



Annual Report

2022





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 **Seventy-first (71st) Annual General Meeting** of Tranquillity Credit Union Co-operative Society Limited will be held as follows:

DATE: SATURDAY 25TH NOVEMBER, 2023 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 71st A.G.M.*
4. *Adoption of Standing Orders*
5. *President's Address*
6. *Minutes of the 70th Annual General Meeting*
7. *Minutes of the Special General Meeting*
8. *Reports for the 2022/ 2023 Term*
 - *Board of Directors' Report*
 - *Credit Committee's Report*
 - *Supervisory Committee's Report*
 - *Education Committee's Report*
 - *Auditor's Report*
 - *Financial Statements*
 - *Budget*
9. *Nominations Committee's Report*
10. *Election of Officers*
11. *Resolutions*
12. *Bye Law Amendments*
13. *New Venture Technical Committee - Update*
14. *Other Business*
15. *Closing Prayer*

By Order of the Board of Directors



ESTHER PARIAG
Hon. Secretary



Standing Orders

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 When a motion is withdrawn, any amendment to it fails.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



President's Address

On behalf of the Board of Directors and I, welcome to Tranquillity Credit Union's 71st Annual General Meeting. It is with great pleasure that I present to you a report of our stewardship for the period under review.

As you all know, the financial landscape, both local and global, is changing. One should not forget the effects of the Covid-19 pandemic. Tranquillity Credit Union is fully aware of that reality and our commitment to you, our members, remains the same.

The effects of these challenges can be seen in the year-on-year declines in the local (All T&T Index and the Composite Price Index) which were 3.7% and 11% respectively. Tranquillity Credit Union was not spared as declines were experienced in our:

- Republic Caribbean Equity TT Fund declined from \$3.0 M to \$2.7 M;
- Roytrin Mutual TT Fund decreased from \$2.3 M to \$2.0 M, with an unrealized loss of \$359,654 or 13%; and
- Unit Trust Income and Growth Fund declined from \$43.8M to \$33.4M, unrealized loss of \$4.4M.

As of 31st December 2022, Total Assets stood at \$162M, a decrease of 3.66% or \$6.1 M as compared to 31st December 2021.

This decline was primarily due to a reduction in our Long-Term Investments by 12% or \$7.2M, as well as a decline by 4.0% or \$3.4M in our Loan portfolio.

Despite the many challenges and shocks in the financial landscape, the Board of Directors is happy to announce a dividend payment of 4.0%.

Remember at the end of the day, dividend is calculated based on your Share Deposit. That's why we advise members to continue to save rather than withdraw their shares to settle loan payments. Our Loans Department and Credit Committee are there to analyse members' needs and advise on the best option suitable to your financial needs.

Due to diligence and drive, Tranquillity Credit Union was awarded "Most Improved Financial Performance Medium 2021" by The Co-operative Credit Union League of Trinidad and Tobago. This award signifies that your investment is being managed efficiently. Kudos to the Board, Committees, Management and Staff and by extension, you the membership for this achievement.

We continue to roll out our Strategic Plan, by revising and developing policies to create strong governance standards and ensuring operational efficiency. We continue the strengthening of our institutional capacity by filling the position of Marketing Manager, as well as a Recoveries Officer which gives us the capacity to better manage our loans delinquency portfolio.



The Board of Directors would have reviewed and approved adjustments to compensation packages for all staff commensurate to what exists in the movement within Units in the medium category.

With respect to FINTECH, three new online services were introduced:

- Sure Pay – Allowing bill payments;
- Third Party Payments - Allowing members to make transfers from their Premium accounts to any third party outside the Credit Union; and
- Card Payments (Debit/Credit) – Allowing members to transfer money from their bank account to their Credit Union Accounts (Shares/Premium/Loan).

As part of our strategic initiative and in keeping with the directive given by our membership at our last Annual General Meeting to explore ventures which could assist in wealth creation, a subcommittee of the Board, “New Ventures Committee”, was formed with a mandate to develop a proposal for the consideration of the Board. The Chairman of that subcommittee, Director Colin Bartholomew, will give an update later in this meeting.

In keeping with our Strategic Plan, the Education Committee has initiated the formation of Tranquillity Credit Union Youth Arm. I urge our young members to take full advantage of this opportunity, where their ideas and plans for Tranquillity Credit Union can be fully explored.

We continue to pay attention to the infrastructure with the replacement of the existing roof at our Head Office building. Design drawings have been completed to cater for additional office space. A scope of works is being developed and when completed, will influence the request for proposal.

The Board continues to work with the Regulators to ensure that Tranquillity Credit Union meets all operating parameters, with compliance being the key area of focus. Also, our participation in training programmes and attendance at meetings called by the League or the Regulators help us to keep current with updated information affecting the Credit Union Movement and by extension, Tranquillity Credit Union.

I take this opportunity to commend the dedicated effort of all Officers and Staff. I also extend a special welcome to all our new staff and members who would have joined Tranquillity Credit Union since our last AGM.

Members, thank you for your continued support. We, Board and Committee members, are committed to providing that financial safety net now and into the future.

To my fellow Board Members, thank you for the support and dedication that you all have shown over the past year.

Thank you.

OSRIC BACCHUS
President



HEAD START LOAN!

THE POSSIBILITIES ARE ENDLESS

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

TCU IS SETTING YOU UP WITH:

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

Subject to normal lending criteria

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




www.tranquillitycu.com



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



Minutes of the *70th* Annual General Meeting "QUALITY SERVICE AT WORK"

HELD ON SATURDAY 17th DECEMBER, 2022
AT THE RADISSON HOTEL
WRIGHTSON ROAD, PORT OF SPAIN



Minutes of the 70th Annual General Meeting

CALL TO ORDER

The President, Mr. Osric Bacchus, having been informed that there were Ninety-Seven (97) Members, and Five (5) Guests present, called the Annual General Meeting to order at approximately 2.20 p.m.

NATIONAL ANTHEM

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

CREDIT UNION PRAYER

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

MOMENT OF SILENCE FOR THE DECEASED

One minute of silence was observed in memory of Members who passed away during the period under review. A graphic slide showed the names of the following deceased Members; these names were also listed on page 29 of the AGM Brochure:-

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
Derrick George
Dhaniram Maharaj
Fitzherbert Cummings
June Figaro
Mark Raymond
Mervyn Williams
Ramdass Kissoon

NOTICE OF AGM

Upon conclusion of the observations, the President invited the Meeting to be seated.

The Hon. Secretary, Mrs. Esther Pariag, was introduced to announce the Notice of the Annual General Meeting, which was 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 Mrs. Pariag, and seconded by Ms. Kessa Gilbert. Members voted unanimously In Favour of the motion.



WELCOME

The President, Mr. Osric Bacchus, welcomed all Members and acknowledged the presence of our Guests to the 70th Annual General Meeting.

Guests

He invited the following guests to bring greetings:-

- Mr. Joseph Remy* - *President, Co-operative Credit Union League of Trinidad and Tobago*
Ms. Diane Joseph - *Chief Operating Officer, Co-operative Credit Union League of Trinidad and Tobago*

Also present were:-

- Mr. Allister Marques* - *CUNA Caribbean Insurance Society Limited*
Ms. Lorraine Bobb - *Office of the Commissioner for Co-operative Development*
Ms. Resia Williams - *Office of the Commissioner for Co-operative Development*

Guest who arrived subsequently:

- Mr. Bevil Philanders* - *President, North West Regional Chapter of the
Co-operative Credit Union League of Trinidad and Tobago*
Mr. Randle Brun - *Moore Trinidad and Tobago, Chartered Accountants*
Mr, Nigel Matthew - *Elections Returning Officer*

PRESIDENT'S ADDRESS

Next, the Hon. Secretary invited the President, Mr. Osric Bacchus, to deliver his address. This address was contained on pages 3 to 5 in the brochure.

Upon conclusion of his address, and in consideration of the Reports to be presented in accordance with the Agenda, the President moved a motion that all Reports, inclusive of the Minutes of the 69th Annual General Meeting, be taken as read.

This motion was seconded by Mr. Noel Maxwell, and Members voted unanimously In Favour of the motion.

MINUTES OF THE 69th ANNUAL GENERAL MEETING

The President directed Members' attention to the Minutes of the 69th Annual General Meeting on pages 7 to 22 of the brochure.


Corrections

Two corrections were noted on page 20 – Election Results for the Supervisory Committee - Term of Office for Lyndon Charles and Nyasha Alcalá – should be 2 years, instead of 3 years.

Matters Arising

The President drew Members' attention to page 19 "Appointment of Auditor 2021". He stated that in March 2022 correspondence was received from Auditors, Hakeem Ahmad & Co Chartered Accountants, indicating that they were unable to conduct the Audit.

As a result, the Board of Directors had to issue an RFP (Request for Proposal) to contract another Auditor, and a firm was selected. A Resolution to ratify the selection of the new Auditors, would follow later in the Agenda.



There were no other Corrections or Matters Arising out of these Minutes, and a motion to adopt the Minutes of the 69th Annual General Meeting was moved by Mr. Royds Williams and seconded by Mr. Colin Bartholomew. All Members voted unanimously In Favour of the motion.

BOARD OF DIRECTORS' REPORT

The President invited Members to turn to pages 25 to 30 for the report of the Board of Directors.

- Mrs. Pamela McClean rose to state that her husband, Michael McClean, was not included among the list of Deceased Members in 2021.

The President informed Mrs. McClean that his name was included in the list of the Deceased Members on page 42 of the 69th AGM brochure.

Since there were no Corrections, other Comments or Matters Arising, a motion to adopt the Report was moved by Mrs. Claudette Gomez and seconded by Mr. Orett Campbell. All Members voted unanimously In Favour of the motion.

CREDIT COMMITTEE'S REPORT

The report of the Credit Committee contained on pages 33 to 34 of the brochure, was presented by the Committee Chairman, Mr. Royds Williams. The following question was posed:-

- Mr. Noel Maxwell referred to “Committee Participation” on page 33 and enquired which Member was nominated to attend the League’s International Leadership Conference in Panama.

Mr. Williams responded that Mrs. Dianna Joseph-Morris had been selected to attend.

There were no other Matters Arising, a motion to adopt the Report of the Credit Committee was moved by Mr. Noel Maxwell and seconded by Mrs. Nadine Whiskey-Ottley. All Members voted unanimously In Favour of the motion.

SUPERVISORY COMMITTEE'S REPORT

The report of the Supervisory Committee as contained on pages 37 to 38 of the brochure, was presented by Committee Member, Mr. Andrew Nurse. Mr. Nurse apologised for the absence of the Committee Chairman, Mr. Lyndon Charles, who had been called out on a company assignment.

There were no Corrections or Matters Arising out of this Report. As a result, a motion to adopt the Report was moved by Ms. Kessa Gilbert and seconded by Colin Bartholomew. Members voted unanimously In Favour of the motion.

EDUCATION COMMITTEE'S REPORT

The report of the Education Committee on pages 41 to 44 of the brochure, was presented by its Chairman, Mr. Richard Trim.

Mr. Trim referred Members to the concept of the TCU TV on page 44 of the Report. He spoke of the need to reach Millennial Members in a very real and positive way, and that this initiative was an



extension of the marketing and growth of our Credit Union. In addition, he stressed that the support of all Members was needed to relay the Credit Union's objectives.

Comments and queries were entertained from Members as follows:-

- Mr. Noel Maxwell stated that the Committee should also be seeking to include Youth members who are younger than the target suggested, since they are also very proficient in the use of modern technology.

Mr. Trim agreed that indeed sub-groups of the category were necessary.

- Mr. Colin Bartholomew commended the initiative and recommended that engagement of the Board of Directors was also necessary. He recommended that Applications such as Tik Tok and other platforms should be considered as well.

Mr. Trim responded that TCU TV is a brand aimed at the Social Media crowd. However, a lot of work was still necessary to encourage Members, and to direct the engagement of the Concept.

- Ms. Shachia Strachan enquired about other plans which the Committee had to engage the Youth Members, aside from TCU TV.

Mr. Trim replied that TCU TV was just a medium to engage discussion on issues such as the Bye Laws, and the way forward etc. He further stated that Members will be the ones to direct how the concept will evolve.

The President added, that the "Way Forward" was also going to be a conscious effort to get Youth Members involved in a more meaningful way, in the activities of the Credit Union.

There were no further queries or comments, and a motion to adopt the Report was moved by Mrs. Tambi Serrano-Rock and seconded by Mrs. Claudette Gomez. All members voted unanimously In Favour of the motion.

AUDITOR'S REPORT

The President stated that the Resolution to select the new Auditor would be considered before the Report of the Auditor was examined. The President then invited the Hon. Secretary to present the Resolution, (on page B46 of the brochure) as follows:-

Resolution No. 4 - 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 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.

And whereas the appointed Auditors, Hakeem and 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 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 appointment of Moore Trinidad Limited, Chartered Accountants, as Auditors of the Tranquillity Credit Union Co-operative Society Limited for the financial year ended 2021.

This resolution was moved on behalf of the Board of Directors by Hon. Secretary Mrs. Esther Pariag, and seconded by Member Colin Bartholomew.

All members voted unanimously In Favour of this Resolution. The Resolution was therefore carried.

Independent Auditors' Report

Subsequent to the approval of the Resolution, the President invited Mr. Randle Brun - representative from Moore Trinidad, Chartered Accountants - to present the Auditors' Report.

Mr. Brun presented the Report as contained on pages B4 to B6.

There were no questions or comments for Mr. Brun, and a motion to accept the Auditors' Report for 2021 was moved by Mr. Andrew Nurse and seconded by Ms. Sue-Ann Patrick.

FINANCIAL STATEMENTS

The President thanked Mr. Brun for his presentation. He then directed Members' attention to the Financial Reports as contained on pages B7 to B43. He stated that he would go through the Report page by page and if Members had questions those could be posed at the respective page and a response would be made.

- Mr. Robert Fortune referred to the Statement of Financial Position - Non-Current Liabilities on page B7 and enquired about the line item "Gratuity Fund".

The President replied that the explanation for this Fund had been given in the Report of the Board of Directors - the second paragraph of page 29.

There were no further queries of comments on the Financial Statements or Notes to the Financial Statements. A motion to accept the Financial Statements for the period ending 31st December, 2021 was moved by Mrs. Kerlina Niles and seconded by Ms. Nyasha Alcala.

2022 Budget Projections

The President directed Members to the Statement of Financial Position Projections for 2022, on page B44, and the Statement of Comprehensive Income Projections for 2022, on page B45.

There were no queries/comments on the Projections, and a motion to adopt the 2022 Budget was moved by Mr. Ricky Codrington and seconded by Ms. Afiesha Julien. Members voted unanimously In Favour. The motion was carried.



RESOLUTIONS

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

1. Dividends 2021

Be it resolved that:

- (i) In accordance with Bye Law Distribution of Surplus 13 (b), a Dividend Payment of 4.5% be approved consistent with Bye Law Distribution of Surplus 13 (b) for the financial 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.

This resolution was moved on behalf of the Board of Directors by Hon. Secretary, Mrs. Esther Pariag, and seconded by Member Royds Williams.

Members voted unanimously In Favour of this Resolution. The Resolution was therefore approved.

2. Interest Rebate/Patronage Refund

Be it resolved that:

- (i) A patronage refund of 3% be declared for the financial year ended December 31st 2021 and credited to members' Premium Deposits.
- (ii) That the patronage refund 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 Noel Maxwell.

Members voted unanimously In Favour of this Resolution. The Resolution was therefore approved.

3. Honorarium 2021

Be it resolved that in accordance with Bye Law Distribution of Surplus 13 (c), the 70th Annual General Meeting approves Honorarium in the sum of \$60,000.00 to be distributed among the Board of Directors, the Credit Committee and the Supervisory Committee for the financial year ended December 31st 2021.

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

Members voted unanimously In Favour of this Resolution. The Resolution was therefore approved.

4. 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.

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

Members voted unanimously In Favour of this Resolution. The Resolution was therefore approved.

5. Subsidiary Company

Whereas our three-year Strategic Plan 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 investments may entail the establishment of a limited liability company or other appropriate entity of Tranquillity Credit Union to manage such non-traditional investments.

And whereas Bye-Law 12 makes reference to participation in such non-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 appropriate proposal(s) shall be reported to the membership before implementation.

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

The President invited discussions on the Resolution, and Members queries and comments were as follows:-

- Ms. Beverly-Ann Cruickshank enquired whether the Board was considering any specific projects for the non traditional investment.

The President responded that Board of Directors was proactively positioning the Credit Union to possibility of owning a gas station or Real Estate purchase etc. He reiterated that Members’ approval to get involved in any such a venture was necessary.



- Mr. Robert Fortune wondered whether the Credit Union had a liquidity problem, and why was the Board considering the purchase of land; was that land going to be re-sold to Members.

The President responded that before any non-traditional investment was to be made, the Board must first get approval from Members. Real Estate is just one such investment. He reassured Mr, Fortune that there was no liquidity problem, and reiterated that the Resolution was being brought to give the Board of Directors permission to explore Non-Traditional Investments on behalf of Members.

- Mr. Orett Campbell agreed with the President and reminded Members that their approval was necessary in order to set up a subsidiary to explore those options.
- Mrs. Cindy Ann Rowe-Charles enquired whether members of subsidiary company would be paid, and where was the budget for this subsidiary,

The President responded that all aspects in the setting up of such a company will be explored, including the hiring of professional staff.

- Ms. Chanda La Touche commented that she was heartened to see this type of Resolution and to hear of investment plans, and that the Board was not prepared to only stay in one line of business.
- Mr. Orett Campbell complimented to Ms. La Touche on her comment and also stated that he was happy to see that the Board was on a path to providing products and services of interest to young people.
- Mrs. Kathleen Maxwell enquired what was the policy with regard to the Board of Directors etc. for the proposed subsidiary.

The President responded that this Board of Directors would not be reinventing the wheel, and that they would be looking at other success stories.

He further stated that the subsidiary would have its own Board of Directors, which would be linked to this existing Board of Directors.

Upon conclusion of the discussions, the President asked for a Seconder of the Resolution since it had already been moved on behalf of the Board of Directors, by the Hon. Assistant Secretary.

Ms. Chanda La Touche seconded the Resolution, and Members voted unanimously In Favour. The Resolution was therefore approved.

NOMINATIONS COMMITTEE'S REPORT

The President moved on to the next item on the Agenda, the Report of the Nominations Committee contained on pages 47 and 48 of the brochure. Committee Chairman, Mrs. Claudette Gomez was invited to present the Report.

There were no queries/comments on the Report, and it was adopted on a motion moved by Mr. Edwin Ian Reid and seconded by Ms. Nyasha Alcala. Members voted unanimously In Favour of the motion.

ELECTIONS

The President turned the meeting over to the Returning Officer, Mr. Nigel Matthew, for conduct of the Elections.

Mr. Matthew requested a report from the Credentials Desk, and he was informed that at 4.09 p.m. there were 129 Members present.

The outgoing Board Members - Mr. Eric Hopkins, Mr. Marcelle Johnson, Mr. Kenrick Jarvis, and Mrs. Christiana Wallace - were asked to be seated with the General Membership.

Next, Mr. Matthew introduced the Members who had been nominated for election to the Committees and Board of Directors. The Pictures and Profiles of the Nominees were presented via the video screens.

Supervisory Committee - 1 Member to be elected

- Kethleen Joseph
- Marvin Ainsley Simms

Credit Committee - 2 Members to be elected

- Tambi Serrano-Rock
- Nadine Whiskey-Ottley
- Royds Williams
- Kim Kerr

Board of Directors - 4 Members to be elected

- Colin Bartholomew
- Robert Fortune
- Eric Hopkins II
- Kenrick Jarvis
- Marcelle Johnson
- Alison Khan-Ali
- Lindiwe Mason
- Jason Matoram
- Michelle Newallo
- Andrew Nurse
- Alicia Piper
- Christiana Wallace

Mr. Matthew reminded Members that the Elections would be consistent with the Credit Union's Bye Laws, especially Bye Law 28 (c), which stated that no nominations would be received from the Floor.

All Members were then invited to vote by secret ballot; Voting was declared closed at 5.00 p.m.

The management of the Meeting was returned to the President, while the Ballot Count was conducted by Mr. Matthew and his staff, and overseen by the Staff of the Office of the Commissioner for Co-operative Development.

OTHER BUSINESS

TCU TV

The President requested the Chairman of the Education Committee, Mr. Richard Trim, to introduce the jingle and video for the TCU TV Concept.



Door Prizes

Next, the President invited, Ms Michelle Borel to host the draw for Door Prizes.

There were seven gift hampers on offer, and the following Members were the lucky winners:-

Ticket Number 0640611	-	Kerron Rooplal
Ticket Number 0640398	-	Afiya Bacchus
Ticket Number 0640601	-	Shanice Parris
Ticket Number 0640597	-	Vaughn Sampson
Ticket Number 0640416	-	Angeline Kanchan
Ticket Number 0640408	-	Jamir Edwards
Ticket Number 0640395	-	Velda Ferguson

General Questions/Comments from the Floor

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

- Noel Maxwell suggested that an Advisory Committee (similar to the Planting Seeds programme) be formed to assist entrepreneurs in need of additional assistance in making their businesses a success. He further suggested that seminars educating Members on topics such as how to run a successful businesses, Budgeting etc. should be made available to those entrepreneurs.

The President stated that the M2M Programme will be further developed along the lines suggested by Mr. Maxwell.

- Mr. Kendal Charles stated that he was elated to see that a Patronage Refund was being offered to Members. He congratulated the General Manager and the Board of Directors on taking this initiative.

The President acknowledged his sentiments, and announced that the Dividend and Patronage refund would be available to Members from Tuesday 20th December, 2022.

There were no further questions or comments from Members, and the President acknowledged the presence of the Returning Officer, Mr. Nigel Matthew, once again.

ELECTION RESULTS

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

Committee	Candidates	Votes Received	Term of Office
Supervisory Committee	Kethleen Joseph	80 Votes	2 years
	Marvin Ainsley Simms	42 Votes	Alternate
Credit Committee	Royds Williams	81 Votes	2 years
	Nadine Whiskey-Ottley	78 Votes	2 years
	Tambi Serrano-Rock	61 Votes	1st Alternate
	Kim Kerr	40 Votes	2nd Alternate

Committee	Candidates	Votes Received	Term of Office
Board of Directors	Colin Bartholomew	60 Votes	3 years
	Kenrick Jarvis	58 Votes	3 years
	Lindiwe Mason	56 Votes	3 years
	Christiana Wallace	51 Votes	3 years
	Marcelle Johnson	48 Votes	1st Alternate
	Michelle Newallo	47 votes	2nd Alternate
	Andrew Nurse	46 votes	---
	Alison Khan-Ali	45 votes	---
	Eric Hopkins II	37 votes	---
	Jason Matooram	34 votes	---
	Alicia Piper	22 votes	---
	Robert Fortune	17 votes	---

Motion for the Destruction of Ballots

Once the announcement of the Election results was completed, the Chairman called for a motion to be moved for the Destruction of the Ballots. The motion was moved by Mr. Kendal Charles and seconded by Mrs. Janelle Archie-Alleyne. Members voted unanimously In Favour of the motion. The motion was therefore carried.

CLOSING REMARKS/CLOSING PRAYER

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

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

The 70th Annual General Meeting was declared closed at approximately 6.20 p.m.



ESTHER PARIAG

Hon. Secretary

Minutes of the Special General Meeting

HELD ON THURSDAY 24th AUGUST, 2023
AT THE RADISSON HOTEL
WRIGHTSON ROAD, PORT OF SPAIN





Minutes of the Special General Meeting

MEETING CALL TO ORDER

At 5.20 p.m., the meeting was called to order by the President and Chairman of the meeting, Mr Osric Bacchus, having been informed by the Registration Desk that there were Fifty-three (53) members and Three (3) guests present, totalling Fifty-six (56) members in attendance.

NATIONAL ANTHEM

Members sang the National Anthem.

CREDIT UNION PRAYER

Mr Kenrick Jarvis recited the Credit Union Prayer.

CREDENTIAL REPORT

A credential report presented by the Chairman reflected that there were Fifty-three (53) members and Three (3) guests present.

READING OF THE NOTICE OF THE SPECIAL GENERAL MEETING

The Notice of the Meeting was read by the Hon. Secretary, Mrs. Esther Pariag.

ADOPTION OF THE STANDING ORDERS

The Standing Orders were read by the Hon. Secretary who moved the motion to accept, which was seconded by Mr. Edwin Reid. The Standing Orders were unanimously adopted.

SECURITY BRIEFING

Security Manager, Mr. Kendall Cooper, delivered the security briefing on behalf of the Radisson Hotel.

PRESIDENT'S OPENING REMARKS

The Chairman informed members that the asset base of Tranquillity Credit Union (TCU) is One Hundred and Sixty Million Dollars (\$160M). He stated, however, that the financial landscape, both locally and globally, was changing and in this regard, TCU must take stock of how business is conducted, which includes strong governance standards and best practice.

He said that the League has urged Credit Unions to appoint the best candidates to serve. He mentioned that the Nomination Committee has had to review its current process in keeping with best practices.

He noted that at a Special Board Meeting held on August 2nd 2023, Directors had reviewed and adopted the proposed revised sections of the Bye Laws, which had been submitted to Committees' Members. He stated that the membership has supreme authority and therefore, the final say in reviewing, recommending, and adopting the amendments to the Bye Laws.



He then introduced Mrs. Anna Lisa Arlen-Benjamin, Chairman of the Nominations Committee, and invited her to present the Nominations Policy.

PRESENTATION: NOMINATION POLICY & PROCEDURES PROPOSAL

Mrs. Arlen-Benjamin informed that the members of the Nomination Committee were Marvin Marshall, Daffodil Maxwell and Orett Campbell. She stated that the Committee was formed in March 2023 and three meetings have been held so far. She said that the purpose of these meetings was to review processes to ensure that the strategic goals of the Credit Union were met, thereby to secure the organisation's future and generating opportunities.

Mrs. Arlen-Benjamin mentioned that the Nominations Committee must be in alignment with those strategic objectives of the organisation. She informed members that the policies of other Credit Unions were reviewed with a view to determining best practices.

Mrs. Arlen-Benjamin then read the Nomination Policy and Procedures.

Mr. Andrew Nurse asked whether the Nomination Committee was an addition and whether the members' tasks involved recruiting members. Mrs. Arlen-Benjamin responded that the Nomination Committee is established every year and that a consultative/collaborative process is needed going forward.

With regard to the Appeal Process, Mr. Nurse asked when a member is nominated, whether there is a timeline in which to appeal to the Board of Directors. Mrs. Arlen-Benjamin responded that if there is an appeal, it would go to the Board of Directors and would have to be settled before.

Mr. Eric Hopkins II enquired why a member of another Credit Union could not serve on the Nominations Committee to which Ms. Arlen-Benjamin responded that it is a conflict of interest as another Credit Union is deemed a competing interest.

Mr. Hopkins II referred to Item 6 of the Assessment of Nominees and asked the following questions:

- i. *If he has an amount of money in the Credit Union but not contributing monthly, is he not deemed in good financial standing?*
- ii. *If he has One Million Dollars (\$1M) in the Credit Union which he draws down, is he not considered to be a member?*
- iii. *How are retirees dealt with?*

Mrs. Arlen-Benjamin explained that good financial standing referred to members who are still contributing on a monthly basis (at least One Hundred Dollars (\$100.00) per month within the last year), which is considered as showing a level of commitment to the movement. She mentioned that the One Hundred Dollars (\$100.00) was not unreasonable as in other Credit Unions, the minimum requirement is Five Hundred Dollars (\$500.00). With regard to treating with retirees, Mrs. Arlen-Benjamin responded that that has never been raised as an issue.

Mr. Hopkins II also recommended that Item 7 of the Assessment of Nominees be reworded to state "good financial standing for Twelve (12) months." The Chairman responded that that will

be addressed when the amendment to the Bye-Laws is being done. He explained that the focus at the time was on the procedures.

Mrs. Tambi Serrano-Rocke referred to Item 4 & 5 of Assessment of Nominees and asked how these items affected past employees of TCU. Mrs. Arlen-Benjamin responded that they are no longer employees and that is, therefore, not an issue.

Mr. Nurse enquired if an employee of TCU separated this year and is employed at a Government institution if he/she will be eligible to serve on one of the committees. He suggested that there should be a timeline.

Mrs. Arlen-Benjamin responded that at some Credit Unions, there is a timeline but not at TCU. She stated that the issue was considered, and the consensus of the Board and Committee was to leave as is.

Ms. Affiya Bacchus referred to Item 11 which speaks to a member being found guilty of any breach of law and asked if that was the only check or were other checks conducted. Mrs. Arlen-Benjamin responded that on the nomination form, the member is required to sign a declaration, but if something comes to light, there is a Bye-Law which states that the member will have to vacate.

Mr. Kendal Charles referred to Item 4 of the Assessment of Nominees which states, “is not an employee of another Credit Union”, and asked what is the inherent risk. Mrs. Arlen-Benjamin replied that this was a conflict of interest and that an employee of another Credit Union should not be allowed to make decisions at a strategic level. She noted that this goes against good governance. Mrs. Arlen-Benjamin informed the meeting that several other nomination processes were looked at and this applies across the board.

The Chairman added that once a member is elected to the Board or any Committee, he/she is required to sign a Code of Ethics document which contains a section on competing interests.

Mr. Kendal Charles expressed that he was not in agreement with the response. He quoted the World Council of Credit Union’s (WOCCU) policy on the rights of members, and he expressed that TCU was blocking his right as a member to serve. He further indicated that he felt that the focus should be on the rights of members.

The Chairman added that TCU had done its homework and is operating on par with what applied in other Credit Unions.

Mr. Edwin Reid raised the issue of a retiree having One Million Dollars (\$1M) in the Credit Union, but who is not contributing on a monthly basis. He stated that at the end of each year, he receives dividends and rather than holding strict to that One Hundred Dollars (\$100.00) per month, some consideration should be given to that retiree.

The Chairman responded that TCU never had a nomination policy before. He noted that the policy is presently being discussed and commented on in order to go forward because it affects members. He further added that at this stage, TCU is just trying to put the policy in place.



Mr. Edwin Reid referred to the “sunset clause” term which was raised earlier and asked what the term of the Nomination Committee was. The Chairman responded that the Nomination Committee is selected yearly and is a sub-committee of the Board. He added, however, that the policies do not change.

Ms. Affiya Bacchus suggested that although the policy may not change, in keeping with Central Bank guidelines, it should state when it should be reviewed. The Chairman noted Ms. Bacchus’ point.

Mr. Eric Hopkins II asked if an employee of a bank or investment is allowed to serve on the Board, why were employees of other Credit Unions not allowed to serve.

Mrs. Arlen-Benajmin responded that TCU did its research regarding governance standards and is of the opinion that this is best governance and is for the common good.

Ms. Angelique Balbosa-Phillip referred to the competencies of good governance for Committees which was raised earlier and asked whether TCU was moving away from the broader membership base who do not necessarily have a finance or engineering background.

Mrs. Arlen-Benjamin responded that the democratic ethos exists and there is no preference for persons with qualifications rather experience and skills. She added that it is not about screening out anyone but rather ensuring that persons meet the requirements i.e. over Eighteen (18), not delinquent, and aware of the commitment required.

The Chairman added that these fundamentals weigh heavily on the philosophy of the Credit Union.

Mr. Lyndon Charles stated that the requirements mentioned in the document act as a deterrent and asked how does one get the skills without the experience.

The Chairman responded that for some time, the Credit Union has been advocating to have certain skills on the Board and now they exist. He further stated that there is no deliberate attempt to remove or prevent someone from presenting themselves to serve. The Chairman reminded members that a certain skill set is required to manage the One Hundred and Sixty Million Dollars (\$160M) asset base.

PROPOSED AMENDMENTS TO THE BYE-LAWS OF THE CREDIT UNION

• Bye-Law 1 (a) (xii) Interpretation

The Secretary read the following proposed change to Bye-Law 4 (4.1).

The Secretary moved a motion to accept the proposed amendment at which point the Chairman opened the floor for questions.

Mr. Hopkins II stated that he understood the concern with respect to TCU preventing persons from coming in last minute to serve but asked if TCU would consider the following alternatives:

- persons who do not contribute monthly but quarterly like himself;
- persons who have over a certain amount of money and draw down on it e.g. pensioners.

The Chairman responded that when the amendment was put forward the idea was that persons needed to demonstrate their commitment to the Credit Union. He stated that shares are the bedrock of the Credit Union movement.

Ms. Michelle Trestrail suggested removing the words “the last twelve months” and leave as “consistently saving” which indicates that the member has a vested interest in the Credit Union. The Chairman agreed that the term “consistently saving” could be considered, but the member must show a minimum of One Thousand, Two Hundred Dollars (\$1,200.00) in shares annually.

Mr. Azam Ameerali stated that the amount is at least One Thousand, Two Hundred Dollars (\$1,200.00) per year, and it does not refer to members who have a lumpsum in the premium or other account, as that can be withdrawn at any time. Further, he said that the contribution of shares is the member’s evidence of commitment.

The Chairman added that based on Mr. Ameerali’s contribution, the word “consistent” could mean that members could transfer One Thousand, Two Hundred Dollars (\$1,200.00) to shares close to the Annual General Meeting. He stated that members must show a level of consistency and commitment to serve on the Board to make decisions.

Mr. Edwin Reid stated that he had a challenge with the language used in this Bye-Law and sought clarity on the term “a member in good financial standing.”

The Chairman responded that for the purpose of clarity, the policy will be amended to state that the One Hundred Dollars (\$100.00) per month or minimum of One Thousand, Two Hundred Dollars (\$1,200.00) per year must be in Shares.

Mr. Douglas Williams expressed that he was still puzzled by the policy and asked whether the following scenarios were not considered by TCU as saving:

- (i) *If he made contributions of One Thousand Dollars (\$1,000.00) per month to his Premium account;*

The Chairman responded that that is why an agreement was made to make the amendment to shares and explained that shares are considered permanent savings on the capital of the organisation.

- (ii) *If he put in \$1M in shares into the Credit Union but has not contributed for the last Twelve (12) months or put in One Hundred Dollars (\$100.00) for the next Twenty (20) years;*

The Chairman responded that if nothing is added to shares within the last Twelve (12) months, then that member is considered to have not saved. He added that TCU had no system in place where shares of the current period are applied in a future period.

- (iii) *If he received a lumpsum as a retiree and invested that money into the Credit Union without contributing One Hundred Dollars (\$100.00) per month;*



The General Manager, Mr. Sherwin Cambridge, responded by referring to the tax benefit put in place by the Government which was based on the amount saved in the current year. He stated that loans are issued based on shares and therefore if members do not save consistently the Credit Union would not have money to lend. He reiterated that the Credit Union was seeking commitment from members.

Mr. Kendal Charles stated that he noticed that Bye-Law 1 (xii) Interpretation was not included on the agenda and questioned whether a breach was committed. The Chairman responded that it was not a breach but rather an oversight.

The representative from the Co-operative Development Department, Ms. Reza Williams, advised that once amendments to Bye-Laws are being done, they must be stated. In this case, because it was stated which particular Bye-Laws are being amended, and Bye-Law 1 was excluded as an oversight, then it cannot be brought to the meeting.

The Chairman responded that he will be guided by the advice of the League representative and in that regard, Bye-Law 1 (xii) will remain as is.

- **Bye-Laws (4) (4.1) Membership- Qualification**

The Secretary read the amendment to Bye-Law (4) Membership (4.1) Qualification. She then moved the motion to accept the proposed amendment which was seconded by Mr. Eric Hopkins II.

Sixty-one (61) members voted unanimously, with no objections and abstentions, and therefore, the motion was carried.

- **Bye-Law 23 - C Eligibility/Ineligibility**

The Secretary read the current Bye-Law 23 C (i) and amendment to the Bye Law.

The Chairman added that the word “financial” was being included for clarity.

Mr. Nurse asked whether the “period of two (2) months” referred to in this clause meant two (2) consecutive months and whether that was ever discussed. The Chairman responded that it is in the existing Bye-Laws and that it is not being amended. Further changing to two (2) consecutive months was never discussed.

Ms. Balbosa-Phillip asked whether the member should be in good financial standing in this society or in any other financial institution and wanted to know how is that determined. The Chairman responded that the Credit Union uses Credit Chex to determine the member’s financial standing. Reports are received on a monthly basis and if there is a red flag on a member, the information is available.

Mr. Kendal Charles asked whether background checks outside of TCU were conducted on members who are offering themselves for nomination. The Chairman responded that the check is not done immediately but there is a form which is signed when doing the nomination.

The Secretary moved the motion to accept the proposed amendment to Bye-Law 23 – C (1). The motion was seconded by Mr. Von Sampson.

Credentials were taken, with sixty-one (61) persons in attendance. 53 persons voted in favour, 1 person objected, and 4 persons abstained. The amendment was therefore carried.

• **Bye-Law 23 – C (ii)**

The Secretary read the current and the amendments to Bye-Law 23 C (ii).

Mr. Edwin Reid asked for consideration with respect to persons from other financial institutions and the effect that could have on decisions by the Board as compared to an employee of another Credit Union. He said that there are persons on Boards who belong to other financial institutions and asked whether consideration was given to that.

Ms. Daffodil Maxwell replied that consideration was given and that while banks are financial institutions, the business of the bank has nothing to do with Credit Unions. She added that only Credit Unions are considered competing interests.

Mr. Edwin Reid suggested rewording the clause to read, “any other competing interest”. The Chairman replied that the amendment could be made.

Mr. Kendal Charles stated that he still did not agree with the statement that members from other Credit Unions serving at TCU is a conflict of interest. He cited the Democratic Governance Guidelines of WOCCU which speaks to members’ right to participate in governance decisions as well as another guideline which supports the idea that members’ involvement in Credit Unions should be voluntary and not subject to undue impositions or restrictions.

The Chairman responded that TCU’s Bye-laws were developed to govern the business which are within the regulations of the Co-operative Act, which can be provided if required.

The Secretary moved the motion to adopt the amendment to Bye Law 23 C (ii) which was seconded by Mr. Edwin Reid. The amended was further amended to include “or other competing financial institution.”

Credentials were taken, with fifty-five (55) persons in attendance. Forty (40) persons voted in favour, seven (7) against and three (3) persons abstained from voting.

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

• **Bye-Law 23 – C (iv)**

The Secretary read the current and amendment to the Bye-Law 23 – C (iv). The Secretary moved the motion to accept the proposed amendment, which was seconded by Mr. Azam Ameerli.

Credentials were taken, with forty-nine (49) persons in attendance. Forty-six (46) persons voted in favour, three (3) against and there were no abstentions. The motion was, therefore carried.



- **Bye-Law 23 – C (v)**

The Secretary read the current and amendment to the Bye-Law 23 C (v). The Secretary moved the motion to accept the proposed amendment, which was seconded by Mr. Edwin Reid.

Credentials were taken, with fifty-two (52) persons in attendance. Forty-six (46) persons voted in favour of the amendment, five (5) voted against, with zero abstentions. The motion was therefore carried.

- **Bye-Law 23 F - DISQUALIFICATION**

The Secretary read the current and amendment to the Bye-Law 23 F.

Mr. Andrew Nurse asked whether the words “other competing financial institutions” should also be included at point (ix) for the sake of consistency. The Chairman responded in the affirmative.

The Secretary moved the motion to accept the proposed amendment to Bye-Law 23 F which was seconded by Mr. Andrew Nurse.

Credentials were taken, with fifty-two (52) persons in attendance. Forty-eight (48) persons voted in favour of the amendment, zero (0) voted against and zero (0) person abstained. The motion was therefore carried.

- **Bye-Law 28 - Nominating Committee (a)**

The Secretary read the current and amendment to the Bye-Law 28 (a). The Chairman stated discussions are still to be held on this Bye-Law .

There being no questions, the Secretary moved the motion to accept the proposed amendment to Bye-Law 28 (a), which was seconded by Ms. Tambi Serrano-Rocke.

Credentials were taken, with fifty-two (52) persons in attendance. Forty-eight (48) persons voted in favour of the amendment, with no objections and no abstentions, deeming it unanimously accepted.

- **Bye-Law 28 Nominating Committee (b) & (c)**

The Secretary read the current and amendments to the Bye-Law 28 (b) & (c). She stated that the word “by” before “person” should be changed to “any”.

The Secretary moved the motion to accept the proposed amendments to Bye-Law 28 (b) & (c), which was seconded by Mr. Andrew Nurse.

Credentials were taken, with fifty-one (51) persons in attendance. Fifty-one (51) persons voted in favour of the amendment, with no objections and no abstentions. The motion was unanimously accepted and therefore carried.

There being no further business, the Chairman thanked members for their participation in the meeting.

CLOSING PRAYER

The closing prayer was offered by Ms. Michelle Duncan.

TERMINATION OF MEETING

The Meeting ended at 9:02 pm.



ESTHER PARIAG

Hon. Secretary



Board of Directors

Osric Bacchus - President

Top Row (L - R)

- Joy John-Benjamin** - Vice President
- Esther Pariag** - Secretary
- Michelle Duncan** - Assistant Secretary
- Anna-Lisa Arlen-Benjamin** - Director

Middle Row (L - R)

- Richard Trim** - Director
- Kenrick Jarvis** - Director
- Christiana Wallace** - Director
- Daffodil Maxwell** - Director

Bottom Row (L - R)

- Nadia Sudan** - Director
- Lindiwe Mason** - Director
- Collin Bartholomew** - Director

Board of Directors Report

INTRODUCTION

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

Following the Annual General Meeting on 3rd December 2022, the Board comprised:

- Mr Osric Bacchus
- Mrs Anna-Lisa Arlen-Benjamin
- Mrs Nadia Sudan
- Ms Michelle Duncan
- Mr Kenrick Jarvis
- Mrs Lindiwe Mason
- Ms Michelle Newallo (2nd Alternate)
- Ms Joy John-Benjamin
- Mr Richard Trim
- Ms Daffodil Maxwell
- Mrs Christiana Wallace
- Mr Colin Bartholomew
- Mr Marcelle Johnson (1st 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 2022/2023 term as follows:

- Mr Osric Bacchus - President
- Ms Joy John-Benjamin - Vice President
- Mrs Esther Pariag - Secretary
- Ms Michelle Duncan - Asst. Secretary

ATTENDANCE RECORDS FOR BOARD MEETINGS DECEMBER 2022 TO OCTOBER 2023

DIRECTORS	(11) BOARD MEETINGS	EXCUSED	ABSENT	(7) SPECIAL BOARD MEETINGS	EXCUSED	ABSENT	(10) EXECUTIVE MEETINGS	EXCUSED
OSRIC BACCHUS	11	0	0	7	0	0	10	0
JOY JOHN-BENJAMIN	11	0	0	7	0	0	10	0
ESTHER PARIAG	10	1	0	7	0	0	9	1
MICHELLE DUNCAN	11	0	0	7	0	0	10	0
ANNA-LISA ARLEN-BENJAMIN	9	2	0	6	1	0	N/A	N/A
KENRICK JARVIS	11	0	0	7	0	0	N/A	N/A
RICHARD TRIM	8	3	0	6	1	0	N/A	N/A
CHRISTIANA WALLACE	9	2	0	5	2	0	N/A	N/A
NADIA SUDAN	10	1	0	7	0	0	N/A	N/A
DAFFODIL MAXWELL	10	1	0	6	1	0	N/A	N/A
COLIN BARTHOLOMEW	10	1	0	7	0	0	N/A	N/A
LINDIWE MASON	8	3	0	6	1	0	N/A	N/A



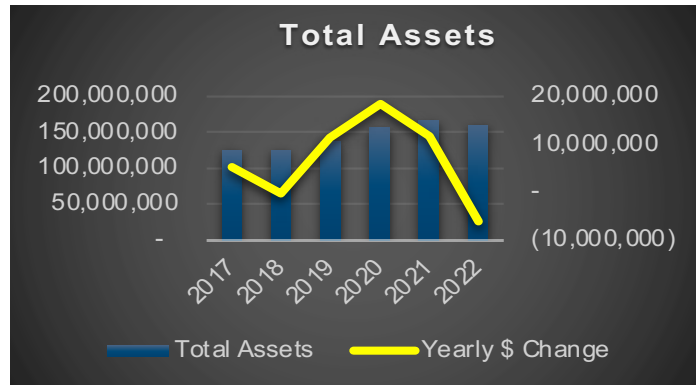
**MANAGEMENT DISCUSSION AND ANALYSIS REPORT
FOR THE PERIOD ENDED 31ST DECEMBER 2022**

Financial Overview

Assets

Despite a decrease of \$6.1M or 3.66% in total assets for the financial year ended 31st December 2022, compared to the previous year, TCU’s statement of financial position continues to remain strong and resilient at \$162M. This decline was primarily driven by a reduction in our long-term investment arising from unrealised losses in our stocks and mutual fund investments, as our TT Composite Index recorded a decline of 11%, its worst performance since 2008, as an increase in the supply of shares on the market coupled with limited demand led to a severe pullback in both international fixed-income and equity resulting in a decline in Net Asset Values of our portfolio.

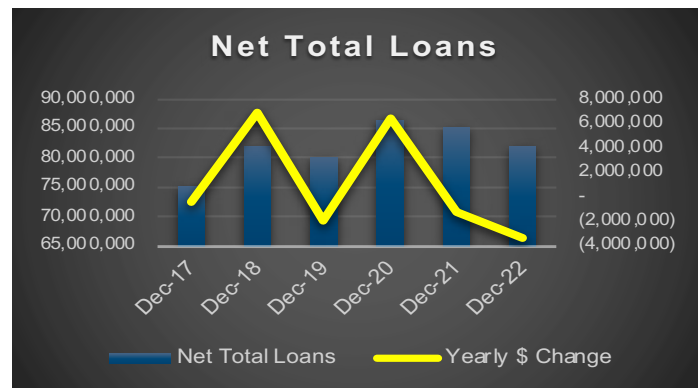
Month	Total Assets	Yearly \$ Change	Yearly % Change
2017	126,582,293	5,304,159	4.37%
2018	126,451,532	(130,761)	-0.10%
2019	137,980,757	11,529,225	9.12%
2020	156,420,057	18,439,300	13.36%
2021	168,171,719	11,751,662	7.51%
2022	162,015,523	(6,156,196)	-3.66%



Loans to Members

Net loans to members of \$81.9M as at 31st December 2022 represent a decrease of \$3M or 4%, attributable to an increase in members opting to use their share savings to pay off loans. However, the increase in economic activity in the last quarter of 2022 ensured that the Credit Union, on a year-on-year basis, increased loans approved and disbursed by \$2.4M or 11% from \$21.1M in 2021 to \$23.6M in 2022. The net loans to total assets “PEARLS” ratio was 51%, and our loan yield was 10% for the year ended 2022.

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%
Dec-22	81,994,338	(3,301,545)	-3.87%



Provision for Loan Losses

The loan loss provision for the period ending 31st December 2022 was \$4.3M and remained the same as 2021. This was partly due to a decline in the value of the loan portfolio by \$3M or 4% and

a marginal decrease in non-performing loans compared to increases at the onset of the pandemic when credit risk escalated. Compared to the prior year, the loan loss provision-to-total loans ratio trended upward, increasing from 5.16% to 5.35% in 2022.

We continue to adopt prudent credit risk policies and procedures which take into consideration various market factors and potential impacts on the Credit Union.

Long-Term Investment

Given the improved economic environment, our long-term investment returns were 13% plus at the end of 2021 as bonds, equities, and stock prices rebounded. At the end of the reporting period for 2022, our long-term investment stood at \$53M, representing a 12% or \$7.2M decline compared to 2021.

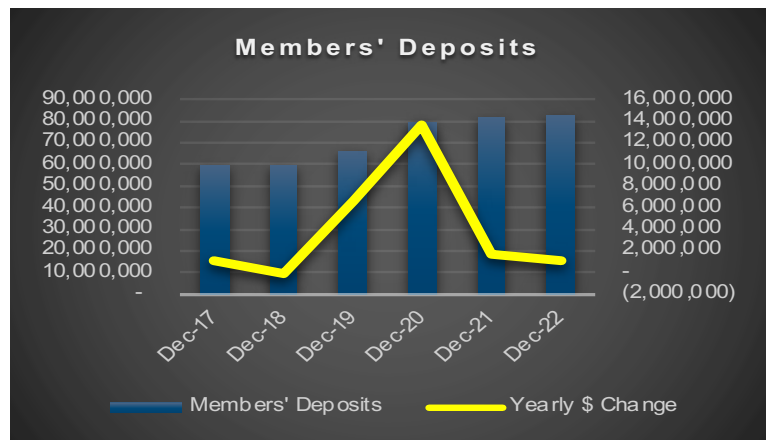
The fall in assets was driven primarily by the decline in the share prices of foreign companies, which previously posted significant gains in 2021. Shares traded locally also declined, negatively impacting the Credit Union’s investment portfolio. The year-on-year declines in key local (the All T&T Index and the Composite Price Index) were 3.7% and 11%, respectively. While the foreign stock markets indices (Dow Jones Industrial Average (DOW), S&P 500 Index, and the Nasdaq Composite Index (NASDAQ)) had declines of 8.8%, 33.1% and 19.4%, respectively, from December 2021 to December 2022.

Our long-term investment mix continues to be dominated by Trinidad and Tobago Mutual Funds, which amounted to \$40.1M or 75.1%, locally traded shares of \$7.4M or 14% and local securities of \$5.5M or 11%, respectively.

Members’ Savings Deposits

Members’ savings deposits as of 31st December 2022 was \$82.9M, an increase of \$1M or 1% compared to 31st December 2021. Dividends transfer of \$1.6M into members’ premium accounts was the major contributor to the increase experienced in 2022. Fixed Deposit also had a marginal increase of \$282,267, moving from \$46.7M in 2021 to \$47M as at 31st December 2022. The total Savings Deposits to Assets “PEARLS” ratio stood at 51% and remains the key funding source for asset growth over the coming year.

Month	Members' Deposits	Yearly \$ Change	Yearly % Change
Dec-17	59,910,296	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	81,869,666	1,775,001	2.22%
Dec-22	82,968,381	1,098,515	1.34%

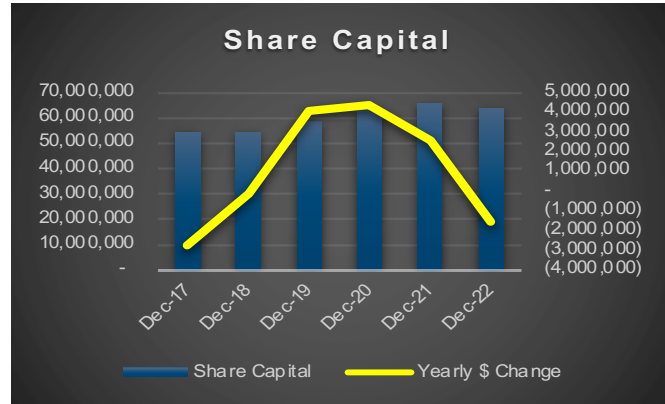




Members' Share Savings

Share savings, as of 31st December 2022, was \$64.1M, a decrease of \$1.5M or 2% compared to 2021. An increase in share withdrawals, which amounted to \$8.8 M compared to \$6.6M in 2021, played a significant part in the decline as members opted to use their savings instead of increasing their debt, including paying off loans. Members' Shares to Assets "PEARLS" ratio stood at 40% as at 31st December 2022.

Month	Share Capital	Yearly \$ Change	Yearly % Change
Dec-17	54,715,238	(2,751,121)	-5.29%
Dec-18	54,626,204	(89,034)	-0.16%
Dec-19	58,737,422	4,111,218	7.53%
Dec-20	63,130,965	4,393,543	7.48%
Dec-21	65,719,492	2,588,527	4.10%



Investment Remeasurement Fund

The Credit Union had a positive investment remeasurement fund of \$2.3M at the start of the review period following record-high returns in global equities in 2021. This fund remeasures the previously held equity interest to fair value and recognises any difference between the fair value and carrying value. If there is a gain or loss, it is recognised in the Investment Remeasurement Fund. At the end of 31st December 2022, the fund stood at negative \$-2.3M, reflecting a 199% decline year over year. Our Unit Trust Growth and Income investment, which provided the Credit Union with a return of 13% or \$4.5M in 2021, was the major contributor to the decline in our Investment Remeasurement Fund. This investment was severely challenged in 2022 by the continued high-interest rate environment, increased global uncertainty, rising commodity prices and supply chain disruptions that ultimately affected the fund's net asset value.

The Assets and Liabilities Committee's primary focus is capital preservation, risk minimisation, and to provide to the Board of Directors viable options to invest funds.

Statement of Comprehensive Income

Operating income for the 2022 financial year fell by 37% or \$5.7M to \$9.8M from \$15.5M in 2021, mainly on account of our investment income, which took a big hit as listed local and international equities were in the red as they recorded steep declines across all financial markets.

Interest on Members' Loans

Loan interest experienced a decline of 4% or \$389,121, ending at \$8.7M compared to \$9.1M in 2021. The reduction in our loan portfolio by 4% and the lowering of the interest rate on some loans due to market competition would have accounted for the decrease in loan interest. Our loan interest yield was 9%, down from 10% in 2022. Despite the competitive pressures of the market, our strategy will be to increase loan aggregate across various segments of our loan centres.

Investment Income

Total investment income for 2022 was \$1.3M compared to \$946,783 in the previous year, representing an increase of \$450,292 or 47%. Notably, we received \$770,113 accumulatively in

dividends from our mutual funds' equities investments and \$167,963 in dividends even though equity trading activities were lower as corporate profits continued to be challenged, given the prevailing global environment.

Other Income/Loss

Other income experienced a loss of \$382,826 when compared to \$5.4M in 2021. This is due to accumulative losses of \$657,387 in Loss on Foreign Exchange and our Roytrin and Republic Bank equity investments. Other income amounted to \$274,560 M for the year ended 31st December 2022, attributable to Visa Debit card income, Loan Processing Fees, 70th-Anniversary Dinner and Cuna administrative income and Other income.

Total Expenses

Total expenses for 2022 amounted to \$8.5M, a decrease of \$431,191 or 5% over 2021. The expenditure line items that showed the most significant increases over 2021 were the 70th Anniversary, Annual General Meeting, Donation, Legal and Professional Fees and Members' Fixed Deposits.

Operating Surplus

In the face of these challenging market conditions, the Credit Union produced satisfactory financial results for the financial year ended 31st December 2022 despite a decrease in the audited Surplus from a high of \$6.5M in 2021 to \$1.2M.

To this end, the Board of Directors is pleased to recommend a Dividend on Shares Saving of 4% for the financial year ended 2022.

70TH ANNIVERSARY

The year Twenty-Two was one filled with celebration and tribute in honour of Tranquillity Credit Union's Platinum Jubilee, its 70th Anniversary.

To commemorate this milestone, the Credit Union established a steering committee including:

- Mrs Christiana Wallace - Director, Board of Directors
- Ms Michelle Trestrail - Member
- Mrs Michelle Borel - Member
- Ms Siobhan Thompson - Event Coordinator
- Ms Silvana Flores - Executive Assistant, Tranquillity Credit Union

The Committee was tasked with conceptualising, developing and implementing a series of events for which they held approximately 15 meetings, some virtual and some in person. They worked diligently to ensure the success of the following:

- 70th Anniversary GALA Dinner
- Newspaper Supplement
- Time Capsule
- TCU Success Stories
- Donations to Charitable Organisations and Schools

These events honoured a significant milestone and were aligned with the Co-operative movement principles and its outstanding achievements.



— CELEBRATING —

70

— YEARS —

1952-2022





— CELEBRATING —

70

— YEARS —

1952-2022





The GALA Dinner was held on Sunday 6th November 2022. The GALA also consisted of storytelling, entertainment, and tributes to long-standing members. We were privileged to have in attendance distinguished guests such as Mrs Deborah-Ann Scott, Commissioner for Co-operative Development (Ag.) The President, Mr Joseph Remy and Chief Operating Officer, Ms Dianne Joseph, of the Co-operative Credit Union League of Trinidad and Tobago, Mr Bevil Phillanders of the North West Regional Chapter,

The Credit Union was also honoured to contribute financially to assist the excellent work of various Charitable Organisations and Schools within our fence line community. TCU rendered donations amounting to Fifty-Six thousand dollars (TTD\$ 56,000). Representatives of each institution attended the Anniversary Gala Dinner. The schools were presented with their donation at the Time Capsule ceremony held on Monday 7th November, 2022.


Donation Recipients

- Christ Child Convalescent Home
- The Voice of Lupus Foundation
- Autistic Society of T& T
- Better Begins Here
- Raffa House for Abandoned, Abused and Homeless Children
- ASJA Ladies Association
- Hindu Community
- Newtown Girls R.C. School
- Newtown Boys R.C. School

In addition, we were able to recognise and award, for their long-standing membership and invaluable contributions to Tranquillity Credit Union several members, including:

- | | |
|------------------------------|-------------------------------|
| • Anna Esther Pariag | - Honorary Secretary |
| • Kenrick Jarvis | - Director |
| • Kendal Charles | - Member, Credit Committee |
| • Douglas Williams | - Former President |
| • Edwin Reid | - Former President |
| • Kerlina Niles | - Former President |
| • Sheryl Strachan (Deceased) | - Former President |
| • Carlyle Elie | - Long Standing Member |
| • Louise Baptiste | - Long Standing Member |
| • Ramona Jackman | - Long Standing Member |
| • Phillip Denoon | - Long Standing Member |
| • Sybil Dasent | - Long Standing Member |
| • Dana Bennette | - Long-Standing Member |
| • Fenrick Greaves | - Oldest Long Standing Member |

Finally, we recount our Newspaper Supplement, our legacy that will transcend generations. This was published in the Newsday on Thursday 8th December, 2022 and contained congratulatory sentiments from fellow co-operators, contractors, strategic business partners and, most noteworthy, our sponsor company, The National Petroleum Marketing Company of Trinidad and Tobago (NPMC). Our President, Mr Osric Bacchus and General Manager, Mr Sherwin Cambridge, shared reflections on their journeys and future hopes for Tranquillity Credit Union. Special



features also included sentiments from Mr Kenrick Jarvis, our current “Longest Serving Director”, Mrs Kerlina Niles, our Second Female President, and Ms Silvana Flores, our dedicated and efficient Executive Assistant. The supplement spanned Tranquillity Credit Union’s rich history. Further, it highlighted our purpose, “To Touch Lives”, as was eloquently expressed in another article by Mr Azam Ameerli, a former Credit Committee Member.

On the occasion of our Platinum Jubilee, The Board of Directors and Management of Tranquillity Credit Union sincerely thank the members of the steering committee and all those who played a role in celebrating our success.

HUMAN RESOURCES

During the period under review, a comprehensive analysis of the human resources requirements was commissioned and completed along with a new organisation chart, management system and new staff compensation in line with the Credit Union movement and the broader financial industry.

MEMBERSHIP

At the end of the financial year 2022, the Credit Union membership stood at 2,507. We accepted seventy-one (71) new members, while two (2) persons resigned in 2022.

Condolence

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

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

REGULATORY DEVELOPMENTS

In January 2019, the Cabinet of the Republic Of Trinidad and Tobago appointed a Ministerial Sub-Committee under the leadership of Former Minister Robert Le Hunte to examine the Credit Union Sector and to make recommendations for the strengthening of the sector to enable it to play a more significant role in national development.

A Team for Implementing Recommendations of the Cabinet Appointed Committee for the Future of the Credit Union Sector in National Development (“Implementation Team”) was appointed to implement the Cabinet-approved recommendations of the Ministerial Sub-Committee and held its first meeting in December 2020. In November 2021, the Cabinet reconstituted the Implementation Team under Mr Joel Edwards’s Chairmanship with the following mandate:

- The establishment of a new robust performance monitoring system for Credit Unions
- Develop appropriate legislation for the Authority to regulate and supervise the Credit Union Movement and to treat with the compulsory Deposit Insurance Scheme.
- Develop appropriate legislation for a new independent Authority to manage regulatory and administrative functions of financial and non-financial co-operatives.

The movement through the Co-operative Credit Union League of Trinidad and Tobago has been



given up to 31st January 2024 by the line Minister, The Honourable Foster Cummings, to finalise the movement's response to the Draft Policy Proposal Document (PPD) for the Independent Co-operative Authority.

Representation

Our Board member, Mrs Christiana Wallace, was re-elected Secretary of the North West Chapter and Secretary of the Supervisory Committee of the Co-operative Credit Union League of Trinidad and Tobago. At the same time, Ms Michelle Duncan was elected Secretary of the Supervisory Committee of the North West Regional Chapter.

Outgoing

To the following Board members, who are all outgoing and have accepted nominations, we wish to thank you for your service and for always having the best interests of our membership:

- Mr Osric Bacchus
- Mrs Esther Pariag
- Ms Michelle Duncan
- Mrs Nadia Sudan

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)
- Ministry of Youth Development and National Service, Co-operative Development Division
- North West Regional Chapter of the Co-operative Credit Union League of Trinidad and Tobago
- NATPET Investment Limited
- Micro Software Designs Limited
- 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

Your health
is your
wealth



GROUP HEALTH



Beacon

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miss this
opportunity...

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2023.

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of out-of-pocket expenses each year on
major medical for you and your family.

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*(for the Primary Insured
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Credit Committee

Royds Williams - Chairman

Top Row (L - R)

Renee Garcia - Secretary

Dianna Joseph-Morris - Member

Bottom Row (L - R)

Kendal Charles - Member

Nadine Whiskey-Ottley - Member



Credit Committee Report

INTRODUCTION

The Credit Committee's responsibilities, according to the Bye-Law section 36 (a) of Tranquillity Credit Union (TCU), state that the committee is responsible for the approval and general supervision of all loans to members. The committee is required to hold meetings, conduct interviews with members and conduct site visits if required. Committee members are also required to attend training sessions, seminars and Credit Union conferences locally, regionally or internationally.

At the last Annual General Meeting (AGM) held at the Radisson Hotel on Wrightson Road, Port of Spain, TCU celebrated its Seventieth (70th) Anniversary. At this meeting, the following members were elected to the Credit Committee: Mr. Royds Williams and Mrs. Nadine Whiskey-Ottley. They joined Mrs. Dianna Morris, Mr. Kendal Charles and Ms. Renée Garcia, who were elected to serve a term of two (2) years at the 69th AGM.

MEETINGS

The first committee meeting was held seven (7) days after the 70th AGM on 2022, December 21 at TCU's Head Office. At this meeting, it was a unanimous vote for Mr. Royds Williams to continue as the Chairman and Ms. Renée Garcia to serve as the Secretary in accordance to Bye-Law 36 (d). The committee decided to continue with virtual meetings and online approval of loans as this method proved more efficient. It was also agreed that we would meet at TCU at least once per month to review all loan applications approved by the General Manager and Loans Department. During our term in office, the Credit Committee held thirteen (13) virtual meetings and nine (9) meetings at TCU's Head Office. The Chairman, Mr. Royds Williams, also attended the Board of Director's meeting monthly to present the Committee's report.

CREDIT SUPERVISION

In this reporting year, October 2022 – September 2023, there was an overall increase in the loan portfolio by \$3,963,592.10 / 18% compared to the prior year, October 2021 – September 2022, as shown below.

Description	Oct'21 – Sep'22	Oct'22 – Sep'23	Variance	(%)
No. of Loans	2,230	2,320	90	4%
Disbursements	\$22,114,809.95	\$26,078,402.05	\$3,963,592.10	18%

The major changes identified by loan categories were Business loans increased by \$918K / 6543%, Medical loans increased by \$669K / 175% and Land loans increased by \$143K / 100%. This period also showed some adverse changes for categories such as Appliance Promotion loans decreasing by \$103K / (81%), Legal/Professional Fee loans decreasing by \$123K / (56%) and Christmas Expenses loans decreasing by \$74K / (29%).



COMMITTEE PARTICIPATION

Our committee members attended several events during this term, starting with the Credit Union Month Opening Ceremony hosted by the Co-operative Credit Union League of Trinidad & Tobago Ltd (The League) held at East Mucurapo Secondary School on October 16, 2022. This was a fun-filled event that had attendees from various Credit Unions. Some members also attended a Retreat held at the Police Credit Union on March 11, 2023. This retreat emphasized the philosophy of the Credit Union Movement and gave members an insight into the Economic Trends of 2023 and beyond. Later in the term, our committee was invited to attend a virtual training session on Loan Assessments on May 17, 2023, hosted by The League. This was a very informative session as it covered topics such as “The 7C’s of Credit – When do we apply them?”, “The DSR – Should the loan be granted?” and consisted of practical sessions for members. This training also gave us a regional view of changing credit trends and enhanced our lending skills. We were later asked to nominate one member of the committee to attend the International Leadership Conference held in Panama. We nominated the Chairman, Mr. Royds Williams to attend the conference in September 2023.

RECOMMENDATIONS

The Credit Committee would like to recommend the following as TCU continues to grow:

- *Financial counselling should be provided to members with high Debt Service Ratios (DSR) as well as to members with delinquent accounts.*
- *We encourage members to become involved in the Credit Union’s operations by serving as an Officer to the Board of Directors, Credit or Supervisory Committees.*
- *Continued professional development and training for the Staff, Management, and Officers of TCU.*
- *Educate our members, who are small business owners, on proper bookkeeping methods and financial planning.*

CONCLUSION

The Credit Committee thanks the membership for their continued support and for giving us the opportunity to serve in 2022/2023. A special thanks to the Management and Staff for accommodating us throughout the year. We encourage the Board and Subcommittees to continue assessing the operations of TCU to determine areas for improvement and update policies accordingly. As we go forward into another term, we encourage the new serving officers to work together as a team for the benefit of the Credit Union and its membership.

ROYDS WILLIAMS
Chairman

LOAN ANALYSIS
FOR THE PERIOD ENDED SEPTEMBER 2023

CATEGORIES	CURRENT YEAR October'22 - September'23	No. of Loans 2022/23	PRIOR YEAR October'21 - September'22	No. of Loans 2021/22	VARIRIANCE	%
HOUSING/HOUSE REPAIRS	\$ 5,080,995.63	153	\$ 4,998,659.34	164	\$ 82,336.29	2%
LAND	\$ 143,000.00	3	\$ -	0	\$ 143,000.00	100%
MEDICAL	\$ 1,052,439.20	33	\$ 383,200.00	27	\$ 669,239.20	175%
EDUCATION	\$ 816,263.37	67	\$ 804,543.75	71	\$ 11,719.62	1%
FURN./APPL.	\$ 294,295.13	16	\$ 249,831.50	14	\$ 44,463.63	18%
VAC./TRAVEL	\$ 1,362,038.68	71	\$ 743,479.49	46	\$ 618,559.19	83%
CONS. DEBTS	\$ 1,994,654.45	112	\$ 1,705,031.91	130	\$ 289,622.54	17%
MOTOR VEHICLE	\$ 4,473,241.97	32	\$ 6,196,815.05	51	\$ (1,723,573.08)	-28%
CEREMONIAL/BURIAL	\$ 188,849.53	9	\$ 213,600.00	17	\$ (24,750.47)	-12%
DOMESTIC/PERSONAL	\$ 6,161,953.15	1322	\$ 3,312,067.25	1166	\$ 2,849,885.90	86%
MOTOR VEHICLE REPAIRS	\$ 993,121.55	86	\$ 983,062.96	93	\$ 10,058.59	1%
LEGAL/PROF.	\$ 97,450.00	7	\$ 220,900.00	19	\$ (123,450.00)	-56%
INSURANCE	\$ 143,164.58	24	\$ 193,237.53	36	\$ (50,072.95)	-26%
INVESTMENT	\$ 976,636.07	17	\$ 938,020.53	27	\$ 38,615.54	4%
COMPUTER	\$ 150,122.77	18	\$ 163,181.33	19	\$ (13,058.56)	-8%
BUSINESS	\$ 932,200.00	11	\$ 14,032.15	1	\$ 918,167.85	6543%
FOOD VOUCHER	\$ 1,013,000.00	323	\$ 613,500.00	311	\$ 399,500.00	65%
CHRISTMAS EXPENSES	\$ 181,369.72	15	\$ 254,888.37	31	\$ (73,518.65)	-29%
APPLIANCE PROMOTION	\$ 23,606.25	2	\$ 126,758.79	7	\$ (103,152.54)	-81%
GRAND TOTAL	\$ 26,078,402.05	2321	\$ 22,114,809.95	2230	\$ 3,963,592.10	18%



Supervisory Committee

Lyndon Charles - *Chairman*
Nyasha Alcala - *Secretary*
Kethleen Joseph - *Member*



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. 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



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

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Education Committee

Joy John-Benjamin

- *Chairman*

Top Row (L - R)

Afeisha Julien

- *Secretary*

Richard Trim

- *Member*

Michelle Duncan

- *Member*

Second Row (L - R)

Chanda La Touche

- *Member*

Shachia Strachan

- *Member*

Karissa Carrington

- *Ex-Officio Member*



Education Committee Report

INTRODUCTION

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

- Joy John-Benjamin - Chairman
- Afeisha Julien - Secretary
- Richard Trim - Member
- Michelle Duncan - Member
- Chanda La Touche - Member
- Shachia Strachan - Member
- Karissa Carrington - Ex-Officio Member (Aug '23 to present)

The Education Committee took the opportunity to review and update our Terms of Reference, guided by Bye Law #38. This update provided us with a framework that enabled us to effectively plan and execute activities of the Committee, for the long-term benefit of our members and the credit union.

VIRTUAL WORKSHOPS

The Committee organized a series of virtual workshops, which were as follows:

1. **SEA WORKSHOP for parents - Coping with Psychological Trauma of SEA, covering the following topics.**
 - Understanding your child's mental status during exam modes
 - Supporting your child vs stressing your child. What can I do?
 - Taking care of my own health as a parent/caregiver

Number of persons registered - 25 (comprising 4 members and 21 Newtown Boys RC Parents)

Actual Number of Attendees - 25 (comprising 4 members and 21 Newtown Boys RC Parents)

2. **Personal Financial Planning:**

The Financial Planning webinar aimed to enhance participants' understanding of essential financial knowledge and techniques required to create an effective financial plan, ensure financial well-being and a legacy. The webinar was designed to:

 - Increase financial awareness among our members and better prepare them to handle financial challenges.
 - Equip members with tools for financial independence, including:
 - Developing a Personal Financial Plan
 - Budgeting and Cash Management
 - Debt Management and Elimination
 - Investment Planning
 - Financial Risk Management



- Encourage members to take advantage of income-generating opportunities.
- Empower members to take responsibility for their financial affairs, plan wisely and leave a legacy of financial stewardship for future generations.

Number of members registered - 62

Actual Number of Attendees - 57

3. Retirement Planning

The Retirement Planning Webinar aimed to help participants adopt a proactive and systematic approach to retirement preparation. It aimed to:

- Raise awareness of the factors to consider when preparing for retirement.
- Address personal thoughts, attitudes, and beliefs that affect retirement preparation.
- Explore various options for effective retirement planning.
- Boost confidence for a positive and productive retirement mindset
- Help individuals assess their readiness for retirement and identify potential gaps in their planning.

Topics covered were:

- Transitioning to retirement
- Estate planning
- Leaving a legacy
- Post-retirement health and wellness
- Financial planning

Number of members registered - 77

Actual Number of Attendees - 30

SEA / CSEC / CAPE EDUCATION AWARDS

This event received substantial attendance from both parents and students. Michelle Borel hosted the session, and entertainment was provided by Mr. Jaron Nurse, with Mr. Don La Foucade as the guest speaker, captivating the audience with his eloquent speech.

The Committee also presented awards to all attendees, with special recognition for the top performers in each examination category. Parents and youth members in attendance praised the team for the event's success.

Special thanks were extended to Mrs. Karissa Carrington, Ms. Michelle Borel, and their team for their exceptional coordination of the event, as well as Ms. Silvana Flores for her invaluable assistance during the program.

TCU TV

The Committee continued to implement the TCU TV concept, creating specific content to engage members. All online and in-person events, including the AGM, will be recorded for streaming on multiple platforms, including:

- ON-location
 - Looping video footage in the reception area, featuring TCU Success Stories, the 70th Anniversary, Time Capsule, Sports & Family Day, and Education Awards
- YouTube
 - A YouTube channel will be established to make the material available on this platform.
- TikTok
 - Utilizing TikTok for member engagement, with content tailored to the platform's trends and dimensions.

The Education Committee expresses its gratitude to all its members for their volunteerism and dedication to the Credit Union's mission.

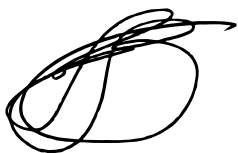
TRANQUILITY CREDIT UNION'S YOUTH LEAGUE

The Committee initiated the establishment of Tranquillity Credit Union's Youth League, which will be guided by the following process.

- All members from age 0 – 30 automatically qualify as members of the TCU Youth League.
- Youth members between 12-30 will have voting rights to elect a Youth League Executive
- The Youth League executive will comprise of a Chairman, Vice Chairman, Secretary and three committee members.
- The TCU Youth League operates in accordance with TCU By-Laws and will have its own Constitution or Terms of Reference governing its operations.
- The TCU Education Committee will provide direct oversight of the Youth League, assisting with event implementation and initiatives.

Planned Youth Engagement are as follows:

- Sip and Paint - Sessions can be organized for different age groups within the membership.
- Business to Business: Members aged 15 and older can form teams to create businesses using art and craft materials, with expert advice on starting a business.
- Show and Tell: Showcasing the talents of youth members, fostering connections and enjoyment.
- Bring your Game On: Teams participate in games with tokens for outstanding youth members, combining fun and knowledge about the credit union.
- TCU Youth to Youth Sports: Youth members compete in various sports to showcase their athletic abilities.
- TCU Youth Trip: A road trip for youth members and parents to promote networking and communication.



JOY JOHN-BENJAMIN
Chairman

Education Committee Education Awards 2022–2023





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TREAT YOURSELF!
End the year or step into the New Year
YOUR WAY!

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CONTACT US TO SECURE YOUR APPOINTMENT TODAY!



Nominations Committee

Anna-Lisa Arlen-Benjamin - *Chairman*
Daffodil Maxwell - *Secretary*
Marvin Marshall - *Member*



Nominations Committee Report

In accordance with Bye Law 28, the Board of Directors appointed the Nominating Committee in February 2023 to recommend qualified members who would be willing to be considered for election to the Board, Supervisory, Credit Committees by the AGM. The Committee also reviewed the applications to assure that the candidates were in compliance with the rules as outlined in Tranquillity Credit Union's (TCU) Bye Laws.

The following members accepted the opportunity to serve:

Chairman: Anna-Lisa Arlen-Benjamin
Secretary: Daffodil Maxwell
Member: Marvin Marshall

In alignment with TCU's strategic plan Jan 2022 - Dec 2024 "Securing Our Future| Generating Opportunities", and as informed by Bye Law 27 - Policies; Bye Law 28 - Nominating Committee; and taking into consideration the absence of a TCU Nomination Policy, the TCU Nominations Committee submitted a Nominations Policy for approval by the Board of Directors designed to support the continuance of best practice strong governance standards, and systems designed to drive the growth of TCU. The policy approved by the Board of Directors, was informed by guidelines from The Trinidad and Tobago Cooperative League - The Nomination Screening Process and the Central Bank of Trinidad and Tobago - Fit and Proper Guidelines Revised 2019 in addition to the community of practice amongst Credit Unions in Trinidad and Tobago.

The approved Nominations Policy recommended amendments to the Bye Laws to facilitate its full implementation, and in this regard a Special General Meeting was convened on August 24, 2023. Not all of the amendments were accepted at the meeting, and it will be re-assessed going forward as best practice processes are considered in the process of continuous improvement. The policy was therefore amended in accordance with the needs of the membership.

The Nomination Notice was circulated on September 06, 2023 with a deadline of September 15, 2023. The nomination call was reissued with a deadline extended to September 26, and a further extension to October 06 2023 to attract additional nominations for the Supervisory and Credit Committees.

The Committee reviewed eighteen (18) nomination forms and all candidates have met the requisite eligibility criteria in accordance with the Bye Laws as listed in the following table. The candidates were asked to acknowledge their commitment to serve and to submit a brief candidate profile for the benefit of the membership.

The Nomination Committee held four meetings during its term and as a sunset committee, we wish to thank the staff of Tranquillity Credit Union for their support.



The Committee thanks all candidates who offered themselves up to serve in leadership positions at your credit union. It is imperative that we encourage all member-owners to volunteer their time and talents to propel the credit into the future. The Committee recommends a continuance of a communication campaign at two levels, i.e. a member awareness “Know Your Credit Union Campaign”, and a targeted volunteering campaign to drive the nomination process in support of the execution of TCU’s strategic plan.

ANNA-LISA ARLEN-BENJAMIN
Chairman

Nomination Candidates

BOARD OF DIRECTORS			
CANDIDATE	NOMINATED BY	SECONDED BY	Occupation
Osric Bacchus	Hayle Lucas	Keryn Martin	Engineering Consultant
Anna Esther Pariag	Alan Tang-Wing	Osric Bacchus	Accounting Officer/ St. Johns Church, Diego Martin
Michelle Duncan	Chester Beeput	Cherise Mc Pherson	Procurement Officer/ NPMC
Nadia Sudan	Satnarine Sudan	Dave Thanoo	Deputy Manager Operations (Ag)/ ADB
Lyndon Charles	Nyasha Alcala	Kethleen Joseph	HSE Officer II/NPMC
Nyasha Alcala	Lyndon Charles	Kethleen Joseph	Payroll Supervisor (Ag)/NPMC

Nomination Candidates (cont'd)

CREDIT COMMITTEE			
CANDIDATE	NOMINATED BY	SECONDED BY	Occupation
Kendal Charles	Reza Ackbarali	Stephen Subayar	Account Representative - Export / NPMC
Dianna Joseph-Morris	Gerard Phillip	Joanne Jeffers	Accountant Supervisor/NPMC
Afeisha Julien	Michelle Duncan	Dianna Morris	Senior Budget Analyst (Ag) / NPMC
Kion Williams	Tanisha Williams	Kenrick Jarvis	Facility Manager/UDECOTT
Tambi Serrano-Rock	Colin Bartholomew	Royds Williams	Accounting Technician II/ Telecommunications Authority of Trinidad & Tobago (TATT)

SUPERVISORY COMMITTEE			
CANDIDATE	NOMINATED BY	SECONDED BY	Occupation
April Audain	Nyasha Alcala	Keisha Douglas	Payroll Clerk/NPMC
Christina Le Maitre	Winston Le Maitre	Kariym Le Maitre	Teacher Learning Support Assistant/ MOE/Independent Consultant
Corisha Wright-Mc Kenna	Kenrick Jarvis	Kion Williams	Social Worker/Family Court of T&T
Lesley-Ann Charles	Royds Williams	Kendall Sealy	Business Consultant, LAC Consulting
Lisa-Marie Foster	Junior Barnett	Royds Williams	Administrative Assistant/NPMC
Loraine Reyes-Borel	John Borel	Michelle Trestrail	Social Services Professional / Consultant
Tresor Seebreth	Satnarine Sudan	Amrit Singh	Senior Maintenance Technician / NPMC

Our Office Family



Seated (Left to Right):

Karissa Carrington
Sherwin Cambridge
Natasha Olliviere

- Business Development / Marketing Manager
- General Manager
- Accountant

Standing (Left to Right):

Silvanna Flores
Gabriella Lara
Dominic Lucas
Celine Mascall
Ifeoma Williams
Prianna Lutchman
Anescia O'Brien
Vikash Reemaul
Johannah Earle
Jillian Gittens
Vritti Moonsammy

- Executive Assistant
- CSR /Administrative Clerk
- Recoveries Officer
- Teller
- Accounts Clerk
- Loans Officer
- Operations Clerk
- Junior Systems Administrator
- Loans Officer
- Loans Officer
- Operations Officer

Save Time!

Access your TCU Account no matter where you are!



TCU ON D GO Mobile App

- Check Balances • View Account History/ Activity
- Request Letters and Statements • Mobile Top Up
- Pay Loans on Your Account or Other TCU Members
- Bill Payments (Coming soon)

Download via Play Store (Android) or App Store (IOS) and follow the instructions to complete.



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- Transfer Funds • Card Payments
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- Request Cheques, statements and letters

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

✉ info@tranquillitycu.com

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www.tranquillitycu.com

2021 Financial Report

FOR THE YEAR ENDED
DECEMBER 31st, 2022





**Tranquillity Credit Union Co-operative Society Limited
Financial Statements
31 December 2022**

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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 2022, 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.

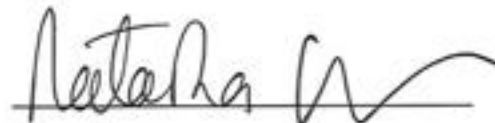
In preparing these audited financial statements, management utilised the International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where IFRS presented alternative accounting 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: 30 June 2023



Signed
Title: Accountant
Date: 30 June 2023



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 2022, 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 2022 and financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

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

Emphasis of Matter

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

Other Information

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



Independent Auditors' Report (Continued)

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

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

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

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

Auditors Responsibilities for the Audit of the Financial Statements

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

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

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



Independent Auditors' Report (Continued)

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

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

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

San Juan
30 June 2023


Chartered Accountants

Tranquillity Credit Union Co-operative Society Limited
Statement of Financial Position
As at 31 December 2022

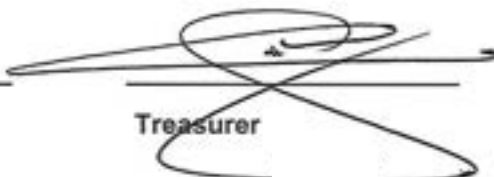
Assets	Note	2022	2021
		TT\$	TT\$
Non-current assets			
Property and equipment	5	10,482,729	10,486,989
Members loans	6	81,994,338	85,022,227
Long term investments	7	<u>53,069,847</u>	<u>60,295,883</u>
Total non-current assets		<u>145,546,914</u>	<u>155,805,099</u>
Current assets			
Short-term investment	8	10,928,618	6,523,859
Inventory		3,773	3,652
Accounts receivables and prepayments	9	1,587,250	1,100,130
Cash at bank and in hand	10	<u>3,948,968</u>	<u>4,738,979</u>
Total current assets		<u>16,468,609</u>	<u>12,366,620</u>
Total assets		<u>162,015,523</u>	<u>168,171,719</u>
Members' equity and liabilities			
Members' equity			
Investment re-measurement reserve		(2,349,160)	2,363,665
Reserve fund		8,009,448	7,881,554
Education fund		1,101,124	1,460,170
Undivided earnings		<u>3,869,988</u>	<u>5,948,964</u>
Total members' equity		<u>10,631,400</u>	<u>17,654,353</u>
Non-current liabilities			
Gratuity fund		1,017,841	969,850
Members' share balances	11	<u>64,199,514</u>	<u>65,719,492</u>
Total non-current liabilities		<u>65,217,355</u>	<u>66,689,342</u>
Current liabilities			
Members' savings and deposit accounts	12	82,988,381	81,889,866
Accounts payables and accruals	13	3,178,387	1,906,143
Tax payable		-	32,015
Total current liabilities		<u>86,166,768</u>	<u>83,828,024</u>
Total liabilities		<u>151,384,123</u>	<u>150,517,366</u>
Total members' equity and liabilities		<u>162,015,523</u>	<u>168,171,719</u>

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

On 30 June 2023 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 2022

Income	Note	2022	2021
		TTS	TTS
Interest on members loans		8,788,714	9,177,835
Investment income		1,397,075	946,783
Other (loss)/income		<u>(382,826)</u>	<u>5,435,896</u>
Total income		<u>9,802,963</u>	<u>15,560,514</u>
Expenditure			
Annual general and special meetings		167,300	-
Loan loss expense	6	-	123,887
Bank charges		151,620	147,592
Co-operative activities		87,650	57,951
Cuna insurance premiums		364,565	367,086
Depreciation		332,927	468,962
Directors' expenses		252,671	244,888
Donations		60,950	28,963
Ex gratia payments		96,655	109,870
Green fund levy		26,993	46,656
Gratuity expense		47,991	969,850
Insurance		90,926	92,104
League dues		16,241	16,241
Legal and professional fees		411,427	328,314
Loss on disposal of computer		-	11,124
Marketing expenses		147,333	101,283
Members' fixed deposit interest		2,181,447	2,097,316
Members' premium deposit interest		1,051,171	1,020,795
Office supplies		97,068	104,352
Postage		3,400	7,669
Printing and stationery		57,966	40,210
Rental		158,284	126,750
Repairs and maintenance		199,580	192,841
Salaries and wages		1,568,045	1,760,361
Security courier		149,929	131,765
70 th Gala Anniversary		445,939	-
Staff benefits		110,743	112,639
Staff training and development		44,136	21,012
Sundry committees		107,153	96,108
Telephone expenses		71,695	79,576
Uniforms		-	30,606
Utilities		<u>35,220</u>	<u>31,445</u>
Total expenditure		<u>8,537,025</u>	<u>8,968,216</u>
Surplus		<u>1,265,938</u>	<u>6,592,298</u>
Other comprehensive income			
Unrealised gain on financial assets		1,192,661	1,380,155
Unrealised loss on financial assets		<u>(5,905,486)</u>	<u>(79,461)</u>
Total comprehensive income		<u>(3,446,887)</u>	<u>7,892,992</u>

The notes on pages 16 to 41 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 2022

	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>
Balance at 1 January 2022	2,363,665	7,881,554	1,460,170	5,948,964	17,654,353
Net surplus for the year	-	-	-	1,265,938	1,265,938
Other comprehensive income	(4,712,825)	-	-	-	(4,712,825)
Transfer to the reserve fund	-	126,594	-	(126,594)	-
Transfer to the education fund	-	-	63,297	(63,297)	-
Entrance fees to reserve fund	-	1,300	-	-	1,300
Education expenses	-	-	(422,343)	-	(422,343)
Honorarium	-	-	-	(60,000)	(60,000)
Dividends paid – 2020 & 2021	-	-	-	(3,095,023)	(3,095,023)
Balance at 31 December 2022	<u>(2,349,160)</u>	<u>8,009,448</u>	<u>1,101,124</u>	<u>3,869,988</u>	<u>10,631,400</u>
Balance at 1 January 2021	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)
Balance at 31 December 2021	<u>2,363,665</u>	<u>7,881,554</u>	<u>1,460,170</u>	<u>5,948,964</u>	<u>17,654,353</u>

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

Tranquillity Credit Union Co-operative Society Limited
Statement of Cash Flows
Year Ended 31 December 2022

	2022	2021
	<u>TT\$</u>	<u>TT\$</u>
Cash flow from operating activities		
Surplus for the year	1,265,938	6,592,298
Adjustments:		
Depreciation	332,927	468,962
Loss on disposals of property, plant, and equipment	-	11,124
Net movement in the investment re-measurement reserve	(4,712,825)	1,300,694
Loan loss provision	-	123,887
	<u>(3,113,960)</u>	<u>8,496,965</u>
Changes in:		
Inventory	(121)	31,787
Members' loans	3,027,889	1,400,578
Receivables and prepayments	(487,120)	447,403
Payables and accruals	1,272,244	991,166
Members' savings and deposit accounts	1,098,515	1,775,001
Taxation payable	(32,015)	23,538
Gratuity fund payable	47,991	969,850
Net cash generated from operating activities	<u>1,813,423</u>	<u>14,136,288</u>
Investing activities		
Net movement in long term investments	7,226,036	(15,280,312)
Additions to property, plant, and equipment	(328,667)	(167,367)
Net cash used in investing activities	<u>6,897,369</u>	<u>(15,447,679)</u>
Financing activities		
Increase in members' shares	(1,519,978)	2,588,527
Reserve fund	1,300	1,815,342
Education fund expenses	(422,343)	(42,136)
Honorarium paid	(60,000)	(95,000)
Dividends paid	(3,095,023)	(4,167,618)
Net cash provided by financing activities	<u>(5,096,044)</u>	<u>99,115</u>
Decrease in cash and cash equivalents	3,614,748	(1,212,276)
Cash and cash equivalents at the beginning of the year	<u>11,262,838</u>	<u>12,475,114</u>
Cash and cash equivalents at the end of the year	<u>14,877,586</u>	<u>11,262,838</u>
Represented by:		
Cash at bank and in hand	3,948,968	4,738,979
Short-term investments	<u>10,928,618</u>	<u>6,523,859</u>
	<u>14,877,586</u>	<u>11,262,838</u>

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

Tranquillity Credit Union Co-operative Society Limited
Statement of Receipts and Payments
Year Ended 31 December 2022

	2022	2021
	<u>TT\$</u>	<u>TT\$</u>
Receipts		
Accrued Interest on Oil Notes	63,654	-
Annual general meeting expenses	6,235	4,800
Appliance loan	-	3
Appliance promo loan	11,875	32,720
Bank charges	6	878
Beneficiary account payable	56,141	45,094
Board expenses	729	819
Carpark Rental/Expenses	10,125	-
Computer loan interest – NP	16,025	24,979
Computer services expenses	-	207
Co-operative activities	727	600
Cuna family indemnity plan payables	2,082	1,426
Debit card deposits	4,281,959	3,770,049
Deposits	340,378	1,250,629
Dividend NGL shares	24,480	8,640
Dividends – Agostini shares	4,773	3,409
Dividends – Angostura shares	3,600	3,900
Dividends – Ansa Mc Al shares	8,100	8,100
Dividends – FCB shares	-	40,697
Dividends – FCGFH shares	74,824	18,132
Dividends – Massy Holding	19,889	16,172
Dividends – NCB financial	-	625
Interest on NIF A & B Series	47,562	47,562
Dividends – SBTT	6,900	7,950
Dividends – WITCO	9,466	9,866
Donations	1,000	-
DSR loans	462,179	279,324
Education expenses	-	20,603
Entrance fee	1,060	660
Equipment rental	-	1,294
F.I.P death benefit receivables	534,504	529,644
F.I.P deposits	165,098	194,361
FCB receivables	636,532	806,548
FCBAS NIF Series A	-	5,040
FCBAS NIF Series B	-	42,522
First Citizens Group Financial Holdings Shares	1,399,400	-
First line securities loan notes – TCCL	456,400	654,528
Food voucher loan receipts	107,204	180,650
Food voucher service charge	33,525	25,750
Food vouchers inventory	-	1,000
70 th Anniversary activities	32,504	-
Gala 70 th Anniversary Dinner Income	8,700	-
General loans	7,167,103	5,932,393

Tranquillity Credit Union Co-Operative Society Limited
Statement of Receipts and Payments
Year Ended 31 December 2022

	2022	2021
	TTS	TTS
Receipts (continued)		
Group health plan deposits	190,519	249,125
Health surcharge payable	363	924
Home Mortgage Bank-Samaan Tree Fund	10,000,000	-
Interest from first line securities - TCCL	123,936	119,343
Interest from NIPDEC KCL Capital Market Brokers Ltd	15,902	
Interest on appliance promo	6,434	9,135
Interest on computer loans	553	3,681
Interest on DSR loan	27,303	88,528
Interest on general loans	1,259,114	2,228,650
Interest on-line of credit	29,793	31,390
Interest on long term loan	68,780	130,387
Interest on NMPC COLA Loan	110	4,495
Interest on Other Investment	71,012	-
Interest on savings plus	4,251	18,084
Interest on small business	-	814
Interest on special loans	5,540	8,691
Interest on staff loan	-	758
Interest on vehicle loan	195,909	307,036
Janitorial services	1,854	3,180
League fee	-	16,241
Legal and professional fees	10,369	-
Liquid Fuel Company of Trinidad & Tobago (LFCTT)	152,009	172,783
Line of credit	329,602	237,710
Loan interest deferral for DSR loan	-	1,108
Loan interest deferral for general loan	-	22,766
Loan interest deferral for saving plus loan	-	872
Loan interest deferral for staff loan	-	416
Loan interest deferral for vehicle loan	-	6,683
Marketing expenses	1,377	1,600
Members' fixed deposits	120,000	120,000
Members' Mobile Top-up	222	-
Members' payable	124,294	51,144
Members' shares	2,883,157	5,068,034
Miscellaneous Expenses	881	-
Mortgage loan	213,159	132,905
National Petroleum Marketing Company	21,953,425	20,865,488
NATPET	1,082,501	851,018
NFM dividend	-	600
NIS payables	-	14,819

Tranquillity Credit Union Co-Operative Society Limited
Statement of Receipts and Payments
Year Ended 31 December 2022

	2022	2021
	<u>TTS</u>	<u>TTS</u>
Receipts (continued)		
Non-statutory committee	229	5
NPMC - computer loans	29,949	28,208
NPMC - cola loan	11,836	12,893
KCL Capital Market Brokers Ltd-NIPDEC	822,242	-
Office supplies expense	2,029	2,908
Other accrued expenses	15,330	20,446
Other income	54,989	62,760
Other receivables	1,640,120	1,282,065
Overages / shortages	2,542	1,939
PAYE	8,593	18,258
Pension (employer's contribution)	-	3,155
Postage	150	-
Premium deposit	22,667,757	18,867,342
Printing and stationery	653	1,605
Repairs and maintenance general	-	5,513
Saving plan loan	32,112	63,895
Scotia Bank T&T Limited shares	-	2,550
Share drive promotion	-	2,500
Special loans	14,392	12,006
Staff incentives	986	35
Staff loans	-	5,062
Standing order deposits	101,164	139,919
Standing order payable	-	64,221
Telephone expense	2,752	10,978
UTC money market	-	1,300,000
UTC Income & Growth	16,413,029	-
Vehicle loan	1,277,983	2,573,724
Visa debit card income	8,142	2,007
WOCCU/CCCU Conference	3,628	-
Total receipts	<u>97,977,715</u>	<u>69,223,976</u>

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

Tranquillity Credit Union Co-Operative Society Limited
Statement of Receipts and Payments
Year Ended 31 December 2022

	2022	2021
	<u>TT\$</u>	<u>TT\$</u>
Payments		
Annual general meeting expenses	173,390	7,360
Air-condition cost	-	30,938
Appliance promo loans	37,265	87,691
Audit fees	35,437	36,983
Bank charges JMMB	66,962	24,622
Bank charges Republic Bank Limited	68,552	58,368
Beautification expenses	14,283	14,283
Beneficiary account payable	186,498	36,403
Board allowance	265	-
Board expenses	19,024	11,692
Building improvement cost	-	16,875
Carpark rental	168,325	126,750
Computer cost	75,372	44,527
Computer service expenses	40,592	60,115
Co-operative activities	43,849	31,470
Credit committee expenses	1,005	722
Cuna family indemnity plan	544,790	500,682
Cuna LP & LS insurance	-	939
Debit card deposits	9,875,623	8,777,914
Deposits	661,741	1,200,740
Dividends payable	1,528	-
Donations	61,950	28,963
DSR loans	88,159	392,085
Education expenses	172,071	51,910
Electricity	17,294	28,903
Entrance fee	-	20
Equipment rental	24,803	12,938
F.I.P. Death benefit receivable	325,006	269,522
F.I.P. Deposits	33,482	26,337
First Citizens Group Financial Holdings Shares	2,000,000	-
First line securities loan notes - TCCL	-	2,119,612
Firstline Securities Loan Notes VL Series A	2,000,000	-
Firstline Securities Loan Notes VL Series B	1,941,156	-
Food voucher loans	-	8,000
Furniture, fixtures, and fittings cost	70,237	5,250
70th Anniversary activities	487,758	-
General insurance	8,136	4,501
General loans	679,573	1,523,037
Green Fund Levy payable	54,539	23,119
Green Fund Levy Taxes	4,470	-
Group health plan deposits	4,467	1,290
Group life insurance expenses	20,062	28,154
Health Surcharge payable	11,034	5,800

Tranquillity Credit Union Co-Operative Society Limited
Statement of Receipts and Payments
Year Ended 31 December 2022

	2022	2021
	<u>TT\$</u>	<u>TT\$</u>
Payments (continued)		
Home Mortgage Bank – Samaan Fund	14,000,000	1,000,000
Interest of computer loans	27	-
Interest on general loans	-	814
Interest on line of credit	88	-
Janitorial service expenses	30,946	47,517
League fees	16,240	32,481
Legal and professional fees	407,008	271,676
Line of credit	1,424,742	1,084,606
Marketing expense	137,706	77,294
Massy Food Stores (vouchers)	107,000	102,700
Massy Holdings Ltd Shares	1	-
Medical (employer's contribution)	3,000	17,405
Member control account	3,036	2,173
Members' fixed deposit	120,000	120,000
Members' mobile top-up	35,889	5,000
Members' payable	201	11,347
Members' shares	268,898	332,795
Miscellaneous Expenses	878	-
Mortgage Loans	214,226	-
National Petroleum Company Ltd	90	2,148,876
NATPET	-	121,969
NIPDEC- KCL Capital Market Brokers Ltd	822,242	-
NIS payable	166,992	200,538
Non-statutory committees	3,837	4,508
NPMC computer loans	69,306	46,542
Office equipment cost	69,079	5,062
Office supplies	35,409	25,416
Other accrued expenses	564,203	757,129
Other income	6,176	199
Other receivables	1,081	124,816
Overages / shortages	3,010	909
PAYE payable	95,448	146,759
Pension (employer's contribution)	66,335	89,941
Postage	3,550	7,669
Premium deposits	46,640,088	37,419,243
Prepayments	207,851	160,971
Pricesmart Supermarket Limited	174,500	117,000
Printing and stationery	59,555	41,425
Processing fees-loans	2,232	5,042

Tranquillity Credit Union Co-Operative Society Limited
Statement of Receipts and Payments
Year Ended 31 December 2022

	2022	2021
	<u>TT\$</u>	<u>TT\$</u>
Payments (continued)		
Rates and taxes	17,925	2,824
Relocation Expenses	1,100	-
Repairs and maintenance - general	30,195	47,736
Salaries and Wages	20,889	-
Salaries Payable	74,160	84,853
Staff incentives	6,552	11,486
Staff loans	-	140,000
Staff training and development	36,076	15,475
Standing order deposits	327,584	341,198
Standing orders payable – Group Health Plan	763,000	876,478
Storage Container Improvement (Cost)	84,037	-
Storage expense	3,636	14,793
Supervisory allowance	-	480
Supervisory expenses	1,254	967
Telephones	67,824	103,597
Uniform expenses	-	21,901
Unit Trust Growth and Income Fund	10,200,000	7,000,000
Vehicle loans	1,063,278	1,344,486
Visa debit card income	53	504
WOCCU/CCCU Conference	104,276	-
Xtra Foods Supermarket (vouchers)	186,318	187,308
Total payments	<u>98,767,725</u>	<u>70,322,423</u>
Cash in transit:		
Replacement cheques & cash		
Opening balance	4,738,979	5,837,426
Total receipts	97,977,715	69,223,976
Less: payments	<u>(98,767,725)</u>	<u>(70,322,423)</u>
Closing balance	<u>3,948,969</u>	<u>4,738,979</u>
Represented by:		
Cash in hand and at bank	<u>3,948,969</u>	<u>4,738,979</u>

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

Tranquillity Credit Union Co-operative Society Limited
Notes to the Financial Statements
31 December 2022

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 2022

The following standards and amendments have become effective for the annual periods commencing on or after 1 January 2022.

- ❖ *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 2021.

Tranquillity Credit Union Co-operative Society Limited
Notes to the Financial Statements
31 December 2022

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 2022 (continued)

Amendments to IFRS 16 'Leases' Covid-19 Related Rent Concessions beyond 30 June 2022

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 2022. 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 2022

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 2022.

- ❖ *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 2018–2022*
- ❖ *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 2022

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, 2022 (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 2022

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 amendments are applicable for annual periods commencing on or after 1 April 2022.


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 2022.

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 2022.

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 2022.

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 2022.

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 2022

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, 2022 (continued)

Annual Improvements to IFRS Standards 2018–2022 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 2022

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, 2022 (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 2022

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 2022

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 2022

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 2022

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 2022

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 2022

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 2022

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 2022

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 of 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 2022

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 2022

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:

	2022	
	TT\$	
	Carrying	Fair
	value	value
Financial assets		
Cash and cash equivalents	3,948,968	3,948,968
Short-term investments	10,928,618	10,928,618
Long-term investments	53,069,847	53,069,847
Accounts receivable and prepayments	1,587,250	1,587,250
Loans to members	<u>81,994,338</u>	<u>81,994,338</u>
	<u>151,529,021</u>	<u>151,529,021</u>
Financial liabilities		
Accounts payable and accruals	3,178,387	3,178,387
Members savings and deposits	82,988,381	82,988,381
Members' shares	<u>64,199,514</u>	<u>64,199,514</u>
	<u>150,366,282</u>	<u>150,366,282</u>

Tranquillity Credit Union Co-operative Society Limited
Notes to the Financial Statements
31 December 2022

4. Financial risk management (continued)

Financial instruments

	2021 <u>TT\$</u>	Fair value
	Carrying value	
Financial assets		
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>
	<u>157,681,078</u>	<u>157,681,078</u>
Financial liabilities		
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>
	<u>149,547,516</u>	<u>149,547,516</u>



Tranquillity Credit Union Co-operative Society Limited
Notes to the Financial Statements
31 December 2022

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 2022

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 2022

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 2022

5. Property and equipment

2022	Land & Building	Computers	Equipment	Fixtures & Fittings	Total
	TTS	TTS	TTS	TTS	TTS
At 1 January 2022	10,334,839	1,049,874	551,550	696,932	12,633,195
Additions	-	103,714	154,716	70,237	328,667
At 31 December 2022	<u>10,334,839</u>	<u>1,153,588</u>	<u>706,266</u>	<u>767,169</u>	<u>12,961,862</u>
Accumulated depreciation					
At 1 January 2022	853,595	649,181	215,778	427,652	2,146,206
Charge for the year	139,625	111,231	44,133	37,938	332,927
At 31 December 2022	<u>993,220</u>	<u>760,412</u>	<u>259,911</u>	<u>465,590</u>	<u>2,479,133</u>
Net book value					
Balance as at 31 Dec 2022	<u>9,341,619</u>	<u>393,176</u>	<u>446,355</u>	<u>301,579</u>	<u>10,482,729</u>
Balance as at 31 Dec 2021	<u>9,481,244</u>	<u>400,693</u>	<u>335,772</u>	<u>269,280</u>	<u>10,486,989</u>
2021	Land & Building	Computers	Equipment	Fixtures & Fittings	Total
	TTS	TTS	TTS	TTS	TTS
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)
At 31 December 2021	<u>10,334,839</u>	<u>1,049,874</u>	<u>551,550</u>	<u>696,932</u>	<u>12,633,195</u>
Accumulated depreciation					
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)
At 31 December 2021	<u>853,595</u>	<u>649,181</u>	<u>215,778</u>	<u>427,652</u>	<u>2,146,206</u>
Net book value					
Balance as at 31 Dec 2021	<u>9,481,244</u>	<u>400,693</u>	<u>335,772</u>	<u>269,280</u>	<u>10,486,989</u>
Balance as at 31 Dec 2020	<u>9,745,325</u>	<u>419,677</u>	<u>332,268</u>	<u>302,436</u>	<u>10,799,706</u>

Tranquillity Credit Union Co-operative Society Limited
Notes to the Financial Statements
31 December 2022

	2022	2021
	<u>TTS</u>	<u>TTS</u>
6. Members' loans		
Loans to members	86,383,943	89,411,831
Provision for loan losses	<u>(4,389,605)</u>	<u>(4,389,604)</u>
	<u>81,994,338</u>	<u>85,022,227</u>
Provision for loan losses:		
Balance beginning of the year	4,389,604	4,265,717
Charge for the year	<u>-</u>	<u>123,887</u>
Balance, end of year	<u>4,389,604</u>	<u>4,389,604</u>
Loan category:		
General loans	61,325,627	63,368,602
Mortgage loans	4,185,217	4,421,455
Appliance loans	33,867	34,823
Vehicle loans	14,615,891	14,321,969
Food voucher loans	1,048,874	625,159
Special loans	88,746	110,359
NPMC computer loans	169,929	127,242
Promotion loans	12,675	12,675
Small business demand loans	80,623	46,559
Line of credit	1,563,560	1,612,785
Staff loans	605,302	915,049
Future cash investment loans	6,192	6,192
Appliance promo	272,431	393,405
DSR loans	1,706,716	2,350,072
Share builder loans	43,320	43,320
Savings plus	249,973	531,405
NPMC back pay loan	375,000	390,000
NPMC cola loan	<u>-</u>	<u>100,760</u>
	<u>86,383,943</u>	<u>89,411,831</u>

Tranquillity Credit Union Co-operative Society Limited
Notes to the Financial Statements
31 December 2022

	2022	2021
	<u>TT\$</u>	<u>TT\$</u>
7. Long term investments		
<u>Investments at amortised costs:</u>		
NIF – Series A	225,120	226,890
NIF – Series B	<u>1,533,030</u>	<u>1,530,046</u>
	<u>1,758,150</u>	<u>1,756,936</u>
<u>Investments at fair value through profit / loss</u>		
<u>Equity securities:</u>		
Agostini Limited	681,800	443,170
Angostura Holdings Limited	240,000	180,000
Ansa McAl Ltd	231,750	267,705
First Citizens Group Financial Holdings	2,719,912	2,509,913
Massy Holdings Ltd	570,781	665,910
NCB Financial Services Limited	139,664	245,330
Scotiabank Trinidad and Tobago Limited	234,330	207,750
Shares – Co-operative CU League	10,000	10,000
National Flour Mills	30,000	39,000
Trinidad and Tobago NGL Limited	668,448	601,920
West Indian Tobacco Company Limited	<u>140,053</u>	<u>189,981</u>
	<u>5,666,738</u>	<u>5,360,679</u>
<u>Mutual funds:</u>		
T&T Unit Trust Corporation (Income and Growth Fund)	33,404,737	43,803,825
Republic Bank Ltd (Income and Growth Fund)	2,720,940	3,015,456
Roytrin (Income and Growth Fund)	2,085,972	2,397,955
Home Mortgage Bank Ltd (CMO)	2,000,000	2,000,000
First Line Securities Loan Notes – Tower Consortium	1,398,588	1,855,218
Royal Skandia (E.W.B.)	93,566	105,814
FirstLine Securities Loan Notes VL Series A	2,000,000	-
FirstLine Securities Loan Notes VL Series B	<u>1,941,156</u>	<u>-</u>
	<u>45,644,959</u>	<u>53,178,268</u>
Total investments at fair value through profit / loss	<u>51,311,697</u>	<u>58,538,947</u>
Total investments	<u>53,069,847</u>	<u>60,295,883</u>
8. Short term investments		
T&T Unit Trust Corporation (Money Market Fund)	90,512	89,440
Republic Bank Limited (Money Market Fund)	63,839	63,268
Home Mortgage Bank (Samaan Tree Fund)	8,652,467	4,249,351
First Line Securities Oil Notes	<u>2,121,800</u>	<u>2,121,800</u>
	<u>10,928,618</u>	<u>6,523,859</u>

Tranquillity Credit Union Co-operative Society Limited
Notes to the Financial Statements
31 December 2022

	2022	2021
	<u>TT\$</u>	<u>TT\$</u>
9. Account receivables and prepayments		
National Petroleum Marketing Company	835,202	708,553
Other receivables	211,267	82,838
Accrued interest on oil notes	467,565	221,252
Prepayments	70,720	84,374
Loan deferral interest	<u>2,496</u>	<u>3,113</u>
	<u>1,587,250</u>	<u>1,100,130</u>
10. Cash and cash equivalents		
Cash in transit	666,894	795,781
Cash at bank	<u>3,282,074</u>	<u>3,943,198</u>
	<u>3,948,968</u>	<u>4,738,979</u>
11. Members' shares		
Members' shares	64,183,534	65,595,492
Share drive promotion	<u>15,980</u>	<u>124,000</u>
	<u>64,199,514</u>	<u>65,719,492</u>
12. Members' savings and deposits		
Regular savings deposit	748,314	821,549
Premium deposits	34,681,709	33,832,705
F.I.P. deposits	159,369	150,162
Standing order deposits	144,391	154,364
Members fixed deposits	47,074,213	46,791,945
Debit card deposits	19,042	9,923
Group health plan deposits	<u>161,343</u>	<u>129,218</u>
	<u>82,988,381</u>	<u>81,889,866</u>
13. Accounts payables and accruals		
Accrued expenses	342,385	338,666
Fixed deposit interest payable	917,679	782,468
Other payables	<u>1,918,323</u>	<u>785,009</u>
	<u>3,178,387</u>	<u>1,906,143</u>

Tranquillity Credit Union Co-operative Society Limited
Notes to the Financial Statements
31 December 2022


14. Related party transactions

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

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

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

	2022	2021
	<u>TT\$</u>	<u>TT\$</u>
Assets:		
Due from directors, committee members and key management personnel	<u>8,530,955</u>	<u>4,805,317</u>
	<u>8,530,955</u>	<u>4,805,317</u>
Liabilities:		
Due to directors, committee members and key management personnel	<u>5,615,037</u>	<u>4,432,512</u>
	<u>5,615,037</u>	<u>4,432,512</u>



Tranquillity Credit Union Co-operative Society Limited
Notes to the Financial Statements
31 December 2022

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 2022.

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
31 December 2022

16. Contingent liabilities

The Credit Union has no contingent liabilities as at 31 December 2022.

17. Capital commitments

The Credit Union has no capital commitments as at 31 December 2022.

18. Subsequent events

Management evaluated all the events that occurred from 1 January 2023 through 30 June 2023, 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

TRANQUILLITY CREDIT UNION CO-OPERATIVE SOCIETY LTD PROJECTIONS - 2023

	<u>Budgeted</u> <u>2023</u>	<u>Audited</u> <u>2022</u>
<u>ASSETS</u>		
Non-Current Asset		
Property, Plant and Equipment	\$ 10,859,480	\$ 10,482,729
Members' Loans	89,914,101	81,994,338
Long Term Investments	46,625,655	53,069,847
Total Non-Current Assets	147,399,236	145,546,914
Current Asset		
Short-Term Investments	\$ 19,468,573	\$ 10,928,618
Inventory	-	3,773
Receivable and Prepayments	1,378,429	1,587,250
Cash at Bank and in Hand	2,634,219	3,948,968
Total Current Asset	23,481,221	16,468,609
TOTAL ASSETS	\$ 170,880,457	\$ 162,015,523
<u>MEMBERS' EQUITY AND LIABILITIES</u>		
MEMBERS' EQUITY:		
Investment Re-measurement Reserves	\$ 350,363	\$ (2,349,160)
Reserve Fund	8,295,430	8,009,448
Education Fund	862,710	1,101,124
Undivided Earnings	3,181,350	3,869,988
Total Members' Equity	12,689,853	10,631,400
Non-Current Liabilities		
Members' Share Balance	\$ 68,691,802	\$ 64,199,514
Gratuity Fund	1,017,841	1,017,841
Total Non-Curent Laibilities	\$ 69,709,643	\$ 65,217,355
Current Liabilities		
Members' Savings and Deposit Accounts	\$ 85,099,541	\$ 82,988,381
Payable and Accruals	3,381,420	3,178,387
Tax Payable	-	-
Total Current Liabilities	88,480,961	86,166,768
TOTAL LIABILITIES	69,709,643	151,384,123
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 170,880,457	\$ 162,015,523



Budget

TRANQUILLITY CREDIT UNION CO-OPERATIVE SOCIETY LTD PROJECTIONS - 2023

	<u>Budgeted</u> <u>2023</u>	<u>Audited</u> <u>2022</u>
INCOME:		
Interest on Members' Loans	\$ 9,209,606	\$ 8,788,714
Investments Income	\$ 2,035,804	\$ 1,397,075
Other Income	\$ -	\$ (382,826)
Total income	\$ 11,245,410	\$ 9,802,963
EXPENDITURE		
Annual General Meeting	\$ 180,350	\$ 167,300
Bad Debts	\$ 150,000	\$ -
Bank Charges	\$ 135,623	\$ 151,620
Co-operative Activities	\$ 408,000	\$ 87,650
Cuna Insurance Premiums	\$ 374,377	\$ 364,565
Depreciation	\$ 350,081	\$ 332,927
Directors' Expenses	\$ 258,000	\$ 252,671
Donation	\$ 25,000	\$ 60,950
Ex Gratia Payment	\$ 119,122	\$ 96,655
Gratuity expense	\$ -	\$ 47,991
Insurances	\$ 87,539	\$ 90,926
League Dues	\$ 16,241	\$ 16,241
Legal and Professional Fees	\$ 190,946	\$ 411,427
Marketing Expenses	\$ 224,908	\$ 147,333
Members' Fixed Deposits Interest	\$ 2,150,115	\$ 2,181,447
Members' Premium Deposits Interest	\$ 1,050,826	\$ 1,051,171
Office Supplies	\$ 147,760	\$ 97,068
Postage	\$ 3,468	\$ 3,400
Printing and Stationery	\$ 55,068	\$ 57,966
Rental	\$ 167,400	\$ 158,284
Repairs and Maintenance	\$ 260,770	\$ 199,580
Salaries and Wages	\$ 1,886,005	\$ 1,568,045
Security Courier	\$ 156,566	\$ 149,929
70th Gala Anniversay	\$ -	\$ 445,939
Staff Benefits	\$ 141,600	\$ 110,743
Staff Training and Development	\$ 80,000	\$ 44,136
Sundry Committees	\$ 118,200	\$ 107,153
Telephone Expenses	\$ 103,200	\$ 71,695
Green Fund Levy Taxes	\$ 33,736	\$ 26,993
Utilities	\$ 42,792	\$ 35,220
Total expenses	\$ 8,917,692	\$ 8,537,025
Net surplus for the year	\$ 2,327,719	\$ 1,265,938



Resolutions

1. **Dividend 2022**

Be it resolved:

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

2. **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, 2022.

3. **Appointment of Auditor 2023**

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



Bye—Laws Amendments

Current	Proposed
<p style="text-align: center;">BYE LAW 23(C) (ii)</p> <p><i>A member who is a member of the Board, Credit or Supervisory Committee, or who is the General Manager or Internal Auditor of another Credit Union shall not be eligible for nomination or election to the Board, Credit or Supervisory Committee of the Society. If a member of the Board, Credit or Supervisory Committee becomes the General Manager or Internal Auditor of another Credit Union, the seat of the member shall be declared vacant on the receipt by the Board of evidence satisfactory to the Board of such election or appointment as the case may be, except for serving on any secondary bodies.</i></p>	<p style="text-align: center;">BYE LAW 23(C) (ii)</p> <p><i>A member who is a member of the Board, Credit or Supervisory Committee, or an employee of another Credit Union shall not be eligible for nomination or election to the Board, Credit or Supervisory Committee of the Society. If a sitting member of the Board, Credit or Supervisory Committee of the Society becomes an employee of another Credit Union, the seat of the member shall be declared vacant on the receipt by the Board of evidence satisfactory to the Board of such election or appointment as the case may be, except for serving on any secondary bodies.</i></p> <p><i>This shall not apply to sitting elected Officers who were elected prior to the coming into force of this Bye-Law.</i></p>
<p style="text-align: center;">BYE LAW 1 (xii)</p> <p><i>A member in ‘Good Financial Standing’ is a member who is neither delinquent nor inactive.</i></p>	<p style="text-align: center;">BYE LAW 1 (xii)</p> <p><i>A member in “Good Financial Standing” is a member who has not been delinquent within the last 12 months and has consistently saved a minimum of TT\$1,200 within the last 12 months to Shares.</i></p>

Food Voucher Loan

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

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

Participating Supermarkets: Massy Stores, Pricemart, Xtra Foods.

Application period: Monday 30th October, 2023 until Friday 1st December, 2023

Distribution ends on Monday 4th December 2023. Normal lending conditions apply.

For more info contact us at 628-3804/6466 or email info@tranquillitycu.com



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