



*Quality Service at Work!*



# Anniversary

Annual Report 2021



## 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



## 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 Seventieth (70th) Annual General Meeting of the Tranquillity Credit Union Co-operative Society Limited will be held as follows:-

**DATE:** SATURDAY 3RD DECEMBER, 2022 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 70th A.G.M.
4. Adoption of Standing Orders
5. President's Address
6. Minutes of the 69th Annual General Meeting
7. Reports for the 2021/ 2022 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. Nominations Committee's Report
10. Election of Officers
11. Other Business
12. Closing Prayer

By Order of the Board of Directors



**ESTHER PARIAG**  
*Hon. Secretary*

Members are asked to register at [info@tranquillitycu.com](mailto:info@tranquillitycu.com) to indicate meal preferences.

# 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

## Osric Bacchus

A hearty welcome to all attending the 70th Annual General Meeting of Tranquillity Credit Union. It gives me great pleasure to welcome each of you, Members, Officers, Staff and invited Guest; your attendance is greatly appreciated.

This year, as we celebrate 70 years as a Credit Union, we must be mindful that the challenges we faced two years ago still linger – COVID 19. We are also faced with challenges from other sources. First and foremost, the commercial banks, who, having excess liquidity, have been targeting members within the Credit Union movement, with what appears to be attractive debt consolidation offers and more disposable income. By getting Members to accept such offers is a big win for the banks and not for our Credit Union, because most times, these Members who accept these offers, return to the Credit Union for assistance. Remember Members, the bank may not tailor their products to suit you, but the Credit Union would look at all possible ways and means to satisfy your needs. For example, our reintroduced DSR loan, our Loan Promotion on General Loans whereby members can now access three times their Shareholdings, and our Christmas Voucher Loan Promotion where the amounts have been increased, all this because of listening to the needs of our members.

As a Credit Union, another challenge that we face is the threat from merchandisers offering financial assistance for home improvement and other services. Members, I urge you to seek financial advice before agreeing to take up such offers, which most times will result in you paying interest rates more than what your Credit Union offers.

Despite the challenges, TCU recorded another very successful year. We have increased our Assets by \$11.7M or 8% in 2021 over 2020, and our Shares have increased by \$2.5M or 4% in 2021 over 2020, as our audited financial statement would show. As a result, your Board of Directors was pleased to recommend a dividend payment of 4.5% and an interest rebate of 3.0%.

To further demonstrate our commitment to upholding the main objective of the Credit Union which states that surplus made by the Credit Union are returned to Members, let me share some statistics with you:

**Total Interest on loans for 2021 – \$9,177,835**

Direct return to members via Fixed Deposit Interest paid – \$2,097,316

Direct return to members via Premium Interest paid – \$1,020,795

Direct return to members via proposed dividend payments for 2021 – \$2,825,481.50

**Total Direct return to Members – \$6,218,498.55**, which represents 68% of Total Interest on loans received for the year 2021. In other words, 68% of every dollar received from Interest on loans, which is our main source of income, is returned to the Members. It also reflects that your Credit Union is prudently managed.

Further evidence of how your Credit Union is prudently managed, was shown when recently, Tranquillity Credit Union was awarded Best Performing Financial Credit Union 2020, Medium Category by the Co-operative Credit Union League of Trinidad and Tobago.

A Strategic Planning session was held this year where our Vision, Mission and Core Values were reviewed and amended with clear objectives that will see TCU continuing along a growth path. We intend to have longevity. There is a market out there to increase our revenue by moving away from our core business, with Members' approval of course, and making wise, beneficial, and more aggressive investments, like Real Estate and even the ownership of Gas Stations, all with the aim of benefitting Members. We continue strengthening our institutional capacity, with the review of our existing HR structure, to ensure that we have the human resources with the expertise that will allow us to achieve our strategic objectives.

Our infrastructure must be in line with our future developments, and in this regard, a rationalisation exercise of office space is presently being conducted. In re-awakening our community to our existence, our head office building was furnished with the lit TCU Logo sign which has given Tranquillity Credit Union prominence and visibility.

The Board of Directors and Officers continue to be diligent in executing our fiscal and fiduciary responsibilities, including attendance at Presidents' Meetings called by the Co-operative Credit Union League of Trinidad and Tobago, providing information as requested by the cabinet appointed Implementation Committee for the development of a Diagnostic Tool Analysis which is geared towards bringing all Credit Unions up to the acceptable standard with respect to good governance practices, and also receiving updates and providing information to the sub-committee of the Cabinet Implementation Team for the establishment of a Deposit Insurance Scheme (DIS) for Deposits and Shares held in a Credit Union. The DIS document is now being finalised and will be circulated to members in due course.

Our Compliance Officer continues to monitor operational activities to ensure that we are FIU compliant, thus safeguarding our Credit Union.

As we continue to celebrate our 70 years of existence, we at TCU, are committed to continue growing, to be there to provide unparalleled service and a safety net to our Members for the next 70 years and beyond.

I would like to specially thank those Members who save and utilize the Credit Union's services to their advantage and providing the necessary feedback, so we can improve further.

On behalf of the Board of Directors, I take this opportunity to thank all our Members for the faith and trust that you have shown in Tranquillity Credit Union to manage your financial affairs.

To the Supervisory and Credit Committees, thank you for the dedication and commitment in ensuring that the various policies and processes are adhered to for the proper governance of the Credit Union. To the Education Committee, I urge you to continue pursuing the formation of a youth group that will



assist in keeping our Credit Union alive, as the youths will bring ideas and ways of doing business with ease , to suit their fast-pace, on the go lifestyles and thus offer another way to attract members. To the Management and Staff, thank you for being the face of TCU, where that human touch and feeling of family is being experienced whenever Members transact their business.

And to my fellow colleagues on the Board, a heartfelt thank you for your support during my tenure as President.

A handwritten signature in black ink, appearing to read "Paul", written in a cursive style.



# Minutes of the 69th Annual General Meeting

*“SECURING OUR FUTURE – GENERATING OPPORTUNITIES”*

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Virtual Meeting held on Saturday 25th September, 2021  
at Guardian Media Labs  
22–24 St. Vincent Street, Port of Spain.

# Minutes of the 69th Annual General Meeting

## CALL TO ORDER

The Moderator of the virtual Annual General Meeting, Member Ms. Michelle Borel, having been informed that at approximately 2.00 p.m. there were One Hundred and Sixty-Two (162) Members present, called for the playing of the National Anthem.

## National Anthem

A recording of the National Anthem was played.

## Credit Union Prayer

Ms. Borel led the Meeting in the recitation of the Credit Union Prayer.

## Moment of Silence for the Deceased from 2019 to 2021

One minute of silence was observed in memory of Members who passed away during the period under review. A graphic slide showed the names of the deceased Members.

Another slide presented the pictures and names of the three former Presidents who also passed away during the period – Mr. David Cameron who died on 21st May, 2019, Mrs. Sheryl Strachan who died on 10th December, 2019, and Mr. Reuben Elias who died on 18th September, 2020.

## Welcome

The President and Chairman of the meeting, Mr. Douglas Williams, welcomed all Members to the first virtual Annual General Meeting.

## Guests

The Chairman stated that the following guests were also present:-

- Mr. David Moe – Office of the Commissioner for Co-operatives
- Ms. Joycelyn Worrell – Office of the Commissioner for Co-operatives
- Ms. Natalee Phillip – Office of the Commissioner for Co-operatives
- Ms. Lorraine Bobb – Office of the Commissioner for Co-operatives
- Mr. Nigel Matthew – Returning Officer

## NOTICE OF AGM

The Hon. Secretary, Mrs. Esther Pariag, read the “Notice of the Annual General Meeting” as contained on page 1 of the AGM brochure.

## ADOPTION OF THE STANDING ORDERS

Mrs. Pariag also read the Standing Orders as stated on page 2 in the brochure.

A motion to adopt the Standing Orders was moved by Mr. Andy Collins, and seconded by Mr. Darren Andall. Eighty-Four (84) members voted In Favour, Three (3) members voted Against, and Five (5) members Abstained.

## **AMENDMENTS TO BYE-LAWS**

At this point, the Chairman informed the Meeting that there would be a small adjustment to the Agenda. Three (3) Motions were to be put before the Membership for consideration, which in order to be approved, required a vote “In Favour” by 75% of those voting.

The first two Resolutions were necessary to legitimise the hosting of this virtual Annual General Meeting and any future virtual Meetings. These were based on the amendment of Section 18 (1) of the Co-operative Societies Act, and to allow for congruency with the Credit Union’s Bye-Laws.

The third required an amendment to Bye-Law 43 – Audit of Accounts. The Audit of Accounts should be completed within four months of the end of the financial year, instead of two months.

### **Amendment to Bye-Law 1 – Interpretation**

Be it resolved that Bye-Law 1 (iv) shall be amended to read. “Meeting of the Society” means any General Meeting or a meeting of the Board, or the Credit, or the Supervisory Committee, whether in person, hybrid or virtual.

The resolution was presented and moved by Hon. Secretary, Esther Pariag, on behalf of the Board of Directors, and seconded by Mr. Jason Matooram. Ninety-Two (92) members voted In Favour, no members voted Against. However, Five (5) members Abstained from voting.

### **Amendment to Bye-Law 18 (b) – General Meetings**

Be it resolved that Bye-Law, at 18 (b), shall be amended to read – The Annual General Meeting shall be convened by the Board not later than three [3] months after receipt from the Auditor of their report on the audit of the Society’s accounts. At least seven [7] days’ notice of the meeting shall be given to all members. The notice shall state the time, place and method of conduct of the meeting and the business to be transacted thereat.

The resolution was presented and moved by the Hon. Secretary, Mrs. Esther Pariag, on behalf of the Board of Directors, and seconded by Mr. Mickey Peters.

Eighty-Eight (88) members voted In Favour, Six (6) members voted Against, and Two (2) members Abstained.

### **Amendment to Bye-Law 43 – Audit of Accounts**

Be it resolved that Bye-Law (43) shall be amended to read – The accounts of the Credit Union shall be audited within four months of the end of the financial year by the Commissioner or a person authorized by the Commissioner.

The resolution was presented and moved by the Hon. Secretary, Mrs. Esther Pariag, on behalf of the Board of Directors, and seconded by Mr. Lester Wilson.

Ninety-One (91) members voted In Favour, Five (5) members voted Against, and Two (2) members Abstained.

## **PRESIDENT’S ADDRESS**

The President, Mr. Douglas Williams, read his address as contained on pages 3 to 4 in the brochure.

### **MINUTES OF THE 68th ANNUAL GENERAL MEETING**

The Chairman directed Members' attention to the Minutes of the 68th Annual General Meeting on pages 7 to 18 of the brochure.

A motion to have the Minutes taken as read was moved by Mr. Andrew Nurse and seconded by Mr. Ancil Philip. A vote to accept the motion was taken, and Ninety-Six (96) Members voted In Favour, Four (4) members voted Against, and Five (5) members Abstained.

There were no Corrections or Matters Arising out of these Minutes, and a motion to adopt the Minutes of the 68th Annual General Meeting was moved by Mr. Ancil Philip and seconded by Mr. Darren Andall. Seventy-Eight (78) members voted In Favour, One (1) member voted Against, and Five (5) members Abstained.

### **MINUTES OF THE SPECIAL GENERAL MEETING**

Next, the Chairman directed Members' attention to pages 21 to 32 – the Minutes of the Special General Meeting, which was held on 27th June, 2019.

A motion to have the Minutes taken as read was moved by Mrs. Tambi Serrano-Rock and seconded by Mr. Mickey Peters. A vote to accept the motion was taken and there Seventy-four (74) members voted In Favour, One (1) member voted Against, and Five (5) members Abstained.

There were no Corrections or Matters Arising out of the Minutes, and a motion to adopt the Minutes of the Special General Meeting was moved by Ms. Angela Edwards and seconded by Mr. Mickey Peters. Seventy-Nine (79) members voted In Favour, no (0) members voted Against, and Five (5) members Abstained.

### **REPORTS**

The Chairman requested that a motion be moved that all Reports should be taken as read.

The motion was moved by Mr. Mark Meddow and seconded by Mr. Royds Williams. The motion was unanimously adopted.

### **BOARD OF DIRECTORS' REPORT**

The report of the Board of Directors as contained on pages 35 to 45 of the brochure, was presented by the Chairman.

Since there were no Corrections or Matters Arising, a motion to adopt the Report was moved by Mr. Ronald Fraser and seconded by Mrs. Tambi Serrano-Rock. Eighty-Four (84) members voted In Favour, Six (6) members voted Against, and One (1) member Abstained.

### **CREDIT COMMITTEE'S REPORT**

The report of the Credit Committee contained on pages 49 to 51 of the brochure, was presented by the Committee Chairman, Mr. Royds Williams.

- *Mr. Ronald Fraser attempted to put forward a question with regard to the Loan Deferral Programme, however, he was informed by the Meeting Chairman, that this specific matter would be dealt with at a later point of the meeting.*

- *Mr. Enos Reid enquired about the terms of the Loan Deferral Programme and whether any instructions were given in writing.*

The Committee Chairman responded that instructions in part were that the Member requesting the Loan Deferral was not to be in a delinquent position at time of application.

A motion to adopt the Report of the Credit Committee was moved by Mr. Cleve Morris and seconded by Mr. Brandon Rock. Eighty-Five (85) members voted In Favour, Five (5) members voted Against, and Two (2) members Abstained.

### **SUPERVISORY COMMITTEE'S REPORT**

The report of the Supervisory Committee as contained on pages 53 to 55 of the brochure, was presented by Committee Chairman, Mr. Andrew Nurse.

A motion to adopt the Report was moved by Mrs. Dianna Joseph-Morris and seconded by Ms. Renée Garcia. Sixty-Nine (69) members voted In Favour, Six (6) members voted Against, and Four (4) members Abstained.

At this point, the Moderator indicated to the Chairman that several members were waiting to be recognised so that they could ask questions.

- *Mr. Ronald Fraser texted the Moderator to indicate that he was unable to access the system via video after several tries. He wished to ask Mr. Nurse several questions regarding the Report.*

*The Moderator responded that GML Technical personnel would contact Mr. Fraser to assist him in gaining access to make his contribution.*

- *Mr. Enos Reid stated via Text to the Moderator, that he too was experiencing problems being able to make his input via Video. Nevertheless, he sent his questions to Mr. Nurse wherein he asked for an explanation as to what problems were incurred in getting information in light of the Committee's Report regarding the Loan Installment Deferral Programme. He also requested that Mr. Nurse should read the Report itself, or the Committee's Findings.*

*Mr. Nurse responded that the Committee had previously communicated to Members that the Report was available since December, 2020. However, due to its confidential nature, the Committee had laid down certain conditions under which Members could view the Report.*

*He reiterated that Members could still avail themselves of the opportunity to view the Report only under the conditions outlined by the Committee, however, the Appendices would not be shared.*

The Chairman of the Meeting ruled that it was not necessary for the Report to be read, and that it was not the appropriate forum for details of the Report to be shared.

Another Member, Mr. Tariq Woodruffe, attempted to ask questions with respect to the administration of the Programme. However, the Chairman ruled that that particular question would not be entertained since it had nothing to do with the Report of the Supervisory Committee.

At this point, the Moderator indicated that Guardian Media Labs had made available a third method of communication so that if Members were experiencing difficulty in accessing the Meeting using the two other options, they could call in via telephone number 623-5225 to be recognised and then pose their questions or comments.

- *Ronald Fraser was finally able to access the meeting via Video. He referred to Members' request to the Committee to investigate all aspects of the Loan Installment Deferral Programme, their attempts to have sight of the Report and the subsequent report made to the Co-operative Division.*

The Chairman of the Meeting referred Mr. Fraser to the Standing Orders, and advised him that his comments were being made at the wrong time.

Once again, the Chairman ruled that those questions would not be entertained in this Report, and thanked Mr. Nurse and the members of the Supervisory Committee for the work which they did during the period.

### **EDUCATION COMMITTEE'S REPORT**

The report of the Education Committee on pages 57 to 61 of the brochure was presented by its Chairman, Mr. Richard Trim.

There were no Corrections or Matters Arising out of the Report, and a motion to adopt the Report was moved by Mrs. Dianna Joseph-Morris and seconded by Mr. Mickey Peters. Seventy-Four (74) members voted In Favour, One (1) member voted Against, and Four (4) members Abstained.

### **FINANCIAL REPORTS**

#### **Audited Financial Reports 2019**

The Chairman directed the meeting's attention to the report of the Auditors for the Financial Year 2019 as contained on pages B3 to B4. Mr. Sanchish Sudama, Representative of Hardy's Chartered Accountants, presented the Auditor's Statement.

The Chairman thanked Hardy's for its service to the Credit Union over the years, and indicated that the firm's term of office had come to an end.

There were no questions on the Auditor's Report, and a motion to adopt the Report was moved by Mr. Mickey Peters and seconded by Mrs. Dianna Joseph-Morris. Sixty-Seven (67) members voted In Favour, Three (3) members voted Against, and Five (5) members Abstained.

#### **Audited Financial Reports 2020**

##### Resolution for Appointment of Auditors for 2020

The following resolution for the appointment of Auditors for the Financial Year 2020, was presented by the Hon. Secretary, Mrs. Esther Pariag:-

"Whereas the Society shall appoint at a General Meeting an Auditor for the ensuing term from among the list of Auditors approved by the Commissioner for Co-operative Development.

And whereas the Society was unable to hold its AGM in 2020 due to the COVID-19 pandemic restrictions imposed by the Government.

And whereas the Board of Directors vested with the authority to take such practical and expedient decisions for the good management and governance of the Society, engaged an Auditor from among the list approved by the Commissioner for Co-operative Development to audit the accounts for the financial year ended 2020.

Be it resolved that the Annual General Meeting ratify the decision of the Board and appoint the firm HLB Montgomery & Co as Auditors for Tranquillity Credit Union Co-operative Society Limited for the financial year 2020.”

The motion to accept this resolution to ratify the Board’s decision to appoint the firm was moved on behalf of the Board of Directors by Mrs. Esther Pariag, and seconded by Mr. Cleve Morris.

Seventy-One (71) members voted In Favour, Six (6) members voted Against, and Two (2) members Abstained.

### **Auditor’s Report**

Upon completion of the vote, the Auditor’s Statement was presented by Mr. Ruthven Thompson of the firm of HLB Montgomery & Co.

A motion to adopt the Auditor’s Report was moved by Mr. Orett Campbell and seconded by Mr. Derron Gonsalves. Seventy-Three (73) members voted In Favour, Three (3) members voted Against, and Six (6) members Abstained.

The Chairman asked whether there were any questions or comments.

- *Mr. Ronald Fraser referred to Item 16 of the Notes to the Financial Statements for 2020 re the Loan Installment Deferral Programme, and he attempted to read the Commissioner’s Report referred to within.*

*The Chairman ruled that Mr. Fraser’s comments were not related to the Auditor’s Report, and that he was abusing the goodwill which had allowed him to address the meeting.*

- *Mr. Lennox Noel also attempted to ask a question regarding the Loan Installment Deferral Programme.*

The Chairman stated that the Loan Installment Deferral Programme was a specific item on the Agenda, and that all questions and comments would be taken at that time.

### **FINANCIAL STATEMENTS**

The President referred Members to the Financial Report on pages C4 through C26, and asked whether there were queries/comments.

- *Mr. Jason Matooram requested an explanation regarding the significant increase in the figure for Legal and Professional Fees for 2020 as against 2019.*

*The Chairman responded that the difference reflected changes which took effect in August, 2020. The Board was forced to engage Attorneys for Legal advice more frequently as a result of actions taken by certain Members.*



There were no further queries/comments, and a motion to adopt the Financial Statements was moved by Mrs. Nadia Sudan and seconded by Ms. Michelle Duncan. Fifty-Three (53) members voted In Favour, Nine (9) members voted Against, and Three (3) members Abstained.

### **2021 Budget Projections**

The Chairman stated that the Budget for 2021 contained on pages C25 to C26 would be presented by the General Manager, Mr. Sherwin Cambridge.

#### Corrections

The General Manager pointed out the following corrections, which needed to be made on page C25:-

- **Members' Equity**

The figure for the "Reserve Fund" should read **\$7,320,145** instead of \$1,165,151;

The figure for the "Education Fund" should read **\$1,165,151** instead of \$7,320,145.

- **Current Liabilities**

The figure for "Members' Savings and Deposits" should read **\$86,458,258** instead of \$1,063,683;

The figure for "Payable and Accruals" should read **\$1,063,683** instead of \$86,458,258.

Mr. Cambridge explained that Management was seeking to develop a Member Service Excellence Culture Policy. It was also hoped that based on the 2021 projections, new business capacity and improved market share in the current landscape would result.

He also pointed to the importance of ensuring continuity, building operational efficiency and Institutional Capital.

Despite the Pandemic, he stated that the Management Accounts, as at July 2021, showed that the Credit Union seemed to be performing better than it had in 2020.

As a result, he was looking forward to 2021 with great anticipation and the implementation of a number of initiatives to ensure that 2021 Projection is achieved.

The critical factor is Membership expansion into new markets outside of traditional Bond. The focus was being placed on building trust and community.

In the past, he stated that the major shareholders came from NP. However, NP is not in an expansion mode, therefore the feeder ground is no more.

He referred to the promotional videos which were played before the start of the meeting and confirmed that the Credit Union is on a Membership drive. He hoped to report on the success of initiative at the end of 2021.

Next, Mr. Cambridge focussed on the Budget on Page C26. He stated that it was based on an estimate of close to \$1M in Net Surplus, and it was hoped that this could be achieved. He invited Members to comment on the Budget.

There were no queries/comments on the 2021 Budget, and a motion to adopt the Budget was moved by Mr. Satnarine Sudan, and seconded by Ms. Beverly–Ann Cruickshank. Seventy (70) members voted In Favour, Four (4) members voted Against, and Four (4) members Abstained.

### **NOMINATIONS COMMITTEE'S REPORT**

The Report of the Nominations Committee contained on pages 65 and 66 of the brochure was presented by Committee Chairman, Mrs. Claudette Gomez.

There were no queries/comments on the Report, and it was adopted on a motion moved by Mr. Mark Meddow and seconded by Mr. Orett Campbell. The motion was passed by a vote of Seventy–Eight (78) members In Favour, Five members (5) Against, and Three (3) members Abstained.

### **ELECTIONS**

The Chairman turned the meeting over to the Returning Officer, Mr. Nigel Matthew, for the Elections.

Mr. Matthew offered congratulations on the hosting of the first Virtual Annual General Meeting.

He asked that there should be no further access to the meeting, and requested a Credentials report.

The Moderator stated that at 5.24 p.m., there were One Hundred and Forty–Nine (149) Members logged in.

He reminded Members that the Elections would be conducted consistent with the Bye–Laws, the latest of which was approved on 12th December, 2019. He made special reference to Bye–Law 28 (c), no nominations would be received from the Floor.

Next, Mr. Matthew informed Members that they would be electing candidates to serve terms of office in accordance with amendments to Bye–Laws, as follows:–

#### **Supervisory Committee – Three (3) Members**

- *The Two (2) Candidates with the highest number of votes will serve for a period of Two (2) years;*
- *The Candidate with the 3rd highest number of votes will serve a One (1) year period;*
- *The 1st and 2nd Alternates would be the candidates placing 4th and 5th respectively;*

#### **Credit Committee – Five (5) Members**

- *The Three (3) Candidates with the highest number of votes will serve for a period of Two (2) years;*
- *The Candidates placing 4th and 5th will serve for a period of One (1) year;*
- *The 6th candidate will be the 1st Alternate;*

With regard to the terms of office for candidates being elected to serve on the Board of Directors, Mr. Matthew explained that since no AGM was held in 2020, the 5th to 8th placed candidates would serve for a period of Two (2) years. In addition, the 9th placed candidate would only serve One (1) year, which represented the remainder of the term of a deceased Board Member.

#### **Board of Directors – 9 Members**

- *The 4 Candidates receiving the highest number of votes will serve for a period of Three (3) years;*
- *The Candidates placing 5th, 6th, 7th and 8th will serve for a period of Two (2) years;*
- *The 9th place candidate will serve for One (1) year*
- *The 10th and 11th placed candidates will serve as the 1st and 2nd Alternates respectively.*

After these guidelines, the profiles of the candidates were announced via video presentation:-

#### Supervisory Committee

- Andrew Nurse
- Corisha Wright-McKenna
- Mary Lawrence
- Lyndon Charles
- Nyasha Alcala

#### Credit Committee

- Renée Garcia
- Kion Williams
- Royds Williams
- Dianna Joseph-Morris
- Kendal Charles
- Tambi Serrano-Rock

#### Board of Directors

- Esther Pariag
- Richard Trim
- Anna-Lisa Arlen-Benjamin
- Eric Hopkins
- Osric Bacchus
- Dave Sankar
- Michelle Duncan
- Nadia Sudan
- Daffodil Maxwell
- Douglas Williams
- Joy John-Benjamin

Next, an instructional video was shown to demonstrate the voting process. Thereafter, Members were allotted Fifteen (15) minutes to cast their votes. Voting was declared closed at 5.49 p.m., and Mr. Matthew returned the conduct of the Meeting to the Chairman.

#### **LOAN INSTALLMENT DEFERRAL POSITION PAPER**

The Chairman explained that at the beginning of the Pandemic, when Government called on Financial Institutions to assist its customers and members wherever they could, the Board attempted to do something for the benefit of Members. It decided to introduce the Loan Deferral Programme. He clarified that it was a **Deferral of Payments** and **not a Waiver**.

He explained that when a Member applied for a Waiver, he/she postpones the payment of the Principal of the Loan only, but the Interest continues to be paid.

He stated that when the Facility was put in place, it was never said that Members applying for the facility would pay no interest. It would mean that if no interest was to be paid for five months, then only the Members who applied would benefit from this facility.

In August 2020, the Board was advised that some Members were saying that they were not supposed to pay the interest. On learning of the situation, the Manager was requested to attend a meeting to ascertain whether he had told Members that they did not have to pay interest. He indicated that he had not done so.

The Board learnt that the General Manager had had a meeting with Four members of Staff to discuss the Programme. The Board then met with the General Manager and those Staff Members. At that meeting, two (2) staff members said that after the initial staff meeting, they were of the opinion that no interest was to be charged, however, the two other staff members said they did not have that opinion.

The Chairman stated that after the meeting with the Staff, he called Mr. Ronald Fraser to apologise and explain that what the staff had said was not the position of the Board.

He said that he received neither a positive nor negative reply from Mr. Fraser, but he (the Chairman) was satisfied that he had done the honourable thing in speaking directly with Mr. Fraser.

The Chairman went on to say that after several other exchanges with Mr. Fraser, the Board was surprised later in the year, to learn from the Co-operative Division that it had received a complaint from an unnamed Member, and that they would be launching an investigation into the Loan Deferral Programme.

A moral and ethical impasse now exists where the minority who had applied for the Facility may have the benefit of not paying interest for five months, and expect to get the same dividend as those who paid throughout. He reminded Members that the lifeblood of the Credit Union is Interest on Loans, which is where the Surplus is obtained to pay Dividends and the funds required to keep the Credit Union running.

In addition, if the minority's request was to be granted, the Credit Union would suffer a financial loss of approximately \$1.5M. The Board's responsibility is to the interest of all Members; therefore, it cannot satisfy the demands of the minority.

In spite of the fact that an apology and explanation was made to Mr. Fraser, his request has now turned into a demand. However, the Board does not agree that it is in the best interest of the Credit Union to satisfy a minority over a majority unless the Members say so.

#### Withdrawal of the Motion

The Chairman stated that within the last Seventy-Two (72) hours, there had been developments between the Board and the Co-operative Division. The Board has agreed to have further discussions on the matter with the Co-operative Division in the coming days to look at the situation again. Therefore, the Resolution was being withdrawn and an appeal was being made to Members for time to discuss the matter with the Co-operative Division once again.

He also expressed the hope that a compromise would develop between the Board of Directors and Mr. Fraser and other supporters.

In clearing up a situation which arose earlier in the meeting, the Chairman stated that some Members had asked questions regarding Note 16 on page C24 of the Financials – Loan Instalment Deferral. He stated that at that time he was on page 3 when the question arose, and he had said that Members should hold their questions until the Meeting was at page C24. He advised that the question could be taken at this time.

- *Mr. Clyde Noel requested clarification with regard to the process of the Loan Instalment Deferral Programme. He enquired whether guidelines were given to Members and did such Members have to sign agreeing to have loans placed on their account and deductions charged.*

*The General Manager responded that following the Hon. Prime Minister's statement with regard to the Loan Instalment Deferral Programme, he met with the Executive of the Board and considered introducing the Facility. He further stated that Tranquillity Credit Union was probably the first Credit Union to offer the Facility.*

The Software Provider was consulted, because at the time, the System did not have the capability to do Loan Deferrals. One option was to freeze the Interest so that the Member did not appear on the Delinquency Listing and affect the Credit Union's FRS9 Provision which is closely monitored on a monthly basis.

Instructions were given that that aspect would be done manually, meaning that the Loans Department was instructed that based on approval of application by the Credit Committee, that Members' interest would be stopped. The Accounts Department was instructed that once the application was processed, they would do a manual entry at the end of the month.

The Programme was originally supposed to last three months, but it was extended to five months.

The original intention was that after three months, the Interest would be put back into Members' accounts, and once Members started to repay, the interest would be taken out first and then the Principal would be paid.

After five months, he explained to the Board that the Interest accrued was a substantial amount, and that some Members' interest amounted in excess of \$20,000 to \$25,000 and with instalments that remained at approximately \$5,000.00 per month. It would therefore be onerous to apply Interest of \$25,000 per month and a repayment of \$5,000.00. Meaning that Interest would be compounding on Interest on a monthly basis, and these Members would be in an untenable position.

Therefore, considering that position, it was decided to put the Interest accrued for the five (5) months into a separate account, which was not a loan. That sum never attracted interest. Members were informed of the decision and that they would have eight months to repay, on a monthly basis. It was recommended that one eighth (1/8) of their instalment would go to the outstanding interest. The remainder would first cover their current interest, and the balance would pay the Principal.

Mr. Cambridge stated finally, that if anyone had been given an instruction that Interest was not to be applied, this instruction would have been contained in all the correspondence that left the Credit Union. If Members were to look at all correspondence, at no point did any correspondence under his direction leave the Credit Union stating that no interest was to be charged.

He ended by reiterating that the Interest Accrual was not a Loan, it was a way of assisting Members.

- Mr. Shameel Mohammed asked for clarification on the Loan Conditions which were provided to the Members.

The Chairman stated that while he understood the concerns, the Motion had been withdrawn out of respect for the Commissioner's Office, and that this was not the time to get into the details. He requested that Members should give the Board additional time to discuss the matter once again with the Co-operative Division.

- Mr. Tyrique Woodruffe enquired whether Members were being charged Interest twice.

*The General Manager responded that Interest was not being charged twice. He explained that Instalments are composed of payments towards Interest and Principal. On a regular Loan, interest is charged on the reducing balance of the Loan.*

*This Loan Deferral Programme is a deferral of the Instalment, and what the Credit Union did was give back entire instalment for a five (5) month period. However, when the Member started to pay once again, he/she had to pay from that period onwards. Interest did not continue during the period the Deferral was given, and therefore, the Member is not paying twice.*

*The Member is paying a bit more on the re-start of payments because the five months was not based on a decreasing balance. The Interest to be repaid is the interest for March multiplied by the five months the Programme lasted. If the Member had continued to pay as usual on a monthly basis, then interest would have decreased each month.*

At this point, the Chairman re-stated that the Resolution had been withdrawn and he was appealing to Members for time to discuss the matter further with the Co-operative Division. He maintained that the Board did nothing wrong, and that it had attempted to assist Members in the best way possible.

## **RESOLUTIONS**

The Chairman 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:-

### Dividends 2019

Whereas the COVID-19 pandemic negatively impacted Tranquillity Credit Union from the holding of its Annual General Meeting in 2020 and which affected the governance issue of Dividend approval by the Annual General Meeting.

And whereas the Commissioner for Co-operative Development advised that, in accordance with Section 47 (2) of the Co-operative Societies Act, that consideration shall be given for approval of an Interim Payment to members of no more than 75% of the proposed Dividend on the recommendation of the Board of Directors.

And whereas the Credit Union requested and received approval to pay an Interim Payment to members of no more than 75% of the proposed Dividend of 4.5% for the financial year ended 2019.

And whereas the Credit Union made an Interim Payment of 75% of the proposed Dividends to members of the Credit Union in accordance with Bye-Law Distribution of Surplus 13 (b).

Be it resolved that the Annual General Meeting ratify and approve the Dividend Payment of 4.5% for the financial year 2019 in accordance with Bye-Law 13 (b).

Be it further resolved that Dividends due to members whose accounts have become delinquent be credited to their outstanding loans and interest balances.

This resolution was moved on behalf of the Board of Directors by Hon. Secretary Esther Pariag and seconded by Member Dianna Joseph-Morris.

Eighty-Three (83) members voted In Favour, Four (4) members voted Against, and Four (4) members Abstained.

Honorarium 2019

Be it resolved that in accordance with Bye Law Distribution of Surplus 13 (c), the Annual General Meeting approves Honorarium in the sum of Fifty Thousand Dollars (\$50,000.00) to be distributed among the Board of Directors, the Credit Committee and the Supervisory Committee for the financial year ended 2019.

This resolution was moved on behalf of the Board of Directors by Hon. Secretary Esther Pariag and seconded by Member Tambi Serrano-Rock.

Eighty-Nine (89) members voted In Favour, Twelve (12) members voted Against, and One (1) member Abstained.

Dividends 2020

Be it resolved that in accordance with Bye-Law Distribution of Surplus 13 (b), a Dividend Payment of 3% be approved consistent with Bye-Law Distribution of Surplus 13 (b) for the financial year ended 2020.

And be it further resolved that Dividends due to members whose accounts have become delinquent be credited to their outstanding loans and interest balances.

This resolution was moved on behalf of the Board of Directors by Hon. Assistant Secretary Anna-Lisa Arlen-Benjamin and seconded by Member Lester Wilson.

Seventy-Six (76) Members voted In Favour, Seven (7) Members voted Against, and Two (2) Members Abstained.

Honorarium 2020

Be it resolved that in accordance with Bye-Law Distribution of Surplus 13 (c), the Annual General Meeting approves Honorarium in the sum of Forty-five Thousand (\$45,000.00) to be distributed among the Board of Directors, the Credit Committee and the Supervisory Committee for the financial year ended 2020.

This resolution was moved on behalf of the Board of Directors by Hon. Assistant Secretary Anna-Lisa Arlen-Benjamin and seconded by Member Nadia Sudan.

Sixty-Seven (67) Members voted In Favour, Twenty (20) Members voted Against, and One (1) Member Abstained.

Appointment of Auditor 2021

Whereas the Society shall appoint at a General Meeting an Auditor for the ensuing term from among the list of Auditors approved by the Commissioner for Co-operative Development.

And whereas through a mutual agreement between the Credit Union and HLB Montgomery Co that they are not considered from among the list of Auditors approved by the Commissioner for Co-operative Development to audit the accounts at any future date.

And whereas the Credit Union invited and received proposals from among Auditors approved by the Commissioner for Co-operative Development to audit the accounts of the Credit Union.

Be it resolved that the Annual General Meeting appoints Hakeem Ahmad & Co. Chartered Accountants as Auditors of the Tranquillity Credit Union Co-operative Society Limited for the financial year 2021.

This resolution was moved on behalf of the Board of Directors by Hon. Assistant Secretary Anna-Lisa Arlen-Benjamin and seconded by Member Nadia Sudan.

Seventy-Three (73) members voted In Favour, Six (6) members voted Against, and Four (4) members Abstained.

#### Maximum Liability

Whereas the Society shall, from time to time, fix at a General Meeting, the maximum liability it may incur in respect of loans or deposits, whether from members or non-members.

And whereas no Society shall receive loans or deposits in excess of the maximum liability approved or fixed by the Commissioner.

And whereas the Society's liability approved by the Commissioner is Eighty (\$80) Million.

And whereas the Society's liability as at December 31st, 2020 stood at One Hundred and Forty-four (\$144) Million.

Be it resolved that the Society's Maximum Liability be increased to One Hundred and Sixty (\$160) Million.

This resolution was moved on behalf of the Board of Directors by Hon. Secretary Esther Pariag and seconded by Member Beverly-Ann Cruickshank.

Seventy (70) members voted In Favour, Four (4) members voted Against, and Six (6) members Abstained.

#### **ELECTION RESULTS**

Mr. Nigel Matthew returned to the Meeting to announce the following results of the Elections:-

	<b>Candidates</b>	<b>Number of Votes</b>	<b>Term of Office</b>
<b>Supervisory Committee</b>	Lyndon Charles	111 Votes	3 years
	Nyasha Alcalá	104 Votes	3 years
	Andrew Nurse	90 Votes	1 year
	Mary Lawrence	79 Votes-1st Alternate	---
	Corisha Wright-Mc Kenna	76 Votes-2nd Alternate	---
<b>Credit Committee</b>	Renée Garcia	128 Votes	2 years
	Dianna Joseph-Morris	123 Votes	2 years
	Kendal Charles	120 Votes	2 years
	Royds Williams	106 Votes	1 year
	Tambi Serrano-Rock	88 Votes	1 year
	Kion Williams	84 Votes-1st Alternate	---



Board of Directors	Candidates	Number of Votes	Term of Office
	Daffodil Maxwell	114 Votes	3 years
	Richard Trim	111 Votes	3 years
	Joy John-Benjamin	104 Votes	3 years
	Anna-Lisa Arlen-Benjamin	100 Votes	3 years
	Osric Bacchus	94 Votes	2 years
	Michelle Duncan	93 votes	2 years
	Esther Pariag	90 votes	2 years
	Nadia Sudan	90 votes	2 years
	Eric Hopkins	88 votes	1 year
	Douglas Williams	76 Votes-1st Alternate	---
	Dave Sankar	74 Votes-2nd Alternate	---

### Deletion of Ballots

Once the Election results were announced, the Chairman called for a motion for the Deletion of the Ballots. The motion was moved by Mr. Derron Gonsalves and seconded by Mr. Cleve Morris. The motion was put to a vote and there were Seventy-one (71) Votes In Favour, Two (2) Votes Against, and One (1) Abstention. The motion was therefore carried.

### OTHER BUSINESS

#### Questions/Comments from the Floor

- *Mr. Lennox Marcelle stated that he received notification July 2021 that this year's Loan Deferral Programme would commence from July, 2021 and end in September 2021. However, the Notice informed Members that they would not be entitled to access the Facility during the month in which they applied.*

*He said that the Notice was received during the same month that it took effect and he wondered why it was not issued sooner so that Members could have the full benefit of the three months being offered.*

*The General Manager responded that one of the terms of the Programme when it was launched in 2020 was that if a Member applied in a particular month, the loan would not be disbursed in the same month, but in the following month. As a result, the original terms and conditions of the Facility still applied.*

- *Mr. Noel Maxwell stated that he had previously discussed with the President and the General Manager, the matter of updating Members' Monthly Statement so that it could be more easily understood. He wondered whether any progress had been made on the issue.*

*The Chairman acknowledged that Mr. Maxwell had spoken with him previously and that the request had been made to Management. He was informed that the questions were being addressed, however, it is a technology related issue and it seems that it is taking a bit longer than expected to be fixed.*

- *Mr. Nkosi Wright-Alexis asked whether there would be a Special General Meeting to address the matter of the Loan Installment Deferral Programme, a critical matter which needs some closure.*

*The Chairman responded that the issue will be further explored with the Co-Operative Division. Depending on the outcome of those discussions, there could be a Special General Meeting but that he could not say for sure at this time.*

- *Mr. Carlton Manswell enquired when Members could expect to get their Dividends.*

*The General Manager responded that by Thursday 30th September, 2021, the balance of the 2019 Dividend and the full amount of the 2020 Dividend would be paid.*

There were no further questions raised by Members.

### **Door Prizes**

Next, Mrs. Marcia Quammie, Business Development/Marketing Manager, was introduced and she announced that a virtual draw for Door Prizes would take place. She informed Members that in order to qualify for the prizes, they should still be signed on to the Meeting.

Seven Prizes of \$500.00 voucher from Massy Stores were on offer, and the following were the lucky winners:-

- |                    |                            |
|--------------------|----------------------------|
| - Lester Wilson    | - Shantee Ramcharan-Singh  |
| - Kethleen Joseph  | - Carlisle Mc Kay          |
| - Lyndon Dewsbury  | - Amrica Seepersad-Reemaul |
| - Jewanlal Deochan |                            |

### **CLOSING REMARKS/CLOSING PRAYER**

The President congratulated the newly elected Committee and Board Members, and expressed thanks to all guests and the Returning Officer for their presence at the Meeting.

Ms. Michelle Duncan was then invited to say the Closing Prayer.

The AGM was declared closed at 7:15 p.m.



**ESTHER PARIAG**  
*Hon. Secretary*



*Our Credit Union  
has been awarded for the*

*Best Financial  
Performance  
2020  
(Medium Category)*

[www.tranquillitycu.com](http://www.tranquillitycu.com)



# Board of Directors



*From to left to right:*

- Michelle Duncan
- Osric Bacchus
- Richard Trim
- Joy John-Benjamin
- Marcelle Johnson
- Sherwin Cambridge
- Nadia Sudan
- Kenrick Jarvis
- Eric Hopkins II
- Christiana Wallace
- Daffodil Maxwell
- Anna-Lisa Arlen-Benjamin
- Esther Pariag

# Board of Directors Report

The Board of Directors is pleased to present an account of its stewardship of Tranquillity Credit Union Co-operative Society Limited for the financial years ended December 31st 2021, and administrative and operational activities up to September 2022.

Following Annual General Meeting on September 25th 2021, the Board comprised:

- *Mr. Osric Bacchus*
- *Ms. Joy John-Benjamin*
- *Mrs. Esther Pariag*
- *Mrs. Anna-Lisa Arlen-Benjamin*
- *Mr. Richard Trim*
- *Mrs. Nadia Sudan*
- *Ms. Daffodil Maxwell*
- *Ms. Michelle Duncan*
- *Mrs. Christiana Wallace*
- *Mr. Kenrick Jarvis*
- *Mr. Marcelle Johnson*
- *Mr. Eric Hopkins*
- *Mr. Douglas Williams* – 1st Alternate
- *Mr. Dave Sankar* – 2nd Alternate

In accordance with Bye-Law 23 b (111) of the Credit Union, members of the Board at the Inaugural Meeting elected the Executive Committee for the 2021/2022 term as follows:

- *Mr. Osric Bacchus* – *President*
- *Ms. Joy John-Benjamin* – *Vice President*
- *Mrs. Esther Pariag* – *Secretary*
- *Mrs. Anna-Lisa Arlen-Benjamin* – *Asst. Secretary*

## Board of Directors Attendance Records

ATTENDANCE RECORDS FOR BOARD MEETINGS OCTOBER 2021 TO NOVEMBER 2022								
DIRECTORS	(11) BOARD MEETINGS	EXCUSED	ABSENT	(5) SPECIAL BOARD MEETINGS	EXCUSED	ABSENT	(12) EXECUTIVE MEETINGS	EXCUSED
OSRIC BACCHUS	11	0	0	5	0	0	12	0
JOY JOHN-BENJAMIN	11	0	0	5	0	0	12	0
ESTHER PARIAG	9	2	0	5	0	0	11	1
ANNA-LISA ARLEN-BENJAMIN	11	0	0	5	0	0	12	0
KENRICK JARVIS	11	0	0	5	0	0		
MICHELLE DUNCAN	11	0	0	5	0	0		
RICHARD TRIM	9	2	0	4	1	0		
MARCELLE JOHNSON	10	1	0	3	2	0		
CHRISTIANA WALLACE	9	2	0	3	2	0		
NADIA SUDAN	11	0	0	5	0	0		
ERIC HOPKINS II	10	1	0	4	1	0		
DAFFODIL MAXWELL	11	0	0	5	0	0		

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT FOR THE PERIOD ENDED DECEMBER 31st 2021

### Financial Overview

The year 2021 was notable for its robust economic rebound. The widespread distribution of vaccines and the ensuing relaxation of lockdowns led to an improvement in the economy. However, significant challenges would materialize throughout the year, particularly the new Covid-19 virus strains and escalating inflationary pressures worldwide. Nevertheless, 2021 has been a successful and historic year for Tranquillity Credit Union as it recorded its largest Net Surplus.

## Results from Operations

- Total Assets were up 7.5% or 11.7M from 2020
- Loans to Members contracted by 2% or \$1.5M against the prior year
- Long Term Investment climbed by 34% or \$15.2M over 2020
- Members' Savings Deposits improved year on year by 2% or \$1.7M
- Share Savings grew year on year by 4% or \$2.5M
- Total interest on loans was \$9.1M, up 2% against 2020
- Total other income was \$6.3M, up 761% over 2020
- Total expenses were \$8.9M, an increase of \$1.5M or 20% over the prior year.
- Surplus achieved was \$6.5M, up \$4.3M or 188% over 2020

## Assets

Over the twelve months ending December 31st, 2021, total assets increased by \$11.7M or 7.5% to \$168.1M from \$156.4M. Long Term Investments, which grew by \$15.2M year on year, primarily funded the growth in total assets.

Despite reducing our cash resources year on year, Tranquillity Credit Union maintained sufficient liquidity throughout the pandemic to guard against unexpected withdrawals from members. Cash resources ended the year at \$11.2M, down from \$12.4M in 2020.

YEAR	Total Assets	Yearly \$ Change	Yearly % Change
2017	126,582,293	5,304,159	4.37%
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%

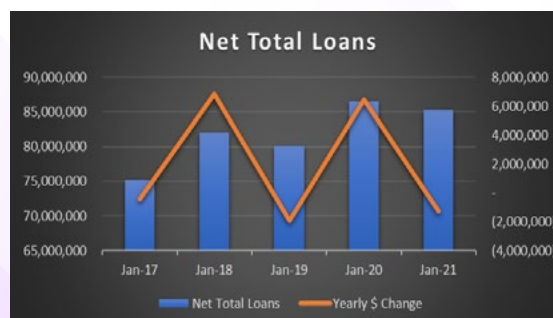


## Loans to Members'

Members' loans (net of accumulated provision) declined by \$1.5M or 2% to \$85M in 2021 from \$86.5M in 2020. This decline was due to the impact of Covid-19 and the unwillingness of members to undertake additional debt in an uncertain economic environment. During the reporting period, lending for Debt Consolidation, Appliance and General loans were among the leading categories in our loan portfolio.

On a year-on-year basis, Loans granted declined by 29% or \$6.2M from \$27.5M to \$21.3M. The major contributors to the decline were Housing/Repairs \$2.4M or 41%, Motor Vehicles \$3.2M or 69% and Share Builder loans \$1.5M.

Month	Net Total Loans	Yearly \$ Change	Yearly % Change
Dec-17	75,218,472	(452,128)	-0.60%
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%



### Provision for Loan Losses

Provision for Bad Debts depends on the credit performance of the loan's portfolio and changes in our economic outlook. As a result of the impact of the COVID-19 pandemic that began in the second quarter of 2020 and which continued into 2021, some portions of our loans portfolio were negatively impacted by the decline in economic activity associated with Government's restrictive public health measures. However, our members who are employed at NPMC, our largest sponsor company, were not adversely affected, coupled with the large-scale government support and relief programs and our attempts to bring some relief to our members by offering loan restructuring and deferred payment.

As at December 31st, our delinquency data compiled per IFRS 9 (International Financial Reporting Standards) revealed that our Credit Union needed to provide \$123,887 for the financial year ended 2021. Total Bad Debt provision now stands at \$4.3M, representing 4.9% of gross loans to members.

### Long-Term Investment

2021 was a strong year for the global equities markets. The S&P 500 recorded its third straight year of positive returns in 2021, setting new record highs in the process, primarily due to solid corporate earnings. As a result of improved profitability and increased dividend payments from several companies, the Trinidad and Tobago Composite Index saw its most outstanding performance in ten years locally.

Our long-term investment portfolio recorded a notable recovery in 2021 as it increased from \$45M to \$60.2M in 2021, representing an increase of \$15.2M or 33.4%. The major contributor was Unit Trust Growth and Income, which increased by \$11.7M or 37% from \$32M to \$43.8M in 2021. Unit Trust, Roytrin and Republic Bank Growth and Income Fund all registered year-on-year net returns to unitholders of above 12% and were significant contributors to the Surplus recorded in 2021.

### Members' Savings Deposits

Members' deposits grew by a marginal \$1.7M or 2% from \$80.1M to \$81.8M over the year ended December 31st, 2021. The Fixed Deposit portfolio led the growth in deposits with \$4.1M or 10% year on year. This growth was mainly attributable to the competitive interest rate offered by the Credit Union on term deposits. Premium deposits declined by 6% or \$2M from \$35.8M to \$33.8M. The decline primarily reflects some migration among the larger depositors from premium deposits to fixed deposits to secure a higher interest rate.

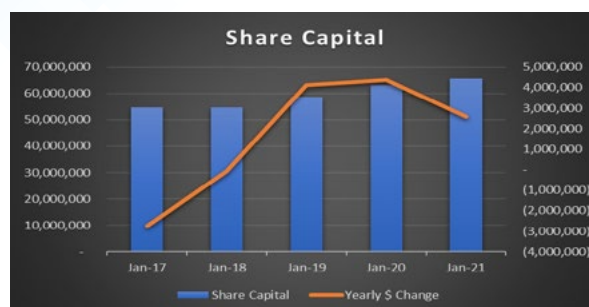
Month	Members' Deposits	Yearly \$ Change	Yearly % Change
Dec-17	59,910,286	1,149,785	1.96%
Dec-18	59,801,258	(109,028)	-0.18%
Dec-19	66,469,150	6,667,892	11.15%
Dec-20	80,114,865	13,645,715	20.53%
Dec-21	81,889,866	1,775,001	2.22%



### Members' Share Savings

Despite all the macroeconomic challenges of the COVID-19 pandemic, Members' shares increased by \$2.5M or 4% from \$63.1M to \$65.7M in 2021, reflecting the continued confidence the membership has placed in their Credit Union.

Month	Share Capital	Yearly \$ Change	Yearly % Change
Dec-17	54,715,238	(2,751,121)	-5.03%
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%



### Statement of Comprehensive Income

Total loan interest income collected in 2021 was \$9.1M compared to \$9M in 2020, representing an increase of \$174,897. The increase in loan interest was primarily due to the 7% growth in the loan portfolio achieved in 2020, notwithstanding the decline experienced in 2021. The Credit Union achieved a loan interest yield of 10% for 2021.

### Investment Income

Total investment income for 2021 was \$946,783 compared to \$698,055 in the previous year, representing a marginal increase of \$248,728 or 35%. Major contributors were interest income from Roytrin \$237,026, NIF Bonds \$142,686, dividends from the Home Mortgage (Samaan Tree Funds) and Unit Trust of \$152,818 and \$117,561.92, respectively.

TCU achieved strong results in other income in 2021, as surplus liquidity was deployed into investments to mitigate the impact of the fall in demand for loans brought on by the COVID-19 pandemic. Other income amounted to \$5.4M for the year ended December 31st, 2021, attributable to capital gains of \$5.2M generated by our Unit Trust Growth & Income, ROYTRIN and Republic Bank Growth and Income investments.

### Total Expenses

The Board and Management prioritized expenses that would considerably boost revenue, cut long-term costs and minimize risk. Total expenses for 2021 amounted to \$8.9M, an increase of \$1.5M or 20% over 2020. The expenditure line items that showed the most significant increases over 2020 were Gratuity Fund Expenses, Depreciation, Legal & Professional Fees, Members' Fixed Deposits and Staff Salaries.

### Operating Surplus

For the financial year ended December 31st, 2021, the audited Surplus was \$6.5M, an increase of \$4.3M or 188% over 2020. This performance maintains our position as one of the best in class amongst our peers in the Credit Union movement in Trinidad and Tobago.

### Human Resources

During the period under review, along with the challenges of COVID-19, TCU said farewell to two staff members, Ms. Marcia Quammie, Business Development & Marketing Manager, in June 2022 and Mr. Wayne Charles, Senior Loans Officer, in November 2022. We wish to thank them for their service to Tranquillity Credit Union and wish them the best in their future endeavours.

Our Strategic Plan 2022-2024 has identified the need to develop our human resources capacity as one of our focus areas. A comprehensive analysis of the human resources requirements was commissioned to accommodate the Strategic Plan 2022-2024. We are also implementing a



performance management system. In addition, a new compensation plan survey was commissioned to be informed on the competitiveness of salaries and benefits associated with positions and asset size across the Credit Union movement and the broader financial industry.

The Board of Directors being mindful of the need to attract and retain quality staff at the Credit Union, established in 2021, a Gratuity Fund for employees who will retire, having worked twenty-one or more years with the Credit Union.

### Membership

At the end of the financial year ended 2021, the Credit Union membership stood at 2,438, representing a net increase of 79 new members for 2021.

### Condolence

We send our deepest sympathies to the families and friends of our members who passed away during the period under review. May peace be granted upon their souls. The following is a list of the deceased members:

#### 2021

Dalton Clarke  
 Gerald Fernandes  
 Keisha Edwards  
 Kirt Gomes  
 Kurt Williams  
 Leon Cudjoe  
 Marilyn Toppin  
 Raymond Mitchell  
 Royce Rawlins  
 Stephanie Pierre  
 Susan Rampaul  
 Valerie Trestrail

#### 2022

Annette Joseph  
 Bernard Edghill  
 David Warner  
 David Weatherhead  
 Derick George  
 Dhaniram Maharaj  
 Fitzherbert Cummings  
 June Figaro  
 Mervyn Williams  
 Ramdass Kissoon

### Representation

Over the years, TCU has been represented at varying levels for the North West Regional Chapter and the Co-operative Credit Union League of Trinidad & Tobago. This year, being no exception, three Board Members hold the following positions:

- **Mrs. Christiana Wallace** – Secretary to the Board of Directors, North West Regional Chapter, and Secretary of the Supervisory Committee, Co-operative Credit Union League of Trinidad & Tobago;
- **Ms. Michelle Duncan** – Secretary of the Supervisory Committee, North West Regional Chapter; and
- **Mrs. Esther Pariag** – Alternate Director of the North West Regional Chapter.

### Outgoing

We wish to thank the following Board members, who are all outgoing and have accepted nominations, for their service and for always having the best interests of our membership;

- Mr. Kenrick Jarvis
- Mrs. Christiana Wallace
- Mr. Marcelle Johnson
- Mr. Eric Hopkins II

## The Way Forward

Tranquillity Credit Union wrapped up 2021 in record fashion, achieving financial milestones that reflect its focus on serving members. Our balance sheet is well positioned to build on that momentum with ample liquidity and asset quality at historically strong levels and an industrywide award of being the best financial Credit Union in the medium category.

Despite a return to normality, after successfully navigating through the delta and omicron surges of the pandemic, members' behaviours and expectations have evolved, particularly in relation to digital services across online and mobile channels. Credit Unions are being called to provide members with quick, simple, and painless access to accounts and resources. To this end, there is an urgent need for Credit Unions like ourselves, to invest and upgrade their digital, risk management and data analytics capabilities, which require considerable financial and human resource commitment if we are to maintain relevancy in this new era.

The leadership of Tranquillity Credit Union collaborated and developed a Strategic Plan Roadmap for 2022 –2024 that included the following eight (8) strategic priorities areas;

1. *New markets/ Shares & Deposits Expansion*
2. *Increase Loan portfolio/ Delinquency Management*
3. *Marketing*
4. *Advanced Technology/ Research & Development / Delivery Channels*
5. *Non-Traditional Investments*
6. *Strategic Alliances / Acquisition*
7. *Develop Human Resources Capacity*
8. *Policy/Procedures*

When realised, it will place the Credit Union as the primary financial choice for its members with various products, services and opportunities for our staff and members.

## Acknowledgements

We also express 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)*
- *Micro Software Designs Limited*
- *Ministry of Youth Development and National Service, Co-operative Development Divison*
- *NATPET Investment Limited*
- *North West Regional Chapter of the Co-operative Credit Union League of Trinidad and Tobago*
- *Trinidad and Tobago National Petroleum Marketing Company Limited (NPMC)*

Above all, we thank our membership for your steadfast and loyal support of our Tranquillity Credit Union Co-operative Society Limited.



**OSRIC BACCHUS**

*President, Board of Directors*



*Quality Service at Work!*



# OUR FAMILY IS GROWING!

*Welcome to Tranquillity Credit Union  
Co-operative Society Limited*

*For 70 years, we have serviced our members within the Energy Sector.  
Now, we are expanding. **JOIN US in welcoming our extended family...***

- The Beacon Insurance Company Limited ● Development Finance Limited
- Digicel T&T Limited ● EXIMBANK ● Gulf Insurance Limited
- M&M Insurance Broking Services Limited ● Sagicor General Insurance Inc.
- St.Clair Medical Centre ● Trinidad and Tobago Television Limited (TTT)



+1 868 628 9266  
+1 868 628 3804  
+1 868 628-6466



[www.tranquillitycu.com](http://www.tranquillitycu.com)  
[info@tranquillitycu.com](mailto:info@tranquillitycu.com)



#5 Maraval Road,  
Newtown, Port of Spain  
Trinidad & Tobago.





# Credit Committee



*From to left to right:*

Renée Garcia  
Dianna Joseph-Morris  
Royds Williams  
Tambi Serrano-Rocke  
Kendal Charles

# Credit Committee Report

## INTRODUCTION

The Credit Committee is tasked with the responsibility of approving and rejecting loan applications from members of our society and has authority to delegate some of its responsibilities to staff in accordance with Bye-Laws 36 (a). The Committee is required to hold meetings, conduct interviews on its request or if requested by a member for further clarity, and conduct site visits. Additionally, during the term, committee members may attend training sessions, seminars and Credit Union conferences locally, regionally or internationally.

At our Sixty-ninth (69th) Annual General Meeting which was held virtually for the first time due mainly to Covid-19 protocols, the following members were elected to the Credit Committee: Mrs. Dianna Joseph-Morris, Mr. Kendal Charles and Ms. Renée Garcia to serve a term of Two (2) years and Mrs. Tambi Serrano-Rock and Mr. Royds Williams for a term of One (1) year. The Committee members were as follows:

- Royds Williams – Chairman
- Renée Garcia – Secretary
- Dianna Joseph-Morris – Member
- Kendal Charles – Member
- Tambi Serrano-Rocke – Member
- Kion Williams – 1st Alternate

## MEETINGS

The newly elected Credit Committee held its first virtual meeting within seven (7) days after the 69th AGM with all elected members in attendance. Mr. Royds Williams and Ms. Renée Garcia were chosen as Chairman and Secretary respectively in accordance with Bye-Law 36 (d). The Committee decided to continue with virtual meetings and would meet at TCU office as required. Loan applications were approved faster due to the implementation of online approvals and virtual meetings. The Committee held 35 virtual meetings, 7 meetings at TCU's Head Office and 1 Site Visit.

## CREDIT SUPERVISION

The year under review was faced with a level of uncertainty due to changes in the economy. There was an overall decrease in the loan portfolio of \$1,061,679.60 / 5% when compared to October 2020 – September 2021.

Description	Oct'20 – Sep'21	Oct'21 – Sep'22	Variance	(%)
<b>No. of Loans</b>	2012	2230	218	11%
<b>Disbursements</b>	\$23,176,489.55	\$22,114,809.95	(\$1,061,679.60)	-5%

Major decreases were identified for loan categories such as Purchase of Land (-100%), Business loans (-65%), Housing / House Repairs (-33%) and Investments (-31%). However, as the economy slowly recovers from Covid-19 and borders were reopened, we saw a drastic increase in loans granted for Vacation / Travel (9,193%). Other categories that increased were Education loans (83%) and Motor Vehicle Repair loans (83%).

### **COMMITTEE PARTICIPATION**

Training was provided on a few occasions for the committee starting with a mandatory training in Anti Money Laundering (AML) and Countering Financing of Terrorism (CFT) Training. The AML/CFT Training was held virtually and proved to be very informative for the committee.

We were also invited to participate in a three (3) day Strategic Planning Session held at the Hyatt Regency. At this session, we all brainstormed ideas on how the operations of TCU can be improved for its continued success. The Board of Directors also extended an invitation to the Credit Committee to nominate one (1) member of the committee to attend an International Leadership Conference. The conference was held by the Co-operative Credit Union League of Trinidad & Tobago in Panama tentatively scheduled for October 2022.

### **RECOMMENDATIONS**

As our Credit Union expands with the aim of becoming an efficient and professional financial co-operative, we recommend the following:

- *Members continue to make contributions towards their shares as this will be beneficial in the long run when applying for loans or as a means of saving.*
- *Become more involved in the operations of the Credit Union, join a Committee, the Board of Directors or partake in events. After all, this is our Credit Union and its success depends on us.*
- *Continued professional development and training for members of Staff, Management and Officers.*
- *Provide more training for members with small businesses to ensure that they understand proper book keeping methods and financial planning.*

### **CONCLUSION**

The Credit Committee commends the Board and Sub committees for their evaluation of the Credit Administration Policy that was updated to improve the operations of TCU. As we celebrate our 70th Anniversary, we wish the Board of Directors, Management, Staff and the members of Tranquillity Credit Union all the best in their future endeavors.



**ROYDS WILLIAMS**  
Chairman

Your health  
is your  
wealth



# GROUP HEALTH



Don't  
miss this  
opportunity...

**SIGN UP  
NOW!**

TCU's Group Insurance Health Plan is for everyday health issues, such as visits to the doctor, dentist, optician, other medical professionals, and the pharmacy. It also covers Preventative Care, Emergency Air Ambulance, medical tests, and a Major Medical benefit maximum of \$450,000 up to age 70 and \$225,000.00 for over age 70.

The plan also includes coverage in the form of a Life Insurance Policy of \$100,000.00.

📍 5 Maraval Road, Newtown, Port of Spain, Trinidad & Tobago.

✉ info@tranquillitycu.com

☎ 1 (868) 628-9266



www.tranquillitycu.com



# Supervisory Committee



*From to left to right:*

Andrew Nurse  
Lyndon Charles  
Nyasha Alcala



# Supervisory Committee Report

## **INTRODUCTION**

We present to you at the end of our third tenure as a Supervisory Committee, our report of the operations for the period 2021–2022. The Committee comprises of:

- Lyndon Charles – Chairman
- Nyasha Alcala – Secretary
- Andrew Nurse – Member
- Mary Lawrence – 1st Alternate
- Corisha Wright–Mc Kenna – 2nd Alternate

During the period under review, the Supervisory Committee held sixteen (16) meetings with all members being in attendance and five (5) cash counts. We have seen marked improvements in the processes surrounding cash counts. The Supervisory Committee placed the context of the organization, the membership and leadership at the epicenter of the framework for the reporting period 2021–2022. In determining the risk to the organization, a few strategic pillars were identified. These included: Communication, Organizational Context, Leadership Commitment and Research and Development; which all play a significant role in goal attainment at the institution.

While the society has done significant Research and Development which fed into the leveraging of Information Technology to improve upon its market outreach, greater effort needs to be centered on communication internally and externally, so as to effectively capture the needs and expectations of all stakeholders. As such, organizational context as it relates to the legal and regulatory requirements governing the affairs of the society has evolved and in this regard; it is a continuous process to ensure controls are being implemented to monitor and mitigate the threats to the society. With potential volatile times ahead for Credit Unions, strategy must be placed at the fore front now more than ever to navigate these times and provide the quantum leap the organization is aiming to achieve.

## **DOCUMENT MANAGEMENT/ DOCUMENT CONTROL**

A document management system ensures employees are working with a centralized repository of critical documents, thereby allowing for improved operational efficiency. Over the years, there have been gradual improvements in this regard. The committee is of the view that there must be continuous review of these systems in order to proactively improve upon utilizing targeted research and development.

## **CUSTOMER COMPLAINTS**

Every business has to be customer centric to continue its operations in a competitive market. Investing in customer support will help businesses to understand their complaints and improve upon the customer experience. At Tranquillity Credit Union, greater emphasis needs to be placed on applying the “LAST” approach in responding to customer complaints. It requires us to “Listen, Apologize, Solve and Thank” the customer in granting a resolution to their issues and must be communicated to them.

## **GOVERNANCE**

Governance of financial institutions requires a rigid system whereby the Board has the essential role of directing and making critical decisions for the entire institution. To ensure success, the Board should efficiently work together with all committees, ensuring that they uphold both private and public interests. Communication and cooperation amongst personnel must not be impeded by fear or egotistical behaviour, to allow persons to effectively execute the responsibility bestowed on them by the membership, translating to long term stability.

## **HR POLICY/STAFF RETENTION**

Effective Human Resources Management is empirical to any establishment's growth and productivity. TCU needs to expeditiously engage all facets of the new HR Policy to realign and develop staff to improve the Customer Service experience. Employee Retention Strategies have a "halo effect". This strategy not only encourages employees in their professional development but also fosters continuity within the organization. This is necessary for the continued growth and expansion of the Credit Union. The objective is to develop a workforce where employees can apply their talents internally and externally.

## **CYBER SECURITY**

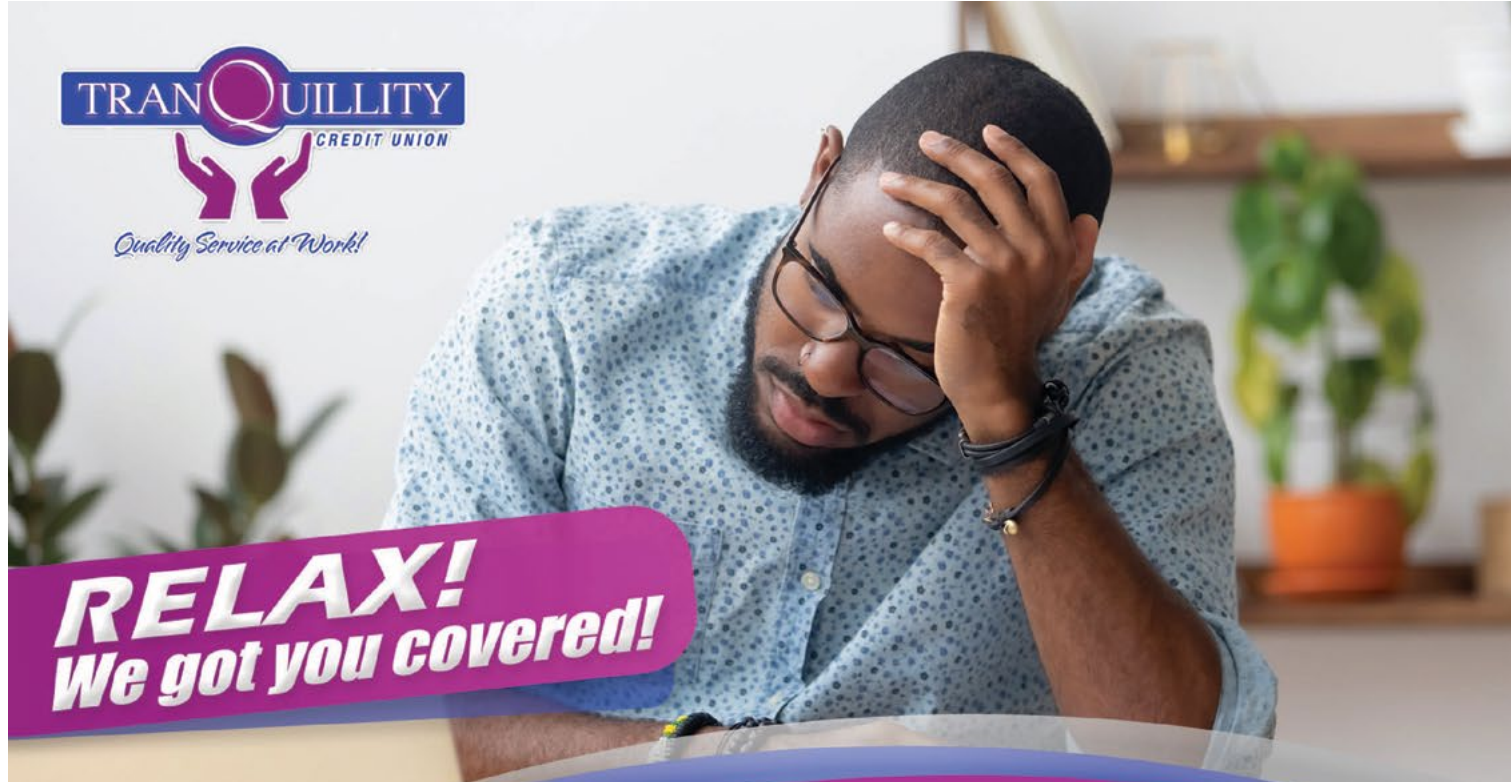
Cybersecurity is now an important facet of business transaction in contemporary society; given that the systems and databases of valuable businesses have come under siege by malicious actors, Tranquillity Credit Union needs to expeditiously develop cybersecurity policies to barricade its operations from potential threats posed by malicious cyber activity. This strategy can be collective amongst the credit union movement as we seek to gain greater bargaining power as a unified front.

Our leadership must forge ahead with persistence, purpose and passion. In doing so they must continue to take responsibility and accountability for ensuring the resources needed for implementation, establishment and maintenance of systems are provided copiously. In light of the aforementioned the Supervisory Committee continues to work together with all committees as we seek to effectively implement the society's strategic plan and to become the preferred financial institution in Trinidad and Tobago.



**LYNDON CHARLES**

*Chairman*



**RELAX!**  
*We got you covered!*

## **D.S.R. LOAN** **(Debt Service Ratio Loan)**

**LOAN AMOUNT**

**\$400,000**

**REPAYMENT PERIOD**

**7 Years**

**LOAN PURPOSE**

**Debt Consolidation  
& Equity Financing**

**FLEXIBLE INTEREST RATES**

**With or Without Security!**

### **DOCUMENTS REQUIRED**

Current Salary Slip, Job Letter, Utility Bill, 2 Forms of Valid I.D.,  
Statements of Indebtedness/Letters accompanied by an Affidavit.  
Verification of Letters/Statements of Indebtedness **MUST** be done.

*Normal lending conditions apply.*

**Let's help you get  
back on your feet!**

For more info, contact us at:  
Phone: 1 (868) 628-3804/6466  
Email: [info@tranquillitycu.com](mailto:info@tranquillitycu.com)





# Education Committee



*From to left to right:*

**Kenrick Jarvis**  
**Michelle Duncan**  
**Joy John-Benjamin**  
**Richard Trim**  
**Onika Jackson**  
**Afeisha Julien**  
**Trent Phillip**

# Education Committee Report

## INTRODUCTION

For the period under review, the Education Committee was composed of the following members:

- *Richard Trim* – *Chairman*
- *Onika Jackson* – *Secretary*
- *Joy John-Benjamin* – *Member*
- *Kenrick Jarvis* – *Member*
- *Michelle Duncan* – *Member*
- *Afeisha Julien* – *Member*
- *Trent Phillip* – *Member*
- *Marcia Quammie* – *Member (Oct '21 – Jun '22)*

The Education Committee was first tasked with updating our Terms of Reference as guided by Bye Law # 38. This would enable our team to have a framework under which we operate to effectively create and program activities that provide long term benefit to our members and our credit union. With this completed, the Committee was then enabled to commence our work.

## TCU 101 WORKSHOP – UNDERSTANDING OUR PRODUCTS AND SERVICES

TCU 101 was billed as a total member program aimed at showcasing the many products and services offered by our beloved Tranquillity Credit Union. There was prize based trivia, a Q & A corner as well as the main program which put forward detailed insight into TCU's offering of the following:

- *Savings & Investments Group Health Plan*
- *Mobile App/Internet Banking Loan offerings*
- *CUNA Service Presentation*
- *Other Services:*
  - *Visa Debit Card*
  - *Standing Orders*
  - *TCU TTARP Register & Benefits*
  - *Updating member information*
  - *Beneficiaries*

### Member Registration / Attendance Records

Number of Members registered	72
Actual Number of Attendees	53

With the full participation of all internal team members, this offering was very well received by the members in attendance. Based upon the number of attendees as well as the post session commentary, this program will now form part of the Committee's annual calendar of events. We genuinely look forward to your attendance at our next TCU 101 session. You will not be disappointed.

## **VIRTUAL WORKSHOPS**

The Committee held a series of virtual workshops and member centered programs during the height of pandemic restrictions.

- **Wellness Wednesdays**

*Aimed at educating our members on a variety of topics from grief management to mental health during the pandemic, the wellness Wednesday series was done in partnership with our group health plan providers, Beacon Insurance. The programs held were well attended and received by our members.*

*Members requested a follow up on this series of workshops.*

- **Children's Fun Day and Educational Workshop**

*This virtual program, held with the assistance of our puppet presenters from ICCM (Inter Caribbean Children's Ministries), focused on our youngest members. Dealing with elements of credit unionism, knowledge of money, bullying and of course games and prizes. This session was a hit for those in attendance.*

- **First Aid & Home Safety**

*With much of the population at home due to the pandemic restrictions, the Committee saw it fit to host this session. Hosted by Mr. Dave Issacs, members were taken through the dos and don'ts of home safety. A very interactive session, members lauded the presenter's thoroughness and knowledge of the landscape of safety.*

- **Public Speaking & Presentation Skills Program**

*Presented by Ms. Michelle Borel, the session sought to highlight the skills required to be an effective public speaker and presenter. It guided members on a virtual skills tour of the necessary planning attributes required and techniques that one may utilize in making formal or informal presentations. A very professionally done session from which members had a lot of take aways.*



## **SEA / CSEC / CAPE EDUCATION AWARDS**

With the world still under the grip of the COVID 19 pandemic and the related restrictions, the Committee held our first annual education awards since 2019, in October of 2022. These awards catered to the 2020 and 2021 youth members who were successful at their SEA, CSEC and CAPE examinations. This function is TCU's way of rewarding youth excellence while treating all registrants to an afternoon of motivational and inspirational speeches and events intended to spur their individual drive toward excellence.

The first since the beginning of the pandemic and held virtually, the session was well attended. Youth awardees were treated by the main presenter, Ms. Denise Caesar, with a choice topic for the time, Effective Communication for online students. Although virtual, our youth members received tokens, medals, as well as vouchers. The session was very well received.



In October of 2022, we held our annual Youth Award at TCU House. This was our first fully in person or physical event since the lifting of the health restrictions related to the Covid 19 pandemic. The event was well attended by both parents and students alike. All were treated to the sweet sounds of Mr. Joshua Regrello’s pan talents and hosting skills. Mr. Don La Foucade was invited as our guest speaker who awed the attendees with his word manipulation abilities and gift of gab. The entire team took pleasure in hearing his inspirational words directed toward self-building and goal setting. The Committee also presented awards to all attendees and special awards went to the top performers in each of the examination categories.

Overall, the parents and youth members that attended, showered praises upon the team for the event and some even stated that they were already looking forward to our 2023 award event. A special thank you to Ms. Michelle Borel and her team for their great coordination of the event. Thank you also to Ms. Silvanne Flores for your invaluable assistance during the program.



## **TCU TV**

Finally, your Education Committee has something concrete to present in relation to our TCU TV concept. The Committee held a logo competition which asked members to put forward a unique concept piece that would act as the foundation for our logo for TCU TV. Although the number of entries was surprisingly limited, we had an overall winner in the presentation by Mr. Jerome Maxime. His piece was the closest to what the Committee was looking for based upon our stated criteria and was one of the most original entered. His piece was taken as our logo foundation and then finalized based upon the requirements of the Committee. Displayed above, is our final TCU TV Logo and the image to look forward to, for everything that TCU is committed to. Together with our specially created jingle and intro video the Committee is in the final stages of introducing TCU TV to our member engagement ecosystem.



### **So, what exactly is TCU TV?**

In this technological age, the use of online means to extend the reach of any content is a must for anyone that seeks to inform and educate. By allowing members and potential members greater access to all things TCU in a clear, concise, and easily digestible format, we promote trust and confidence in who we are and what we provide; our TCU Brand. Not a television show, but with great potential, TCU TV is proposed to be Tranquillity Credit Union's newest educational and information dissemination platform. With Tranquillity Credit Union already having an image of professionalism, integrity, and family values, TCU TV seeks to make the details of this fact known to the wider member audience. With the potential to become a revenue stream, we look ahead for great programming from TCU TV.

The Committee would like to extend sincere thanks to the membership and staff of Tranquillity Credit Union for your continued support and commitment throughout this term. Thank you also goes to Mrs. Marcia Quammie who left our employ in June of 2022. Your insight into member needs always made for great committee content. To the members of the Education Committee, thank you for your volunteerism and credit union spirit.

**RICHARD TRIM**  
*Chairman*





Quality Service at Work!



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Low Minimum Payments



Apply Once & Access Anytime

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# Nomination Committee



*From to left to right:*

**Marvin Marshall  
Claudette Gomez  
Lisa-Marie Foster**

# Nomination Committee Report

The Board of Directors of the Tranquillity Credit Union appointed the following persons to serve on the Nomination Committee in accordance with Bye-Laws 28:

- Mrs. Claudette Gomez – Chairman
- Ms. Lisa-Marie Foster – Member
- Mr. Marvin Marshall – Member

The duty of the Committee is to select qualified members who are duly nominated to be considered for election of the Board, Supervisory and Credit Committee at the Annual General Meeting. The Committee also ensures that the candidates submitted for election are compliant with the General Rules for the Board and Committees, as prescribed in the Bye Laws.

The Nominations Notice was circulated on 29th August 2022 with the initial deadline of 9th September 2022 for members to submit their nomination for election. However, the deadline was extended to 14th October 2022 to facilitate sufficient nominations to satisfy number of candidates required for the Supervisory Committee.

The Committee examined Eighteen (18) Forms and noted that all nominees have met the criteria and are fit and proper to contest the elections.

	CANDIDATE	NOMINATED BY	SECONDED BY
<b>Supervisory Committee</b>	Kethleen Joseph	Beverly-Anne Cruickshank	Nyasha Alcala
	Marvin Simms	Osric Bacchus	Joy John-Benjamin
<b>Board of Directors</b>	Colin Bartholomew	Garth Fitz-Charles	Kendal Charles
	Robert Fortune	Gerard Browne	Derek Raymond
	Eric Hopkins II	Dionne Hopkins	Debra Hopkins
	Kenrick Jarvis	Esther Pariag	Ricky Codrington
	Marcelle Johnson	Esther Pariag	Ricky Codrington
	Allison Khan Ali	Nisha Ramkissoon	Krishinday Ramnanan
	Lindiwe Mason	Joanne Jeffers	Calon Reid
	Jason Matoram	Dianna Morris	Glodean Forgenie
	Michelle Newallo	Anna-Lisa Arlen-Benjamin	Joy John-Benjamin
	Andrew Nurse	Kim Kerr	Dianna Morris
	Alicia Piper	Anna-Lisa Arlen-Benjamin	Joy John-Benjamin
	Christiana Wallace	Michelle Thorpe	Candice Wallace
<b>Credit Committee</b>	Tambi Serrano-Rock	Anna-Lisa Arlen-Benjamin	Michelle Trestrail
	Nadine Whiskey-Ottley	Candace Goodial	Roger Beharry
	Royds Williams	Ursha Hector	Salene Williams
	Kim Kerr	Jillian Mitchell	Kethleen Joseph

The Committee recommends the following:-

- *Training sessions for newly appointed and existing Committee members on their roles and responsibilities be facilitated by the Co-operative Credit Union League of Trinidad & Tobago.*

The Nomination Committee would like to appeal to members in good standing to volunteer their time to serve in any of the various Committees for the sustainable development and success of the Tranquillity Credit Union.



**CLAUDETTE GOMEZ**  
*Chairman*



# The Office Family



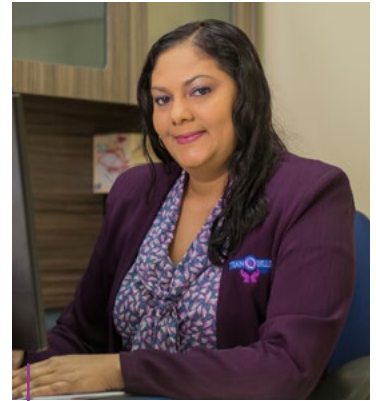
**Sherwin Cambridge**  
General Manager



**Natasha Olliviere**  
Accountant



**Vritti Moonsammy**  
Operations Officer



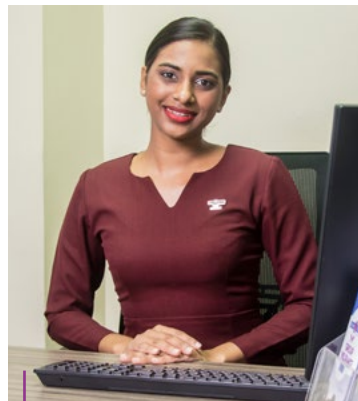
**Silvana Flores**  
Executive Assistant



**Vikash Reemaul**  
Jr. Systems Administrator



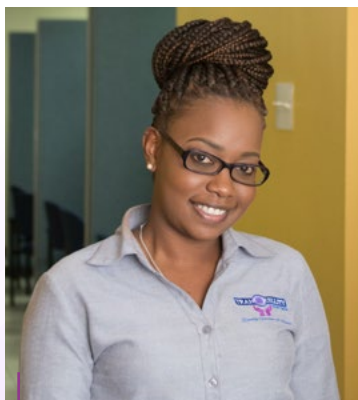
**Gabriella Lara**  
CSR/Administrative Clerk



**Prianna Lutchman**  
Loans Officer



**Ifeoma Durrant**  
Accounts Clerk



**Kelly Ann Clarke**  
Teller



**Jordan Gill**  
Teller



# 2021 Financial Report

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FOR THE YEAR ENDED DECEMBER 31st, 2021



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## Tranquillity Credit Union Co-operative Society Limited

### 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 2021, 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: 15 November 2022**



**Signed**  
**Title: Accountant**  
**Date: 15 November 2022**





## 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 2021, 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 2021 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 Matter

The financial statements of the Credit Union for the year ended 31 December 2020 were audited by another auditor who expressed an unqualified opinion on those statements on 9 July 2021.

#### Other Information

Management is responsible for the other information. The other information consist 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**  
**15 November 2022**

  
**Chartered Accountants**

**Tranquillity Credit Union Co-operative Society Limited**  
**Statement of Financial Position**  
**As at 31 December 2021**

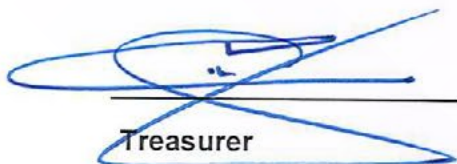
<b>Assets</b>	<b>Note</b>	<b>2021</b>	<b>Restated</b>	<b>Restated</b>
		<b>TT\$</b>	<b>2020</b>	<b>2019</b>
			<b>TT\$</b>	<b>TT\$</b>
<b>Non-current assets</b>				
Property and equipment	10	10,486,989	10,799,706	10,379,981
Members loans	7	85,022,227	86,546,693	80,120,326
Long term investments	8	<u>60,295,883</u>	<u>45,015,571</u>	<u>30,208,311</u>
<b>Total non-current assets</b>		<b><u>155,805,099</u></b>	<b><u>142,361,970</u></b>	<b><u>120,708,618</u></b>
<b>Current assets</b>				
Short-term investment	9	6,523,859	6,637,687	3,542,290
Inventory		3,652	35,441	34,488
Accounts receivables and prepayments	6	1,100,130	1,547,533	889,741
Cash at bank and in hand	5	<u>4,738,979</u>	<u>5,837,426</u>	<u>12,805,620</u>
<b>Total current assets</b>		<b><u>12,366,620</u></b>	<b><u>14,058,087</u></b>	<b><u>17,272,139</u></b>
<b>Total assets</b>		<b><u>168,171,719</u></b>	<b><u>156,420,057</u></b>	<b><u>137,980,757</u></b>
<b>Members' equity and liabilities</b>				
<b>Members' equity</b>				
Investment re-measurement reserve		2,363,665	1,062,971	1,402,546
Reserve fund		7,881,554	5,406,982	6,989,817
Education fund		1,460,170	1,172,691	1,100,957
Undivided earnings		<u>5,948,964</u>	<u>4,608,129</u>	<u>2,659,915</u>
<b>Total members' equity</b>		<b><u>17,654,353</u></b>	<b><u>12,250,773</u></b>	<b><u>12,153,235</u></b>
<b>Non-current liabilities</b>				
Gratuity fund		969,850	-	-
Members' share balances	11	<u>65,719,492</u>	<u>63,130,965</u>	<u>58,737,422</u>
<b>Total non-current liabilities</b>		<b><u>66,689,342</u></b>	<b><u>63,130,965</u></b>	<b><u>58,737,422</u></b>
<b>Current liabilities</b>				
Members' savings and deposit accounts	12	81,889,866	80,114,865	66,469,150
Accounts payables and accruals	13	1,906,143	914,977	587,984
Tax payable		<u>32,015</u>	<u>8,477</u>	<u>32,966</u>
<b>Total current liabilities</b>		<b><u>83,828,024</u></b>	<b><u>81,038,319</u></b>	<b><u>67,090,100</u></b>
<b>Total liabilities</b>		<b><u>150,517,366</u></b>	<b><u>144,169,284</u></b>	<b><u>125,827,522</u></b>
<b>Total members' equity and liabilities</b>		<b><u>168,171,719</u></b>	<b><u>156,420,057</u></b>	<b><u>137,980,757</u></b>

The notes on pages 11 to 43 form an integral part of these financial statements.

On 18 November 2022 the Board of Directors authorized these financial statements for issue.



President



Treasurer



Supervisory Committee

**Tranquillity Credit Union Co-operative Society Limited**  
**Statement of Comprehensive Income**  
**Year Ended 31 December 2021**

<b>Income</b>	<b>Note</b>	<b>2021</b> <b>TT\$</b>	<b>2020</b> <b>TT\$</b>
Interest on members loans		9,177,835	9,002,938
Investment income		946,783	698,055
Other income		<u>5,435,896</u>	<u>37,528</u>
<b>Total income</b>		<b><u>15,560,514</u></b>	<b><u>9,738,521</u></b>
<b>Expenditure</b>			
Annual general and special meetings		-	194,776
Loan loss provision	7	123,887	104,399
Bank charges		147,592	140,423
Co-operative activities		57,951	68,629
Cuna insurance premiums		367,086	379,098
Depreciation		468,962	190,003
Directors' expenses		244,888	255,483
Donations		28,963	17,868
Ex gratia payments		109,870	105,886
Green fund levy		46,656	29,216
Gratuity expense		969,850	-
Insurance		92,104	91,305
League dues		16,241	16,241
Legal and professional fees		328,314	254,337
Loss on disposal of computer		11,124	-
Marketing expenses		101,283	136,082
Members' fixed deposit interest		2,097,316	1,747,184
Members' premium deposit interest		1,020,795	1,049,321
Office supplies		104,352	106,768
Postage		7,669	7,678
Printing and stationery		40,210	34,478
Rental		126,750	127,700
Repairs and maintenance		192,841	222,847
Salaries and wages		1,760,361	1,640,005
Security courier		131,765	161,070
Staff benefits		112,639	110,199
Staff training and development		21,012	30,241
Sundry committees		96,108	99,405
Telephone expenses		79,576	77,472
Uniforms		30,606	-
Utilities		<u>31,445</u>	<u>48,390</u>
<b>Total expenditure</b>		<b><u>8,968,216</u></b>	<b><u>7,446,504</u></b>
<b>Surplus</b>		<b><u>6,592,298</u></b>	<b><u>2,292,017</u></b>
<b>Other comprehensive income</b>			
Unrealised gain on financial assets		1,380,155	2,083,433
Unrealised (loss) on financial assets		<u>(79,461)</u>	<u>(1,743,858)</u>
<b>Total comprehensive income</b>		<b><u>7,892,992</u></b>	<b><u>2,631,592</u></b>

The notes on pages 11 to 43 form an integral part of these financial statements.

**Tranquillity Credit Union Co-operative Society Limited**  
**Statement of Changes in Members' Equity**  
**Year Ended 31 December 2021**

	Investment Re-measurement Reserve	Reserve Fund	Education Fund	Undivided Earnings	Total
	<u>TT\$</u>	<u>TT\$</u>	<u>TT\$</u>	<u>TT\$</u>	<u>TT\$</u>
<b>Balance at 1 January 2021</b>	1,062,971	5,406,982	1,172,691	4,608,129	12,250,773
Net surplus for the year	-	-	-	6,592,298	6,592,298
Other comprehensive income	1,300,694	-	-	-	1,300,694
Transfer to the reserve fund	-	659,230	-	(659,230)	-
Transfer to the education fund	-	-	329,615	(329,615)	-
Entrance fees to reserve fund	-	1,460	-	-	1,460
Education expenses	-	-	(42,136)	-	(42,136)
Honorarium	-	-	-	(95,000)	(95,000)
Dividends paid – 2019 & 2020	-	1,813,882	-	(4,167,618)	(2,353,736)
<b>Balance at 31 December 2021</b>	<b><u>2,363,665</u></b>	<b><u>7,881,554</u></b>	<b><u>1,460,170</u></b>	<b><u>5,948,964</u></b>	<b><u>17,654,353</u></b>
<b>Balance at 1 January 2020</b>	1,402,546	6,989,817	1,100,957	3,232,554	12,725,874
Restatement adjustment	-	-	-	(572,639)	(572,639)
<b>Balance at 1 January 2020 (restated)</b>	<b><u>1,402,546</u></b>	<b><u>6,989,817</u></b>	<b><u>1,100,957</u></b>	<b><u>2,659,915</u></b>	<b><u>12,153,235</u></b>
Net surplus for the year	-	-	-	2,292,017	2,292,017
Other comprehensive income	(339,575)	-	-	-	(339,575)
Transfer to the reserve fund	-	229,202	-	(229,202)	-
Transfer to the education fund	-	-	114,601	(114,601)	-
Entrance fees to reserve fund	-	1,845	-	-	1,845
Education expenses	-	-	(42,867)	-	(42,867)
Dividends paid - 2019	-	(1,813,882)	-	-	(1,813,882)
<b>Balance at 31 December 2020</b>	<b><u>1,062,971</u></b>	<b><u>5,406,982</u></b>	<b><u>1,172,691</u></b>	<b><u>4,608,129</u></b>	<b><u>12,250,773</u></b>

The notes on pages 11 to 43 form an integral part of these financial statements.

**Tranquillity Credit Union Co-operative Society Limited**  
**Statement of Changes in Members' Equity**  
**Year Ended 31 December 2021**

	Investment Re-measurement Reserve <u>TT\$</u>	Reserve Fund <u>TT\$</u>	Education Fund <u>TT\$</u>	Undivided Earnings <u>TT\$</u>	Total <u>TT\$</u>
<b>Balance at 1 Jan 2019</b>	1,079,301	6,636,058	1,168,552	2,839,110	11,723,021
Restatement adjustment	-	-	-	(572,639)	(572,639)
<b>Balance at 1 Jan 2019 (restated)</b>	<b>1,079,301</b>	<b>6,636,058</b>	<b>1,168,552</b>	<b>2,266,471</b>	<b>11,150,382</b>
Net surplus for the year	-	-	-	3,522,993	3,522,993
Other comprehensive income	464,793	-	-	-	464,793
Transfer to the reserve fund	-	352,299	-	(352,299)	-
Transfer to the education fund	-	-	176,150	(176,150)	-
Entrance fees to reserve fund	-	1,460	-	-	1,460
Education expenses	-	-	(243,745)	-	(243,745)
Prior year adjustment	(141,548)	-	-	(110,895)	(252,443)
Honorarium	-	-	-	(50,000)	(50,000)
Dividends paid - 2018	-	-	-	(2,440,205)	(2,440,205)
<b>Balance at 31 December 2019</b>	<b><u>1,402,546</u></b>	<b><u>6,989,817</u></b>	<b><u>1,100,957</u></b>	<b><u>2,659,915</u></b>	<b><u>12,153,235</u></b>

The notes on pages 11 to 43 form an integral part of these financial statements.

**Tranquillity Credit Union Co-operative Society Limited**  
**Statement of Cash Flows**  
**Year Ended 31 December 2021**

	<b>2021</b>	<b>2020</b>
	<b><u>TT\$</u></b>	<b><u>TT\$</u></b>
<b>Cash flow from operating activities</b>		
Surplus for the year	6,592,298	2,292,017
<b>Adjustments:</b>		
Depreciation	468,962	190,003
Loss on disposals of property, plant and equipment	11,124	-
Net movement in the investment re-measurement reserve	1,300,694	(339,575)
Loan loss provision	<u>123,887</u>	<u>104,399</u>
	<b>8,496,965</b>	<b>2,246,844</b>
<b>Changes in:</b>		
Inventory	31,787	(952)
Members' loans	1,400,578	(6,530,766)
Receivables and prepayments	447,403	(657,792)
Payables and accruals	991,166	326,993
Members' savings and deposit accounts	1,775,001	13,645,715
Taxation payable	23,538	(24,489)
Gratuity fund payable	<u>969,850</u>	<u>-</u>
<b>Net cash generated from operating activities</b>	<b><u>14,136,288</u></b>	<b><u>9,005,553</u></b>
<b>Investing activities</b>		
Net movement in long term investments	(15,280,312)	(14,807,260)
Additions to property, plant and equipment	<u>(167,367)</u>	<u>(609,728)</u>
<b>Net cash used in investing activities</b>	<b><u>(15,447,679)</u></b>	<b><u>(15,416,988)</u></b>
<b>Financing activities</b>		
Increase in members' shares	2,588,527	4,393,543
Reserve fund	1,815,342	-
Education fund expenses	(42,136)	(42,867)
Honorarium paid	(95,000)	-
Dividends paid	<u>(4,167,618)</u>	<u>(1,812,037)</u>
<b>Net cash provided by financing activities</b>	<b><u>99,115</u></b>	<b><u>2,538,639</u></b>
<b>Decrease in cash and cash equivalents</b>	<b>(1,212,276)</b>	<b>(3,872,796)</b>
Cash and cash equivalents at the beginning of the year	<u>12,475,114</u>	<u>16,347,910</u>
<b>Cash and cash equivalents at the end of the year</b>	<b><u>11,262,838</u></b>	<b><u>12,475,114</u></b>
<b>Represented by:</b>		
Cash at bank and in hand	4,738,979	5,837,426
Short-term investments	<u>6,523,859</u>	<u>6,637,688</u>
	<b><u>11,262,838</u></b>	<b><u>12,475,114</u></b>

The notes on pages 11 to 43 form an integral part of these financial statements.



**Tranquillity Credit Union Co-operative Society Limited**  
**Statements of Receipts and Payments**  
**Year Ended 31 December 2021**

	<b>2021</b>	<b>2020</b>
	<b><u>TT\$</u></b>	<b><u>TT\$</u></b>
<b>Receipts</b>		
Annual general meeting expenses	4,800	2,600
Air condition cost	-	39,394
Appliance loan	3	-
Appliance promo loan	32,720	6,923
Bank charges	878	3,988
Beneficiary account payable	45,094	-
Board expenses	819	174
Building improvement	-	12,853
Computer loan interest - NP	24,979	12,038
Computer services expenses	207	292
Co-operative activities	600	20,147
Cuna family indemnity plan payables	1,426	-
Debit card deposits	3,770,049	4,435,670
Deposits	1,250,629	731,934
Dividend NGL shares	8,640	7,200
Dividends – Agostini shares	3,409	10,772
Dividends – Angostura shares	3,900	850
Dividends – Ansa Mcal shares	8,100	-
Dividends – FCB shares	40,697	55,203
Dividends – FCGFH shares	18,132	-
Dividends – Massy Holding	16,172	14,079
Dividends – NCB financial	625	1,425
FCBAS NIF A & B Series	47,562	95,124
Dividends – SBTT	7,950	600
Dividends – WITCO	9,866	8,599
Donations	-	1,180
Dsr loans	279,324	461,892
Education expenses	20,603	-
Entrance fee	660	-
Equipment rental	1,294	1,294
F.I.P death benefit receivables	529,644	344,736
F.I.P deposits	194,361	130,668
FCB receivables	806,548	891,789
FCBAS NIF Series A	5,040	-
FCBAS NIF Series B	42,522	-
First line securities loan notes – TCCL	654,528	443,083
Food voucher loan	180,650	98,841
Food voucher service charge	25,750	18,225
Food vouchers inventory	1,000	-
General insurance expenses	-	83
General loans	5,932,393	4,273,624
Green fund levy taxes	-	3,062

**Tranquillity Credit Union Co-Operative Society Limited**  
**Statements of Receipts and Payments**  
**Year Ended 31 December 2021**

	<b>2021</b>	<b>2020</b>
	<b>TT\$</b>	<b>TT\$</b>
<b>Receipts (continued)</b>		
Group health plan deposits	249,125	121,460
Health surcharge payable	924	11,925
Interest from first line securities - TCCL	119,343	102,539
Interest on appliance promo	9,135	6,072
Interest on computer loans	3,681	32
Interest on DSR loan	88,528	20,754
Interest on general loans	2,228,650	1,207,573
Interest on line of credit	31,390	23,361
Interest on long term loan	130,387	2,083
Interest on NMPC COLA Loan	4,495	623
Interest on savings plus	18,084	22,233
Interest on share builder loan	-	3,796
Interest on small business	814	828
Interest on special loans	8,691	6,754
Interest on staff loan	758	-
Interest on vehicle loan	307,036	184,503
Janitorial services	3,180	1,000
League fee	16,241	-
Legal and professional fees	-	18,017
Liquid Fuel Company of Trinidad & Tobago (LFCTT)	172,783	237,174
Line of credit	237,710	172,600
Loan interest deferral for app. promo	-	3,302
Loan interest deferral for DSR loan	1,108	8,176
Loan interest deferral for general loan	22,766	58,256
Loan interest deferral for saving plus loan	872	565
Loan interest deferral for staff loan	416	-
Loan interest deferral for vehicle loan	6,683	12,782
Marketing	1,600	3,671
Massy food stores (vouchers)	-	5,400
Medical (employer's contribution)	-	2,860
Members' control account	-	100,470
Members' fixed deposits	120,000	-
Members' payable	51,144	12,809
Members' shares	5,068,034	5,292,769
Mortgage loan	132,905	40,152
Naipaul's supermarket (vouchers)	-	18,200
National Petroleum Marketing Company	20,865,488	22,452,308
NATPET	851,018	769,975
NFM dividend	600	600
NIS payables	14,819	-

**Tranquillity Credit Union Co-Operative Society Limited**  
**Statements of Receipts and Payments**  
**Year Ended 31 December 2021**

	<b>2021</b>	<b>2020</b>
	<b><u>TT\$</u></b>	<b><u>TT\$</u></b>
<b>Receipts (continued)</b>		
Non-statutory committee	5	201
NPMC - computer loans	28,208	2,589
NPMC - cola loan	12,893	405
Office supplies expense	2,908	2,178
Other accrued expenses	20,446	93,673
Other income	62,761	56,628
Other receivables	1,282,065	729,487
Overages / shortages	1,939	5,339
PAYE	18,258	11,143
Pension (employer's contribution)	3,155	100
Postage	-	4,617
Premium deposit	18,867,342	37,941,244
Printing and stationery	1,605	-
Repairs and maintenance general	5,513	14,838
Saving plan loan	63,895	102,259
Scotia Bank T&T Limited shares	2,550	-
Share builder loan	-	41,617
Share drive promotion	2,500	-
Special loans	12,006	7,744
Staff incentives	35	-
Staff loans	5,062	-
Standing order deposits	139,919	119,540
Standing order payable	64,221	43,866
Storage expense	-	1,212
Sundry creditors	-	327,456
Telephone expense	10,978	932
UTC money market	1,300,000	-
Vehicle loan	2,573,724	948,688
Visa debit card income	2,007	3,354
<b>Total receipts</b>	<b><u>69,223,976</u></b>	<b><u>83,513,074</u></b>

The notes on pages 11 to 43 form an integral part of these financial statements.

**Tranquillity Credit Union Co-Operative Society Limited**  
**Statements of Receipts and Payments**  
**Year Ended 31 December 2021**

	<b>2021</b>	<b>2020</b>
	<b><u>TT\$</u></b>	<b><u>TT\$</u></b>
<b>Payments</b>		
Annual general meeting expenses	7,360	22,376
Air-condition cost	30,938	59,447
Angostura Holdings Limited shares	-	76,700
Ansa McAl Limited shares	-	225,363
Appliance promo loans	87,691	214,416
Audit fees	36,983	34,000
Bank charges JMMB	24,622	12,278
Bank charges Republic Bank Limited	58,368	73,973
Beautification expenses	14,283	13,811
Beneficiary account payable	36,403	-
Board expenses	11,693	14,644
Building improvement cost	16,875	454,470
Carpark rental	126,750	127,700
Computer cost	44,527	88,287
Computer service expenses	60,116	59,380
Co-operative activities	31,470	85,015
Credit committee expenses	722	1,228
Cuna family indemnity plan	500,682	485,945
Cuna LP & LS insurance	939	2,884
Debit card deposits	8,777,914	13,966,860
Deposits	1,200,740	1,158,825
Donations	28,963	11,960
DSR loans	392,085	-
Education expenses	51,910	41,867
Electricity	28,903	33,521
Entrance fee	20	-
Equipment rental	12,938	9,329
F.I.P. Death benefit receivable	269,522	210,000
F.I.P. Deposits	26,337	11,125
FCB receivables	-	22,998
First line securities loan notes - TCCL	2,119,612	-
Food voucher loans	8,000	15,000
Furniture, fixtures and fittings cost	5,250	36,664
General insurance	4,501	9,356
General loans	1,523,038	7,671,366
Green fund levy taxes	23,119	56,767
Group health plan deposits	1,290	5,576
Group life insurance expenses	28,154	390
Health surcharge payable	5,800	17,204
Home Mortgage Bank – CMO	-	2,000,000

**Tranquillity Credit Union Co-Operative Society Limited**  
**Statements of Receipts and Payments**  
**Year Ended 31 December 2021**

	<b>2021</b>	<b>2020</b>
	<b><u>TT\$</u></b>	<b><u>TT\$</u></b>
<b>Payments (continued)</b>		
Home Mortgage Bank – Samaan Fund	1,000,000	3,000,000
Interest on general loans	814	-
Interest on line of credit	-	877
Interest on vehicle loans	-	21,122
Janitorial service expenses	47,517	51,095
League fees	32,481	16,241
Legal and professional fees	271,676	396,780
Line of credit	1,084,606	882,400
Loan interest deferral for app. promo	-	3,302
Loan interest deferral for general loan	-	9,986
Loan interest deferral for vehicle	-	4,094
Marketing expense	77,294	124,495
Massy Food Stores (vouchers)	102,700	100,000
Medical (employer's contribution)	17,405	5,815
Member control account	2,173	-
Members' fixed deposit	120,000	-
Members' mobile top-up	5,000	-
Members' payable	11,347	395
Members' shares	332,795	1,188,249
National Petroleum Company Ltd	2,148,876	-
NATPET	121,969	55,240
NIS payable	200,538	166,279
Non-statutory committees	4,508	3,579
NPMC - cola loans	-	50,900
NPMC computer loans	46,542	76,443
Office equipment cost	5,063	2,588
Office supplies	25,416	31,339
Other accrued expenses	757,129	727,657
Other income	198	940
Other receivables	124,816	49,302
Overages / shortages	909	6,106
PAYE payable	146,759	143,964
Pension (employer's contribution)	89,941	69,723
Postage	7,669	7,678
Premium deposits	37,419,243	37,591,826
Prepayments	160,971	55,726
Pricesmart Supermarket Limited	117,000	145,000
Printing and stationery	41,425	36,140
Processing fees-loans	5,042	-

**Tranquillity Credit Union Co-Operative Society Limited**  
**Statements of Receipts and Payments**  
**Year Ended 31 December 2021**

	<b>2021</b>	<b>2020</b>
	<b><u>TT\$</u></b>	<b><u>TT\$</u></b>
<b>Payments (continued)</b>		
Rates and taxes	2,824	8,141
Repairs and maintenance - general	47,736	91,024
Salaries and wages	84,853	7,693
SBTT shares	-	81,795
Security property	-	9,020
Staff incentives	11,486	492
Staff loans	140,000	-
Staff training and development	15,475	30,071
Standing order deposits	341,198	424,979
Standing orders payable – Group Health Plan	876,478	583,174
Storage expense	14,793	15,755
Supervisory allowance	481	-
Supervisory expenses	967	695
Telephones	103,598	74,166
Uniform expenses	21,901	-
Unit Trust Growth and Income Fund	7,000,000	13,000,000
Vehicle loans	1,344,486	3,675,497
Visa debit card income	504	-
Xtra Foods Supermarket (vouchers)	187,308	122,760
<b>Total payments</b>	<b><u>70,322,423</u></b>	<b><u>90,481,268</u></b>
<b>Cash in transit:</b>		
<b>Replacement cheques &amp; cash</b>		
Opening balance	5,837,426	12,805,620
Total receipts	69,223,976	83,513,074
Less: payments	<u>(70,322,423)</u>	<u>(90,481,268)</u>
<b>Closing balance</b>	<b><u>4,738,979</u></b>	<b><u>5,837,426</u></b>
<b><u>Represented by:</u></b>		
Cash in hand and at bank	<b><u>4,738,979</u></b>	<b><u>5,837,426</u></b>

The notes on pages 11 to 43 form an integral part of these financial statements.

## Tranquillity Credit Union Co-operative Society Limited

### Notes to the Financial Statements

#### 31 December 2021

#### 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 2021

The following standards and amendments have become effective for the annual periods commencing on or after 1 January 2021.

- ❖ *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 2020.

**Tranquillity Credit Union Co-operative Society Limited**  
**Notes to the Financial Statements**  
**31 December 2021**

**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 2021 (continued)**

Amendments to IFRS 16 'Leases' Covid-19 Related Rent Concessions beyond 30 June 2021

This amendment extends the practical expedient to rent concessions that reduce only lease payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met.

The amendment is effective 1 April 2021. 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 2021**

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 2021.

- ❖ *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 2018–2021*
- ❖ *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.*



**Tranquillity Credit Union Co-operative Society Limited**  
**Notes to the Financial Statements**  
**31 December 2021**

**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, 2021 (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 2021

This amendment extends the practical expedient to rent concessions that reduce only lease payments originally due on or before 30 June 2021, provided the other conditions for applying the practical expedient are met. The amendments are applicable for annual periods commencing on or after 1 April 2021.

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 2021.

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 2021.

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 2021.

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 2021.

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 2022.

**Tranquillity Credit Union Co-operative Society Limited**  
**Notes to the Financial Statements**  
**31 December 2021**

**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, 2021 (continued)**

Annual Improvements to IFRS Standards 2018–2021 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 2022.

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.

**Tranquillity Credit Union Co-operative Society Limited**  
**Notes to the Financial Statements**  
**31 December 2021**

**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, 2021 (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.

## Tranquillity Credit Union Co-operative Society Limited

### Notes to the Financial Statements

#### 31 December 2021

### 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.

**Tranquillity Credit Union Co-operative Society Limited**  
**Notes to the Financial Statements**  
**31 December 2021**

**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.

**Tranquillity Credit Union Co-operative Society Limited**  
**Notes to the Financial Statements**  
**31 December 2021**

**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.

## Tranquillity Credit Union Co-operative Society Limited

### Notes to the Financial Statements

#### 31 December 2021

### 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.

**Tranquillity Credit Union Co-operative Society Limited**  
**Notes to the Financial Statements**  
**31 December 2021**

**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.



**Tranquillity Credit Union Co-operative Society Limited**  
**Notes to the Financial Statements**  
**31 December 2021**

**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.

**Tranquillity Credit Union Co-operative Society Limited**  
**Notes to the Financial Statements**  
**31 December 2021**

**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 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.

**Tranquillity Credit Union Co-operative Society Limited**  
**Notes to the Financial Statements**  
**31 December 2021**

**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.

**Tranquillity Credit Union Co-operative Society Limited**  
**Notes to the Financial Statements**  
**31 December 2021**

**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.

**Tranquillity Credit Union Co-operative Society Limited**  
**Notes to the Financial Statements**  
**31 December 2021**

**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:

	<b>2021</b>	
	<b>TT\$</b>	
	<b>Carrying</b>	<b>Fair</b>
	<b>value</b>	<b>value</b>
<b>Financial assets</b>		
Cash and cash equivalents	4,738,979	4,738,979
Short-term investments	6,523,859	6,523,859
Long-term investments	60,295,883	60,295,883
Accounts receivable and prepayments	1,100,130	1,100,130
Loans to members	<u>85,022,227</u>	<u>85,022,227</u>
	<b><u>157,681,078</u></b>	<b><u>157,681,078</u></b>
<b>Financial liabilities</b>		
Taxation payable	32,015	32,015
Accounts payable and accruals	1,906,143	1,906,143
Members savings and deposits	81,889,866	81,889,866
Members' shares	<u>65,719,492</u>	<u>65,719,492</u>
	<b><u>149,547,516</u></b>	<b><u>149,547,516</u></b>

**Tranquillity Credit Union Co-operative Society Limited**  
**Notes to the Financial Statements**  
**31 December 2021**

**4. Financial risk management (continued)**

**Financial instruments**

	<b>2020</b>	
	<b><u>TT\$</u></b>	
	<b>Carrying</b>	<b>Fair</b>
	<b>value</b>	<b>value</b>
<b>Financial assets</b>		
Cash and cash equivalents	5,837,426	5,837,426
Short-term investments	6,637,688	6,637,688
Long-term investments	45,015,571	45,015,571
Accounts receivable and prepayments	1,547,533	1,547,533
Loans to members	<u>86,546,693</u>	<u>86,546,693</u>
	<b><u>145,584,911</u></b>	<b><u>145,584,911</u></b>
<b>Financial liabilities</b>		
Taxation payable	8,477	8,477
Accounts payable and accruals	914,977	914,977
Members savings and deposits	80,114,865	80,114,865
Members' shares	<u>63,130,965</u>	<u>63,130,965</u>
	<b><u>144,169,284</u></b>	<b><u>144,169,284</u></b>

**Tranquillity Credit Union Co-operative Society Limited**  
**Notes to the Financial Statements**  
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**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.

**Tranquillity Credit Union Co-operative Society Limited**  
**Notes to the Financial Statements**  
**31 December 2021**

**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.



**Tranquillity Credit Union Co-operative Society Limited**  
**Notes to the Financial Statements**  
**31 December 2021**

**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.

**Tranquillity Credit Union Co-operative Society Limited**  
**Notes to the Financial Statements**  
**31 December 2021**

	<b>2021</b>	<b>2020</b>
	<b><u>TT\$</u></b>	<b><u>TT\$</u></b>
<b>5. Cash and cash equivalents</b>		
Cash in transit	795,781	493,894
Cash at bank	<u>3,943,198</u>	<u>5,343,532</u>
	<b><u>4,738,979</u></b>	<b><u>5,837,426</u></b>
<b>6. Account receivables and prepayments</b>		
National Petroleum Marketing Company	708,553	709,062
Other receivables	82,838	129,742
Accrued interest on oil notes	221,252	111,042
Prepayments	84,374	55,726
Loan deferral interest	<u>3,113</u>	<u>541,961</u>
	<b><u>1,100,130</u></b>	<b><u>1,547,533</u></b>
<b>7. Members' loans</b>		
Loans to members	89,411,831	90,812,410
Provision for loan losses	<u>(4,389,604)</u>	<u>(4,265,717)</u>
	<b><u>85,022,227</u></b>	<b><u>86,546,693</u></b>
<b>Provision for loan losses:</b>		
Balance beginning of the year	4,265,717	4,161,318
Charge for the year	<u>123,887</u>	<u>104,399</u>
Balance, end of year	<b><u>4,389,604</u></b>	<b><u>4,265,717</u></b>
<b>Loan category:</b>		
General loans	63,368,602	63,217,224
Mortgage loans	4,421,455	4,873,602
Appliance loans	34,823	34,941
Vehicle loans	14,321,969	15,335,892
Food voucher loans	625,159	560,885
Special loans	110,359	138,543
NPMC computer loans	127,242	154,907
Promotion loans	12,675	12,675
Small business demand loans	46,559	46,559
Line of credit	1,612,785	1,749,867
Staff loans	915,049	727,614
Future cash investment loans	6,192	6,192
Appliance promo	393,405	363,007
DSR loans	2,350,072	2,043,665
Share builder loans	43,320	56,649
Savings plus	531,405	897,426
NPMC back pay loan	390,000	389,004
NPMC cola loan	<u>100,760</u>	<u>203,758</u>
	<b><u>89,411,831</u></b>	<b><u>90,812,410</u></b>

**Tranquillity Credit Union Co-operative Society Limited**  
**Notes to the Financial Statements**  
**31 December 2021**

	<b>2021</b>	<b>2020</b>
	<b><u>TT\$</u></b>	<b><u>TT\$</u></b>
<b>8. Long term investments</b>		
<b><u>Investments at amortised costs:</u></b>		
NIF – Series A	226,890	226,352
NIF – Series B	<u>1,530,046</u>	<u>1,536,760</u>
	<b><u>1,756,936</u></b>	<b><u>1,763,112</u></b>
 <b><u>Investments at fair value through profit / loss</u></b>		
<b><u>Equity securities:</u></b>		
Agostini Limited	443,170	327,128
Angostura Holdings Limited	180,000	164,000
Ansa McAl Ltd	267,705	240,750
First Citizens Bank Ltd – I.P.O.	-	1,733,849
First Citizens Group Financial Holdings	2,509,913	-
Massy Holdings Ltd	665,910	386,799
NCB Financial Services Limited	245,330	249,006
Scotiabank Trinidad and Tobago Limited	207,750	174,000
Shares – Co-operative CU League	10,000	10,000
National Flour Mills	39,000	43,000
Trinidad and Tobago NGL Limited	601,920	489,600
West Indian Tobacco Company Limited	<u>189,981</u>	<u>235,976</u>
	<b><u>5,360,679</u></b>	<b><u>4,054,108</u></b>
 <b><u>Mutual funds:</u></b>		
T&T Unit Trust Corporation (Income and Growth Fund)	43,803,825	32,076,374
Republic Bank Ltd (Income and Growth Fund)	3,015,456	2,632,441
Roytrin (Income and Growth Fund)	2,397,955	2,000,825
Home Mortgage Bank Ltd (CMO)	2,000,000	2,000,000
First Line Securities Loan Notes – Tower Consortium	1,855,218	390,170
Royal Scandia (E.W.B.)	<u>105,814</u>	<u>98,541</u>
	<b><u>53,178,268</u></b>	<b><u>39,198,351</u></b>
 <b>Total investments at fair value through profit / loss</b>	<b><u>58,538,947</u></b>	<b><u>43,252,459</u></b>
 <b>Total investments</b>	<b><u>60,295,883</u></b>	<b><u>45,015,571</u></b>
 <b>9. Short term investments</b>		
T&T Unit Trust Corporation (Money Market Fund)	89,440	1,378,903
Republic Bank Limited (Money Market Fund)	63,268	62,634
Home Mortgage Bank (Samaan Tree Fund)	4,249,351	3,074,350
First Line Securities Oil Notes	<u>2,121,800</u>	<u>2,121,800</u>
	<b><u>6,523,859</u></b>	<b><u>6,637,687</u></b>

**Tranquillity Credit Union Co-operative Society Limited**  
**Notes to the Financial Statements**  
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**10. Property and equipment**

<b>2021</b>	<b>Land &amp; Building</b>	<b>Computers</b>	<b>Equipment</b>	<b>Fixtures &amp; Fittings</b>	<b>Total</b>
	<b>TT\$</b>	<b>TT\$</b>	<b>TT\$</b>	<b>TT\$</b>	<b>TT\$</b>
At 1 January 2021	10,317,964	963,781	515,549	691,682	12,488,976
Additions	16,875	109,241	36,001	5,250	167,367
Disposals	-	(23,148)	-	-	(23,148)
<b>At 31 December 2021</b>	<b><u>10,334,839</u></b>	<b><u>1,049,874</u></b>	<b><u>551,550</u></b>	<b><u>696,932</u></b>	<b><u>12,633,195</u></b>
<b>Accumulated depreciation</b>					
At 1 January 2021	572,639	544,104	183,281	389,246	1,689,270
Charge for the year	280,956	117,103	32,497	38,406	468,962
Disposals	-	(12,026)	-	-	(12,026)
<b>At 31 December 2021</b>	<b><u>853,595</u></b>	<b><u>649,181</u></b>	<b><u>215,778</u></b>	<b><u>427,652</u></b>	<b><u>2,146,206</u></b>
<b>Net book value</b>					
<b>Balance as at 31 Dec 2021</b>	<b><u>9,481,244</u></b>	<b><u>400,693</u></b>	<b><u>335,772</u></b>	<b><u>269,280</u></b>	<b><u>10,486,989</u></b>
<b>Balance as at 31 Dec 2020</b>	<b><u>9,745,325</u></b>	<b><u>419,677</u></b>	<b><u>332,268</u></b>	<b><u>302,436</u></b>	<b><u>10,799,706</u></b>
<b>2020</b>	<b>Land &amp; Building</b>	<b>Computers</b>	<b>Equipment</b>	<b>Fixtures &amp; Fittings</b>	<b>Total</b>
	<b>TT\$</b>	<b>TT\$</b>	<b>TT\$</b>	<b>TT\$</b>	<b>TT\$</b>
At 1 January 2020	9,876,347	854,974	492,909	655,018	11,879,248
Additions	441,617	108,807	22,640	36,664	609,728
<b>At 31 December 2020</b>	<b><u>10,317,964</u></b>	<b><u>963,781</u></b>	<b><u>515,549</u></b>	<b><u>691,682</u></b>	<b><u>12,488,976</u></b>
<b>Accumulated depreciation</b>					
At 1 January 2020	-	420,121	157,830	348,677	926,628
Restatement adjustment	<u>572,639</u>	-	-	-	<u>572,639</u>
At 1 January 2020 (restated)	572,639	420,121	157,830	348,677	1,499,267
Charge for the year	-	123,983	25,451	40,569	190,003
<b>At 31 December 2020</b>	<b><u>572,639</u></b>	<b><u>544,104</u></b>	<b><u>183,281</u></b>	<b><u>389,246</u></b>	<b><u>1,689,270</u></b>
<b>Net book value</b>					
<b>Balance as at 31 Dec 2020</b>	<b><u>9,745,325</u></b>	<b><u>419,677</u></b>	<b><u>332,268</u></b>	<b><u>302,436</u></b>	<b><u>10,799,706</u></b>
<b>Balance as at 31 Dec 2019</b>	<b><u>9,303,708</u></b>	<b><u>434,853</u></b>	<b><u>335,079</u></b>	<b><u>306,341</u></b>	<b><u>10,379,981</u></b>

**Tranquillity Credit Union Co-operative Society Limited**  
**Notes to the Financial Statements**  
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	<b>2021</b>	<b>2020</b>
	<b><u>TT\$</u></b>	<b><u>TT\$</u></b>
<b>11. Members' shares</b>		
Members' shares	65,595,492	62,996,965
Share drive promotion	<u>124,000</u>	<u>134,000</u>
	<b><u>65,719,492</u></b>	<b><u>63,130,965</u></b>
<b>12. Members' savings and deposits</b>		
Regular savings deposit	821,549	1,145,137
Premium deposits	33,832,705	35,893,865
F.I.P. deposits	150,162	138,097
Standing order deposits	154,364	148,599
Members fixed deposits	46,791,945	42,684,976
Debit card deposits	9,923	12,203
Group health plan deposits	<u>129,218</u>	<u>91,988</u>
	<b><u>81,889,866</u></b>	<b><u>80,114,865</u></b>
<b>13. Accounts payables and accruals</b>		
Accrued expenses	338,666	601,448
Fixed deposit interest payable	782,468	276,546
Other payables	<u>785,009</u>	<u>36,983</u>
	<b><u>1,906,143</u></b>	<b><u>914,977</u></b>

**Tranquillity Credit Union Co-operative Society Limited**  
**Notes to the Financial Statements**  
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**14. Related party transactions**

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

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

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

	<b>2021</b>	<b>2020</b>
	<b><u>TT\$</u></b>	<b><u>TT\$</u></b>
<b>Assets:</b>		
Due from directors, committee members and key management personnel	<u>4,805,317</u>	<u>6,410,020</u>
	<b><u>4,805,317</u></b>	<b><u>6,410,020</u></b>
<b>Liabilities:</b>		
Due to directors, committee members and key management personnel	<u>4,432,512</u>	<u>5,901,423</u>
	<b><u>4,432,512</u></b>	<b><u>5,901,423</u></b>

**Tranquillity Credit Union Co-operative Society Limited**  
**Notes to the Financial Statements**  
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**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 2021.

**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.

**Tranquillity Credit Union Co-Operative Society Limited**  
**Notes to the Financial Statements**  
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**16. Restatements**

In financial year 2016, the Credit Union started using their building located at 5 Maraval Road, Port of Spain. Depreciation in relation to the building, however, was inadvertently not computed for the period 2016 to 2019. Consequently, the property and equipment balance was overstated for these periods. The depreciation expense previously not recorded is now recognised in undivided earnings.

<b>Effect on Statement of Financial Position As at 31 Dec 2019</b>	<b>As previously reported TT\$</b>	<b>Restatements TT\$</b>	<b>As restated TT\$</b>
<b>Non-current assets</b>			
Property & equipment	10,952,620	(572,639)	10,379,981
<b>Members' equity</b>			
Undivided earnings	(3,232,554)	572,639	(2,659,915)

<b>Effect on Statement of Financial Position As at 31 Dec 2020</b>	<b>As previously reported TT\$</b>	<b>Restatements TT\$</b>	<b>As restated TT\$</b>
<b>Non-current assets</b>			
Property & equipment	11,372,345	(572,639)	10,799,706
<b>Members' equity</b>			
Undivided earnings	(5,180,768)	572,639	(4,608,129)

**17. Contingent liabilities**

The Credit Union has no contingent liabilities as at 31 December 2021.

**18. Capital commitments**

The Credit Union has no capital commitments as at 31 December 2021.

**19. Subsequent events**

Management evaluated all the events that occurred from 1 January 2022 through 15 November 2022, 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

## STATEMENT OF FINANCIAL POSITION PROJECTIONS - 2022

	<u>Budgeted</u> <u>2022</u>	<u>Audited</u> <u>2021</u>
<b><u>ASSETS</u></b>		
<b>Non-Current Asset</b>		
Property, Plant and Equipment	\$ 10,704,545	\$ 10,486,989
Members' Loans	85,018,853	85,022,227
Long Term Investments	48,536,488	60,295,883
<b>Total Non-Current Assets</b>	<b>144,259,886</b>	<b>155,805,099</b>
<b>Current Asset</b>		
Short-Term Investments	\$ 19,024,075	\$ 6,523,859
Inventory	-	3,652
Receivable and Prepayments	1,430,540	1,100,130
Cash at Bank and in Hand	4,112,596	4,738,979
<b>Total Current Asset</b>	<b>24,567,211</b>	<b>12,366,620</b>
<b>TOTAL ASSETS</b>	<b>\$ 168,827,097</b>	<b>\$ 168,171,719</b>
<b><u>MEMBERS' EQUITY AND LIABILITIES</u></b>		
<b>MEMBERS' EQUITY:</b>		
Investment Re-measurement Reserve	-	\$ 2,363,665
Reserve Fund	8,135,093	7,881,554
Education Fund	1,486,935	1,460,170
Undivided Earnings	3,702,575	5,948,964
<b>Total Members' Equity</b>	<b>13,324,603</b>	<b>17,654,353</b>
<b>Non-Current Liabilities</b>		
Members' Share Balance	65,638,822	65,719,492
Gratuity Fund	\$ 969,850	969,850
<b>Total Non-Current Liabilities</b>	<b>\$ 66,608,672</b>	<b>\$ 66,689,342</b>
<b>Current Liabilities</b>		
Members' Savings and Deposit Accounts	\$ 86,177,700	\$ 81,889,866
Payable and Accruals	2,716,122	1,906,143
Tax Payable	-	32,015
<b>Total Current Liabilities</b>	<b>88,893,822</b>	<b>83,828,024</b>
<b>TOTAL LIABILITIES</b>	<b>66,608,672</b>	<b>150,517,366</b>
<b>TOTAL LIABILITIES AND MEMBERS</b>	<b>\$ 168,827,097</b>	<b>\$ 168,171,719</b>

# Budget

## STATEMENT OF COMPREHENSIVE INCOME PROJECTIONS - 2022

	<u>Budgeted</u> <u>2022</u> TT\$	<u>Audited</u> <u>2021</u> TT\$
<b>INCOME:</b>		
Interest on Members' Loans	8,833,745	9,177,835
Investments Income	1,522,400	946,783
Other Income	339,474	5,435,896
<b>Total income</b>	<b><u>10,695,619</u></b>	<b><u>15,560,514</u></b>
<b>EXPENDITURE</b>		
Annual General Meeting	157,560	-
Bad Debts	150,000	123,887
Bank Charges	138,751	147,592
Co-operative Activities	31,000	57,951
Cuna Insurance Premiums	386,879	367,086
Depreciation	215,591	468,962
Directors' Expenses	266,400	244,888
Donation	20,000	28,963
Ex Gratia Payment	119,122	109,870
Gratuity expense	-	969,850
Insurances	88,475	92,104
League Dues	16,601	16,241
Legal and Professional Fees	271,895	328,314
Loss on Disposal	-	11,124
Marketing Expenses	106,956	101,283
Members' Fixed Deposits Interest	1,880,238	2,097,316
Members' Premium Deposits Interest	1,106,501	1,020,795
Office Supplies	102,991	104,352
70th Anniversary Expenses	350,000	-
Postage	7,832	7,669
Printing and Stationery	32,754	40,210
Rental	125,700	126,750
Repairs and Maintenance	224,033	192,841
Salaries and Wages	1,770,586	1,760,361
Security Courier	156,566	131,765
Staff Benefits	116,400	112,639
Staff Training and Development	50,000	21,012
Sundry Committees	108,600	96,108
Telephone Expenses	79,733	79,576
Green Fund Levy Taxes	32,087	46,656
Uniforms	-	30,606
Utilities	46,992	31,445
<b>Total expenses</b>	<b><u>8,160,243</u></b>	<b><u>8,968,216</u></b>
<b>Net surplus for the year</b>	<b><u>2,535,376</u></b>	<b><u>6,592,298</u></b>

# Resolutions

## **1: DIVIDEND 2021**

### **Be it resolved**

- i) *That in accordance with Bye-Law 13 (b), Distribution of Surplus, the Annual General Meeting approves the Dividend Payment of 4.5% and that 2% be credited to Members' Share Accounts consistent with Bye-Law 13 (b) for the year ended December 31st, 2021.*
- ii) *That Dividends due to Members whose accounts have become delinquent, be credited to their outstanding loans and interest balances.*

## **2: INTEREST REBATE/PATRONAGE REFUND**

### **Be it resolved**

- i) *That a patronage refund of 3% be declared for the financial year ended December 31st, 2021, and credited to Members' Premium Deposits.*
- ii) *That patronage refund due to Members whose accounts have become delinquent, be credited to their outstanding loans and interest balances.*

## **3: HONORARIUM**

**Be it resolved** that in accordance with Bye-Law 13 (c) Distribution of Surplus, the 70th 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, 2021.

## **4: APPOINTMENT OF AUDITOR 2021**

**Whereas** the Society shall appoint at a General Meeting an Auditor for the ensuing term from the list of Auditors approved by the Commissioner for Co-operative Development.

**And whereas** the Credit Union invited and received proposals from Auditors approved by the Commissioner for Co-operative Development to audit the accounts of the Credit Union.

**And whereas** the appointed Auditors Hakeem Ahmad & Co. Chartered Accountants dissolved their contractual arrangement with Tranquillity Credit Union prior to the Audit for 2021.

**And whereas** the Board of Directors vested with the authority to take such practical and expedient decisions for the good management and governance of the Society, engaged an Auditor from among the list approved by the Commissioner for Co-operative Development to audit the accounts for the financial year ended December 31st, 2021.

**Be it resolved** that the 70th Annual General Meeting ratifies the decision of the Board and the appointment of Moore Trinidad Limited, Chartered Accountants, as Auditors of Tranquillity Credit Union Co-operative Society Limited for the financial year 2021.

## **5. APPOINTMENT OF AUDITOR 2022**

**Be it resolved** that the 70th Annual General Meeting appoints Moore Trinidad Limited, Chartered Accountants, as Auditors of Tranquillity Credit Union Co-operative Society Limited for the financial year ending December 31st, 2022.

# Resolutions

## **6. SUBSIDIARY COMPANY**

**Whereas** our three-year Strategic Plan 2022–2024 identifies non-traditional investment (in for instance real estate, a service station or retail distribution) as a strategic priority capable of securing the future of our Credit Union and generating opportunities through diversification of investments.

**And whereas** investments in such non-traditional business may entail the establishment of a limited liability subsidiary company or other appropriate entity of Tranquillity Credit Union to manage such non-traditional investments.

**And whereas** Bye-Law No.12 makes reference to participation in certain traditional investments, but also allows for our Society to invest its funds in “any other manner permitted by the Commissioner”.

**Be it resolved** that the Board be granted permission to:

- (i) pursue the establishment of a subsidiary company or other appropriate entity of Tranquillity Credit Union Co-operative Society Limited, tasked with overseeing/managing any non-traditional investments,*
- (ii) pursue potential viable non-traditional investments under this new entity.*

**Noting that** once accepted by the Commissioner, the Commissioner’s response and the associated proposal(s) shall be reported to the membership before implementation.

# Appliance Loan Up to \$50,000\*

\*Normal Lending Criteria Applies



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