31<sup>st</sup> December, 2016</b>	 <u><b>\$8,450,247</b></u>	 <u>\$7,741,143</u>



NOTES TO THE FINANCIAL STATEMENTS AT 31ST DECEMBER, 2016 (continued)

13 DEVELOPMENT FUND

	2016	2015
Balance at 1 <sup>st</sup> January, 2016	174,154	101,397
Add: Allocation for year	<u>          -</u>	<u>174,154</u>
	174,154	275,551
Less: Remittance to Grenada Co-operative League Limited	34,831	20,279
Dominica Co-operative League	-	20,045
Transfer to education fund savings plan	<u>          -</u>	<u>61,073</u>
<b>Balance at 31<sup>st</sup> December, 2016</b>	<b><u>\$139,323</u></b>	<b><u>\$174,154</u></b>

The above fund is payable to The Grenada Co-operative League Limited and is made in accordance with Section 126 of the Cooperative Societies Act No. 8 of 2011.

14. EDUCATION FUND

Balance at 1st January, 2016	165,495	84,071
Add: Allocation for the year	<u>69,892</u>	<u>87,077</u>
	235,387	171,148
Less: Adjustment Expenses for the year	<u>(20,586)</u>	<u>(5,653)</u>
<b>Balance at 31<sup>st</sup> December, 2016</b>	<b><u>\$214,801</u></b>	<b><u>\$165,495</u></b>

15. LP/LS INSURANCE FUND

Balance at 1 <sup>st</sup> January, 2016	642,634	718,644
Contribution during the year	<u>706,255</u>	<u>562,937</u>
	1,348,889	1,281,581
Less: Settlement during the year	<u>561,539</u>	<u>638,947</u>
<b>Balance at 31<sup>st</sup> December, 2016</b>	<b><u>\$787,350</u></b>	<b><u>\$642,634</u></b>

**NOTES TO THE FINANCIAL STATEMENTS AT 31ST DECEMBER, 2016 (continued)**

**16. OTHER DEPOSITS**

	2016	2015
Term deposits	<b>76,174,020</b>	72,519,450
	<b>33,685,273</b>	26,064,359
Savings	<b>9,956,685</b>	9,393,749
	<b>6,570,515</b>	4,801,609
Education savings plan	<b>1,111,256</b>	1,025,654
	<b>316,866</b>	239,419
Retirement savings	<b>481,402</b>	13,149
Insurance and group life savings plan	<b><u>115,888</u></b>	<u>144,665</u>
Excel savings	<b><u>\$128,411,905</u></b>	<u>\$114,202,054</u>
Other deposits		
Micro-finance savings		

**17. NON-INTEREST BEARING LIABILITIES**

Members' incentive payable	<b>651,262</b>	-
Interest payable	<b>1,927,232</b>	2,994,974
Sundry creditors and accruals	<b>679,816</b>	319,003
Other accounts payable	<b><u>3,726,223</u></b>	<u>1,029,878</u>
	<b><u>\$6,984,533</u></b>	<u>\$4,343,855</u>

**18. FINANCIAL RISK MANAGEMENT**

The Credit Union's activities expose it to the following risk from the use of financial instruments:

- Credit risk
- Liquidity risk
- Currency risk
- Interest rate risk
- Operational risk

***Risk management structure***

The Board of Directors defines the overall risk profile of the Credit Union by approving its policies and guidelines, maximum limits for exposure as well as for individual loans. The credit and finance departments are responsible for managing the risks assumed through their operations and for ensuring that an adequate return for the risks taken is achieved. The Credit Union's policies are established to identify and analyse the risks faced by the Credit Union. An environment of proper controls is continually pursued through a system of training, management standards and procedures so as to ensure that all employees understand their roles and obligations.

18. FINANCIAL RISK MANAGEMENT (continued)

***Risk management structure (continued)***

A Credit Committee and Supervisory Committee are appointed at each Annual General Meeting. The risk management duties of the Credit Committee are focused on credit risk in the Credit Union's lending operations and the Supervisory Committee deals with operational risk profile of the Credit Union. The Management Committee acting with the authority delegated by the Board has the overall responsibility for risk management on a day to day basis. The Board has also appointed key committees such as, Policy Review Committee, Investment Committee, and Audit Committee to mitigate certain operational risks.

***Credit Risk:***

Credit risk is the risk of financial loss to the Credit Union if a member or counter-party to a financial instrument fails to meet its contractual obligations, and arises principally from the Credit Union's loans to members and from its investments. The Credit Union's maximum exposure to risk is the carrying amount of the financial assets.

Concentration of credit risk exists if a number of clients are engaged in similar activities or are located in the same industry sector or have similar economic characteristics such that their ability to meet contractual obligations would be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the credit union's performance to developments affecting a particular industry or geographical location.

*Management of Credit Risk*

The Board of Directors through the Management and Credit Committee are responsible for the oversight of the Credit Union's credit risk. Some of the key responsibilities are as follows:

- Formulating credit policies, establishing collateral requirements, credit assessment, establishing documentation and legal procedures and implementing procedures to ensure compliance requirements.
- Establishment of an authorized structure for loan approvals.
- Reviewing and assessing credit risk.

## 18. FINANCIAL RISK MANAGEMENT

### *Management of Credit Risk (continued)*

#### i) Members' loans

Exposure to credit risk is managed through regular analysis of the ability of borrowers to settle outstanding balances and meet repayment obligations, and by changing lending limits when appropriate.

#### ii) Other financial assets

With respect to credit risk arising from the other financial assets of the Credit Union, which comprise cash and cash equivalents and investments, the Credit Union's exposure to credit risk arises from default of the counterparty. The Credit Union seeks to hold its funds with financial institutions which management regards as strong. Also the market for investments is monitored regularly to ensure that returns are guaranteed.

#### *Exposure to credit risk*

The Credit Union's maximum exposure to credit risk before collateral held or other credit enhancement is as follows:

	Maximum exposure	
	2016	2015
Members' loans	<b>220,860,858</b>	197,129,081
Loans and receivables financial assets	<b>17,834,982</b>	16,638,454
Available-for-sale financial assets	<b>1,341,090</b>	1,441,090
Accounts receivables and prepayments	<b>4,511,556</b>	2,744,896
Cash and cash equivalents	<b><u>17,116,760</u></b>	<u>17,343,671</u>
	<b><u>\$261,665,246</u></b>	<b><u>\$235,297,192</u></b>

NOTES TO THE FINANCIAL STATEMENTS AT 31ST DECEMBER, 2016 (continued)

18. FINANCIAL RISK MANAGEMENT (continued)

	Loans and Members' Loans	Available-for- Receivables Financial Assets	Accounts Receivable Sale financial Assets	Cash and and Prepayments	Cash Equivalents	Total
<b>Balance at 31<sup>st</sup> December, 2016</b>						
Agriculture						
Small business	1,294,617	-	-	-	-	1,294,617
Mortgages	7,889,729	-	-	-	-	7,889,729
Personal	101,614,148	-	-	-	-	101,614,148
Other	57,032,012	-	-	-	-	57,032,012
Finance	58,220,842	-	-	-	-	58,220,842
	<u>-</u>	<u>17,834,982</u>	<u>1,341,090</u>	<u>4,511,556</u>	<u>17,116,760</u>	<u>40,804,388</u>
	226,051,348	17,834,982	1,341,090	4,511,556	17,116,760	266,855,736
Allowance for doubtful loans	<u>(5,190,490)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,190,490)</u>
	<u>\$220,860,858</u>	<u>\$17,834,982</u>	<u>\$1,341,090</u>	<u>\$4,511,556</u>	<u>\$17,116,760</u>	<u>\$261,665,246</u>

Analysis of members' loans past due and not impaired:

	Neither past due nor impaired \$	Past due and not impaired	
		1-3 months \$	Total \$
2016	<u>211,115,583</u>	<u>-</u>	<u>211,115,583</u>
2015	<u>188,200,067</u>	<u>2,106,125</u>	<u>190,306,192</u>

## NOTES TO THE FINANCIAL STATEMENTS AT 31ST DECEMBER, 2016 (continued)

### Analysis of individually impaired financial assets:

	Carrying			
	Value	Provision	Net book value	
			<b>2016</b>	2015
	\$	\$	\$	\$
Members' loans	<u>14,939,765</u>	<u>5,190,490</u>	<u>9,749,275</u>	<u>8,929,013</u>
Accounts receivable and prepayments	<u>4,692,336</u>	<u>4,692,336</u>	-	-

#### **Write off Policy**

The Credit Union writes off a loan when it determines that the loan is uncollectible after considering information such as the occurrence of significant changes in the borrower's financial position and the borrower can no longer meet the obligation, and that proceeds from collateral will not be sufficient to recover the entire exposure.

#### **Collateral**

The Credit Union employs the use of collateral as a risk mitigation tool hence maintaining its credit risk exposure within acceptable levels. The Credit Union holds collateral against loans in the form of registered mortgages over property, bill of sales on motor vehicles and other assets, liens or deposit on shares, guarantees and promissory notes. Estimates of fair value are based on the value of the collateral at the time of borrowing and are generally not updated except when a loan is individually assessed as impaired. The Credit Union has the right to dispose of repossessed properties the proceeds of which are used to repay the outstanding loan balances.

## 18. FINANCIAL RISK MANAGEMENT (continued)

#### **Liquidity Risk:**

Liquidity risk is the risk that the Credit Union will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

#### **Management of liquidity risk**

The Credit Union's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Credit Union's reputation. Liquidity management is primarily designed to ensure that funding requirement of the Credit Union can be met or to satisfy the demands of customers for additional borrowings.

## NOTES TO THE FINANCIAL STATEMENTS AT 31ST DECEMBER, 2016 (continued)

### Exposure to liquidity risk

The table below shows a maturity profile of the Credit Union's financial liabilities.

Financial liabilities	On Demand	Up to 1 year	1 to 5 years	Over 5 years	Total
Other deposits	128,411,905	-	-	-	128,411,905
Members' life time savings	41,125,371	16,695,586	30,953,568	30,320,431	119,094,956
Non-interest bearing liabilities	6,984,533	-	-	-	6,984,533
Other liabilities	<u>141,003</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>141,003</u>
Balance at 31 <sup>st</sup> December, 2016	<u>\$176,662,812</u>	<u>\$16,695,586</u>	<u>\$30,953,568</u>	<u>\$30,320,431</u>	<u>\$254,632,397</u>

## 18. FINANCIAL RISK MANAGEMENT (continued)

### Currency Risk:

Currency risk is the risk that the value of future cash flows of financial instruments will fluctuate due to changes in foreign exchange rates. The Credit Union operates primarily in Eastern Caribbean Currency and is therefore not subject to significant foreign currency risk. However, some of the Credit Union's transactions are in United States dollars but as the Eastern Caribbean Dollar is fixed to the United States Dollar, there is no significant currency risk exposure.

### Interest Rate Risk:

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

### Exposure to interest rate risk

Floating rate instruments expose the Credit Union to cash flow interest risk whereas fixed rate instruments expose the Credit Union to fair value interest rate risk.

### Management of interest rate risk

The Credit Union's exposure to interest rate risk is managed through the matching of funding products with financial services and monitoring market conditions and yields.

### Operational Risk:

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Credit Union's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted

standards of good corporate behaviour. Operational risks arise from all of the Credit Union's operations. The Credit Union's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Credit Union's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity. The primary responsibility for development and implementation of controls to address operational risk is assigned to senior management. This responsibility is supported by the development of overall Credit Union standards for the management of operational risk in the following areas:

## 18. FINANCIAL RISK MANAGEMENT (continued)

- ❑ Requirements for appropriate segregation of duties, including the independent authorization of transactions
- ❑ Requirements for the reconciliation and monitoring of transactions.
- ❑ Compliance with regulatory and other legal requirements
- ❑ Documentation of controls and procedures
- ❑ Requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified
- ❑ Requirements for the reporting of operational losses and proposed remedial action
- ❑ Development of contingency plans
- ❑ Training and professional development
- ❑ Risk mitigation, including insurance where this is effective

## 19. INCOME TAX

The Credit Union is exempt from the payment of Income Tax under Section 25(P) of the Income Tax Act 1994.

## 20. COMMITMENT

At the date of the statement of financial position, the un-disbursed loans committed amounted to approximately \$11.5 million.

## 21. BOARD COMMITTEE AND MANAGEMENT PERSONNEL

At year end the following facilities were held by Board and Committee members and senior members of staff of the Credit Union.

	2016	2015
Loans	3,436,718	4,219,367
Less: Deposits	<u>(1,930,911)</u>	<u>(1,464,489)</u>
	<u>\$1,505,807</u>	<u>\$2,754,878</u>



**budgeted statement of financial position** for year ended  
 2017 & 2018

	Actual 2016	Budget 2017	Budget 2018
<b>Assets</b>			
Earning Assets			
Gross Loans	226,051,348	256,701,348	287,351,348
Less: Provision for loan bad debts	-5,190,490	-5,690,490	-6,190,490
<b>Net loans</b>	<b>220,860,858</b>	<b>251,010,858</b>	<b>281,160,858</b>
Short Term Investments	17,834,981	28,085,686	31,085,686
Long Term Investments	1,341,090	1,841,090	1,841,090
Development Lands	6,412,314	11,512,314	11,512,314
Members Overdraft	262,851	262,851	262,851
<b>Total Earning Assets</b>	<b>246,712,094</b>	<b>292,712,799</b>	<b>325,862,799</b>
<b>Non Earning Assets</b>			
Fixed Assets	19,114,702	24,396,357	30,554,905
Rebranding	441,771	220,888	220,888
Morne Jaloux WIP	-	-	-
Receivables & prepayments	3,806,935	2,014,876	2,050,840
Cash on Hand & in Bank	17,116,760	1,788,761	1,044,634
<b>Total Non-Earning Assets</b>	<b>40,480,168</b>	<b>31,220,883</b>	<b>36,671,267</b>
<b>Total Assets</b>	<b>287,192,262</b>	<b>323,933,681</b>	<b>362,534,066</b>
<b>Liabilities</b>			
Members' Regular Shares	119,094,956	133,444,953	147,794,953
Savings	128,411,905	147,411,905	166,046,972
Non Interest Bearing Liabilities	6,984,533	5,184,533	5,211,518
Staff pension benefit	141,003	81,003	101,003
<b>Total Liabilities</b>	<b>254,632,397</b>	<b>286,122,394</b>	<b>319,154,446</b>
<b>Capital</b>			
<b>Institutional Capital</b>			
Equity Shares	11,801,327	13,601,331	15,401,331
Statutory Reserve	10,783,919	11,665,558	12,874,921
Accumulated Surplus	8,450,250	10,830,675	12,796,609
Earnings for Current Year	-	-	-
<b>Total Institutional Capital</b>	<b>31,035,494</b>	<b>36,097,564</b>	<b>41,072,861</b>
<b>Other Funds &amp; Reserves</b>			
Development Fund Reserve	139,323	292,354	534,226
Education of Members Reserve	214,801	262,965	343,901
Education Savings Plan Fund	196,268	226,269	377,205
LP/LS Insurance Fund	787,350	825,507	903,862
Provident Fund	186,629	106,629	147,565
<b>Total Capital</b>	<b>32,559,865</b>	<b>37,811,288</b>	<b>43,379,621</b>
<b>Total Liabilities &amp; Capital</b>	<b>287,192,262</b>	<b>323,933,682</b>	<b>362,534,067</b>

**budgeted statement of comprehensive income**  
for year ended 2017 & 2018

	Budget 2016	Actual 2016	Variance	Budget 2017	Budget 2018
<b>Income</b>					
Net Loan Income	19,500,483	18,704,500	-795,983	21,109,708	23,771,047
Income from liquid investments					
Total Non- Interest Income	1,121,450	989,375	-132,075	1,544,731	2,324,425
<b>Total Income</b>	<b>20,621,933</b>	<b>19,693,875</b>	<b>-928,058</b>	<b>22,654,439</b>	<b>26,095,472</b>
<b>Cost/Expenses</b>					
<b>Total Financial Cost</b>	<b>10,249,326</b>	<b>9,826,477</b>	<b>422,849</b>	<b>10,632,110</b>	<b>11,912,136</b>
<b>Gross Margin</b>	<b>10,372,607</b>	<b>9,867,398</b>	<b>-505,209</b>	<b>12,022,329</b>	<b>14,183,336</b>
<b>Operating Expenses</b>					
Total Personnel Expenses	3,359,366	3,387,851	-28,485	3,834,724	4,048,587
Total Member Interest Protection	451,200	379,689	71,511	441,200	441,200
Total Marketing Expenses	670,000	799,342	-129,342	900,883	1,000,883
Total General & Admin Expenses	2,249,800	2,071,338	178,462	1,915,560	1,958,760
Total Depreciation	689,515	399,444	290,071	903,406	1,396,452
<b>Total Operating Expenses</b>	<b>7,419,881</b>	<b>7,037,664</b>	<b>382,217</b>	<b>7,995,773</b>	<b>8,845,882</b>
<b>Operating Surplus</b>					
Provision for Risk Assets	500,000	500,000	-	500,000	500,000
<b>Surplus Before Appropriation</b>	<b>2,452,726</b>	<b>2,329,734</b>	<b>-122,992</b>	<b>3,526,556</b>	<b>4,837,454</b>

Capital Budget		
	2017	2018
Computer Hardware	160,000	200,000
Computer Software	1,550,000	-
Furniture and Equipment	50,000	210,000
ATM	125,000	145,000
Morne Jaloux Land	2,800,000	4,000,000
Carriacou Land/Building	1,500,000	3,000,000
	<b>6,185,000</b>	<b>7,555,000</b>

**1. APPROVAL OF BUDGET**

WHEREAS it is required under the Credit Union's By-laws (section 37(2h) that the budget be approved by the Annual General Meeting

AND WHEREAS this budget is presented for the consideration of the meeting on pages 80-82 of the Annual Report and is highlighted as follows:

	<u>2017</u>	<u>2018</u>
Total Assets	\$323.9M	\$362.5M
Net Loans	251.0M	281.2M
Total Income	22.64M	26.1M
Total Expenses	19.13M	21.26M
Surplus	3.5M	4.8M
Capital Expenditures	6.2M	7.55M

BE IT RESOLVED that the budget, as presented, is approved.

**2 CHANGE OF NAME**

**WHEREAS** at a Special General Meeting of the Grenada Public Service Cooperative Credit Union (GPSCCU) held on March 16 2016; members agreed to adopt the trading name Ariza and said trading name was officially commissioned as of 5<sup>th</sup> December 2016;

**AND WHEREAS** the trading name Ariza has generally been accepted by members, stakeholders and the general public resulting in the Credit Union being more competitive, reaching additional /potential new consumers and appealing to the general population demographics;

**AND WHEREAS** Ariza Credit Union has become the standard name being used by most members, stakeholders and the general public;

**AND WHEREAS** the Board of Directors has considered the positive impact of the adoption of the trading name as part of the rebranding of the Credit Union and the significant impact it has had on the Credit Union and on the sector;

**NOW, THEREFORE, BE IT RESOLVED** that the Members, in accordance with Section 95 of the Bylaws and section 13(4) of the Cooperatives Societies Act No 8/2011 approves the change of the name of the Credit Union from Grenada Public Service Cooperative Credit Union (GPSCCU) to Ariza Credit Union Ltd.

### 3. AMENDING OF BYE-LAWS

**WHEREAS** at a Special General Meeting of the Grenada Public Service Cooperative Credit Union Ltd. (GPSCCU) held on 16<sup>th</sup> March 2016 members agreed to adopt the trading name Ariza and said trading name was officially commissioned as of 5<sup>th</sup> December 2016;

**AND WHEREAS** a resolution has been submitted to the Annual General Meeting for the change of the name of the Credit Union to the Ariza Credit Union Ltd.

**AND WHEREAS** should the AGM approve the resolution to change the Credit Union's name it will become necessary to amend the existing Bye-laws to reflect the new name, trading address and current operational procedures;

**AND WHEREAS** the Board of Directors has considered the recommended name change and changes to the Bye-laws and agrees with the proposed changes;

**NOW, THEREFORE, BE IT RESOLVED** that the Members, in accordance with Section 95 of the Bye-laws and section 13(4) of the Cooperatives Societies Act No 8/2011 approve the amendment to the Bye-laws.

### 3. REGISTER THE ADDRESS OF ARIZA CREDIT UNION LTD.

**WHEREAS** the membership by resolution at this meeting has agreed to change the name of the Grenada Public Service Co-operative Credit Union Ltd. to Ariza Credit Union Ltd.

**And WHEREAS** the Credit union is currently head quartered at Bruce Street, St. George's, Grenada

**NOW, THEREFORE, BE IT RESOLVED** that the registered address of the Ariza Credit Union Ltd. is Bruce Street, St. George's Grenada.

**Minutes of the 69<sup>th</sup> Annual General Meeting  
of the  
Grenada Public Service Co-operative Credit Union**

Held on Thursday 30<sup>th</sup> June 2016  
At the Grenada Trade Centre, Grand Anse St. George's

**AGM16/01 Call to Order and Welcome**

The meeting began at 3:07 pm, chaired by Vice President Bro. Christopher De Allie.

The prayer was led by Sis. Pearlina Sylvester followed by the playing of the National Anthem.

Vice President Bro. Christopher De Allie welcomed everyone to the 69<sup>th</sup> Annual General Meeting, specially welcoming all the officials including, Hon. Alexandria Otway-Noel, Minister in the Prime Minister's Ministry with responsibility for Waste Reduction and Citizenship By Investment (CBI).

A moment of respectful silence was observed for all deceased members for the period as listed on page 27-28 of the Annual Report.

Excuses for absences were given on behalf of the following members:

The General Manager, Sis. Lucia Livingston-Andall and Sis. Annette Henry who were out of state, Bro Alan Francis and Sis. Gemma Bain-Thomas.

**AGM16/02 Greetings from Guest Societies**

Sis. Chinnel Andrews representative from the Communal Co-operative Credit Union extended congratulations to the Grenada Public Service Cooperative Credit Union on the hosting of its 2015 Annual General Meeting under the theme "*Transitioning together to expand horizons with a renewed focus.*"

She stated that the theme was applicable to the current financial climate as it addressed three main challenges for executives namely; Strategy, Leadership and Transformation.

She indicated that as co-operatives we must embark on a mission that allows reshaping of the future by working together to provide affordable financial services to our members as well as ensuring that we are investing soundly for provident purposes and provide support for our communities.

Mr. Nash Griffith, President of the Grenada Cooperative League congratulated the members of the Board, Management and Staff of the Grenada Public Service Cooperative Credit Union on the hosting of its 2015 Annual General Meeting under the theme chosen for this year.

He stated that the chosen theme spoke volumes for a unified mission of change to greater dimensions, showing commitment to growth while finding better ways to understand and

serve our members.

He congratulated the Grenada Public Service Cooperative Credit Union on its strategic management decision to rebrand the Credit Union. He affirmed that this change in cooperative image would revamp the Public Service Credit Union and expand its boundaries.

He urged that as the Grenada Public Service Credit Union renewed its focus, it should not lose sight of the cooperative principles and values that had been entrenched in the movement from inception. He stressed that it was important that the Public Service Credit Union maintain its focus on its membership.

He applauded the Grenada Public Service Credit Union for its exceptional performance for 2015, for its achievement in assets and high surplus for its financial year.

He also thanked the Grenada Public Service Credit Union for its support during the year stating that he looked forward for greater cooperation in the future.

### **AGM16/03 Official Remarks**

GARFIN

Bro. Alister Phillip made remarks on behalf of the regulator, GARFIN.

Bro. Alister Phillip expressed GARFIN's appreciation for the invitation to the Public Service Credit Unions 69<sup>th</sup> Annual General Meeting and the opportunity given to make some remarks.

He affirmed that an Annual General Meeting was a significant event in the calendar of activities of every institution, especially for an institution as a Credit Union which was owned and managed by its members.

He stated that this forum provided the main platform for discussions and decision making, while providing the opportunity to seek accountability from those elected into office.

He commented on the importance of all Credit Unions holding such meetings in a timely manner, pointing out that over the past five years, the movement has had great improvement in regards to the timeliness of their Annual General Meetings. In this regard, he extended congratulation's for convening this Annual General Meeting within the ambit of the law.

He also expressed appreciation to the Grenada Public Service Credit Union's pragmatism and the lead role it played over the years in giving support to the promotion, protection and developments of the Credit Union's sector.

### **AGM16/04 President's Message**

The President, Bro. Phillip Telesford, welcomed everyone to this year's Annual General Meeting; he stated that 2015 had been a year of resounding success and accomplishment for the Grenada Public Service Credit Union.

He urged members to view advancement in technology as the way forward for our Credit Union, as members no longer wanted to wait in lines to access their hard-earned monies and therefore we must embrace that vision and make it a reality.

He stated that the rebranding of the Credit Union was not only a change in name but also coincided with a shift in the way we think and do business, hence if our technology platform was not ready we would find ourselves struggling to meet members' needs.

He made specific reference to delinquency management, stating that everyone involved in the preparation and approval of loan applications must be trained in loan underwriting procedures and risk based lending, therefore training should be extended to not only the loans department, but to include the Board of Directors and the Credit Committee, since that was very critical to ensure our future accomplishments.

The President concluded by stating that as he demitted office, he was confident that his colleagues would continue to shape the Credit Union into a premier financial institution.

He thanked the Directors for allowing him to serve as President of the board and for their support, as well as all volunteers for their continued sacrifice and contributions for the good of the organization. He also thanked the staff, for their dedication and saluted the General Manager and senior management for their continued work towards leading the Credit Union. Finally, he thanked our members in Grenada and Carriacou for their overwhelming support regarding the rebranding and the many initiatives undertaken over the years.

## **AGM 16/05 Message from Hon. Alexandria Otway-Noel**

Hon. Otway-Noel thanked the Grenada Public Service Cooperative Credit Union for being invited to the Annual General Meeting.

She congratulated the Credit Union on the hosting of its 69<sup>th</sup> year of services in Grenada making mention that this Credit Union started with solid values which was an important factor. She alluded to the role of the Credit Union as it continued to exceed expectations collectively; therefore she said we had to congratulate each other for a job well done in building our country together.

Continuing the Minister stated that viewing the incredible growth rates in our assets, loans and in savings, demonstrated that there was confidence in our country to borrow money and to do business.

She further commended the Credit Union for taking the bold step to rebrand, stating that this move would attract new market, new people and their interest.

She thanked the Grenada Public Service Credit Union for being a good corporate citizen by providing many scholarships like the Blue Ribbon Award, The Brighter Future Award, the Secondary School Scholarship Award, Excel and providing sponsorship for the mango fest which was a great initiative to bring local produce to life.

She stated that our Credit Union helped the world to be knowledgeable as to what we had to offer and also assisted our youths to further themselves educationally.



Hon. Otway-Noel thanked Garfin for their regulations and guidance as well as the League for their supervision.

On behalf of the Government, she congratulated the Credit Union on their success, noting that in the period of structural adjustment, it had been able to achieve great things together and take the necessary steps to move our country forward.

**AGM16/06      Adaption of standing orders**

A motion to adopt the standing orders for the 69<sup>th</sup> Annual General Meeting of the GPSCCU was moved by Bro. Duane Noel, seconded by Sis. Merina Jessamy.

**AGM16/07      Consideration of the minutes of the 68<sup>th</sup> AGM 2015**

1. A motion that the minutes of the 68<sup>th</sup> AGM be taken as read was moved by Sis. Merina Jessamy and seconded by Bro. Stafford.
2. Correction to the Minutes  
The minutes were corrected as follows:
  - a. Ref. AGM booklet page 84 “*that*” was removed in the third para. 1<sup>st</sup> line.
3. The minutes were confirmed on a motion moved by Sis. Yvonne Francis and seconded by Sis. Sonia Granger-Penny.

**AGM16/08      Matters arising from the minutes  
Mobile and Online Banking**

Sis. Sonia Murray indicated that the risk was higher when doing online business and questioned what infrastructures were in place for payment security of online loans locally, regionally and internationally.

Bro. De Allie responded by informing the member that the Credit Union was not offering that kind of service presently, however it hoped to do so in the near future. He informed also, that we had structures in place to protect the system’s integrity with regards to hacking.

Clarification was sought from Bro. Patrick Kelly regarding the increase in the number of persons using the ATM at the Botanical Gardens. Member questioned if the new building would have more machines as well as the security aspect of it.

Bro. De Allie responded that provision had been made in the 2016 budget, to obtain more ATMs, however no ATMs were budgeted for the Ministerial Complex, nevertheless the Board we would take into consideration the idea of another machine at that site.

Bro. George Sandiford raised concern that non-members of the Credit Union also had access to the ATMs, he questioned the possibility of that.

Bro. De Allie explained that the technology allowed for cross usage which was a deliberate strategy of the Credit Union. He further stated that members from other Credit Unions and Grenada Co-operative Bank could also use our facility.

Bro. Ambrose Phillip suggested that the Credit Union present a report on our card uptake by members, that way we can acquire an understanding as to the volume of transaction this facility was driving. He questioned whether we were getting fees from the cards and whether there were any fraud issues reported.

Bro. Kippling Charles in reply stated that there had been a significant increase in the transaction value and volume by our IDC cardholders. He further stated that annual transaction volume amounted to approximately 50k with transaction value amounting to approximately \$5M.

Bro. Charles stated that the Credit Union appreciated the concerns that were shared as it related to systems security. He assured the Meeting that the Credit Union had been proactive in ensuring that it build a robust infrastructure. He spoke to the plans to utilize penetrative testing to evaluate the strength of the system.

Bro. Charles also stated that the Credit Union had made provision for fraud mitigation which was reflected in the percentage of the annual fee. He indicated that to date fraud settlement amounted to approximately 3k.

#### **AGM 16/09 Minutes of the Special General Meeting 16<sup>th</sup> March 2016**

##### 1. Correction to the Minutes

There were no corrections to the Minutes.

2. The minutes were confirmed on a motion moved by Bro. Phillip Telesford and seconded by Sis. Beverly Cambridge.

#### **AGM 16/10 Nominating Committee Report**

A motion that the Nominations Committee's report be taken as read, was moved by Sis. Merryl Phillip-Sylvester and seconded by Bro. Justin Hazzard.

Bro. Hudson Mc Phail presided as Returning Officer.

Bro. Phillip Telesford, Chairman of the Committee presented the Nominations Committee's report. He outlined the process adopted by the Committee and the basis upon which recommendations were made.

The following were the vacancies as per the Committees:

*Board of Directors:*

There were three vacancies to be filled on the Board of Directors, one completing 2<sup>nd</sup> term and not eligible for re-election and the two completing their 1<sup>st</sup> term and therefore eligible for re-election.

Bro. Phillip Telesford	Completing 2 <sup>nd</sup> term and not eligible for re-election.
Bro. Duane Noel	Completing 1 <sup>st</sup> term and eligible for re-election.
Bro. Ernie James	Completing 1 <sup>st</sup> term and eligible for re- election.

#### *Supervisory and Compliance Committee*

There were two vacancies to be filled on the Supervisory and Compliance Committee, both completing 1<sup>st</sup> term and eligible for re-elections.

Sis Karel Hood	Completing 1 <sup>st</sup> term and eligible for re-election.
Sis. Merina Jessamy	Completing 1 <sup>st</sup> term and eligible for re-election

#### *Credit Committee*

There were no vacancies to be filled. The Credit Committee was not fully rotated following the passage of the new Co-operative Societies Act.

The Nominating Committee recommended that based on performance, all persons whose terms expired and were eligible for re-election be re-elected to serve an additional term. With respect to the vacancy created by Bro. Telesford's expired term, the Committee recommended that Bro. Javan Williams be elected to serve as a Director on the Board.

There were no nominations from the floor and as such the Committee's recommendations were accepted by the Meeting.

Bro. Hudson Mc. Phail congratulated all those elected and thanked them for offering to serve the Credit Union.

## **AGM/16/11 Auditors' and Treasurer's Report**

The Auditors' Report was presented by a representative from the Auditing firm PKF, Sis. Claudia Francis.

Sis. Claudia Francis read the Auditors' opinion, stating that PKF had audited the financial statements of the Credit Union which included the financial position as at 31<sup>st</sup> December 2015.

They found that the accompanying financial statements presented fairly in all material respects, the Credit Union's financial position at of 31<sup>st</sup> December 2015 and its financial performance and cash flows for the year then ended were in accordance with international Financial Reporting Standards.

### ***Treasurer's Report***

Bro. Garvin Roberts, Treasurer of the Board of Directors presented the Treasurer's Report. He highlighted the performance in significant areas.

He informed that at the end of 2015, the Credit Union's surplus stood at \$4.48M which had been the highest operating surplus recorded in the Credit Union to date. This result, he stated was due to our continued prudent management, sound decision making and support by its members.

Total Assets at the year's end stood at \$253.3M which was powered mainly by growth in members' loans and deposits which was reflected in the increase in cash and cash equivalents.

He urged members to continue to honour their commitments to the Credit Union and continue to invest in Equity Shares.

Bro. George Sandiford suggested in regards to delinquency that in addition to the percentages, the report should also provide for number of delinquent loans so that members get a better picture of the level of delinquency.

Bro. Ambrose Phillip sought clarification as to why the Auditors' Report was submitted so late.

Bro. Charles indicated that it had been the practice of the Credit Union to complete its audit within time to facilitate the convening of the AGM within the provision made in the Law. He indicated further that the 2015 audit was completed in time with the interim audit done in November 2015. He stated also that the date as recorded in the Auditors' Report was in fact the date that the financials were finalized having completed all adjustments and receiving the Board's approval. Bro Charles also stated that the late convening of the AGM was by design, given the desire to fit within a specific timetable for the rebranding.

Bro. Ambrose Phillip sought clarification on page 61 of the financial statement, under items *available for sale*, the current status of the GrenCan Investment of 40,000 ordinary shares with a value of \$100k and within the said section, the identity of the Corporation Enterprise Finance Facility Limited.

Regarding the GrenCan Investment, Bro. Charles informed the Meeting that the company was in fact sold and that the Credit Union awaited a meeting of shareholders where the matter of shareholdings would be addressed.

With regard to the Corporation Enterprise Finance Facility Limited, Bro. Charles informed the Meeting that that matter was addressed at the last AGM and directed the Meeting to last year's minutes on page 83 of the booklet.

Bro. Ambrose Phillip sought for clarification on page 46 regarding the Pearls Ratio on the Institutional Capital, he noted that it was below the target, and sought explanation, as to what could be done about it.

Bro. Charles explained that the items that make up the Institutional Capital were our statutory reserve and our accumulated surplus. He also stated that institutional capital was capital that was generated by the Credit Union's internal operations, the 10% on page 46 was a guideline set out by the Pearls prudential standards. He further explained that as noted by the representative from GARFIN, the institutional capital ratio that was enshrined in our laws was 7% and that the GPSCCU was one of the few Credit Unions whose capital was at that level and was allowed by GARFIN to pay a dividend to its members.

Bro. Ambrose concurred, stating to the members that it was imperative to increase our equity share holdings at the Credit Union as it went directly to strengthening the Credit Union.

There being no other matter, a motion to adopt the Treasurer's Report was moved by Sis. Merryll Sylvester and seconded by Sis. Judy Pivotte.

### **AGM/16/12 Credit Committee Report**

A motion that the Credit Committee Report be taken as read was moved by Sis. Florence Williams and seconded by Sis. Shirlyn De Coteau Sayers.

Bro. Maximus Lazarus, Chairman of the Credit Committee read the report, highlighting that loan activities in 2016 can be described as vigorous, as there was an increase in the number and value of loans disbursed.

He affirmed that members sought to improve their standard of living through loan financing amid the tough and challenging economic environment.

Bro. Lazarus indicated that there was increasing competition among the other institutions with attractive offers, however he urged the members to apply wisdom in their choices in order to prevent the pitfall of over-committing to debt.

Bro. Lazarus thanked the Board of Directors and the Supervisory and Compliance Committee, Management and Staff and members for their full support.

A motion to adopt the Credit Committee's Report was moved by Sis. Princess Herry-John and seconded by Sis. Merina Jessamy.

### **AGM/16/13 Supervisory and Compliance Report**

The Supervisory and Compliance Report was presented by Sis. Merina Jessamy, Chairman of the Committee.

Sis. Jessamy made a PowerPoint presentation of the committee's report, highlighting various tasks that were undertaken.

With regards to the review of bank reconciliation, she informed that the committee suggested that it be completed 15 days after the end of the month to ensure that errors detected were resolved in a timely manner. As such, she recommended that the Credit Union use the online services of banks to receive the bank statements in a timely manner.

She highlighted a number of recommendations to include the establishment of reporting timelines, the dating of approved policies and procedures and the review of the fixed asset register.

They also recommended that procedures should be published so as to ensure that the process for due diligence was followed before a policy was adopted.

Regarding review of complaints from members, Sis. Jessamy and her team had commissioned the placement of a suggestion box which was stationed at the head office and encouraged members to utilize same.

In conclusion, she extended gratitude to the membership for the opportunity to serve and the Management and Staff for their cooperation in ensuring that their task was completed.

A motion to adopt the Supervisory and Compliance Committee's Report was moved by Bro. Solomon Stafford and seconded by Sis. Marietta Mitchell.

### **AGM/16/14 Presentation of Award**

An award was presented by Bro. Francis Balwant to Bro. Phillip Telesford for his years of outstanding service and dedication to the Credit Union.

Bro. Telesford expressed his gratitude to the Board, Management, Staff and Members for giving him the opportunity to serve as President.

### **AGM/16/15 The Budget and Surplus for 2016 and 2017**

Bro. De Allie indicated the error in the printed report on page 76 and proceeded to highlight the projections for the years 2016 and 2017 stating that the Credit Union was projecting income to move from \$18.9M in 2015 to \$20.6M in 2016 and increase to \$24.1M in 2017.

With regards to the operating expenses Bro. De Allie explained that it was expected to move from \$5.4M in 2015 to \$7.4M in 2016 and increase to \$8.3M in 2017, this would be fueled by personnel expenses relating to the rebranding.

Bro. De Allie indicated that with the new building comes additional cost for the maintenance thereof.

He stated that the Surplus was expected to decline from 4.483m to about 3M in 2016 then increase in 2017 to 4.5M.

Bro. De Allie highlighted the projections of the balance sheet on page 75, stating that for 2016 total assets would move from 253M to 290M then \$321.6M in 2017. He stated that this growth would be fueled primarily by the growth in loans and increase in our fixed assets.

A motion to adopt the Budget for 2016 and 2017 was moved by Bro. Kelly Patrick and seconded by Bro. Garvin Roberts.

### **AGM/16/16 Resolutions**

The following resolutions were approved/passed:

1. Allocation of Surplus

Payment of a dividend on equity shares of 5% amounting to \$444,964 for the financial year ended 31<sup>st</sup> December 2015.

2. Appointment of Auditors

Reappointment of Pannel Kerr Foster as auditors for the year 2016

3. The approval of the budget.

Approval of the budget for the year 2016 and 2017 as presented on pages 76 and 77 of the Annual Report was moved by Sis. Pamela Murray and seconded by Sis. Beverly Cambridge.

**AGM/16/17 Any other business**

There was no other business

**AGM/16/18 Adjournment**

A motion was moved to adjourn the meeting at 6:24pm by Sis. Judy Pivotte and seconded by Bro. Solomon Stafford.



.....  
President



.....  
Secretary

**ARON MOSES**

I Aaron Moses wish to serve as a member of the **Board of Directors**.

Mr. Aaron Moses has been a member of the GPSCCU T/A Ariza since 1980. He is the current President of the Grenada Cooperative League Ltd and a past President of the Grenada Public Service Cooperative Credit Union. He is also the current acting Chairman of the ECCCL and the Director of the CCCU.

During the past thirty years, Mr Moses has held senior management positions in both the public and private sectors and served as the president of the Grenada Chamber of Industry of Commerce and deputy president of the Senate in Grenada.

A graduate of UWI and the University of Missouri, he holds an MSc in Telecommunications Regulation and an MBA.

**CARLA M. ROSS, FCCA, MBA**

Sister Carla M. Ross is a Chartered Accountant with over 15 years senior management experience in Finance and accounting, she is a multi-skilled professional who is able to manage stakeholder expectations and willing to take full responsibility for the delivering of project objectives with experience in both Project Management and Finance.

She is a visionary leader, critical thinker, proactive, and consummate team builder, and very passionate about improving processes and people.

**DENNIS CORNWALL**

I am a qualified professional with over 25 years' experience in senior managerial positions both within the Public Service in Grenada and the private sector in the Eastern Caribbean Currency Union (ECCU), particularly in the Federation of St. Kitts and Nevis, and in Cayman Islands.

I hold a MSc. Degree in Economics from the University Centre of Pinar Del Rio. I also hold Diplomas in the subject areas of Spanish, Mathematics and History from Preparatory Department, University of Camaguey, and a Diploma in Spanish from the School for Foreign Students "Pepito Mendoza", Havana, Cuba. I am a



current Member of the Real Estate Institute of Canada (REIC) and the holder of the Professional Designation - Certified Residential Underwriter (CRU) from the Real Estate Institute of Canada (REIC).

I am member of Lions Club International and have held several senior positions in the St. Kitts (Basseterre) Lions Club: Treasurer, Director, 2nd Vice President, 1st Vice President, and LEO Advisor. I was the President of the St. Kitts (Basseterre) Lions Club (July 2014- June 2015). I have also served as Treasurer of Lions District 60B, Mid-Year Conference in 2007 and Treasurer of the 33rd Multi District 60 Convention in 2013, held at the Marriott Hotel in St. Kitts.

## supervisory committee

### WAYNE RADIX

I am a management specialist with cross-functional expertise in strategic planning and management, project management, human resource management, and supervisory management. I have more than 10 years experience in public sector management and eight years in project management, combining strong analytical skills with a good work ethic. I have an extended history of excellent verbal and written communication, high standards, and excellent time management. I am results oriented, dependable and reliable, and maintain high standards. I have excellent interpersonal and analytical skills. I am computer literate in many Microsoft Office Suite applications.

#### Education and professional qualifications

- ❑ Master in Human Resource Management
- ❑ Bachelor in Public Administration
- ❑ Project Management Professional [PMP]

#### Work Experience

I worked as a Public Officer for 21 years (1985 –2006) in different capacities. From 2003 -2006 I was the Head of the Reform Management Unit for the Government of Grenada, which strategically managed the Public Sector Management Improvement Project. One major achievement of the Unit under my management was the coordination and development of the government's long term public sector reform strategy and plan.

Presently I work at St. George's University as a Project Manager in the Office of Information Technology. As the Project Manager, I lead various project teams in the acquisition and implementation of technology solutions for the academic environment.

**ANN B. ISAAC**

Ann B. Isaac is a career public officer who has served in various capacities within the Public Service for the past thirty two years. She was appointed as Permanent Secretary, Office of the Prime Minister in 2008. Currently, she holds the post of Permanent Secretary, Office of the Prime Minister in 2008. Currently, she holds the post of Permanent Secretary with responsibility for Cooperatives. Mrs. Isaac received her formative education at the Dover Government School and Bishop's College in Carriacou. She later pursued higher education at the University of the West Indies and the University of Manchester where she acquired a Bachelor's Degree in Management Studies and a Post Grad Certificate in Personnel Management, respectively. During her career, she attended several training sessions, particularly relating to the areas of management and leadership. Also, Mrs. Isaac served on the Supervisory Authority for the Anti-Money Laundering Commission for four years.

**JUSTIN HAZZARD**

Justin Hazzard has been employed by the Government of Grenada from November, 1988. He worked at the Ministry of Finance, Accountant General's Division for most of his professional career. Presently, he is attached to the Ministry Youth, Sports and Religious Affairs; as Administrative Officer Finance (Ag.). Justin currently serve as an executive member of the Public Workers Union in the capacity of Treasurer. He has been a member of the Public Service Co-operative Credit union (PSCCU)/Ariza, for over twenty-five (25) years. During this time, he served as a member of the Credit Committee which he also chaired. Justin also served as Chairman of the Grenada Credit Union League Credit Committee and was instrumental in the revision of the League's By-Laws. As a result of these engagements, he has acquired quite a wealth of knowledge and experience about the operations of the credit union family.

**Administration**

Lucia Livingston-Andall  
Gerlan Peters  
Candia Nicholas  
Nghia Haynes  
Janice Darbeau  
Richard George  
Kimalene Regis  
Edwin Francis  
Kinesha Moses  
Michelle Cambridge-Marryshow  
Sonia La-Touche-Cadet  
Tiffani Hall  
Roxanne Antoine  
Iyana Brown  
Lenus Walker  
Ozimba Toussaint  
Michael Marshall  
Kishon Palmer  
Emlyn St. Hillaire  
Lema Mitchell  
Abigail Alexander  
Ashia Lewis

**Finance and Operations**

Kippling Charles  
Neika Johnson  
Frances Gilbert  
Nerissa Chitterman  
Naquam Gilbert  
Rick Hastick  
Kenson Cumberbatch  
Kurt Bartholomew  
Neilon Latouche  
Jaime Phillip  
Terissa Mitchell

Alisa Mc Lawrence  
Chenelle Mitchell  
Nerissa Read  
Jerilee Edwards  
Cristel Lalite

**Loans and Credit Admin**

Florence Williams  
Marietta Mitchell  
Mondella Lynch-Alleyne  
Geanelle Mitchell  
Edlyn Lalsee  
Kesha Bartholomew  
Sindy Ann Morain  
Geoffrey Grey  
Heather Thomas  
Caryl Hayes  
Kevin Gilbert  
Caryl Hayes  
Kendra Noel

**Carriacou**

Princess Herry-John  
Wineth Stewart

**Grenville**

Sabrina Rodney-Ogilvie  
Londell Francique  
Neisha Allard  
Aiden Peters  
Loreen Toussaint

# notes







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