



ANNUAL Report 2023

EMBRACING SUSTAINABILITY:
Financial Solutions for
a Better Tomorrow



Mission

We are dedicated to fulfilling the socio-economic development of our members by providing superior products, services and opportunities driven by advanced technology.

Vision

To be the leader in the financial Co-operative movement for members, with a regional and international presence.

Core Values

- Integrity
- Confidentiality
- Service Excellence
- Family
- Accountability
- Innovation

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Credit Union Prayer

Lord, make me an instrument of thy peace
Where there is hatred, let me sow love;
Where there is injury, pardon,
Where there is doubt, faith
Where there is despair, hope
Where there is darkness, light and
Where there is sadness, joy.

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

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Notice and Agenda of Annual General Meeting

NOTICE IS HEREBY GIVEN that the **Seventy-second (72nd) Annual General Meeting (AGM)** of Tranquillity Credit Union Co-operative Society Limited will be held as follows:

DATE: SATURDAY 19TH OCTOBER, 2024 at 2:00 p.m.

TIME: Registration begins at 1:00 p.m. The meeting starts promptly at 2:00 p.m. and in accordance with **BYE-LAW 19. Members are asked to produce valid identification when registering on the day of AGM.**

VENUE: RADISSON HOTEL, Wrightson Road, Port of Spain.

AGENDA

1. National Anthem
2. Credit Union Prayer
3. Reading of the Notice convening the 72nd AGM.
4. Adoption of Standing Orders
5. President's Address
6. Minutes of the 71st Annual General Meeting
7. Reports for the 2023/ 2024 Term
 - Board of Directors' Report
 - Credit Committee's Report
 - Supervisory Committee's Report
 - Education Committee's Report
 - Auditor's Report
 - Financial Statements
 - Budget
8. Resolutions
9. Nominating Committee's Report
10. Election of Officers
11. Other Business
12. Closing Prayer

By Order of the Board of Directors



ESTHER PARIAG
Hon. Secretary

■ Standing Orders

1. (a) A Member shall stand when addressing the Chair.
(b) Speeches are to be clear and relevant to the subject before the meeting.
2. A Member shall only address the meeting when called upon by the 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 may not speak twice on the same subject except:-
(a) The Mover of a motion who has the right to reply.
(b) He/she rises to object or to explain (with the permission of the Chair).
5. The mover of a "Procedural Motion" (Adjournment, Lay on the table, Motion to Postpone) shall have no right to reply.
6. No speeches are to be made after the "Question" has been put and carried or negated.
7. A Member rising on a "Point of Order" is 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 attention of the Chair to a "Breach of Order".
(b) In no event can a Member call the Chair to order.
9. A "Question" shall not be put to the vote if a Member desires to speak on it or move an amendment to it, except that a "Procedural Motion: The Previous Questions", "Proceed to the Next Business" or the Closure: "That the Question be Now Put" may be moved at any time.
10. Only one amendment shall 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 the right to a "casting vote".
13. If there is equality of voting on an amendment, and if the Chairman does not exercise his casting vote, the amendment is lost.
14. Provision is to be made for protection by the Chairman from vilification (personal abuse).
15. No member shall impute improper motives against another Member.



Message from the President

It is my pleasure to welcome you to our 72nd Annual General Meeting since the formation of our Society. We are pleased to present the Annual Report and Financial Statements for the year ended December 31, 2023.

In May 2023, the World Health Organization (WHO) declared the end of the COVID-19 pandemic, but its residual effects on the global financial landscape continue to linger. Global capital markets faced significant challenges in 2022, and our domestic economy has been similarly affected by international events.

According to the Central Bank's review of the economy in 2023, global growth is expected to slow due to ongoing economic challenges, high inflation, and unprecedented policy tightening. Locally, the Trinidad and Tobago Stock Exchange experienced a downturn for the eleven-month period ended August 2023, while the Mutual Fund industry saw slight improvement over the first nine months of the year.

Tranquillity Credit Union (TCU) was not immune to these global and local economic shifts:

- Long-term investments grew by 4% in 2023 compared to 2022;
- Short-term investments declined by 15%.
- Total assets increased from \$162,015,523 in 2022 to \$163,895,278 by December 2023, reflecting a 1% increase; and
- Our Membership grew by 87 new members in 2023.

In spite of these shifts, our loans portfolio remains strong throughout the economic challenges. Despite these financial difficulties, TCU remains steadfast in managing your financial affairs. In light of this, the Board of Directors is pleased to declare a 3.75% dividend payment for the financial year ending December 31, 2023.

Cybersecurity

As you may be aware, Cyber threats have intensified. Given the nature of our business, urgent action was necessary to evaluate our level of protection. To this end, the Board of Directors approved the engagement of a reputable computer forensic firm to conduct an external penetration assessment on our internal resources and IPs to test the effectiveness of our security measures.

The assessment revealed that our systems are reasonably secure, with an initial rating of 6/10. Two areas of risk were identified and subsequently addressed, improving our security rating to approximately 8/10.

Recognizing these threats and the need to enhance our security measures, the Board prioritized training and embarked on awareness programs for Management, Staff, and members, to cultivate a cybersecurity culture in which all stakeholders actively defend against potential attacks by remaining vigilant and proactive.

Governance

In line with our strategic objective, the Marketing Department has been strengthened by hiring a Marketing Officer, leading to significant improvements in our digital platform and promotional efforts to attract new members. Additionally, the development of a Board Policy Manual has been initiated to help members effectively fulfil their roles and responsibilities.

We are also working on implementing a performance appraisal system that includes incentives and rewards for our management and staff.

We continue to meet our fiduciary obligations to the Regulators, Credit Union League, and FIU through active participation in meetings, training sessions, and timely report submissions.

Recoveries

Delinquent loans in any financial institution must be managed proactively, as unchecked delinquency can have serious consequences, including increased loan loss provisions, higher collection costs, delayed earnings, and a reduction in Assets due to loan write-offs.

To address this, the Board of Directors approved the launch of a Short-Term Settlement Campaign aimed at improving loan recovery, which was a resounding success.

Two options were offered:

- 1) Full settlement with discounted accumulated interest, and
- 2) Rescheduling with discounted accumulated interest.

As a result, total delinquent receipts in 2023 amounted to TT\$8.3M, compared to TT\$5.05M in 2022—an increase of TT\$3.2M. Additionally, four delinquent accounts secured by motor vehicles led to reposessions in 2023-2024.

We have also enlisted the services of a third-party collection agency to handle 46 accounts totalling TT\$3.4M. Furthermore, 22 delinquent accounts, amounting to TT\$3.3M, have been referred to the Commissioner of Co-operatives for resolution under Section 67 of the Co-operative Societies Act.

The Board of Directors remains committed to devising strategies to reduce the risk of loan delinquency and to fostering a positive approach to loan repayment.

Infrastructure

- The Board of Directors has awarded a contract for the construction of additional office space to meet staffing arrangement requirements.
- The current arrangements for servicing our Tobago membership do not align with our strategic goal of increasing membership on the island. Therefore, the Board of Directors has tasked the New Ventures Committee with exploring the establishment of a TCU sub-office in Tobago.
- Discussions with TTPost are ongoing to explore acquiring the existing car park.

- The current Private Branch Exchange (PBX) system, purchased in 2015, is now obsolete, resulting in increased complaints from our members when conducting business with the office. Our satellite office at NP House, Sea Lots, is also affected, as it cannot connect to the Head Office PBX. In response, the Board of Directors has approved Management's recommendation to award a contract for the supply and installation of an updated PBX system that meets our current needs and allows for future expansion.

The Education Committee has established the Tranquillity Credit Union Youth Arm, providing TCU's young members with an outlet to express themselves and help ensure the organisation's long-term survival.

To our members, you are the foundation of Tranquillity Credit Union. Thank you for your continued support and trust in us to manage your financial affairs.

Finally, I would like to extend my gratitude to the Supervisory Committee, Credit Committee, Management, and staff for their continued hard work, dedication, and co-operation with the Board during this reporting period.

In closing, to my fellow Board Members, I urge you to continue displaying that commitment and passion to take Tranquillity Credit Union up the ladder of success.



OSRIC BACCHUS
President



Minutes of the 71st Annual General Meeting

HELD ON
SATURDAY 25TH NOVEMBER, 2023
AT THE RADISSON HOTEL
WRIGHTSON ROAD, PORT OF SPAIN

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Minutes of the 71st Annual General Meeting

CALL TO ORDER AND WELCOME

The President, Mr. Osric Bacchus, having been informed that there were Sixty-One (61) Members and Five (5) Guests present, welcomed all and called the Annual General Meeting to order at approximately 2:20 pm.

NATIONAL ANTHEM

The President invited everyone to stand for the National Anthem. A recorded version of the Anthem was played.

CREDIT UNION PRAYER

The President asked the Meeting to remain standing while Director Nadia Sudan led the recitation of the Credit Union Prayer.

MOMENT OF SILENCE FOR THE DECEASED

One minute of silence was observed in memory of Members who had passed away during the period under review.

- *Fenrick Greaves*
- *Jerry Lutchman*
- *Christopher Rodriguez*
- *Emerson Evelyn*
- *Carlos Clarke*
- *Myrna Sempel*
- *Debra Hopkins*

SECURITY BRIEFING

The Security/Evacuation Process was conducted on behalf of the Radisson Hotel.

NOTICE OF ANNUAL GENERAL MEETING (AGM)

The Hon. Secretary, Mrs. Esther Pariag, was introduced to read the Notice of the Annual General Meeting, which was contained on page A1 of the AGM brochure.

ADOPTION OF THE STANDING ORDERS

The Hon. Secretary, Mrs. Pariag, also read the Standing Orders as stated on page A2 in the brochure.

A motion to adopt the Standing Orders was moved by Mrs. Pariag and seconded by Mrs. Claudette Gomez. Members voted unanimously in favour of the motion.

INTRODUCTION OF CURRENT BOARD

The President, Mr. Bacchus, introduced the current Board of Directors to the meeting and indicated that Director

Daffodil Maxwell will join the meeting shortly. He then invited the Hon. Assistant Secretary, Director Michelle Duncan, to acknowledge the presence of Tranquillity Credit Union's (TCU) guests.

GUESTS

Director Duncan informed the meeting that Mrs. Dianne Joseph, the Chief Operating Officer of the Co-operative Credit Union League of Trinidad and Tobago, was unable to attend the meeting. She conveyed Ms. Joseph's apologies for her absence and extended best wishes and congratulations to the TCU Family on their 71st AGM on Ms. Joseph's behalf.

The following guests were invited to bring greetings:

- Mr. Elliott Rivas - North West Regional Chapter of the Co-operative Credit Union League of Trinidad and Tobago
- Ms. Vanessa Marquez - CUNA Caribbean Insurance Society Limited
- Mr. Joseph Patrick - Beacon Insurance Company Limited

Also present were:

- Ms. Lorraine Bobb - Office of the Commissioner for Co-operative Development
- Ms. Marina Pierre - Office of the Commissioner for Co-operative Development

Guests who arrived subsequently:

- Mr. Randle Brun - Moore Trinidad & Tobago, Chartered Accountants
- Mr. Nigel Matthew - Elections Returning Officer

Director Duncan thanked the guests and encouraged the Members to visit the various booths located in the lobby.

PRESIDENT'S ADDRESS

The Hon. Secretary invited the President, Mr. Osric Bacchus, to deliver his address. This address was contained on pages A3 - A4 of the brochure.

During his address, the President shared that the Credit Union's roof repairs were completed and ongoing discussions are being pursued with TT Post concerning the acquisition of the car park.

Upon conclusion of his address and in consideration of the Reports to be presented, per the Agenda, the President moved a motion that all Reports inclusive of the Minutes of the 70th Annual General Meeting and the Special General Meeting be taken as read.

This motion was seconded by Mr. Marcelle Johnson and Members voted unanimously in favour of the motion.

MINUTES OF THE 70TH ANNUAL GENERAL MEETING

The President directed Members' attention to the Minutes of the 70th Annual General Meeting on pages A7 - A17 of the brochure and the Minutes of the Special Annual General Meeting on pages A19 - A27.

Corrections

Two corrections were noted.

Page A10 - change "Members who are younger that" to "Members who are younger than".

Page A16 - Door Prizes, change "Jamir Edwards" to "Jemir Edwards".

Matters Arising

The President drew Members' attention to page A13 - Subsidiary Company, and stated that Director Colin Bartholomew - Chairman of the New Venture Technical Committee will give an update as outlined in the Agenda.

MINUTES OF SPECIAL GENERAL MEETING

The President then directed Members' attention to the Minutes of the Special General Meeting on pages A19 - A27.

Corrections - Special General Meeting

Four corrections were noted.

Page A20 - paragraph 6 under the heading Presentation: Nomination Policy & Procedures Proposal, change "Ms. Arlen-Benjamin" to "Mrs. Arlen-Benjamin"

Page A21 - change "Tambi Serrano-Rocke" to "Tambi Serrano-Rock"
- change "Affiya Bacchus" to "Afiya Bacchus"

Page A24 - change "Reza Williams" to "Resia Williams"

Matters Arising - Special General Meeting

Mr. Kendal Charles sought clarification on Bye-Law 23(C) (ii) in relation to the Board's reasoning that there is a conflict of interest for TCU members employed by another Credit Union to serve on the TCU Board. He expressed that he was still unclear and remained unconvinced of its meaning and indicated his need for a clearer understanding. He requested further discussion to thoroughly address the rationale behind the proposed amendment.

The President indicated that this matter will be addressed as outlined in the Agenda under the heading Bye-Law Amendments.

There were no other corrections or matters arising out of these Minutes and a motion was moved by the President to adopt the Minutes of the 70th Annual General Meeting and Special General Meeting. This was seconded by Mr. Marcelle Johnson. All Members voted unanimously in favour of the motion.

BOARD OF DIRECTORS' REPORT

The President invited Members to turn to pages A29 - A38 and pointed out that the spelling of Director Colin Bartholomew's first name should be changed from "Collin" to "Colin".

As there were no other comments or matters arising, a motion to adopt the Report was moved by Mr. Royds Williams and seconded by Mrs. Tambi Serrano-Rock. All Members voted unanimously in favour of the motion.

CREDIT COMMITTEE'S REPORT

The Report of the Credit Committee contained on pages A41 - A42 of the brochure was presented by the Committee Chairman, Mr. Royds Williams.

There were no corrections or matters arising out of the Report. A motion to adopt the Report was moved by Mr. Tresor Seebreth and seconded by Mr. Kasim Hosein. All Members voted unanimously In favour of the motion.

SUPERVISORY COMMITTEE'S REPORT

The Report of the Supervisory Committee contained on pages A45 - A46 of the brochure was presented by the Committee Chairman, Mr. Lyndon Charles.

The following questions/concerns were raised:

HR Policy/Staff Retention

- Mrs. Janelle Archie-Alleyne noted a rise in staff departures and questioned the cause, speculating whether it might be related to remuneration. She also recommended that the Credit Union notify Members whenever new employees are onboarded.
- The President responded by stating that Mrs. Archie-Alleyne's concern seemed to suggest an "exodus" of departures, which he clarified was not an accurate portrayal. He attributed the departures not to remuneration but to the individuals' desires for personal growth and advancement. He further explained that TCU, being a medium-sized Credit Union, compensates its staff according to the pay scale appropriate for its size and assured that the Credit Union's operations were not negatively impacted by these departures. The President also mentioned that it was unnecessary to inform Members about new hires, advising them to focus instead on the quality of service received.
- Mr. Kendal Charles emphasized the Credit Union's nature as a close-knit family and the value of considering suggestions from Members, a point acknowledged by the President.
- Furthering the dialogue on member-staff relations, Mr. Wendel Worrell underscored the need for stronger connections between staff and Members, advocating for continual improvement within the Credit Union.
- The President sought specific examples to illustrate this point, however, Mr. Worrell indicated he had none to offer at the moment.

Cyber Security

- Ms. Afeisha Julien inquired about cyber security and whether there were any deficiencies or breaches.
- The Chairman indicated that there were no breaches and all financials were reviewed by the Committee. He directed the Member to the President's remarks on page A3.

There being no other matters arising out of this Report, a motion to adopt the Report was moved by Mr. Tresor Seebreth and seconded by Mrs. Tambi Serrano-Rock. All Members voted unanimously in favour of the motion.

EDUCATION COMMITTEE'S REPORT

The Chairman of the Education Committee, Mrs. Joy John-Benjamin, guided Members to review the Report found on pages A50 - A51. She expressed gratitude to the Committee Members for their dedication and brought forward two representatives from the TCU Youth League to share updates on the League's plans with the meeting attendees.

Member Chanda La Touche announced the creation of the TCU Youth Arm for Members aged 0-30, aimed at engaging young Members and teaching financial literacy and life skills. The initiative, under The Education Committee's oversight, plans to establish a youth executive and host its inaugural activity in early 2024. She encouraged Members to involve their children, grandchildren, nieces, and nephews in this initiative.

Member Shachia Strachan discussed the goals of the TCU Youth Arm, emphasizing its focus on fostering relationships among youths through team building and networking. The aim is to create a dedicated team that supports the Youth Arm's vision and to nurture a family atmosphere that inspires leadership. She shared her aspiration for the Youth Arm to exemplify the vision and mission of Tranquillity Credit Union.

All programs discussed were said to be scheduled for 2024.

A motion to adopt the Report was moved by Ms. Lesley-Ann Charles and seconded by Mr. Tresor Seebreth. All Members voted unanimously In favour of the motion.

AUDITOR'S REPORT

The President invited Mr. Randle Brun, the representative from Moore Trinidad & Tobago Chartered Accountants, to present the Auditor's Report as contained on pages B3 - B5.

There were no questions or comments for Mr. Brun and a motion to accept the Auditor's Report for 2022 was moved by Ms. Afeisha Julien and seconded by Mr. Kion Williams.

FINANCIAL STATEMENTS

The President thanked Mr. Brun for his presentation and directed Members' attention to the Financial Statements as contained on pages B6 - B41.

There were no queries or comments on the Financial Statements or Notes to the Financial Statements. A motion to accept the Financial Statements for the period ending 31st December 2022 was moved by Mr. Douglas Williams and seconded by Mrs. Gail Donna La Touche.

Audited Accounts – 2022

The Audited Accounts for 2022 were accepted unanimously.

2023 Budget Projections

The President directed Members to the Statement of Financial Position Projections for 2023 on page B42 and the Statement of Comprehensive Income Projections for 2023 on page B43.

There were no queries or comments on the Projections and a motion to adopt the 2023 Budget was moved by Mr. Marcelle Johnson and seconded by Mr. Tresor Seebreth. Members voted unanimously in favour. The motion was carried.

NOMINATIONS COMMITTEE'S REPORT

The President moved on to the next item on the Agenda - the Report of the Nominations Committee contained on pages A55 - A56 of the brochure. The Committee Chairman, Mrs. Anna-Lisa Arlen-Benjamin, was invited to present the Report.

There were no queries or comments on the Report and a motion to adopt the Report was moved by Mrs. Claudette Gomez and seconded by Mrs. Tambi Serrano-Rock. Members voted unanimously in favour of the motion.

ELECTIONS

The President welcomed the Returning Officer, Mr. Nigel Matthew, and handed over control for overseeing the election process.

Mr. Matthew expressed his gratitude towards the President and extended congratulations to the Credit Union for reaching its 71st AGM. He outlined the election procedures, sought a status update from the Credentials Desk, and was informed that 135 Members were in attendance as of 4:20 pm.

The outgoing Board Members, Mrs. Esther Pariag, Ms. Michelle Duncan, and Mrs. Nadia Sudan, were invited to join the General Membership, while Mr. Osrice Bacchus stayed at the head table due to his role as the Chairperson of the meeting.

Mr. Matthew then introduced the nominees for the Committee and Board of Directors positions, showcasing their pictures and profiles on the video screen for attendees.

Supervisory Committee - 2 Members to be elected

- April Audain
- Christina Le Maitre
- Corisha Wright-Mc Kenna
- Lesley-Ann Charles
- Lisa-Marie Foster
- Loraine Reyes-Borel
- Tresor Seebreth

Credit Committee - 3 Members to be elected

- Kendal Charles
- Dianna Joseph-Morris
- Afeisha Julien
- Kion Williams
- Tambi Serrano-Rock

Board of Directors - 4 Members to be elected

- Osrice Bacchus
- Anna Esther Pariag
- Michelle Duncan
- Nadia Sudan
- Lyndon Charles
- Nyasha Alcalá

Members participated in the voting process via secret ballot, which concluded at 4:31 pm.

Following the voting, the meeting's management was handed back to the President. The counting of ballots was undertaken by Mr. Matthew and his team, with oversight provided by the staff of the Office of the Commissioner for Co-operative Development.

RESOLUTIONS

The President guided the meeting to the next item on the Agenda and invited the Hon. Secretary and the Hon. Assistant Secretary to present the following Resolutions:

1. Dividends 2022

Be it resolved:

- i) That in accordance with Bye-Law 13 (b), Distribution of Surplus, the Annual General Meeting approves the Dividend Payment of 4% and that 2% be credited to Members' Share Accounts consistent with Bye-Law 13 (b) for the year ended December 31st, 2022.
- ii) That Dividends due to Members whose accounts have become delinquent, be credited to their outstanding interest and loan balances.

This Resolution was moved on behalf of the Board of Directors by Hon. Secretary, Mrs. Esther Pariag, and seconded by Member Chanda Marie La Touche.

Members voted unanimously in favour of this Resolution and the Resolution was therefore approved.

2. Honorarium 2022

Be it resolved that in accordance with Bye-Law 13 (c) Distribution of Surplus, the 71st Annual General Meeting approves Honorarium in the sum of \$60,000.00 to be distributed among the Board of Directors, Credit Committee and Supervisory Committee for the financial year ended December 31st, 2022.

Members voted unanimously in favour of this Resolution. This Resolution was therefore approved.

3. Appointment of Auditor 2023

Be it resolved that the 71st Annual General Meeting appoints Moore Chartered Accountants, as Auditors of Tranquillity Credit Union Co-operative Society Limited for the financial year ended December 31st, 2023.

This Resolution was moved on behalf of the Board of Directors by Hon. Assistant Secretary, Michelle Duncan, and seconded by Member Lesley-Ann Charles.

Members voted unanimously in favour of this Resolution. The Resolution was therefore approved.

BYE-LAW AMENDMENTS

The President invited Director Daffodil Maxwell to present the Bye-Law Amendments as contained on page B45 of the brochure.

Bye-Law 23(C) (ii) Eligibility/Ineligibility

CURRENT	PROPOSED
BYE LAW 23(C) (ii) A member who is a member of the Board, Credit or Supervisory Committee, or <i>who is the General Manager or Internal Auditor of another Credit Union</i> shall not be eligible for nomination or election to the Board, Credit or Supervisory Committee of the Society. If a member of the Board, Credit or Supervisory Committee <i>becomes the General Manager or Internal Auditor</i> of another Credit Union, the seat of the member shall be declared vacant on the receipt by the Board of evidence satisfactory to the Board of such election or appointment as the case may be, except for serving on any secondary bodies.	BYE LAW 23(C) (ii) A member who is a member of the Board, Credit or Supervisory Committee, or an <i>employee of another Credit Union</i> shall not be eligible for nomination or election to the Board, Credit or Supervisory Committee of the Society. If a member of the Board, Credit or Supervisory Committee becomes an <i>employee</i> of another Credit Union, the seat of the member shall be declared vacant on the receipt by the Board of evidence satisfactory to the Board of such election or appointment as the case may be, except for serving on any secondary bodies. <i>This shall not apply to sitting elected Officers who were elected prior to the coming into force of this Bye-Law.</i>

The President invited discussions on the Bye-Law Amendment 23(C) (ii) and Members' queries and comments were as follows:

- Ms. Ursha Hector presented two questions for consideration. She first inquired about the reasons behind revisiting Bye-Law Amendment 23(C) (ii) at the current meeting. She then queried the potential issues with individuals who, while employed by another Credit Union, are TCU members and wish to serve on the TCU Board or any Committee. She asked for clarification as to why there should be any concern with such individuals serving on the Board or any Committee.
- The President clarified that, according to the regulations, should a proposed amendment not pass during a Special General Meeting, the Board is granted two months to reintroduce it for a simple majority vote among the Members. If reintroduced beyond this timeframe, a 75% approval from the membership present is mandated for the amendment to be passed. Given that the Special General Meeting occurred over two months prior to the current meeting, this necessitated the amendment's reintroduction under these terms.

- Addressing the second inquiry by Ms. Hector, the President emphasized the importance of maintaining ethical standards and good governance within Credit Unions, consistent with global practices. He cited the Individual Governance Guidelines of WOCCU related to Integrity, which mandates measures to prevent conflicts of interest, underscoring that individuals employed by other Credit Unions could potentially face conflicts if involved in policy-making at TCU. This was supported by the requirement in the Code of Ethics signed by all Board Directors, which includes a commitment to avoid any conflicts or competing interests. He shared that the proposed amendment aims to safeguard the Members' interests, ensuring the Credit Union's operations reflect the seriousness and integrity befitting of financial institutions.
- Mr. Kendal Charles expressed his understanding of the President's rationale but voiced his disagreement with the conclusion. He highlighted a concern about the potential negative impact of prohibiting TCU Members who are employed by other Credit Unions from serving on the Board. To support his viewpoint, Mr. Charles noted that TCU has faced challenges in attracting nominees, having extended its nomination period for the past 3-4 years due to insufficient candidates. While recognizing the legal foundations of the Code of Ethics, he proposed that individuals could alternatively sign a legally binding Code of Secrecy to mitigate any conflicts of interest. Mr. Charles referenced information shared during the Special General Meeting's opening presentation, which indicated that TCU had engaged with other Credit Unions for insights. He voiced his dismay over the current nature of the Credit Union industry which views Credit Unions as competitors rather than collaborators within the industry and referred to the co-operative structure of Credit Unions in St. Catharines, Ontario, Canada. He stated that a member of these Credit Unions can conduct transactions at any Credit Union and claimed that the proposed amendment represents a regressive step for the region.
- The President responded by emphasizing the need to concentrate on the regional operational standards for Credit Unions rather than practices observed in St. Catharines. He pointed out that cross-institution transactions require adherence to specific processes. He highlighted co-operation among Co-operatives as a fundamental principle of the Credit Union movement and clarified that this principle does not grant individuals the freedom to act without restriction. He further stressed the importance of considering the Credit Union's future direction, being mindful of ongoing changes, and preserving its core philosophy while implementing appropriate systems.
- Mrs. Tambi Serrano-Rock referred to page A25 in the brochure, which stated, "The Secretary moved the motion to adopt the amendment to Bye-Law 23(C) (ii), which was seconded by Mr. Edwin Reed. The amended was further amended to include 'or other competing financial institutions'." She noted that the phrase "or other competing financial institutions" was not part of the amendment being discussed currently.
- The President explained that the phrase in question was not included in the proposed amendment because the amendment failed at the Special General Meeting. He reiterated that despite a previous failure, the regulations allow for the reintroduction of an amendment.
- Mr. Royds Williams requested clarification on whether the term "competing interests" applied solely to Credit Unions.

- The President clarified that the term “competing interests” was specific to Credit Unions alone. He acknowledged that despite some similarities in products offered by banks and other financial institutions, the fundamental structure and operations of Credit Unions differ significantly. He illustrated his point by highlighting the visibility of Credit Union advertisements in the media, using this marketing presence as evidence of competition.
- Ms. Samantha Pavy raised a question, noting TCU’s previous encouragement for increased youth participation. As a recent graduate working for another Credit Union, she questioned why she was ineligible to serve on the Board.
- The President reiterated his earlier point, adding that even progressive Credit Unions incorporate such provisions in their Bye-Laws.
- The Member then inquired if the act of signing the legal documents required for Board directorship, which includes a pledge of honesty, should not inherently establish a level of trust.
- The President clarified that signing the legal documents, which include a declaration about not being employed by another Credit Union, means any contradictory statement by the incoming Board Member would be considered dishonest.

There being no further questions or comments from Members on the amendment, the President moved the motion to accept the proposed amendment to Bye-Law 23(C) (ii) which was seconded by Mr. Marcelle Johnson.

Director Maxwell then presented the second proposed amendment, Bye-Law(1) (vii). The President used this moment to clarify why this amendment was reintroduced, noting its absence from the Agenda in the initial Notice. He then invited any questions or comments from the floor.

Bye-Law 1 (xii) Interpretation

CURRENT	PROPOSED
BYE-LAW 1 (xii)	BYE-LAW 1 (xii)
A member in “Good Financial Standing” is a member who is neither delinquent nor inactive.	A member in “Good Financial Standing” is a member who has not been delinquent within the last 12 months and has consistently saved a minimum of TT\$1,200 within the last 12 months to Shares.

- Mr. Royds Williams made an observation and clarified that the proposed amendment was 1 (xii) and not 1(vii) as stated by Director Maxwell.

- Mrs. Lorraine Reyes-Borel requested an explanation regarding the inclusion of the word “consistently” in the proposed amendment.
- Director Maxwell explained that the concern was highlighted during the Special General Meeting and the rationale for using “consistently” in the amendment aimed to prevent individuals from making a one-time deposit of \$1,200.00 just before their nomination to meet the eligibility criteria. The intention was to guarantee that incoming Board Members are genuinely engaged with the Credit Union, thereby ensuring they prioritize the financial well-being of its Members.

There were no further questions and the President moved the motion to accept the proposed amendment to Bye-Law 1 (xii) which was seconded by Director Nadia Sudan.

After additional discussion among the Board Members, the President then announced that following careful consideration, the decision was made to exclude the word “consistently” from the proposed amendment.

He requested Director Maxwell to read the updated amendment which now read as follows: “A member in “Good Financial Standing” is a member who has not been delinquent within the last 12 months and has saved a minimum of TT\$1,200 within the last 12 months to Shares.”

The President moved the motion to accept the amended amendment to Bye-Law 1 (xii) which was seconded by Mr. Douglas Williams.

Voting for the Bye-Law Amendments

The President then handed control of the meeting to the Returning Officer, Mr. Nigel Matthew, to oversee the voting on the Bye Laws Amendments.

The Credentials Desk reported the presence of 120 Members in the room.

Members were subsequently asked to cast their votes through a secret ballot and voting was declared closed at 5:35 pm.

Once voting concluded, the President resumed leadership of the meeting. The ballot counting process was carried out by Mr. Matthew and his team, with supervision from the Office of the Commissioner for Co-operative Development’s staff.

NEW VENTURE TECHNICAL COMMITTEE (NVTC) UPDATE

The President called upon Mr. Colin Bartholomew, Chairman of the NVTC, to deliver his presentation.

The NVTC presentation detailed an ambitious plan to adapt and grow amidst a changing financial landscape. The Committee outlined their mission to diversify the Credit Union’s offerings beyond traditional savings and loans, aiming to engage Members in innovative ways while promoting financial well-being. They proposed the establishment of a non-financial Co-operative, focusing on Member empowerment, shared benefits, and community development, contrasting with the limitations of traditional company structures.

The NVTC's strategic initiatives include enhancing Member engagement, expanding service offerings, driving revenue diversification, and ensuring alignment with the Credit Union's Mission. Proposed ventures range from Estate Management services and Service Station operations to support for small businesses and impact investing, all designed to provide comprehensive solutions for Members' holistic needs. The Committee's implementation strategy involves market research, strategic partnerships, and pilot programs, alongside a financial framework that anticipates initial investments, revenue projections, and Risk Management.

The next steps include submitting the co-operative proposal for membership consent, developing RFP specifications, and conducting feasibility studies to ensure the success and sustainability of these ventures.

After the presentation, the President expressed his gratitude to the NVTC Chairman for the update.

Ms. Chanda La Touche then asked if the NVTC's presentation required a vote from the Members.

The President clarified that a vote was unnecessary since Mr. Bartholomew was only providing an update, and Members had already voted on the venture. He explained that the presentation aimed to inform Members about the venture's current status.

OTHER BUSINESS

The President introduced Business Development/Marketing Manager, Ms. Karissa Carrington, and welcomed her to the TCU family. He then invited her to host the draw for door prizes.

Door Prizes

There were five (5) gift hampers and the following Members were the lucky winners:

- Ticket Number 640 - Safiya Bacchus
- Ticket Number 635 - Nalini Sukdeo
- Ticket Number 668 - Brandon Rock
- Ticket Number 666 - Dorna Maillard
- Ticket Number 649 - Azam Ameerli

General Questions/Comments from the Floor

After the Door Prizes had been distributed, the President inquired whether Members had any questions or comments of a general nature.

- Mr. Kendal Charles expressed his gratitude to the Board of Directors and the TCU family during his time of bereavement, having lost both his parents. The President acknowledged his sentiments and encouraged him and his family at this time, expressing that it was not an easy situation.
- The President shared that Dividends would be available to Members from 29th November 2023.

ELECTIONS RESULTS

Mr. Nigel Matthew returned to the Meeting to announce the results of the Elections as follows:

Committee	Candidates	Votes Received	Term of Office
Supervisory Committee	Tresor Seebreth	43 Votes	2 Years
	Loraine Reyes-Borel	42 Votes	2 Years
	Lesley-Ann Charles	41 Votes	1st Alternate
	Lisa-Marie Foster	33 Votes	2nd Alternate
	April Audain	18 Votes	—
	Christina Le Maitre	17 Votes	—
Credit Committee	Corisha Wright-Mc Kenna	9 Votes	—
	Kendal Charles	61 Votes	2 Years
	Dianna Joseph-Morris	58 Votes	2 Years
	Tambi Serrano-Rock	52 Votes	2 Years
	Kion Williams	48 Votes	1st Alternate
	Afeisha Julien	28 Votes	2nd Alternate
Board of Directors	Michelle Duncan	76 Votes	3 Years
	Osric Bacchus	58 Votes	3 Years
	Anna Esther Pariag	53 Votes	3 Years
	Lyndon Charles	46 Votes	3 Years
	Nadia Sudan	44 Votes	1st Alternate
	Nyasha Alcala	28 Votes	2nd Alternate

BYE-LAW AMENDMENTS RESULTS

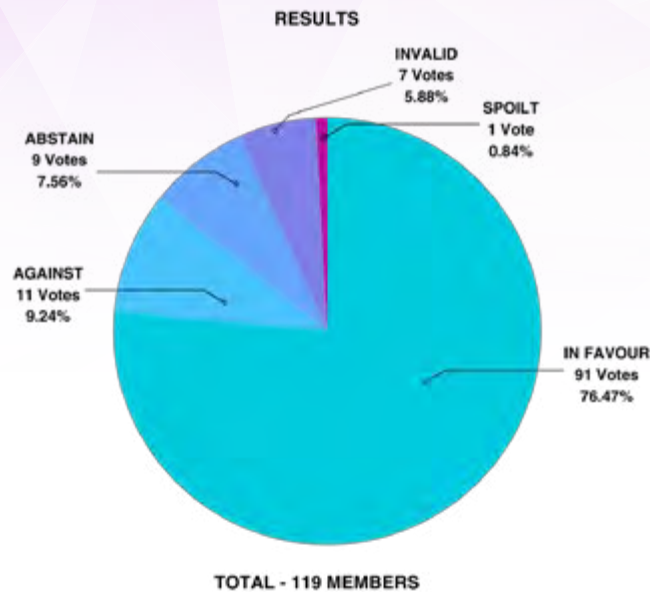
As per the Credentials Desk, 120 Members were present. For the amendment to be successful, a 75% majority vote is needed, which is equivalent to 90 Members.

1. Bye-Law 23(C) (ii)



The amendment did not receive 75% of the votes as per the regulations and as a result, the motion was not successful.

2. Bye-Law 1 (xii)



The amendment received 76.47% of the votes and therefore, the motion was successful.

Motion for the Destruction of Ballots

After the Election Results and Bye Law Amendments were completed, the President requested a motion for the destruction of the ballots. Mrs. Tambi Serrano-Rock moved the motion which was seconded by Mr. Marcelle Johnson. The Members unanimously voted in favour, resulting in the motion being adopted.

CLOSING REMARKS/CLOSING PRAYER

The President extended congratulations to the newly elected Committee and Board Members, and expressed gratitude to all guests, the Returning Officer and his team, and the TCU Members and Staff for their contribution to a successful meeting.

Following this, Director Michelle Duncan was asked to conclude with a prayer.

The 71st Annual General Meeting was officially adjourned at approximately 6:25 pm.


ESTHER PARIAG
Hon. Secretary

HEAD START LOAN!

THE POSSIBILITIES ARE ENDLESS



New Members, get a **Head Start**
on your financial journey with a loan of
up to \$30,000!

TCU IS SETTING YOU UP WITH:

1. A New Account with Online Banking and Mobile App Access.
2. \$10,000 in Shares.
3. A Visa Debit Card – Loaded with \$5000.
4. The ability to build upon this foundation at your convenience (Weekly| Fortnightly or Monthly) with direct Salary deductions/Assignments or Standing Orders.
5. \$15,000 credited to your own Interest earning Premium deposit account to use FOR ANY PURPOSE!

Subject to normal lending criteria

For appointments, visit our website or contact us to join today and
get a **Head Start** on your financial journey!!



www.tranquillitycu.com



info@tranquillitycu.com



[@tranquillitytt](https://www.instagram.com/tranquillitytt)

Board of Directors



Osric Bacchus
President



Michelle Duncan
Vice President



Esther Pariag
Secretary



Anna-Lisa Arlen-Benjamin
Assistant Secretary



Joy John Benjamin
Director



Christiana Wallace
Director



Kenrick Jarvis
Director



Richard Trim
Director



Collin Bartholomew
Director



Lindiwe Mason
Director



Lyndon Charles
Director



Nadia Sudan
Director



Board of Directors Report

INTRODUCTION

The Board of Directors

- Mr. Osric Bacchus - President
- Ms. Michelle Duncan - Vice President
- Mrs. Esther Pariag - Secretary
- Mrs. Anna-Lisa Arlen- Benjamin - Asst. Secretary
- Ms. Joy John Benjamin - Director
- Mrs. Christiana Wallace - Director
- Mr. Kenrick Jarvis - Director
- Mr. Richard Trim - Director
- Mr. Colin Bartholomew - Director
- Mrs. Lindiwe Mason - Director
- Mr. Lyndon Charles - Director
- Ms. Daffodil Maxwell - Director (resigned on 21.01.2024)
- Mrs. Nadia Sudan - Director (replaced Ms Maxwell)
- Mrs. Nyasha Alcala - 1st Alternate

As we present the 2023-2024 Board of Directors Report, we reflect on a period marked by resilience, growth, and innovation despite being faced locally with formidable economic challenges exacerbated by geopolitical tensions and supply chain disruptions in the broader global economies.

Our commitment to serving our members remains unwavering, and we are proud to share Tranquillity Credit Union's achievements for the period under review.

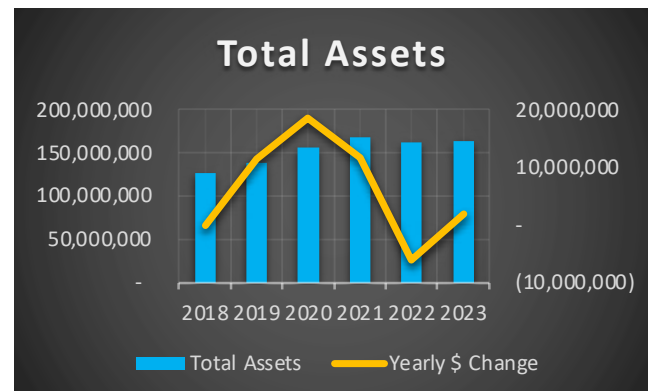
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Financial Overview for the year ended 31st December 2023

Assets

The Credit Union's Total Assets as at 31 December 2023 were \$163.8M, an increase of \$1.8M or 1.15% over 2022. This growth was driven by Loans to Members, which account for 51% of the Credit Union's Total Assets and increased by \$1.8M or 2%, and Long-term Investments, which increased by \$1.9M or 4% and ended the year at \$55M.

Month	Total Assets	Yearly \$ Change	Yearly % Change
2018	126,451,532	(130,761)	-0.10%
2019	137,980,757	11,529,225	9.12%
2020	156,420,057	18,439,300	13.36%
2021	168,171,719	11,751,662	7.51%
2022	162,015,523	(6,156,196)	-3.66%
2023	163,895,278	1,879,755	1.16%



Managing liquidity is an essential component of Credit Union operations. The Credit Union continues to easily meet its members' liquidity needs for savings withdrawals, loan disbursements, operating expenses, and regulatory requirements. As of December 31, 2023, current assets amount to \$12.6M, reflecting a \$2.2M or 15% decrease from the previous year. Our "PEARLS" liquidity is 16%, exceeding the 15% standard.

Loans to Members

At the conclusion of fiscal 2023, the Credit Union observed a notable upsurge in net loans, amounting to \$1.8M or 2% over the previous year, reaching \$83.8M. This growth was primarily driven by General loans, which increased by \$974,767 from \$61.3M in 2022 to \$62.3M, Motor Vehicle loans, which rose by \$1.2M from \$14.6M in 2022 to \$15.8M, and Line of Credit loans, which escalated by \$345,115 from \$1.5M in 2022 to \$1.9M. Notably, the Credit Union's loan policy review for motor vehicle loans and intensified marketing and promotional efforts in the final quarter of 2023 were pivotal in reversing the 2022 decline of \$3M or 4% in our loan portfolio.

In 2023, the Credit Union approved and disbursed 2,770 loans, amounting to \$28.6M. This figure represents an 18% increase of \$5M over the previous year. The primary purposes for which members sought loans included motor vehicle financing, investments, food vouchers, and house repairs.

The net loans to total assets ratio as at 31st December 2023 stood at 51%. The "PEARLS" standard is 70%-80%.

We will continue to do the necessary research to ensure relevant products, services, and timely promotions are available to assist our members' needs throughout the year. We intend to create and sustain demand for loan products in our internal and external markets (new members).

Month	Net Total Loans	Yearly \$ Change	Yearly % Change
Dec-18	82,069,218	6,850,746	9.11%
Dec-19	80,120,326	(1,948,892)	-2.37%
Dec-20	86,546,693	6,426,367	8.02%
Dec-21	85,295,883	(1,250,810)	-1.45%
Dec-22	81,994,338	(3,301,545)	-3.87%
Dec-23	83,878,990	1,884,652	2.30%



Impairment Loss on Loans

The Credit Union's non-performing loan exposure amounted to \$4.742M as of December 31, 2023, reflecting a marginal increase of \$32,012 over the 2022 figure of \$4.710M. However, the number of loans and delinquent members decreased, decreasing from 274 to 210 and 216 to 179, respectively.

We continue to adopt prudent credit risk methodology to assist members in overcoming financial difficulties. In this regard, the efforts of the collections department in recommending the various settlement programmes with appropriate payment options must be recognised.

Long-Term Investment

Equity Securities

Preliminary estimates of the performance of the Trinidad and Tobago Stock Exchange results indicate that three of its four indices declined last year, with the Composite index down by 8.87%, following its decline by 11% in 2022. The All T&T index is retreating by 9.80%, and the Cross-Listed Index is falling by 5.57%.

The Credit Union's total investment portfolio ended at \$55M, an increase of \$1.9M or 4% over the prior year. Our Equity Investments, which stood at \$5.8M, increased marginally by \$191,308 over the previous year as the Credit Union would have purchased TCL and NEL shares.

Among the shares in the Credit Union's portfolio, only three companies experienced increases in their share prices year on year.

- National Flour Mills, with 20,000 total shares, increased by \$8,800 or 29% in value from \$30,000 to \$38,800. The dividends received were \$600.
- Agostini Limited, with total shares of 13,636, increased by \$252,129 or 37% in value from \$681,800 to \$933,929. The dividends received were \$5,454.
- Ansa Mcal Limited, with 4,500 shares total, increased in value from \$231,750 to \$243,270, \$4,500 or 5%. The dividends received were \$8,100.

The following stocks in the Credit Union's portfolio experienced the most significant dollar value decline in 2023.

- First Citizens Group Financial Holdings Limited, with 53,306 shares, declined in value by \$15,164 or 6% from \$2.7M to \$2.5M. Dividends received were \$104,612.
- NGL, with 28,800 total shares, declined by \$351,648 or 53% from \$668,448 to \$315,800. Dividends received were \$5,454.
- West Indian Tobacco Limited, with 6,666 total shares, declined by \$80,725 or 58% in value from \$140,053 to \$59,327. Dividends received were \$5,199.

Other Investment

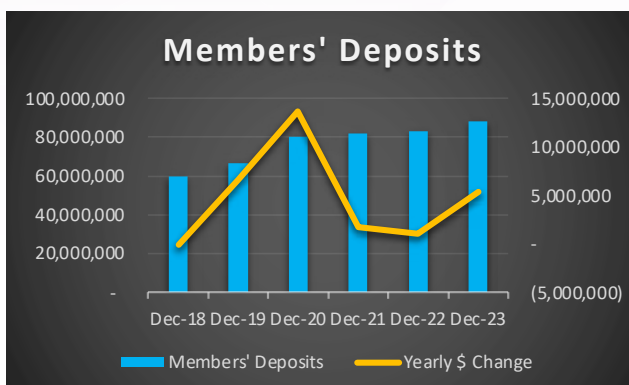
In 2023, our other investment amounted to \$47.6M, reflecting a \$2M or 4% increase from 2022. The Unit Trust Growth and Income Fund and Republic Bank Equity Fund incurred unrealised losses of \$855,887 and \$173,538, resulting in their respective values ending at \$35.6M and \$2.5M. Conversely, our Roytrin Mutual Fund investment, previously at \$2.3M and having recorded an unrealised loss of \$359,654 in 2022, experienced a positive turnaround with an unrealised gain of \$252,397 in 2023. The performance of the equity-based mutual funds was adversely affected by the two-year decline in the Composite Index. This decline particularly impacted the Unit Trust Growth and Income Fund and Republic Bank Caribbean Equity Fund, which have a substantial amount of their portfolio invested in the local stock market.

Members' Saving Deposits

Deposits as at 31st December 2023 were \$88.3M, an increase of \$5.3M or 6% compared to 2022. Our Premium deposit, which grew by 20% or \$6.7M and ended at \$41.4M, has become the source of funding for our Credit Union

liquidity. Despite the attractiveness of our fixed deposit rates and continued confidence in our band, our fixed deposit portfolio ended at \$46.4M and experienced a marginal decrease of \$669,513 or 1% compared to 2022. At the end of the period, the savings deposits to total assets ratio stood at 54% compared to the “PEARLS” standard of 70%-80%.

Month	Members' Deposits	Yearly \$ Change	Yearly % Change
Dec-17	59,910,286	1,149,785	1.96%
Dec-18	59,801,258	(109,028)	-0.18%
Dec-19	66,469,150	6,667,892	11.15%
Dec-20	80,114,865	13,645,715	20.53%
Dec-21	81,889,866	1,775,001	2.22%
Dec-22	82,988,381	1,098,515	1.34%
Dec-23	88,376,492	5,388,111	6.49%



Shares

As was the case in 2022, when our share savings declined. Fiscal 2023 witnessed another decline in share savings by \$1.3M or 2%, ending the year at \$62.8M compared to \$64.1M for 2022. Members' total share savings withdrawal was \$10.5M, an increase of \$1.7M or 19% over 2022, while members' share savings receipts were \$9.4M.

Unfortunately, our collections department's efforts to reduce delinquency have negatively impacted our share savings. Share withdrawal transactions amounting to \$4.9M were transferred to assist in lowering, updating, or liquidating members' outstanding loan accounts. Given that economic activity continues to fall short of pre-pandemic levels, members have been demonstrating a high degree of caution in increasing their debts, choosing instead to utilize their savings. This trend is underscored by personal expenses totalling \$4.2M, constituting 80% of members' share withdrawal applications in 2023. Our ongoing focus remains on attaining sustainable long-term savings to support our loan portfolio's growth and deliver competitive dividend returns to our valued shareholders.

Month	Share Capital	Yearly \$ Change	Yearly % Change
Dec-17	54,715,238	(2,751,121)	-5.29%
Dec-18	54,626,204	(89,034)	-0.16%
Dec-19	58,737,422	4,111,218	7.53%
Dec-20	63,130,965	4,393,543	7.48%
Dec-21	65,719,492	2,588,527	4.10%
Dec-22	64,199,514	(1,519,978)	-2.31%
Dec-23	62,886,444	(1,313,070)	-2.05%



Statement of Comprehensive Income

Income

During the review period, the credit union recorded a total income of \$10.5M, reflecting an increase of \$775,982 or 8% compared to the previous year, 2022. Interest income from members' loans constituted 80% of the Credit Union's income, amounting to \$8.5M, which fell short by \$274,497 or 3% compared to the interest collected in 2022. Other income, totalling \$2M and encompassing all non-interest income, remained a significant contributor to the

Credit Union's earnings, representing 20% of the total income. This income category increased by \$1.2M, or 126%, over 2022.

Expenditure

In fiscal year 2023, total operating expenses amounted to \$8.9M, reflecting a 4% increase, or \$368,429, over the previous year. Noteworthy rises were observed in personnel costs, which reached \$2.2M, presenting a 19% increase of \$358,233 due to adjustments in staff salaries to align with market rates. Administrative costs also experienced a 5% increase of \$110,494, totalling \$2.4M. Committee expenses amounted to \$364,517, with a marginal increase of 1%, or \$4,692.

Operating Surplus

Tranquillity Credit Union has achieved a commendable financial performance in 2023, realizing a net surplus of \$1.6M, representing a 32% increase over the previous year. These results underscore the success of our strategic initiatives, sound management practices, and the unwavering commitment of our Board of Directors, Committees, and Staff to delivering exceptional service and support to our members.

The Board of Directors is pleased to recommend a dividend of 3.75% on share savings for 2023.

Human Resources

Human Resources are our credit union's most critical asset, serving as the backbone of operations and member services. Our Credit Union updates and modernises its policies to attract, develop, and retain skilled personnel who embody the organisation's values and commitment to member satisfaction.

Tranquillity Credit Union welcomed our new business development/marketing manager to its team in August 2023 and subsequently welcomed Ms Christine Richards, our Marketing and Sales Officer, in December of that year.

Membership

At year-end 2023, the Society's Membership stood at two thousand sixty-two members (2062), compared to December 2022, which ended at Two Thousand and Eight (2008) members. A total of fifty-four (54) new members were added to our membership during the review period.

The Credit Union acknowledges that membership growth is critical for its long-term sustainability. Given the evolving demographics of its core base and a saturated borrowing market, the organisation recognises the need to explore new markets. The marketing team was tasked with this mandate and promptly implemented strategies. These efforts have resulted in noticeable improvements, indicating an upward trend within the last quarter of 2023. Moreover, the approval of our membership Byelaw Amendments by the Commissioner for Co-operative Development has empowered the organisation to target employees in other key profitable industries, thus contributing to the growth and expansion of core product lines, including Savings, Loans, and deposits.

Condolence

We extend our heartfelt condolences to the families and friends of the members who have passed away during the period under review. May their souls rest in peace. The list of deceased members is as follows:

- *Debra Hopkins*
- *Lynette Potter*
- *Mwanza Donkor*
- *Alan Tang Wing*
- *Avion Raymond*
- *Rupert Toppin*

Visa Debit Card

Within this age of transition to a cashless society, our members must have access to viable digital options to access their unencumbered Credit Union funds anywhere and at any time. Our partnership with JMMB Bank has long facilitated this need and provided members with a much-appreciated and relied-upon experience. For the year 2023, a total of thirty (30) new card applications were received as opposed to thirty-eight (38) for 2022, a decline of eight (8) cards or twenty-one per cent (21%). Furthermore, uploads for the year amounted to \$8.8M, a slight decline of 6% or a decrease of \$534,145.50 from 2022. At the end of December 2023, there was a 32% penetration for this product or six hundred and forty-five (645) members with active Visa Debit Cards.

TCU GIA- E Banking Platform

As of December 2023, the Credit Union's Online Platform registered users numbered three hundred and fifty-three (353) persons. The E-Banking platform is convenient and safe, providing users with a secure two-step verification process to pay utility bills and transfer funds to third parties. The platform represents a 17% penetration, and the Credit Union strives to increase its users by 45% over the next period. With the implementation of recent targeted marketing initiatives, it is anticipated that we will be able to meet this benchmark within the coming year.

TCU On D Go -Mobile App Services

TCU on D Go, the society's Mobile Application, has benefitted from higher penetration of 35% users or seven hundred and thirty-nine members (739), owing to the widespread demand for smart technological devices due to their portability and increasing functionality. As we strive to be a leader in the financial cooperative movement, we will perform our due diligence to keep pace with these developments and remain relevant to serve our members' evolving needs.

Insurance Products

Group Health Plan from Beacon Insurance Company Limited

Upon renewal of TCU's Group Health Plan at its new contractual period of November 2023, the number of insureds on the plan fell from one hundred and seventy-four to one hundred and thirty-one insureds, a decline of forty-three (43) actives on the plan or twenty-four (24%) per cent. Despite increasing premiums and deductibles, the plan continues to be challenged by a high loss ratio. During the period under review, a series of Member Information forums and Open Enrollment Periods initiatives were undertaken to increase the numbers in the plan. Also, the plan is continually marketed via the Website, social media, and in-house advertising.

The Board of Directors acknowledges the significance of providing a plan that offers adequate benefits at a competitive price to our membership. In line with this, the Credit Union will actively explore the market to ascertain the feasibility of enhancing our current offering for our valued members.

The Advance Protector (AP), Family Indemnity (FIP) and Family Critical Illness Plans (FCIP)

Our suite of insurance offerings from our partner CUNA Caribbean Insurance allows our members to choose between living and survivorship benefits for themselves and their families. These products are designed to assist in the event of Death (FIP), Disability (AP), or even Critical Illness Diagnosis (FCIP).

In recent times, the family indemnity plan has become our main insurance product offering. By December 2023, the number of enrolled members reached 259, with 13 new members joining during the review period. Eight (8) claims were settled, resulting in disbursements totalling \$405,000.

We want to take this opportunity to extend our sincere condolences to our insured members and their families on the loss of their loved ones who passed on during this year.

Moving forward, the marketing and upselling of CUNA's Family Critical Illness and Advance Protector plans will be integral to the promotional activities for the fiscal year 2024.

TCU Sports and Family Day - August 2023

On Saturday, July 15th, 2023, the Credit Union hosted "Funopoly," a Sports and Family Day event for its members at the Centre of Excellence in Macoyoa. Collaborating with "The Buzz Concepts," the event aimed to provide a day of food, entertainment, and camaraderie for individuals of all ages. Preceding the event, various online activities, promotional efforts, and a visit to Tobago were organised to ensure the participation of NPMC Crown Point members. The event garnered significant success, with the active involvement of directors, officers, members, and TCU staff, who formed four teams to compete for the championship trophy. Special gratitude is extended to the organisers, Team Buzz Concept, host Sunny Bling, and all attendees who contributed to the memorable nature of this occasion.



Credit Union Month Opening Ceremony

Team Tranquillity, consisting of directors, officers, staff, and members, actively participated in the Credit Union Month Opening Ceremony at Skinner Park in San Fernando on Sunday, 14th October 2023. Alongside fellow co-operators, we engaged in a day of Family Fun activities, fostering strong relationships between staff, members, and their families. The Tranquillity Credit Union team donned their green Credit Union Polos to commemorate our local Credit Union movement as part of the Northwest Regional Chapter. The event included Carnival-like processions, a parade of traditional characters, and one of the largest conga lines ever seen at Skinner Park.



Credit Union Awards Ceremony

Tranquillity Credit Union received the Co-Operative Credit Union League of Trinidad and Tobago's "Most Improved Financial Performance"- Medium Category award. Having met the PEARLS Financial Standards and exceeding that of their Credit Union peers in the Medium Category for outstanding growth in the Shares, Deposits, Assets, and Institutional Capital percentage. Other factors contributing to this success were the society's growth in Net Return on Assets and the percentage decrease in overall expenses for the period.

Tranquillity Credit Union was honored at the League's National Credit Union Awards Ceremony on Thursday October 19, 2023, at Achievors' Banquet Hall, La Romaine. General Manager Sherwin Cambridge accepted the



Award on behalf of the Credit Union. Accompanied by the Vice President, Honorary Secretary, other Directors, and staff members, it was a proud moment for the Credit Union to witness their collective efforts year after year.

Marketing Communication Channels

Tranquillity Credit Union currently has a presence on the leading Social Media Platforms such as Facebook, Instagram and LinkedIn. As of the end of December 2023, we had a following of Two Thousand Eleven (2011) persons on Facebook and Two Hundred Seventy-Three (273) on Instagram. In addition to these platforms, we use an Email Messaging Service and WhatsApp Platform to ensure our members are appropriately informed of the latest Promotions, events and general updates relative to our business.

We implore you to follow us on these platforms and subscribe to our mailing lists so that you can be adequately informed. Please feel free to share our content so others can learn about our Credit Union's offerings and consider joining the TCU family.

Representation

Our board member, Mrs Christiana Wallace, has been re-elected as the Secretary of the North West Regional Chapter and has also been elected to the Board of Directors of the Cooperative Credit Union League of Trinidad and Tobago. Additionally, our Vice President, Ms. Michelle Duncan, has been elected as the Chairman of the Supervisory Committee of the North West Regional Chapter.

Outgoing

To the esteemed outgoing members of the Board of Directors who have graciously accepted nominations, we extend our sincerest gratitude for your dedicated service and unwavering commitment to the best interests of our membership.

- Mrs Anna – Lisa Arlen-Benjamin
- Ms Joy John- Benjamin
- Mr Richard Trim
- Mrs Nadia Sudan

Acknowledgement

We would like to extend our sincere appreciation to the following stakeholders:

- Co-operative Credit Union League of Trinidad and Tobago
- CUNA Mutual Insurance Society Limited
- Liquid Fuels Company of Trinidad and Tobago (LFCTT)
- Ministry of Youth Development and National Service, Co-operative Development Division
- North West Regional Chapter of the Co-operative Credit Union League of Trinidad and Tobago
- NATPET Investment Limited
- Micro Software Designs Limited (MSD)
- Trinidad and Tobago National Petroleum Marketing Company Limited (NPMC)

In closing, we would like to extend heartfelt thanks to our Leadership for their distinguished service and continued trust, our Committee Members for their dedication and commitment to our Credit Union's vision and finally, to You, our Valued Membership, without whom we would cease to exist. Your loyalty and support of Tranquillity Credit Union amid competitor alternatives is appreciated. As such, we forge ahead with our plans to offer relevant, timely and profitable Member Service solutions to benefit all who belong to our TCU Family.



OSRIC BACCHUS
President

ATTENDANCE RECORDS FOR BOARD MEETINGS DECEMBER 2023 to SEPTEMBER 2024

DIRECTORS	(9) BOARD MEETINGS	EXCUSED	(5) SPECIAL BOARD MEETING	EXCUSED	TOTAL BOARD MEETINGS	(10) EXECUTIVE MEETINGS	EXCUSED	TOTAL EXECUTIVE MEETINGS
OSRIC BACCHUS	9	0	5	0	14	10	0	10
MICHELLE DUNCAN	9	0	5	0	14	8	2	10
ESTHER PARIAG	9	0	4	1	13	10	0	10
ANNA-LISA ARLEN-BENJAMIN	9	0	5	0	14	9	1	10
JOY JOHN-BENJAMIN	8	1	5	0	13			
KENRICK JARVIS	9	0	5	0	14			
RICHARD TRIM	8	1	5	0	13			
CHRISTIANA WALLACE	7	2	3	2	10			
NADIA SUDAN	6	3	5	0	11			
LYNDON CHARLES	9	0	5	0	14			
COLIN BARTHOLOMEW	6	3	4	1	10			
LINDWE MASON	5	4	5	0	10			
DAFFODIL MAXWELL (Resigned 21.01.2024)	1	0	1	0	2			

TRANQUILLITY
CREDIT UNION

SPORTS &
FAMILY DAY





SPORTS & FAMILY DAY





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Credit Committee



Royds Williams
Chairman



Dianna Joseph-Morris
Secretary



Nadine Whiskey-Ottley
Member



Kendal Charles
Member



Tambi Serrano-Rock
Member



Credit Committee Report

Introduction

At our Seventy-first (71st) Annual General Meeting (AGM) held at the Radisson Hotel on Wrightson Road, Port of Spain, the membership voted in three persons, namely, Mrs. Dianna Morris, Mr. Kendal Charles and Mrs. Tambi Serrano-Rock to add to our two existing members Mr. Royds Williams and Mrs. Nadine Whiskey-Ottley who were elected to serve a two (2) year term to maintain a compliment of five (5) persons. There were also two substitutes to the committee who were expected to replace any elected member should the need arise.

Serving on the Credit Committee (CC) is voluntary, with elected members expected to give of their time, knowledge, expertise and compassion to improve the financial position of each member, their respective family and the general society. We are responsible for the approvals and general supervision of all loans to members in accordance with the Co-operative Societies Act of 1971, TCU's Bylaw (36) and our Credit Administration Policy.

Committee Meetings

In keeping with the bylaw 36 (d), the first CC meeting was held within seven (7) days after the 71st AGM on 2023 November 29 at TCU's Head Office where it was a unanimous vote for Mr. Royds Williams to continue to serve as the Chairman and Mrs. Dianna Morris as the Secretary and the remaining persons as committee members . The committee held both virtual and inperson meetings throughout the term and conducted interviews with some members concerning their loan request. Additionally, the committee visited TCU House to ratify all loan applications approved by the General Manager and Loans Department. From the reporting period outlined, the CC held eighteen (18) virtual meetings and nine in-person (9) meetings at the office. The Chairman, Mr. Williams also attended the Board of Director's (BOD) monthly meetings to present the Committee's report, and we also were invited to three (3) Expansionary meetings with the BOD to discuss matters relating to the society and strategic positioning of TCU moving ahead.

Credit Supervision

In this reporting period, October 2023 - July 2024, there was an overall increase in the loan portfolio by \$15,870,886.37 / 73% when compared to the prior year, October 2022 - July 2023 as shown below.

Description	Oct'23 – Jul'24	Oct'22 – Jul'23	Variance	(%)
No. of Loans	2,378	1993	385	19%
Disbursements	\$37,749,254.77	\$21,878,368.40	\$15,870,886.37	73%

Loan Analysis Report –period ended July 2024

CATEGORIES	CURRENT PERIOD OCT'23 - JUL'24	COUNT	PRIOR PERIOD OCT'22 - JUL'23	COUNT	VARIANCE	%
HOUSING/HOUSE REPAIRS	\$ 4,558,473.32	92	\$ 4,816,395.65	127	\$ (257,922.33)	-2%
LAND	\$ 349,052.42	2	\$ 114,000.00	2	\$ 235,052.42	1%
MEDICAL	\$ 503,000.00	19	\$ 1,026,235.38	28	\$ (523,235.38)	-3%
EDUCATION	\$ 515,510.01	29	\$ 593,098.82	42	\$ (77,588.81)	0%
FURN./APPL.	\$ 282,160.00	16	\$ 76,168.50	13	\$ 205,991.50	1%
VAC./TRAVEL	\$ 809,000.00	25	\$ 1,038,900.33	56	\$ (229,900.33)	-1%
CONS. DEBTS	\$ 2,764,763.98	98	\$ 1,264,812.13	96	\$ 1,499,951.85	9%
MOTOR VEHICLE	\$ 10,376,111.83	52	\$ 3,348,077.08	27	\$ 7,028,034.75	44%
CEREMONIAL/BURIAL	\$ 192,000.00	9	\$ 160,849.53	10	\$ 31,150.47	0%
DOMESTIC/PERSONAL	\$ 7,396,438.07	1437	\$ 5,103,766.35	1116	\$ 2,292,671.72	14%
MOTOR VEHICLE REPAIRS	\$ 549,660.00	41	\$ 815,933.01	68	\$ (266,273.01)	-2%
LEGAL/PROF.	\$ 60,980.51	9	\$ 73,450.00	5	\$ (12,469.49)	0%
INSURANCE	\$ 150,444.19	24	\$ 106,314.58	22	\$ 44,129.61	0%
INVESTMENT	\$ 1,128,913.20	15	\$ 1,117,136.07	17	\$ 11,777.13	0%
COMPUTER	\$ 96,530.00	11	\$ 142,055.00	15	\$ (45,525.00)	0%
BUSINESS	\$ 206,428.62	11	\$ 863,200.00	9	\$ (656,771.38)	-4%
FOOD VOUCHER	\$ 1,150,500.00	353	\$ 1,013,000.00	323	\$ 137,500.00	1%
CHRISTMAS EXPENSES	\$ 729,788.65	44	\$ 181,369.72	15	\$ 548,418.93	3%
APPLIANCE PROMOTION	\$ -	0	\$ 23,606.25	2	\$ (23,606.25)	0%
SHAREBUILDER	\$ 5,509,364.61	50	\$ -	0	\$ 5,509,364.61	35%
BACK PAY-NPMC	\$ 650.00	1	\$ -	0	\$ 650.00	0%
DSR LOAN	\$ 419,485.36	40	\$ -	0	\$ 419,485.36	3%
	\$ 37,749,254.77	2378	\$ 21,878,368.40	1,993	\$ 15,870,886.37	100%

The major favourable movements identified by the loan categories were Vehicle loans which increased by \$7M/44%, Share Builder loans by \$5.5M/35% and Domestic/Personal loans by \$2.3M/14% when compared to the comparative period. This comparison also showed some adverse variances for categories such as Business loans which decreased by \$657K/ (4%), Medical loans by \$523K / (3%) and the Appliance Promo loan which was not subscribed during the reporting period.

Committee Participations

The committee members participated in numerous online and in-person training and activities offered and held by TCU. These were very informative sessions and provided the members with vital knowledge as it pertains to credit risk, controls and management of the society's funds, credit trends and soft skills. We were also invited to select a representative to attend both regional and international conferences, where the committee nominated Mrs. Nadine Whiskey-Ottley to attend the International Leadership Conference held in Cancun Mexico in May'24 and Mr. Kendal Charles to attend the annual CCCU conference held in St. Kitts & Nevis in June'24.

Committee Recommendations

The Credit Committee recommends and reiterates the following as TCU continues to make strides and upward movement in the community:

- *Continued professional development and training for the Staff, Management and Officers of TCU.*
- *Financial counselling for our members with high Debt Service Ratios (DSR) as well as for members with delinquent accounts.*
- *Continued education of financial management and planning to our members and on the importance of investing wisely.*
- *A review of the Appliance Promo product.*

Conclusion

The Credit Committee thanks the membership for their continued support and opportunity to serve in 2023/2024. We also extend gratitude to the Management and Staff for their continued support throughout the year. As we leap forward into another term, another year, we encourage the new serving officers to work together as a team and again encourage the BOD and Sub committees to continue to work together for the growth and success of the membership of TCU.



ROYDS WILLIAMS

Chairman

Supervisory Committee



Loraine Reyes-Borel
Chairman



Kethleen Joseph
Secretary



Tresor Seebreth
Member



Supervisory Committee Report

The Supervisory Committee (SC) overall responsibility as identified in the TCU Bye Laws (2019) is to “*examine the Society’s affairs inclusive of the financial condition*”. In this regard the SC responsibilities must involve review and recommendations regarding the CU constitutional adherence and its operations. In short, we understand our function is to build/foster good governance via review and recommendations regarding the mechanisms used to control and distribute power within our Credit Union.

Meetings and Workshops

Our committee convened nine (9) meetings over the period and had member representation at three (3) Expansionary Committee meetings. Members also attended two (2) training sessions organised by the Board and two (2) Workshops/Conferences. Members noted at both the Conference and Workshop as well as the training that key components of these sessions included focused attention on the issue of governance. The Committee in its functions over the period gave priority to focusing on particular elements of governance, as such we sought to focus our “*examinations of the society’s affairs*” as follows:

External Governance

We have sought to examine the TCU compliance with standards as it regards to transparency auditing and financial reporting. In this light the Committee undertook quarterly reviews of Loan application documents and monthly review of FIU Compliance Reports. Any findings that seemed erroneous were noted and subsequent discussions were held with the General Manager. Recommendations were also made for General Manager’s/ Board’s review and rectified where necessary.

External Governance also requires regular and honest communications with stakeholders, TCU’s efforts at communications with members and other stakeholders is noted as well the strategic focus on enhanced member experience. However, there remains the need for more robust attention to solving the issue of the reliability of telephonic connectivity.

Internal Governance

Internal governance encompasses the structure and action to ensure continuity of business, inclusive of financial stability and accountability to our membership which is the highest governing body. The Committee focused its examination on operational issues as it relates to:

Tenureship, overall for all Board and Committee positions. It is our position that a closer look needs to be taken at limits to Terms of Office for all Board and Committee positions. As outlined in the Central Bank’s Policy Proposal Document for the Credit Union Act, mandatory terms limits for Board and Committee members was one of the mechanisms that was identified to be a requirement to ensure sound governance principles for Credit Unions. The implementation of Term Limits at TCU will go a long way to promote ownership by members as they become more involved in the Credit Union’s affairs. It will also widen the pool of available competences, facilitate succession planning, and encourage younger membership to actively participate in TCUs leadership. Ultimately we must look

to ensuring the capacity of the TCU to operate in and grasp the opportunities and respond affectingly to challenges of the economic landscape.

The Committee applauded the provision of a member education series on the Committee's roles and responsibilities and we expect this should redound to the development of a pool of members who have a sound understanding of the requirements and demands of serving and therefore support the nomination and elections of committed and competent members to serve on our Committees and Board. We believe the election of competent and committed officers must be supported by an onboarding programme. In our experience we found that our ability to hit the ground running would have been enhanced by a programme of detailed information regarding committee's roles, responsibilities, processes and procedures earlier on in our term.

Strategies for succession planning and staff retention. Succession plans allows for the continued existence of TCU both at the Board and staff levels. At the staff level we wish to underscore performance management and capacity building as a critical development focus. This should lend itself to improved conformity to standards and consistency in job functions. Staff retention need to be addressed to support our credit unions growth, keeping the right people in the right place is imperative. With better staff retention we can protect institutional knowledge; that is workers who know about our operations culture and the credit union industry which in turn supports strong relationships between staff and members and an improved member experience.

Accountability and responsiveness to members. We have noted our members have engaged us on issues/concerns. It has been the Committee's action to engage Management where necessary on their behalf, or direct the member to the General Manager/Board for resolution. It is our recommendation that clear articulation of the process for filing and resolving complaints against the Credit Union that is; a dispute resolution policy and procedures would ably support enhancing member experience in this regard.

Disaster Management Planning. Cyber-attacks are one of the greatest risks to financial systems. This means the actions required to safeguard our member data is increasing and grows more challenging as times progresses. Our current cyber security efforts are noted however, there needs to be continual assessment of the effectiveness of TCU's security plans inclusive of addressing system weaknesses and must include comprehensively vetting our Cyber Security Service Providers ensuring that they possess the relevant industry expertise and/or certification.

Strategies to Build Membership

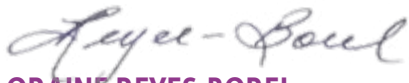
We noted, that TCU must continue to reduce our exposure to risk by serving a larger and broader groups of people. As we move forward it must be determined what additional action has to be taken regarding the expansion of membership. In particular, the Committee noted there appears to be need for a more robust marketing to reach further out to the general public to boost membership.

Business operating environment vis a vis the impact of electronic money and Artificial Intelligence. E money is money electronically stored on an electronic system and digital databases, e-money can be used for payments with or without bank accounts. An evaluation has to be undertaken regarding the readiness of our credit union to operate and remain competitive in this evolving financial landscape. Artificial Intelligence is the science of making machines that can think like humans; the goal is for machines to be able to make decisions and judge like humans.

We must consider how AI could boost the efficiency of the credit union operations in the areas such loan approvals/ credit decisions, AI can facilitate analysis beyond traditional credit scores and allow more members access to affordable credit; member services for example use of AI chatbots to address routine member queries while staff can focus on more complex member issues and enhance member relations. The pros and cons of this emerging emoney environment and AI must be thoroughly evaluated and has implications for members' knowledge and education.

Individual Governance

In closing the Supervisory Committee member's holds firmly to the view that personal integrity is the radius that guides our understanding and dictates our actions. We reiterate our commitment to exercise with integrity our duty to our fellow members and pledge to build our competencies so as to best serve and carry out our Supervisory responsibilities. As such we look to our fellow members, Committees and Board to continue working together to realise "*Quality Service at Work*"!



LORAIN REYES-BOREL

Chairman

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Education Committee



Michelle Duncan
Chairman



Afeisha Julien
Secretary



Anna-Lisa Arlen-Benjamin
Member



Kenrick Jarvis
Member



Chanda La Touche
Member



Shachia Strachan
Member



Rae Kelly Gilbert
Member



Kion Williams
Member



Karissa Carrington
Ex-Officio Member



Christine Richards
Ex-Officio Member



Education Committee Report

Introduction

The Education Committee comprised the following members for the period under review:

- | | |
|----------------------------|---|
| • Michelle Duncan | - Chairman |
| • Afeisha Julien | - Secretary |
| • Anna-Lisa Arlen-Benjamin | - Member |
| • Kenrick Jarvis | - Member |
| • Chanda La Touche | - Member |
| • Shachia Strachan | - Member |
| • Rae Kelly Gilbert | - Member |
| • Kion Williams | - Member |
| • Karissa Carrington | - Ex-Officio Member (Jan 2024-May 2024) |
| • Christine Richards | - Ex-Officio Member (June 2024-July 2024) |

The Education Committee is pleased to report to the membership the various activities and initiatives that were undertaken. The Committee was guided by its Terms of Reference as stipulated by Bye Law 38 of the Society's Bye Laws. The Education Committee was appointed in January 2024 and subsequently held seven (7) meetings during the reporting period. All meetings were held virtually.

At our planning session, the committee strategically analyzed the needs of our membership and other areas of concern. This information was valuable in the preparation of our calendar of events and allowed the Committee to focus its efforts and resources efficiently. Our member-education programmes focused on issues of national and global concerns, youth development as well as community outreach. In the spirit of co-operation among co-operatives, TCU participated in another credit union's World of Work Workshop. As part of TCU's corporate social responsibility, membership growth strategy and in a bid to answer the clarion call to strengthen the social fabric of our nation, our programmes were open to persons within our community.

The following Member-Education Workshops and Webinars were held during the period:

1. Addressing Mental Health during Examination Period (Online Workshop) - March 17, 2024

Target: Forms 5 & 6 Students

Facilitator: Dr. Joanne Spence, PhD (The Therapeutic Assessment Centre)

Attendees: 33 persons

The Credit Union recognises that exam periods are usually stressful for students and can impact their mental wellbeing. Hence, the objective of this workshop was to address key areas in sensitizing students of areas relative to exam stress, supporting their wellbeing and equipping them with the necessary strategies to successfully manage that critical period. Some of the areas that were addressed included: Examining your

mental health, Identifying symptoms of exam stress, Strategies for coping with stress and Moving from panic to performance.

An invitation was extended to members as well as schools in the Port-of-Spain district and environs. In attendance were students, educators and parents. The session was highly interactive, as students were encouraged to share freely in a safe environment. Those in attendance expressed gratitude to TCU for being bold and forward-thinking in hosting such a timely and valuable workshop. Students requested that TCU continue its outreach to schools, and they suggested topics for future sessions.

2. Cybersecurity, Data Privacy and AI Webinar - May 28, 2024

Facilitators: *Mr. Nigel Matthew (NEM Leadership Consultants) / Mr. Anthony Peyson, ICT Consultant*

Attendees: *39 persons*

Cybersecurity, Data Privacy and Artificial Intelligence (AI) have been at the forefront of global discussion recently. These areas of interest are changing the business landscape as they pose opportunities and threats to the sustainability of organisations. Notwithstanding this, there has been an increase in cyber-attacks locally, regionally and internationally. Both the private and public sectors have become victims to these attacks. While it is critical that institutions move expeditiously to safeguard their organisations from cybercrime, it is also imperative that our members are educated and sensitized to these prevailing trends. It is against this backdrop that Tranquillity Credit Union hosted this webinar.

Some of the benefits included:

- *Increased Awareness of Cyber threats*
- *Improved Security Practices*
- *Awareness of AI Services*
- *Improved Confidence in using Technology*

THE LAW AND YOU SERIES

3. Wills and Estates Webinar (Session 1) - July 30, 2024

Facilitator: *Ms. Beverly Z. Samuel, Attorney-at-Law (B.Z. Samuel & Co.)*

Attendees: *69 persons*

The Law and You, a four (4) part series of key areas of law that impact our membership, started on July 30th 2024, with Session 1, Wills and Estates. Members were exposed to: The Key Statutes which govern the administration of estates, The Fundamentals of Will Preparation, What affects the validity of a Will and The application of the Intestacy Rule. The session's content and interactive discussion was rich and well received by participants.

We invite our members to participate in the following sessions that will be held in the months of October and November 2024:

- Session 2: - Securitization of Loans
- Session 3: - Understanding the Legal Documents
- Session 4: - Land Regularization & Tenure

4. TWCU Credit Union World of Work & Career Workshop 2024 - August 7, 2024

Theme: New Beginnings

Tranquillity Credit Union in its continued quest to invest in the development of our nation's youth, promote purposeful career choices and encourage positive behaviour, invited three (3) students from St. James Government Secondary School to participate in this career workshop which was hosted by TWCU Credit Union Co-operative Society Limited. It must be noted that St. James Government Secondary attended and participated at our first webinar in March 2024. The students were exposed to resume writing, interview preparation, career planning, networking opportunities and motivational speeches. The students reported that the workshop was dynamic, informative, fun and beneficial. The parents and students expressed their gratitude to TCU. We will continue to work with schools within our community.

Upcoming Events

Tranquillity Credit Union remains committed to the development of its youths through positive developmental programmes and activities while embracing the co-operative values and principles of the Movement. We endeavour to cultivate strong leaders and upstanding citizens. As such, TCU will celebrate our 2024 SEA/CSEC/CAPE achievers in our upcoming Educational Awards Ceremony.

We invite our young members to stay tuned for other upcoming exciting events and to fully capitalize on all offerings. Furthermore, we strongly encourage our general membership to attend and participate in advertised events. Tranquillity Credit Union will continue to work in the best interest of its members.

Closing

It is with heartfelt gratitude that the Education Committee thank God for His blessings and guidance throughout the term. We thank the Board of Directors, management and staff for their unwavering support as well as the Marketing Department who worked assiduously with the Education Committee. They contributed to the success of our various programmes. Special thanks to our stakeholders who provided quality service; and our members for their support and the confidence that they placed in our team. May God continue to bless and empower the members of Tranquillity Credit Union.



MICHELLE DUNCAN
Chairman



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Nominating Committee



Christiana Wallace
Chairman



Daffodil Maxwell
Secretary



Marvin Marshall
Member



Joseph Ross
Member



Nominating Committee Report

Introduction

The duty of the Nominating Committee shall be to recommend qualified members willing to be considered for election to the Board, Supervisory and Credit Committees by the Annual General Meeting.

The following vacancies presently exists:

- a. *Four (4) vacant position for the Board of Directors*
- b. *Two (2) vacant position on the Credit Committee*
- c. *One (1) vacant position on Supervisory Committee*

In accordance with TCU Byelaw 28, the Board of Directors appointed the Nominating Committee at its meeting held on January 29, 2024, to oversee the nomination process of recommend securing fit and proper members willing to be considered for election to the Board, Supervisory and Credit Committee by the Annual General Meeting (AGM). The following members accepted the position to serve on the Nominating Committee. They are as follows:

- *Mrs. Christiana Wallace* - *Chairman*
- *Ms Daffodil Maxwell* - *Secretary*
- *Mr Marvin Marshall* - *Member*
- *Mr. Joseph Ross* - *Member*

Terms of Reference

- a. *Determine/monitor the opening and closing dates for nominations in line with TCU's Bye-laws and policies*
- b. *Ensure Board, Credit and Supervisory Candidates provide an appropriate nomination form and conduct/due diligence.*
- c. *Ensure adequate notice in line with the TCUs Bye-Laws/Rules*
- d. *Receive nominations*
- e. *Analyze suitability of candidates in keeping with the TCU Bye-Laws and policies*
- f. *Make recommendations to the Board regarding the nominations process*
- g. *Present a report to the AGM*

The Committee held its first meeting in person and thereafter held a series of follow-up meetings either virtually or in-person. Ten (10) consecutive meetings were held. The Nominating Committee also hosted training sessions for the members interested in better understanding the role and function of the Board, Supervisory and Credit Committee. These sessions were held from July 2nd to July 4th, 2024. All meetings were hosted successfully.

In preparation for TCU's 72nd AGM on Saturday October 19th, 2024, the Nominating Committee sought to obtain volunteer members for election to the Board and Statutory Committees. To this end, notices which were published in the daily newspapers and circulated through the various social media platforms yielded a fairly good response as the initial deadline date was Friday September 6, 2024. The required nominations for the Credit Committee and Supervisory Committee were insufficient and the date had to be extended to Wednesday September 18, 2024 and thereafter further extended to Friday October 4, 2024.

The batch of nomination forms received and reviewed by the Committee, are as follows:

1. Board of Directors (6)
2. Credit Committee (4)
3. Supervisory Committee (3)

The terms and reference as mandated by the Board of Directors were to select fit and proper volunteer members to be elected to the Board, Supervisory and Credit Committees.

Guidelines for Nominees

A member offering himself/herself for office in TCU must be fit and proper and should satisfy the following criteria:

- a. *Members of TCU who are interested in offering themselves for service at the level of the Board of Directors, Supervisory or Credit Committee must complete and return the nomination form by the stipulated deadline*
- b. *Nominees should be fit and proper in accordance with TCU Bye-Laws*
- c. *Must be over the age of eighteen (18) years*
- d. *Must be an active member for at least 12 months within the preceding year*
- e. *Must be in good financial standing as it relates to his/her TCU account and other financial Institutions*
- f. *Must NOT be an employee of TCU*
- g. *Must NOT be a Board Member, Internal Auditor or General Manager of any other Credit Union*
- h. *Must NOT have been declared bankrupt or an applicant for bankruptcy*
- i. *Must NOT have been charged and/or convicted of any indictable or fraudulent offence*
- j. *Must NOT be involved in any matter against TCU and has not previously conducted him/herself in a manner to defame TCU*
- k. *Must be of sound mind.*

Nomination for Election at Tranquillity Credit Union Co-operative Society Limited

1. *The committee reviewed the applications to ensure candidates were in compliance with TCU Bye-laws.*
2. *A total of thirteen (13) nominations were received in keeping with the nomination deadline.*
3. *The nomination forms that were declared valid were moved forward to the 72nd Annual General Meeting.*

THE COMMITTEE WISHES TO RECOMMEND THE FOLLOWING NOMINEES TO THE 72ND ANNUAL GENERAL MEETING.

Nominations to the Board of Directors:

There are Six (6) Nominees before the 72nd Annual General Meeting who are willing to serve on the Board of Directors which has:

- **Four (4) vacant positions**

Nominees for Board of Directors are:

- i. *Mrs. Anna-Lisa Arlen-Benjamin: - nominated by Michelle Duncan, seconded by Michelle Trestrail*
- ii. *Mrs. Wendy Hackett-Baird: - nominated by Colin Bartholomew, seconded by Geoffrey Gift*

- iii. Ms. Joy John-Benjamin: - nominated by Osric Bacchus, seconded by Kenrick Jarvis
- iv. Mrs. Nadia Sudan: - nominated by Anna-Lisa Arlen Benjamin, seconded by Satnarine Sudan
- v. Mr. Richard Trim: - nominated by Nyasha Accala, seconded by Dianna Morris
- vi. Mr. Jagdish Sunil Ramdass: - nominated by Nicholas Lawrence, seconded by Sue Anne Patrick White.

Nominations to the Credit Committee:

Four (4) Nominees are before the 72nd Annual General Meeting who are willing to serve on the Credit Committee which has.

- *Two (2) vacant positions*

Nominees for the Credit Committee are:

- i. Ms. Megan Chelsea Ramoutar: - nominated by Ian Ramoutar seconded by Lisa Baptiste-Ramoutar
- ii. Mrs. Nadine Whiskey-Ottley: - nominated by Kenrick Jarvis, seconded by Kendal Charles
- iii. Ms. Crystal Boland: - nominated by Rachael Ragwnath, seconded by Lincon Plaza
- iv. Mr. Royds Williams: - nominated by Aquilla Thomas seconded by Dianna Morris

Nominations to the Supervisory Committee:

Three (3) Nominees are before the 72nd Annual General Meeting who are willing on the Supervisory Committee which has:

- *One (1) vacant position*

Nominees for the Supervisory Committee are:

- i. Mr. Eric Hopkins II: - nominated by Dionne Hopkins, seconded by Olancia Howard
- ii. Ms. Alexandria Shouldeen: - nominated by Jerome Shouldeen, seconded by Ashley Frontin
- iii. Mr. Walter Jules: - nominated by Crystal Boland, seconded by Rachael Ragwnath

Nominated Candidates

The profiles of the Nominees will be read to the 72nd Annual General Meeting and/or displayed via a PowerPoint presentation, under the control of the Returning Officer.

Conclusion

The Nominating Committee extends its gratitude to the nominees for submitting their application to serve TCU. The Committee would thank TCU for hosting the required AGM in keeping with the required deadline of October 19th, 2024.

We have monitored the process and hold the view that TCU's Bye-laws and policies with respect to nominations have been upheld. The Committee is hopeful that the successful candidates will serve with integrity and diligence, and ultimately be an asset to TCU.

We wish to thank the Board of Directors and Management for the opportunity to serve and also thank TCU's General Manager, Mr. Sherwin Cambridge and his staff for the efficient handling of all arrangements to ensure that the 72nd Annual General Meeting is hosted successfully.

Good luck to all Nominees!

Christiana Wallace
CHRISTIANA WALLACE
Chairman

Food Voucher Loan

Maximum Loan \$10,000
(paid in Vouchers and Cash)

Loan Amt	Voucher Amt	Cash Amt	Mthly	Wkly	Time	S/Charge	S/Charge (Retirees)
1,000.00	500.00	500.00	167.00 100.00	42.00 25.00	6 mths 10 mths	125.00	75.00
1,500.00	1,000.00	500.00	250.00 150.00	63.00 38.00	6 mths 10 mths	175.00	100.00
2,000.00	1,500.00	500.00	286.00 200.00	72.00 50.00	7 mths 10mths	225.00	125.00
2,500.00	1,500.00	1,000.00	358.00 250.00	90.00 63.00	7 mths 10mths	275.00	150.00
3,000.00	2,000.00	1,000.00	375.00 300.00	95.00 75.00	8 mths 10mths	325.00	175.00
3,500.00	2,000.00	1,500.00	438.00 350.00	110.00 88.00	8 mths 10mths	375.00	200.00
4,000.00	2,500.00	1,500.00	445.00 400.00	112.00 100.00	9 mths 10mths	425.00	225.00
4,500.00	3,000.00	1,500.00	450.00	113.00	10 mths	475.00	250.00
5,000.00	3,000.00	2,000.00	500.00	125.00	10 mths	525.00	275.00
6,000.00	3,000.00	3,000.00	550.00	140.00	11mths	630.00	330.00
7,000.00	3,500.00	3,500.00	640.00	160.00	11mths	735.00	385.00
8,000.00	4,000.00	4,000.00	667.00	167.00	12mths	840.00	440.00
9,000.00	4,000.00	5,000.00	750.00	188.00	12mths	945.00	495.00
10,000.00	4,000.00	6,000.00	835.00	210.00	12mths	1,000.00	500.00

Participating Supermarkets: Massy Stores, Pricesmart, Xtra Foods.

Application period: Monday 28th October, 2024 to Friday 29th November 2024
Distribution ends on Monday 2nd December, 2024. Normal lending conditions apply.
 For more info contact us at 628-3804/6466 or email info@tranquillitycu.com



The Office Team



Sherwin Cambridge
General Manager



Silvanna Flores
Executive Assistant



Natasha Olliviere
Accountant



Karissa Carrington
Business Development / Marketing Manager



Gabriella Lara
CSR /Administrative Clerk



Dominic Lucas
Recoveries Officer



Ifeoma Williams
Operations Clerk



Vikash Reemaul
Systems Administrator



Vritti Moonsammy
Operations Officer



Christine Richards
Sales and Marketing Officer



Jillian Gittens
Loans Officer



Johannah Earle
Loans Officer



Anescia O'Brien
Operations Clerk



THE ADVANCE PROTECTOR

WITH CREDIT DISABILITY

Protect the ones you
love from the burden
of unpaid loans.

With the Advance Protector from CUNA Caribbean Insurance, your personal, auto, and home mortgage loan balances up to **\$1,000,000** are covered in the event that:

- You - the primary borrower or the co-borrower pass away.
- The primary borrower suffers Total and Permanent Disability.

With optional Credit Disability Insurance, there is no need to worry about your monthly loan instalments if you or the co-borrower become temporarily disabled due to an accident or illness. When you purchase the Credit Disability Rider Insurance:

- We will pay your monthly loan installment up to a maximum of \$10,000 for a period of 2 years upon proof of diagnosis of Temporary Disability.

NO MEDICAL REQUIRED

Terms and Conditions apply

To learn more or to enroll, contact your **Tranquillity Credit Union** representative.



Financial Report

FOR THE YEAR ENDED
DECEMBER 31st, 2023

ANNUAL Report 2023

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Financial Report

Statement of Managements' Responsibilities

Management is responsible for the following:

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

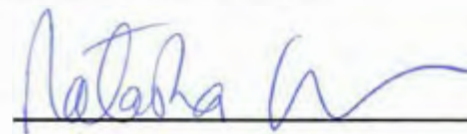
In preparing these audited financial statements, management utilised the International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where IFRS presented alternative accounting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

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

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



Signed
Title: General Manager
Date: 27 September 2024



Signed
Title: Accountant Date:
27 September 2024



Independent Auditors' Report

To the Members,

Report on the Audit of the Financial Statements of Tranquillity Credit Union Co-operative Society Limited

Opinion

We have audited the financial statements of Tranquillity Credit Union Co-operative Society Limited ("the Credit Union"), which comprise the statement of financial position as at 31 December 2023, the statements of comprehensive income, changes in members equity, and 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 31 December 2023 and financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

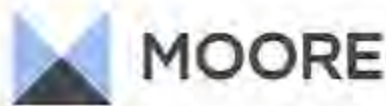
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Credit Union in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 3.8 Revenue Recognition on the notes to the Financial Statements which describes the effects of the Society's practice of recording loan interest on the cash basis, which is a departure from IAS 1. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. The annual report was not made available to us before the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



Independent Auditors' Report (Continued)

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 IFRS and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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 have no realistic alternative but to do so.

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

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 scepticism throughout the audit. We also:

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



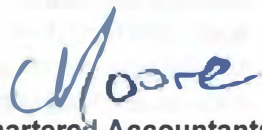
Independent Auditors' Report (Continued)

Auditors Responsibilities for the Audit of the Financial Statements (continued)

- 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the 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.

San Juan
27 September 2024


Chartered Accountants

Statement of Financial Position
As at 31 December 2023

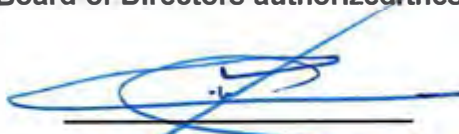
	<u>Note</u>	2023 <u>TT\$</u>	2022 <u>TT\$</u>
Assets			
Non-current assets			
Property and equipment	5	10,343,301	10,482,729
Members loans	6	83,878,990	81,994,338
Long term investments	7	<u>55,055,102</u>	<u>53,069,847</u>
Total non-current assets		<u>149,277,393</u>	<u>145,546,914</u>
Current assets			
Short-term investment	8	9,262,037	10,928,618
Inventory		1,270	3,772
Accounts receivables and prepayments	9	1,948,916	1,587,250
Cash at bank and in hand	10	<u>3,405,662</u>	<u>3,948,969</u>
Total current assets		<u>14,617,885</u>	<u>16,468,609</u>
Total assets		<u>163,895,278</u>	<u>162,015,523</u>
Members' equity and liabilities			
Members' equity			
Investment re-measurement reserve		(3,637,641)	(2,349,160)
Reserve fund		8,178,201	8,009,448
Education fund		914,302	1,101,124
Undivided earnings		<u>2,679,900</u>	<u>3,869,988</u>
Total members' equity		<u>8,134,762</u>	<u>10,631,400</u>
Non-current liabilities			
Gratuity fund		1,091,974	1,017,841
Members' share balances	11	<u>62,886,444</u>	<u>64,199,514</u>
Total non-current liabilities		<u>63,978,418</u>	<u>65,217,355</u>
Current liabilities			
Members' savings and deposit accounts	12	88,376,492	82,988,381
Accounts payables and accruals	13	3,395,805	3,178,387
Tax payable		9,801	-
Total current liabilities		<u>91,782,098</u>	<u>86,166,768</u>
Total liabilities		<u>155,760,516</u>	<u>151,384,123</u>
Total members' equity and liabilities		<u>163,895,278</u>	<u>162,015,523</u>

The notes on pages 16 to 41 form an integral part of these financial statements.

On 27 September 2024 the Board of Directors authorized these financial statements for issue.



 President



 Treasurer



 Supervisory Committee

Statement of Comprehensive Income
Year Ended 31 December 2023

	Note	2023 TT\$	2022 TT\$
Income			
Interest on members loans		8,515,114	8,788,714
Investment income		1,684,502	1,397,075
Other (loss)/income		377,769	(382,826)
Total income		10,577,385	9,802,963
Expenditure			
Annual General and Special Meetings		289,571	167,300
Bank Charges		139,372	151,620
Co-operative Activities		228,343	87,650
Cuna Insurance Premiums		361,994	364,565
Depreciation		325,167	332,927
Directors' Expenses		256,245	252,671
Donations		31,625	60,950
Staff Bonus		99,572	96,655
Green Fund Levy		31,734	26,993
Gratuity Expense		74,133	47,991
Insurance		90,648	90,926
League Dues		16,241	16,241
Legal and Professional Fees		310,498	411,427
Marketing Expenses		174,137	147,333
Members' Fixed Deposit Interest		2,021,250	2,181,447
Members' Premium Deposit Interest		1,164,186	1,051,171
Office Supplies		122,342	97,068
Postage		7,128	3,400
Printing and Stationery		79,580	57,966
Rental		168,460	158,284
Repairs and Maintenance		216,500	199,580
Salaries and Wages		1,834,215	1,568,045
Security Courier		149,409	149,929
Sports & family Day		259,286	-
70th Anniversary Gala		400	445,939
Staff Benefits		180,540	110,743
Staff Training and Development		37,342	44,136
Sundry Committees		108,272	107,153
Telephone Expenses		88,088	71,695
Utilities		39,176	35,220
Total		8,905,454	8,537,025
Surplus		1,671,931	1,265,938
Other comprehensive income			
Unrealised gain on financial assets		2,157,214	1,192,661
Unrealised loss on financial assets		(3,445,695)	(5,905,486)
Total comprehensive income		383,450	(3,446,887)

The notes on pages 16 to 41 form an integral part of these financial statements.

Statement of Changes in Members' Equity
Year Ended 31 December 2023

	Investment Re-measurement Reserve	Reserve Fund	Education Fund	Undivided Earnings	Total
	TTS	TTS	TTS	TTS	TTS
Balance at 01 January 2023	(2,349,160)	8,009,448	1,101,124	3,869,988	10,631,400
Net surplus for the year	-	-	-	1,671,931	1,671,931
Other comprehensive income	(1,288,481)	-	-	-	(1,288,481)
Transfer to the reserve fund	-	167,193	-	(167,193)	-
Transfer to the education fund	-	-	83,597	(83,597)	-
Entrance fees to reserve fund	-	1,560	-	-	1,560
Education expenses	-	-	(270,419)	-	(270,419)
Honorarium	-	-	-	(60,000)	(60,000)
Dividends paid -2022	-	-	-	(2,551,229)	(2,551,229)
Balance at 31 December 2023	<u>(3,637,641)</u>	<u>8,178,201</u>	<u>914,302</u>	<u>2,679,900</u>	<u>8,134,762</u>
Balance at 1 January 2022	2,363,665	7,881,554	1,460,170	5,948,964	17,654,353
Net surplus for the year	-	-	-	1,265,938	1,265,938
Other comprehensive income	(4,712,825)	-	-	-	(4,712,825)
Transfer to the reserve fund	-	126,594	-	(126,594)	-
Transfer to the education fund	-	-	63,297	(63,297)	-
Entrance fees to reserve fund	-	1,300	-	-	1,300
Education expenses	-	-	(422,343)	-	(422,343)
Honorarium	-	-	-	(60,000)	(60,000)
Dividends paid – 2019 & 2020	-	-	-	(3,095,023)	(3,095,023)
Balance at 31 December 2022	<u>(2,349,160)</u>	<u>8,009,448</u>	<u>1,101,124</u>	<u>3,869,988</u>	<u>10,631,400</u>

The notes on pages 16 to 41 form an integral part of these financial statements

Statement of Cash Flows
Year Ended 31 December 2023

	2023	2022
	<u>TT\$</u>	<u>TT\$</u>
Cash flow from operating activities		
Surplus for the year	1,671,931	1,265,938
Adjustments:		
Depreciation	325,167	332,927
Loss on disposals of property, plant, and equipment	-	-
Net movement in the investment re-measurement reserve	(1,288,481)	(4,712,825)
	708,617	(3,113,960)
Changes in:		
Inventory	2,503	(120)
Members' loans	(1,884,652)	3,027,889
Receivables and prepayments	(361,666)	(487,120)
Payables and accruals	217,417	1,272,244
Members' savings and deposit accounts	5,388,111	1,098,515
Taxation payable	9,802	(32,015)
Gratuity fund payable	74,132	47,991
Net cash generated from operating activities	<u>4,154,264</u>	<u>1,813,424</u>
Investing activities		
Net movement in long term investments	(1,985,255)	7,226,036
Additions to property, plant, and equipment	(185,739)	(328,667)
Net cash used in investing activities	<u>(2,170,994)</u>	<u>6,897,369</u>
Financing activities		
Increase in members' shares	(1,313,070)	(1,519,978)
Reserve fund	1,560	1,300
Education fund expenses	(270,419)	(422,343)
Honorarium paid	(60,000)	(60,000)
Dividends paid	(2,551,229)	(3,095,023)
Net cash provided by financing activities	<u>(4,193,158)</u>	<u>(5,096,044)</u>
Decrease in cash and cash equivalents	(2,209,888)	3,614,749
Cash and cash equivalents at the beginning of the year	<u>14,877,587</u>	<u>11,262,838</u>
Cash and cash equivalents at the end of the year	<u>12,667,699</u>	<u>14,877,587</u>
Represented by:		
Cash at bank and in hand	3,405,662	3,948,969
Short-term investments	<u>9,262,037</u>	<u>10,928,618</u>
	<u>12,667,699</u>	<u>14,877,587</u>

The notes on pages 16 to 41 form an integral part of these financial statements.

Statement of Receipts and Payments

Year Ended 31 December 2023

	2023	2022
	TT\$	TT\$
Receipts		
A.G.M. Expenses	2,500	6,235
Accrued Interest on Oil Notes	63,654	63,654
Ach Clearing Account	368,951	-
Appliance Loans	21,976	-
Appliance Promo Loans	37,597	11,875
Bank Charges Jmmb Bank	73	-
Bank Charges Rbl Bank	14	6
Beautification Expenses	718	-
Beneficiary Account Payable	17,154	56,141
Board Expenses	520	729
Carpark Rental/Expense	-	10,125
Computer (Cost)	15,918	-
Computer Loan Interest - Np Staf	23,914	16,025
Co-Operative Activities	18,120	727
Cuna Fip Members' Receivables	528	-
Cuna Fip Payables	-	2,082
Debit Card Deposits	3,342,083	4,281,959
Deposits	320,827	340,378
Dividend Ngl Shares	-	24,480
Dividends From Agostini Ltd	5,454	4,773
Dividends From Angostura Ltd	3,500	3,600
Dividends From Ansa Mcal Ltd.	8,100	8,100
Dividends From Massy Holding Ltd	20,079	19,889
Dividends From Nel	31,214	-
Dividends From Sbt Ltd.	6,300	6,900
Dividends From Wi Tobacco	5,199	9,486
Dividends On Fcgfh Shares	104,612	74,824
Donations	-	1,000
Dsr Loans	392,847	462,179
Education Expenses	2,000	878
Entrance Fee	1,040	1,060
F.I.P. Deposits	212,859	165,098
Fcb Receivables	909,056	636,532
Fcbas Nif -Series A	225,120	-
Fip Death Benefit Receivables	490,000	534,504
First Citizens Group Financial Holdings Shares	-	1,399,400
First Line Securities Loan Notes Tcd	449,660	456,400
Firtal (Card Services)	5,217	-
Food Voucher Loans	307,415	107,204
Food Voucher Service Charge	36,365	33,525
Future Cash Investment Interest	897	-
Future Cash Investment Loans	3,450	-
Gala 70th Anniversary Dinner Income	-	8,700

Statement of Receipts and Payments
Year Ended 31 December 2023

	2023	2022
	TT\$	TT\$
Receipts (Continued)		
General Loans	7,112,809	7,167,103
Group Health Plan Deposits	265,099	190,519
Health Surcharge Payable	495	363
Home Mortgage Bank (Samaan Tree Fund)	3,500,000	10,000,000
Interest from First Line Securities loan Notes-Tccl	75,044	123,936
Interest from Kcl Capital Market Brokers Ltd-Nipdec	-	15,902
Interest from Nif Bonds -A	8,960	5,040
Interest from Nif Bonds -B	85,044	42,522
Interest on Appliance Loans	912	-
Interest on Appliance Promo Loans	4,868	6,434
Interest on Computer Loans	455	553
Interest on Dsr Loans	54,033	27,303
Interest on General Loans	1,518,723	1,259,114
Interest on Line of Credit Loans	29,591	29,793
Interest on Long Term Loans	100,405	68,780
Interest on Nmpc Cola Loans	-	110
Interest on Other Investments	15,954	71,012
Interest on Republic Money Marke	7,232	-
Interest on Savings Plus Loans	1,798	4,251
Interest on Share Builder Loans	3,867	-
Interest on Small Business Loans	1,289	-
Interest on Special Loans	208	5,540
Interest on Vehicle Loans	237,890	195,909
Janitorial Services	157	1,854
Kcl Capital Market Brokers Ltd-Nipdec	-	822,242
Legal & Professional Fees	-	10,369
Lfctt	236,694	152,009
Line Of Credit Loans	306,996	329,602
Marketing Expense	14,827	1,377
Member Control Account	394,443	-
Members' Fixed Deposits	-	120,000
Member's Mobile Top-Up	-	222
Members' Payable	50,639	124,294
Members' Shares	2,855,022	2,883,157
Mortgage Loans	98,296	213,159
N.F.M Dividend	600	-
N.I.S Payable	19,485	-
National Petroleum Company	19,239,906	21,953,425
Natpet	1,097,711	1,082,501
Non-Statutory Committees Exp.	386	229
Npmc Computer Loans	11,546	29,949
Npmc-Cola Loans	-	11,836
Office Supplies	3,800	2,029
Other Accrued Expenses	32,700	15,330
Other Income	66,033	54,989

Statement of Receipts and Payments

Year Ended 31 December 2023

	2023	2022
	<u>TT\$</u>	<u>TT\$</u>
Receipts (Continued)		
Other Payables	5,753	-
Other Receivables	2,511,021	1,640,120
Overages/Shortages	1,546	2,542
Paye Payable	24,727	8,593
Postage	1,302	150
Premium Deposits	27,292,471	22,667,757
Printing And Stationery	-	653
Repairs & Maintenance General	7,526	-
Republic Bank (Money Market)	7,499	-
Salaries & Wages	1,900	-
Savings Plus Loans	17,664	32,113
70th Anniversary Activities	2,200	32,504
Share Builder Loans	17,143	-
Small Business/Demand Loans	12,951	-
Special Loans	2,489	14,393
Sports & Family Day	3,000	-
Staff Incentives	467	986
Staff Training and Development	1,868	-
Standing Order Deposits	126,912	101,164
Standing Orders Payable-Ghp	198,255	-
Telephone	5,000	2,752
Unit Trust Growth & Income fund	700,000	16,413,029
Vehicle Loans	2,037,408	1,277,983
Visa Debit Card Income	6,900	8,143
W.O.C.C.U / C.C.C.U Conference	-	3,628
Total Receipts	<u>77,894,849</u>	<u>97,977,715</u>

The notes on pages 16 to 41 form an integral part of these financial statements.

Statement of Receipts and Payments

Year Ended 31 December 2023

	2023	2022
	<u>TT\$</u>	<u>TT\$</u>
Payments		
Annual General Meeting Expenses	279,737	173,390
Air-Condition Cost	1,207,859	-
Application Loans	28,244	-
Appliance Promo Loans	27,842	37,265
Audit Fees	41,344	35,437
Bank Charges JMMB	44,072	66,962
Bank Charges Republic Bank Limited	71,679	68,552
Beautification Expenses	15,001	14,283
Beneficiary Account Payable	135,078	186,498
Board Allowance	-	265
Board Expenses	20,457	19,024
Building Improvement Cost	102,223	-
Carpark Rental	168,425	168,325
Computer Cost	88,280	75,372
Computer Service Expenses	61,788	40,592
Co-Operative Activities	195,720	43,849
Credit Committee Expenses	3,162	1,005
Cuna Family Indemnity Plan	445,784	544,790
Cuna LP & LS Insurance	1,266	-
Debit Card Deposits	8,850,754	9,875,623
Deposits	527,369	661,741
Depreciation	1,350	-
Dividends Payable	-	1,528
Donations	31,625	61,950
DSR Loans	-	88,159
Education Expenses	235,194	172,071
Electricity	34,551	17,294
Equipment Rental	14,231	24,803
F.I.P. Death Benefit Receivable	130,000	325,006
F.I.P. Deposits	13,752	33,482
First Citizens receivables	43,409	-
First Citizens Group Financial Holdings Shares	-	2,000,000
First Line Securities Loan Notes - TCCL	-	-
Firstline Securities Loan Notes VI Series A	-	2,000,000
Firstline Securities Loan Notes VI Series B	-	1,941,156
FIRTAL (Card Services)	101	-
Food Voucher Loans	27,610	-
Food Vouchers Inventory	50,000	-
Furniture, Fixtures, And Fittings Cost	-	70,237
70th Anniversary Activities	-	487,758
General Insurance	67,181	8,136
General Loans	2,202,952	679,573
Gia Card Payment Charge	100	-
Green Fund Levy Payable	21,932	54,539

Statement of Receipts and Payments
Year Ended 31 December 2023

	2023	2022
	<u>TT\$</u>	<u>TT\$</u>
Payments (Continued)		
Green Fund Levy Taxes	-	4,470
Group Health Plan Deposits	10,189	4,467
Group Life Insurance Expenses	285	20,062
Health Surcharge Payable	5,891	11,034
Home Mortgage Bank – Samaan Fund	1,000,000	14,000,000
Interest of Computer Loans	-	27
Interest on General Loans	-	-
Interest online of Credit	3,676	88
Janitorial Service Expenses	37,036	30,946
KCL Capital Market Brokers Ltd -Nipdec	318,609	822,242
League Fees	16,241	16,240
Legal And Professional Fees	245,478	407,008
Line of Credit	1,805,429	1,424,742
Marketing Expense	194,439	137,706
Massy Food Stores (Vouchers)	100,000	107,000
Massy Holdings Ltd Shares	-	1
Medical (Employer's Contribution)	5,967	3,000
Member Control Account	30,000	3,036
Members' Fixed Deposit	-	120,000
Members' Mobile Top-Up	35,000	35,889
Members' Payable	14,716	201
Members' Shares	713,316	268,898
Miscellaneous Expenses	-	878
Mortgage Loans	-	214,226
N.I.S Payable	212,633	166,993
National Petroleum Company Ltd	-	90
Nel Shares	380,418	-
Non-Statutory Committees	11,710	3,837
NPMC Computer Loans	13,268	69,306
Office Equipment Cost	6,400	69,079
Office Supplies	50,646	35,409
Other Accrued Expenses	687,228	564,203
Other Income	14,880	6,176
Other Payables	1,653,628	-
Other Receivables	331,274	1,081
Overages / Shortages	1,086	3,010
PAYE Payable	170,093	95,448
Pension (Employer's Contribution)	59,604	66,335
Postage	8,130	3,550
Premium Deposits	48,951,863	46,640,088
Prepayments	-	207,851
Pricesmart Supermarket Limited	156,500	174,500
Printing And Stationery	79,362	59,555
Processing Fees-Loans	3,898	2,232

Statement of Receipts and Payments
Year Ended 31 December 2023

	2023	2022
	<u>TT\$</u>	<u>TT\$</u>
Payments (Continued)		
Rates And Taxes	4,907	17,925
Relocation Expenses	-	1,100
Relocation Expense	-	104,276
Repairs And Maintenance - General	58,466	30,195
Republic Bank (Money Market)	147,660	-
Salaries And Wages	13,780	20,889
Salaries Payable	46,027	74,160
Security Courier	1,406	-
Security Property	9,039	-
70 th Anniversary Activities	-	-
Special Meeting Expenses	34,036	-
Sports And Family Day	257,131	-
Staff Incentives	13,915	6,552
Staff Training and Development	39,030	36,076
Staff Travelling and Allowance	179	-
Standing Order Deposits	313,851	327,584
Standing Orders Payable – Group Health Plan	1,018,222	763,000
Storage Container Improvement (Cost)	-	84,037
Storage Expense	-	3,636
Supervisory Allowance	313	-
Supervisory Expenses	2,057	1,254
Sure Pay Payable	23,030	-
TCL Shares	243,485	-
Telephones	78,624	67,824
Unit Trust Growth and Income Fund	3,400,000	10,200,000
Vehicle Loans	10,107	1,063,278
Visa Debit Card Income	9	53
Xtra Foods Supermarket (Vouchers)	226,917	186,317
Total Payments	<u>78,461,156</u>	<u>98,767,725</u>
Cash in transit:		
Replacement cheques & cash		
Opening Balance	3,948,969	4,738,979
Total Receipts	77,894,849	97,977,715
Less: Payments	(78,461,156)	(98,767,725)
Closing Balance	<u>3,382,662</u>	<u>3,948,969</u>
Represented by:		
Cash in Hand and at Bank	<u>3,382,662</u>	<u>3,948,969</u>

The notes on pages 16 to 41 form an integral part of these financial statements.

Notes to the Financial Statements

31 December 2023

1. General information

Tranquillity Credit Union Co-operative Society Limited ("the Credit Union") was registered under the Co-operative Societies Act 81:03 on 7 November 1952. The registered office of the Credit Union is located at 5 Maraval Road, Newtown Port of Spain. The objective of the Credit Union is to promote the economic welfare of its members, self-help, and co-operation and to support the development of co-operative ideas.

2. Adoption of new and revised International Financial Reporting Standards

2.1 New standards and amendments effective in the period on or after 1 January 2023

The following standards and amendments have become effective for the annual periods commencing on or after 1 January 2023.

- ❖ *Amendments to IFRS 4, IFRS 7, IFRS 9, IFRS 16 & IAS 39 – Interest Rate Benchmark Reform – Phase 2*
- ❖ *Amendments to IFRS 16 – Covid-19-Related Rent Concessions*

Amendments to IFRS 4, IFRS 7, IFRS 9, IFRS 16 & IAS 39 Interest Rate Benchmark Reform – Phase 2

As a result of these amendments, among other matters, an entity:

- will not have to derecognise or adjust the carrying amount of financial instruments for changes required by the reform, but will instead update the effective interest rate to reflect the change to the alternative benchmark rate;
- will not have to discontinue its hedge accounting solely because it makes changes required by the reform, if the hedge meets other hedge accounting criteria; and
- will be required to disclose information about new risks arising from the reform and how it manages the transition to alternative benchmark rates.

Amendments to IFRS 16 'Leases' Covid-19 Related Rent Concessions

Amendments to IFRS 16 'Leases' provide a practical expedient that permits lessees to account for the rent concessions, that occur as a direct consequence of the COVID - 19 pandemic and meets specified conditions, as if they were not lease modifications.

The amendment is effective 1 June 2022.

Notes to the Financial Statements

31 December 2023

2. Adoption of new and revised International Financial Reporting Standards (Continued)

2.1 New standards and amendments effective in the period on or after 1 January 2023 (continued)

Amendments to IFRS 16 'Leases' Covid-19 Related Rent Concessions beyond 30 June 2023

This amendment extends the practical expedient to rent concessions that reduce only lease payments originally due on or before 30 June 2023, provided the other conditions for applying the practical expedient are met.

The amendment is effective 1 April 2023. Earlier application is permitted, including in financial statements not authorised for issue at the date this Standard was issued. Where an entity early adopts Covid-19-Related Rent Concessions then they shall disclose that fact (including the requirements in the paragraph above) and provide the additional disclosures.

2.2 New standards and amendments issued but not yet effective for years ending 31 December 2023

Amendments to IFRS 16 'Leases' provide a practical expedient that permits lessees to account for the rent concessions, that occur as a direct consequence of the COVID - 19 pandemic and meets specified conditions, as if they were not lease modifications. Although, the amendment is applicable for annual periods commencing on or after 1 June 2023.

- ❖ *Amendments to IFRS 16 - Covid-19-Related Rent Concessions*
- ❖ *IFRS 17 - Insurance Contracts*
- ❖ *Amendments to IAS 1 - Classification of Liabilities as Current or Non-current*
- ❖ *Amendments to IAS 16 - Property, Plant and Equipment: Proceeds before intended use*
- ❖ *Amendments to IFRS 3 - Reference to the Conceptual Framework*
- ❖ *Amendments to IAS 37 - Onerous Contracts – Cost of Fulfilling a Contract*
- ❖ *Annual Improvements to IFRS Standards 2018–2023*
- ❖ *Amendments to IFRS 10 and IAS 28 - Sale or contribution of assets between an investor and its associate or joint venture*
- ❖ *Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies*
- ❖ *Amendments to IAS 8 - Disclosure of Accounting Policies and Definition of Accounting Estimates.*

Notes to the Financial Statements

31 December 2023

2. Adoption of new and revised International Financial Reporting Standards (Continued)

2.2 New standards and amendments issued but not yet effective for years ending December 31, 2023 (continued)

- ❖ *Amendments to IAS 12 - Deferred tax related to assets and liabilities arising from a single transaction*

Amendments to IFRS 16 'Leases' Covid-19 Related Rent Concessions beyond 30 June 2023

This amendment extends the practical expedient to rent concessions that reduce only lease payments originally due on or before 30 June 2023, provided the other conditions for applying the practical expedient are met. The amendments are applicable for annual periods commencing on or after 1 April 2023.

IFRS 17 'Insurance contracts' establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts issued. It also requires similar principles to be applied to reinsurance contracts held and investment contracts with discretionary participation features issued. IFRS 17 is effective for annual periods commencing on or after 1 January 2023.

Amendments to IAS 1 'Presentation of financial statements' clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. The meaning of settlement of a liability is also clarified. The amendments are applicable for annual periods commencing on or after 1 January 2023.

Amendments to IAS 16 'Property, plant and equipment' require an entity to recognise the sales proceeds from selling items produced while preparing property, plant and equipment for its intended use and the related costs in profit or loss, instead of deducting the amounts received from the cost of the asset. The amendments are applicable for annual periods commencing on or after 1 January 2023.

Amendments to IFRS 3 'Business combinations' update a reference to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations. The amendments are applicable for annual periods commencing on or after 1 January 2023.

Amendments to IAS 37 'Provisions, contingent liabilities and contingent assets' specify the costs that an entity includes when assessing whether a contract will be loss-making. The amendments are applicable for annual periods commencing on or after 1 January 2023.

Notes to the Financial Statements

31 December 2023

2. Adoption of new and revised International Financial Reporting Standards (Continued)

2.2 New standards and amendments issued but not yet effective for years ending December 31, 2023 (continued)

Annual Improvements to IFRS Standards 2018–2023 amend:

- IFRS 1 to simplify the application of IFRS 1 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences;
- IFRS 9 to clarify the fees an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability,
- IFRS 16 illustrative example 13 to remove the illustration of payments from the lessor relating to leasehold improvements.
- IAS 41 to remove the requirement to exclude cash flows from taxation when measuring fair value, thereby aligning the fair value measurement requirements in IAS 41 with those in other accounting standards.

The amendments are applicable for annual periods commencing on or after 1 January 2023.

Amendments to IFRS 10 'Consolidated financial statements' and IAS 28 'Investments in associates' clarify the accounting treatment for sales or contribution of assets between an investor and its associates or joint ventures. Where the non-monetary assets constitute a business, the investor will recognise the full gain or loss on the sale or contribution of assets. Otherwise, the gain or loss is recognised by the investor only to the extent of the other investor's interests in the associate or joint venture. The amendments have been deferred until IASB has finalised its research project on the equity method.

Notes to the Financial Statements

31 December 2023

2. Adoption of new and revised International Financial Reporting Standards (Continued)

2.2 New standards and amendments issued but not yet effective for years ending December 31, 2023 (continued)

Amendments to Disclosure of Accounting Policies and Definition of Accounting Estimates modify:

- IFRS 7, to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements;
- IAS 1, to require entities to disclose their material accounting policy information rather than their significant accounting policies;
- IAS 8, to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates;
- IAS 34, to identify material accounting policy information as a component of a complete set of financial statements; and
- IFRS Practice Statement 2 Making Materiality Judgements, to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

Amendments to Deferred tax related to assets and liabilities arising from a single transaction modify IAS 12 to clarify the accounting for deferred tax on transactions that, at the time of the transaction, give rise to equal taxable and deductible temporary differences. In specified circumstances, entities are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The amendments clarify that the exemption does not apply to transactions for which entities recognise both an asset and a liability and that give rise to equal taxable and deductible temporary differences. This may be the case for transactions such as leases and decommissioning, restoration and similar obligations. Entities are required to recognise deferred tax on such transactions.

The Standard amends IFRS 1 to require deferred tax related to leases and decommissioning, restoration and similar obligations to be recognised by first-time adopters at the date of transition to International Accounting Standards, despite the exemption set out in IAS 12.

Notes to the Financial Statements

31 December 2023

3. Significant accounting policies

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

3.1 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS') and IFRIC interpretations. The financial statements have been prepared on the historical cost basis, except for the revaluation of certain properties and financial instruments.

3.2 Use of estimates

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies selected for use by the Credit Union. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in relevant notes. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates.

3.3 Foreign currency translation

The Credit Union has determined the Trinidad and Tobago Dollar (TTD) as its functional currency, as this is the currency of the economic environment in which the Credit Union predominantly operates. The functional currency is also the presentation currency of the Credit Union.

Translation of transactions and balances in foreign currencies to functional

Transactions in currencies other than TTD are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on exchange are included in profit or loss.

Notes to the Financial Statements

31 December 2023

3. Significant accounting policies (continued)

3.3 Foreign currency translation (continued)

When consideration is paid or received in advance, the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it), is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration. If there are multiple payments or receipts in advance, the entity shall determine a date of the transaction for each payment or receipt of advance consideration.

3.4 Property and equipment

Land and buildings are stated in the statement of financial position at their revalued amounts, being the fair value on the basis of their fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of the reporting period.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic conditions benefits associated with the item will flow to the Credit Union and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Any revaluation increase arising on the revaluation of such land and buildings is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. A decrease in the carrying amount arising on the revaluation of such land and buildings is recognised as a loss in the Statement of Comprehensive Income, to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

Other property and equipment are stated at historical cost. The residual values and useful lives of property and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period. The carrying amount of an asset is written down immediately to its recoverable amount if the asset's carrying amount is assessed as greater than its estimated recoverable amount.

Notes to the Financial Statements

31 December 2023

3. Significant accounting policies (Continued)

3.4 Property and equipment (continued)

Depreciation on revalued buildings is recognised in the statement of comprehensive income. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the properties' revaluation reserve is transferred directly to retained earnings. No transfer is made from the revaluation reserve to retained earnings except when an asset is derecognised.

Land is not depreciated. Depreciation is charged on other assets so as to write off the cost or valuation of assets, over their estimated useful lives, less estimated residual value, using the reducing balance method on the following bases:

The depreciation rates used are as follows:

▪ Furniture and fixtures	–	12.5%
▪ Computer equipment	–	25%
▪ Equipment	–	20%
▪ Leasehold improvements	–	5%
▪ Buildings	–	2%

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Comprehensive Income.

3.5 Accounts receivables and prepayments

Accounts receivables and prepayments are carried at original invoice amount less provision made for impairment of these receivables. A provision for impairment of trade receivables is established when there is objective evidence that the credit union will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the carrying amount and the recoverable amount.

3.6 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and at bank. Cash and cash equivalents are measured at fair value, based on the relevant exchange rates at the reporting date.

3.7 Provisions

Provisions are recognised when the Credit Union has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the obligation.

Notes to the Financial Statements

31 December 2023

3. Significant accounting policies (Continued)

3.8 Revenue recognition

Interest charged on all loans to members is calculated between 0.5% to 1.5% per month on the outstanding balance at the end of the month, these are in accordance with Section 51 of the Bye-Laws and the Loan Policy.

Loan interest is accounted for on a cash basis which is the acceptable standard practice for this industry and acceptable under the Co-operative Societies Act. This basis is a departure from IAS 1 which requires that an entity prepare its Financial Statements, except for the cashflow information, using the accrual basis of accounting.

Interest on non-performing loan is not accrued or taken into income on an ongoing basis because there is doubt as to the recoverability of the loans. Income from non-performing loans is taken into income on cash basis, but only after specific provisions for losses have been made.

For non-performing loans, specific provisions are made for the unsecured portion of the loan. The amount of provision is dependent upon the extent of delinquency.

3.9 Members' share account

In accordance with existing International Financial Reporting Standards (IFRS) and given the substance and the nature of members' shares, this balance is accounted for as a liability and not as capital of the Credit Union.

3.10 Loans to members

Loans to members are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

3.11 De-recognition of financial assets

The Credit Union derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

If the Credit Union neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Credit Union recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Credit Union retains substantially all the risks and rewards of ownership of a transferred financial asset, the Credit Union continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Notes to the Financial Statements

31 December 2023

3. Significant accounting policies (Continued)

3.12 Investments – financial assets

The Credit Union classifies its financial assets into the following categories: investment securities at fair value through profit and loss, investment securities available for sale, investment securities held to maturity and loans and advances to customers. Management determines the classification of its financial assets at initial recognition.

Investment securities held for trading

Investment securities are classified as held for trading if they are either acquired or incurred principally for the purpose of selling in the short term or if they are part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking.

Investment securities at fair value through profit and loss

Investment securities are designated at fair value through profit and loss when:

- The designation significantly reduces measurement inconsistencies that would arise from measuring the assets or recognising gains or losses on them on a different basis;
- Assets that are part of a group of financial assets are managed and evaluated on a fair value basis in accordance with a documented risk management or investment strategy and reported to key management personnel on that basis;
- Financial instruments, such as debt securities held, containing one or more embedded derivatives significantly modify the cash flows, are designated at fair value through profit and loss.

Investment securities held at fair value through profit and loss are initially recognized at fair value and transaction costs are expensed in the statement of comprehensive income. Investment securities at fair value through profit and loss are subsequently carried at fair value.

Gains or losses arising from changes in the fair value of investment securities at fair value through profit and loss are included in net trading income in the year in which they arise. Interest earned is accrued in interest income according to the terms of the contract.

Notes to the Financial Statements

31 December 2023

3. Significant accounting policies (continued)

3.12 Investments – financial assets (continued)

Investment securities available for sale

Investment securities available for sale are those intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices. Financial assets available for sale are initially recognized at fair value plus transaction costs and are subsequently carried at fair value.

Gains or losses arising from changes in the fair value are recognized in other comprehensive income until the financial asset is derecognized or impaired at which time the cumulative gain or loss previously recognized in other comprehensive income is recognized in the statement of comprehensive income. However, interest calculated using the effective interest method and foreign currency gains and losses on financial assets classified as available for sale are recognized in the statement of comprehensive Income.

Investment securities held to maturity

Held to maturity investment securities are non-derivative financial assets with fixed or determinable payments and fixed maturities where management has the positive intention and the ability to hold to maturity. Held to maturity investment securities are carried at amortized cost using the effective interest method, less any provision for impairment. If the Credit Union were to sell other than an insignificant amount of held to maturity investments, the entire category would be reclassified as available for sale.

Fair values

The fair values of quoted financial assets in active markets are based on current bid prices. If there is no active market for financial assets, the Credit Union establishes fair value using valuation techniques. These include the use of recent arm's length transactions discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

Purchases and sales of financial assets are recognised at the settlement date.

Notes to the Financial Statements

31 December 2023

3. Significant accounting policies (continued)

3.13 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 only if there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (a "loss event") and that loss 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.

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

- i) Delinquency in contractual payments of principal or interest;
- ii) Cash flow difficulties experienced by the borrower (e.g. equity ratio, net income percentage of sales);
- iii) Breach of loan covenants or conditions;
- iv) Initiation of Credit bankruptcy proceedings;
- v) Deterioration of the borrower's competitive position;
- vi) Deterioration in the value of collateral; and
- vii) Downgrading below investment grade level.

The Credit Union first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant. Individually insignificant financial assets are included in a group of financial assets with similar credit risk characteristics and collectively assessed for impairment. These characteristics are relevant to the estimates of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual term of the assets being evaluated. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

A financial asset or a group of financial assets carried at fair value is impaired if its carrying amount is greater than its estimated recoverable amount based on the present value of expected future cash flows discounted at the current market rate of interest.

For listed and unlisted equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

At the end of the year if any such evidence exists for financial assets available for sale, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the other comprehensive income is removed and recognised in profit or loss.

Notes to the Financial Statements

31 December 2023

3. Significant accounting policies (continued)

3.13 Impairment of financial assets (continued)

With the exception of available for sale equity instruments, if, in a subsequent year, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

In respect of available for sale equity investments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income.

3.14 Impairment or non-financial assets

At each reporting date, the Credit Union reviews the carrying amounts of its tangible assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Credit Union estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount.

An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Notes to the Financial Statements

31 December 2023

3. Significant accounting policies (continued)

3.15 Renegotiated loans

Where possible, the Credit Union seeks to restructure loans rather than to take possession of collateral. This may involve extending the payment arrangements and the agreement of new loan conditions. Once the terms have been renegotiated, the loan is no longer considered past due. Management continuously reviews renegotiated loans to ensure that all criteria are met and that future payments are likely to occur.

3.16 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 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.

3.17 Statutory reserve fund

The Co-operative Societies Act 1971 Section 47 (2) requires that at least 10% of the net surplus of the Credit Union for the year be transferred to a reserve fund. In accordance with Bye Law 13 of the Credit Union, this reserve fund may be used only with the approval of the Commissioner.

3.18 Education fund

In accordance with Bye-Law 13 (a) of the Credit Union, an education fund was established, and the Credit Union transfers no more than 5% of its net surplus to the fund.

In accordance with IFRS, all expenses incurred must be accounted for through the statement of comprehensive income. Thus, an intra-reserve transfer is made from this Fund to the undivided surplus at year-end to reflect the expenditure on education during the year and the reduction in the education fund.

Notes to the Financial Statements

31 December 2023

4. Financial risk management

Financial risk factors

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

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

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

	2023 TT\$	Fair value
Carrying value		
Financial assets		
Cash and cash equivalents	3,405,662	3,405,662
Short-term investments	9,262,037	9,262,037
Long-term investments	55,055,102	55,055,102
Accounts receivable and prepayments	1,948,916	1,948,916
Loans to members	83,878,990	83,878,990
	<u>153,550,707</u>	<u>153,550,707</u>
Financial liabilities		
Taxation payable	9,802	9,802
Accounts payable and accruals	3,395,805	3,395,805
Members savings and deposits	88,376,492	88,376,492
Members' shares	62,886,444	62,886,444
	<u>154,668,543</u>	<u>154,668,543</u>

Notes to the Financial Statements
31 December 2023

4. Financial risk management (continued)

Financial Instruments

	2022	
	IT\$	
	Carrying	Fair
	value	value
Financial assets		
Cash and cash equivalents	3,948,969	3,948,969
Short-term investments	10,928,618	10,928,618
Long-term investments	53,069,847	53,069,847
Accounts receivable and prepayments	1,587,250	1,587,250
Loans to members	<u>81,994,338</u>	<u>81,994,338</u>
	<u>151,529,022</u>	<u>151,529,022</u>
Financial liabilities		
Accounts payable and accruals	3,178,388	3,178,388
Members savings and deposits	82,988,381	82,988,381
Members' shares	<u>64,199,514</u>	<u>64,199,514</u>
	<u>150,366,283</u>	<u>150,366,283</u>

Notes to the Financial Statements

31 December 2023

4. Financial risk management (continued)

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

a) Interest rate risk

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

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

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

(i) Bonds

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

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

(ii) Loans

The Credit Union generally invests in fixed rate loans to members for terms not exceeding seven years. These are funded mainly from member deposits and shares.

Notes to the Financial Statements

31 December 2023

4. Financial risk management (continued)

(b) Credit risk

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the Statement of Financial Position date. The Credit Union relies heavily on a written Loan Policy Manual, which sets out in detail the current policies governing the lending function and provides a comprehensive framework for prudent risk management of the credit function. Adherence to these guidelines is expected to communicate the Credit Union's lending philosophy; provide policy guidelines to team members involved in lending; establish minimum standards for credit analysis, documentation, decision making and post-disbursement administration; as well as create the foundation for a sound credit portfolio.

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

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

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

(c) Liquidity risk

Liquidity risk is the risk that arises when the maturity dates of assets and liabilities do not match. An unmatched position potentially enhances profitability but can also increase the risk of losses. The Credit Union has procedures with the object of minimizing such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities. To further manage and reduce liquidity risk the Credit Union's management actively seeks to match cash inflows with liability requirements.

Notes to the Financial Statements
31 December 2023

4. Financial risk management (Continued)

(d) Currency risk

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

(e) Operational risk

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

Supervisory controls are installed to minimize human error. Additionally, staff is often rotated and trained on an on-going basis.

(f) Compliance risk

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

(g) Reputation risk

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

Notes to the Financial Statements

31 December 2023

5. Property and equipment

2023	Land & Building	Computers	Equipment	Fixtures & Fittings	Total
	<u>TT\$</u>	<u>TT\$</u>	<u>TT\$</u>	<u>TT\$</u>	<u>TT\$</u>
At 1 January 2023	10,334,839	1,236,187	706,267	767,169	13,044,462
Additions	<u>102,222</u>	<u>77,117</u>	<u>6,400</u>	<u>-</u>	<u>185,739</u>
At 31 December 2023	<u>10,437,061</u>	<u>1,313,304</u>	<u>712,667</u>	<u>767,169</u>	<u>13,230,201</u>
Accumulated depreciation					
At 1 January 2023	993,220	843,011	259,911	465,591	2,561,733
Charge for the year	<u>137,537</u>	<u>107,732</u>	<u>42,483</u>	<u>37,415</u>	<u>325,167</u>
At 31 December 2023	<u>1,130,757</u>	<u>950,743</u>	<u>302,394</u>	<u>503,006</u>	<u>2,886,900</u>
Net book value					
Balance as at 31 Dec 2023	<u>9,306,304</u>	<u>362,561</u>	<u>410,273</u>	<u>264,163</u>	<u>10,343,301</u>
Balance as at 31 Dec 2022	<u>9,341,619</u>	<u>393,176</u>	<u>446,355</u>	<u>301,579</u>	<u>10,482,729</u>
2022	Land & Building	Computers	Equipment	Fixtures & Fittings	Total
	<u>TT\$</u>	<u>TT\$</u>	<u>TT\$</u>	<u>TT\$</u>	<u>TT\$</u>
At 1 January 2022	10,334,839	1,132,473	551,551	696,932	12,715,795
Additions	<u>-</u>	<u>103,714</u>	<u>154,716</u>	<u>70,237</u>	<u>328,667</u>
At 31 December 2022	<u>10,334,839</u>	<u>1,236,187</u>	<u>706,267</u>	<u>767,169</u>	<u>13,044,462</u>
Accumulated depreciation					
At 1 January 2022	853,595	731,780	215,778	427,652	2,146,206
Charge for the year	<u>139,625</u>	<u>111,231</u>	<u>44,133</u>	<u>37,938</u>	<u>332,927</u>
At 31 December 2022	<u>993,220</u>	<u>843,011</u>	<u>259,911</u>	<u>465,590</u>	<u>2,561,733</u>
Net book value					
Balance as at 31 Dec 2022	<u>9,341,619</u>	<u>393,176</u>	<u>446,355</u>	<u>301,579</u>	<u>10,482,729</u>
Balance as at 31 Dec 2021	<u>9,481,244</u>	<u>400,693</u>	<u>335,772</u>	<u>269,280</u>	<u>10,486,989</u>

Notes to the Financial Statements

31 December 2023

	2023 <u>TT\$</u>	2022 <u>TT\$</u>
6. Members' loans		
Loans to members	88,268,594	86,383,942
Provision for loan losses	<u>(4,389,604)</u>	<u>(4,389,604)</u>
	<u>83,878,990</u>	<u>81,994,338</u>
Provision for loan losses:		
Balance beginning of the year	4,389,604	4,389,604
Balance, end of year	<u>4,389,604</u>	<u>4,389,604</u>
Loan category:		
General loans	62,300,394	61,325,627
Mortgage loans	4,043,225	4,185,217
Appliance loans	37,029	33,867
Vehicle loans	15,866,410	14,615,891
Food voucher loans	1,167,509	1,048,874
Special loans	70,099	88,746
NPMC computer loans	156,233	169,929
Promotion loans	11,459	12,675
Small business demand loans	61,860	80,623
Line of credit	1,906,675	1,563,560
Staff loans	723,527	605,302
Future cash investment loans	2,741	6,192
Appliance promo	132,277	272,430
DSR loans	1,221,381	1,706,716
Share builder loans	14,744	43,320
Savings plus	178,031	249,973
NPMC back pay loan	<u>375,000</u>	<u>375,000</u>
	<u>88,268,594</u>	<u>86,383,942</u>

Notes to the Financial Statements

31 December 2023

	2023 TT\$	2022 TT\$
7. Long term investments		
<u>Investments at amortised costs:</u>		
NIF – Series A	-	225,120
NIF – Series B	1,542,280	1,533,030
	<u>1,542,280</u>	<u>1,758,150</u>
<u>Investments at fair value through profit / loss</u>		
<u>Equity securities:</u>		
Agostini Limited	933,930	681,800
Angostura Holdings Limited	219,500	240,000
Ansa McAl Ltd	243,270	231,750
First Citizens Group Financial Holdings	2,568,748	2,719,912
Massy Holdings Ltd	555,559	570,781
National Flour Mills	38,800	30,000
NCB Financial Services Limited	104,135	139,664
NEL Shares	404,803	-
Scotiabank Trinidad and Tobago Limited	209,010	234,330
Shares – Co-operative CU League	10,000	10,000
TCL Shares	194,164	-
Trinidad and Tobago NGL Limited	316,800	668,448
West Indian Tobacco Company Limited	59,327	140,053
	<u>5,858,046</u>	<u>5,666,738</u>
<u>Mutual funds:</u>		
T&T Unit Trust Corporation (Income and Growth Fund)	35,687,205	33,404,737
Republic Bank Ltd (Income and Growth Fund)	2,571,707	2,720,940
Roytrin (Income and Growth Fund)	2,394,457	2,085,972
Home Mortgage Bank Ltd (CMO)	2,000,000	2,000,000
First Line Securities Loan Notes – Tower Consortium	953,673	1,398,588
Royal Skandia (E.W.B.)	106,578	93,566
FirstLine Securities Loan Notes VL Series A	2,000,000	2,000,000
FirstLine Securities Loan Notes VL Series B	1,941,156	1,941,156
	<u>47,654,776</u>	<u>45,644,959</u>
Total investments at fair value through profit / loss	<u>53,512,822</u>	<u>51,311,697</u>
Total investments	<u>55,055,102</u>	<u>53,069,847</u>
8. Short term investments		
T&T Unit Trust Corporation (Money Market Fund)	91,707	90,512
Republic Bank Limited (Money Market Fund)	205,563	63,839
Home Mortgage Bank (Samaan Tree Fund)	6,518,165	8,652,467
First Line Securities Oil Notes	2,121,800	2,121,800
KCL Capital Market Brokers Ltd -NIPEC	324,805	-
	<u>9,262,037</u>	<u>10,928,618</u>

Notes to the Financial Statements

31 December 2023

	2023 TT\$	2022 TT\$
9. Account receivables and prepayments		
National Petroleum Marketing Company	852,280	835,202
Other receivables	215,813	211,267
Accrued interest on oil notes	810,364	467,565
Prepayments	67,963	70,720
Loan deferral interest	2,496	2,496
	<u>1,948,916</u>	<u>1,587,250</u>
10. Cash and cash equivalents		
Cash in transit	696,941	666,895
Cash at bank	<u>2,708,721</u>	<u>3,282,074</u>
	<u>3,405,662</u>	<u>3,948,969</u>
11. Members' shares		
Members' shares	62,885,486	64,183,534
Share drive promotion	958	15,980
	<u>62,886,444</u>	<u>64,199,514</u>
12. Members' savings and deposits		
Regular savings deposit	135,772	748,314
Premium deposits	41,476,656	34,681,709
F.I.P. deposits	130,208	159,369
Standing order deposits	131,877	144,391
Members fixed deposits	46,404,699	47,074,213
Debit card deposits	23,296	19,042
Group health plan deposits	73,983	161,343
	<u>88,376,492</u>	<u>82,988,381</u>
13. Accounts payables and accruals		
Accrued expenses	393,220	342,385
Fixed deposit interest payable	1,282,106	917,679
Other payables	<u>1,720,479</u>	<u>1,918,323</u>
	<u>3,395,805</u>	<u>3,178,387</u>

Notes to the Financial Statements

31 December 2023

14. Related party transactions

Parties are related if one party can control the other party or exercise significant influence over the other party in making financial decisions.

Key Management personnel are persons with the authority and responsibility for planning, directing, and controlling the activities of the Credit Union.

Transactions are entered into with related parties in the normal course of business. These transactions were carried out on commercial terms at market rates. Balances and transactions with related parties and key management personnel during the year were as follows:

	2023 <u>TT\$</u>	2022 <u>TT\$</u>
Assets:		
Due from directors, committee members and key management personnel	6,283,545 <u>6,283,545</u>	8,530,955 <u>8,530,955</u>
Liabilities:		
Due to directors, committee members and key management personnel	10,092,334 <u>10,092,334</u>	5,615,037 <u>5,615,037</u>

Notes to the Financial Statements

31 December 2023

15. Fair Values

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. The existence of published price quotation in an active market is the best evidence of fair value. Where market prices are not available, fair values are estimated using various valuation techniques, including using recent arm's length market transactions between knowledgeable, willing parties, if available, current fair value of another financial instrument that is substantially the same and discounted cash flow analysis. The following methods have been used to estimate the fair values of various classes of financial assets and liabilities.

a) Current assets and liabilities

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

b) Members' loans

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

c) Investments

The fair values of investments are determined on the basis of quoted market prices available at 31 December 2023.

d) Members' deposits

Members' deposits bear interest at rates that are not significantly different from current rates and are assumed to have discounted cash flow values which approximate carrying values.

Notes to the Financial Statements 31 December 2023

16. Contingent liabilities

The Credit Union has no contingent liabilities as at 31 December 2023.

17. Capital commitments

The Credit Union has no capital commitments as at 31 December 2023.

18. Subsequent events

Management evaluated all the events that occurred from 1 January 2023 through 27 September 2024, the date the financial statements were available to be issued. During the period, the Credit Union did not have any subsequent events requiring recognition or disclosure in the financial statements.

Budget Projections 2024

	<u>Budgeted 2024</u>	<u>Audited 2023</u>
<u>ASSETS</u>		
Non-Current Asset		
Property, Plant and Equipment	\$ 10,197,308	\$ 10,343,301
Members' Loans	\$ 93,698,222	\$ 83,878,990
Long Term Investments	\$ 55,011,410	\$ 55,055,102
Total Non-Current Assets	\$ 158,906,940	\$ 149,277,393
Current Asset		
Short-Term Investments	\$ 9,965,366	\$ 9,262,037
Inventory	\$ -	\$ 1,270
Receivable and Prepayments	\$ 1,754,024	\$ 1,948,916
Cash at Bank and in Hand	\$ 2,943,252	\$ 3,405,662
Total Current Asset	\$ 14,662,643	\$ 14,617,885
TOTAL ASSETS	\$ 173,569,584	\$ 163,895,278
<u>MEMBERS' EQUITY AND LIABILITIES</u>		
MEMBERS' EQUITY:		
Investment Re-measurement Reserves	\$ (937,641)	\$ (3,637,641)
Reserve Fund	\$ 8,386,279	\$ 8,178,201
Education Fund	\$ 710,654	\$ 914,302
Undivided Earnings	\$ 2,107,497	\$ 2,679,900
Total Members' Equity	\$ 10,266,789	\$ 8,134,762
Non-Current Liabilities		
Members' Share Balance	\$ 67,917,360	\$ 1,091,974
Gratuity Fund	\$ 1,151,974	\$ 62,886,444
Total Non-Current Liabilities	\$ 69,069,334	\$ 63,978,418
Current Liabilities		
Members' Savings and Deposit Accounts	\$ 90,564,803	\$ 88,376,492
Payable and Accruals	\$ 3,668,658	\$ 3,395,805
Tax Payable	\$ -	\$ 9,801
Total Current Liabilities	\$ 94,233,462	\$ 91,782,098
TOTAL LIABILITIES	\$ 69,069,334	\$ 155,760,516
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 173,569,584	\$ 163,895,278

Budget Projections 2024

	<u>Budgeted 2024</u>	<u>Audited 2023</u>
INCOME:		
Interest on Members' Loans	\$ 9,663,491	\$ 8,515,114
Investments Income	\$ 2,237,543	\$ 1,684,502
Other Income	\$ 355,942	\$ 377,769
Total income	\$ 12,256,976	\$ 10,577,385
EXPENDITURE		
Annual General and Special Meetings	\$ 184,650	\$ 289,571
Bad Debts	\$ 150,000	\$ -
Bank Charges	\$ 136,417	\$ 139,372
Co-operative Activities	\$ 127,000	\$ 228,343
Cuna Insurance Premiums	\$ 374,326	\$ 361,994
Depreciation	\$ 342,843	\$ 325,167
Directors' Expenses	\$ 258,000	\$ 256,245
Donations	\$ 25,000	\$ 31,625
Gratuity Expense	\$ 48,000	\$ 74,133
Green Fund Levy	\$ 36,771	\$ 31,734
Insurance	\$ 94,181	\$ 90,648
League Dues	\$ 16,241	\$ 16,241
Legal and Professional Fees	\$ 232,946	\$ 310,498
Marketing Expenses	\$ 428,994	\$ 174,137
Members' Fixed Deposit Interest	\$ 2,034,753	\$ 2,021,250
Members' Premium Deposit Interest	\$ 1,293,727	\$ 1,164,186
Office Supplies	\$ 211,621	\$ 122,342
Postage	\$ 7,271	\$ 7,128
Printing and Stationery	\$ 67,643	\$ 79,580
Rental	\$ 168,300	\$ 168,460
Repairs and Maintenance	\$ 264,148	\$ 216,500
Salaries and Wages	\$ 2,449,909	\$ 1,834,215
Security Courier	\$ 203,497	\$ 149,409
Sports & family Day	\$ -	\$ 259,287
70th Anniversary Gala	\$ -	\$ 400
Staff Benefits	\$ 270,000	\$ 180,541
Staff Bonus	\$ 110,000	\$ 99,572
Staff Training and Development	\$ 80,000	\$ 37,342
Sundry Committees	\$ 115,400	\$ 108,272
Telephone Expenses	\$ 103,200	\$ 88,088
Uniforms	\$ 47,135	\$ -
Utilities	\$ 42,792	\$ 39,176
Total expenses	\$ 9,924,764	\$ 8,905,454
Net surplus for the year	\$ 2,332,212	\$ 1,671,931

■ Resolutions

DIVIDEND 2023

Be It Resolved:

- i) That in accordance with Bye-Law 13, Distribution of Surplus, the Annual General Meeting approves the Dividend payment of 3.75% on members shares consistent with Bye-Law 13 (b) for the year ended December 31st 2023.
- ii) That Dividends due to members whose loans accounts have become delinquent, be credited to their outstanding interest and loan balances.

HONORARIUM

Be it resolved that in accordance with Bye-Law (13) (C) Distribution of Surplus, the 72nd Annual General Meeting approves Honorarium in the sum of \$60,000.00 to be distributed among the Board of Directors, Credit and Supervisory Committee for the financial year ended December 31st, 2023.

APPOINTMENT OF AUDITOR 2024

Be it resolved that the 72nd Annual General Meeting approves and appoints Moore Chartered Accountants as Auditors of Tranquillity Credit Union Co-operative Society Limited for the financial year ending December 31st 2024.

MAXIMUM LIABILITY

Whereas the Society shall occasionally fix the Maximum Liability at a General Meeting, it may incur loans or deposits, whether from members or non-members.

And whereas no Society shall receive loans or deposits over the maximum liability approved or fixed by the Commissioner for Co-operative Development.

And whereas the Society's liability approved by the Commissioner is TT\$160M.

And whereas the Society's liability, as at December 31st 2023, stood at TT\$155M.

Be it resolved that the Society's Maximum Liability be approved to TT\$170M.



Get Out of Your Dreams... And Into YOUR NEW CAR!



Owning your dream car can be a reality with a New Vehicle Loan from Tranquillity Credit Union.

- 4.4% P.A. • 100 % Financing
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