



# Neal & Massy Credit Union Co-operative Society Limited



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2019 ANNUAL REPORT

OUR FUTURE...OUR LEGACY, MOVING BEYOND THE HORIZON



Neal & Massy Credit Union  
Co-operative Society Limited

## *Mission*

*To serve our members by providing innovative solutions  
and a personalized customer relationship that will positively  
impact their economic, social and cultural needs.*



# The National Anthem



Forged from the love of liberty,  
In the fires of hope and prayer,  
With boundless faith in our destiny,  
We solemnly declare,  
Side by side we stand,  
Islands of the blue Caribbean sea.  
This our native land,  
We pledge our lives to thee  
Here every creed and race  
Find an equal place  
And may God bless our nation.

# Prayer of St. Francis of Assisi



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

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

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Notice is hereby given that the Sixty-Seventh (67th) Annual General Meeting (AGM) of Neal & Massy Credit Union Co-operative Society Limited will be held at the Head Office, Neal & Massy Credit Union Co-operative Society Limited, #15-17 Borde Street, Port of Spain, on Saturday November 28th, 2020 at 1:30 p.m. via a hybrid format where members can **ONLY** participate by means of a live Webcast.

The meeting will be held for the following purposes:

1. To receive, examine and discuss:
  - a) The reports of the Board of Directors and Committees
  - b) The Financial Statements for year ended December 31st, 2019
2. To elect Officers for the new term 2020/2021.
3. To consider and approve resolutions.
4. To transact any business that may properly come before the house.

Attendance at The Annual General Meeting:

- ONLY Members of the Credit Union will be allowed to attend and participate in the live webcast of the 67th AGM except for specially invited guests of the Board.
- In line with our commitment that the safety and security of our members, staff, management and other stakeholders remains our highest priority; **members and specially invited guests of the Board will NOT be permitted to attend the meeting in-person at the Head Office of Neal & Massy Credit Union (NMCU) Co-operative Society Limited but may attend and participate via a live Webcast using their computing device;**
- **Members must be in good standing to participate in the AGM, and are required to register Online and initiate the validation process, on or before 4:00 p.m. on Friday November 27th, 2020;** and
- In order to register Online for the 67th AGM, all members would be required to 'Complete My Profile' and provide their full name, Credit Union account number, email address, date of birth, residential address and ensure that you are in possession of at least one (1) form of National Identification bearing your photograph or birth certificate (children under age sixteen (16) years).

BY ORDER OF THE BOARD



MR. NIGEL IRISH

SECRETARY

November 11th, 2020

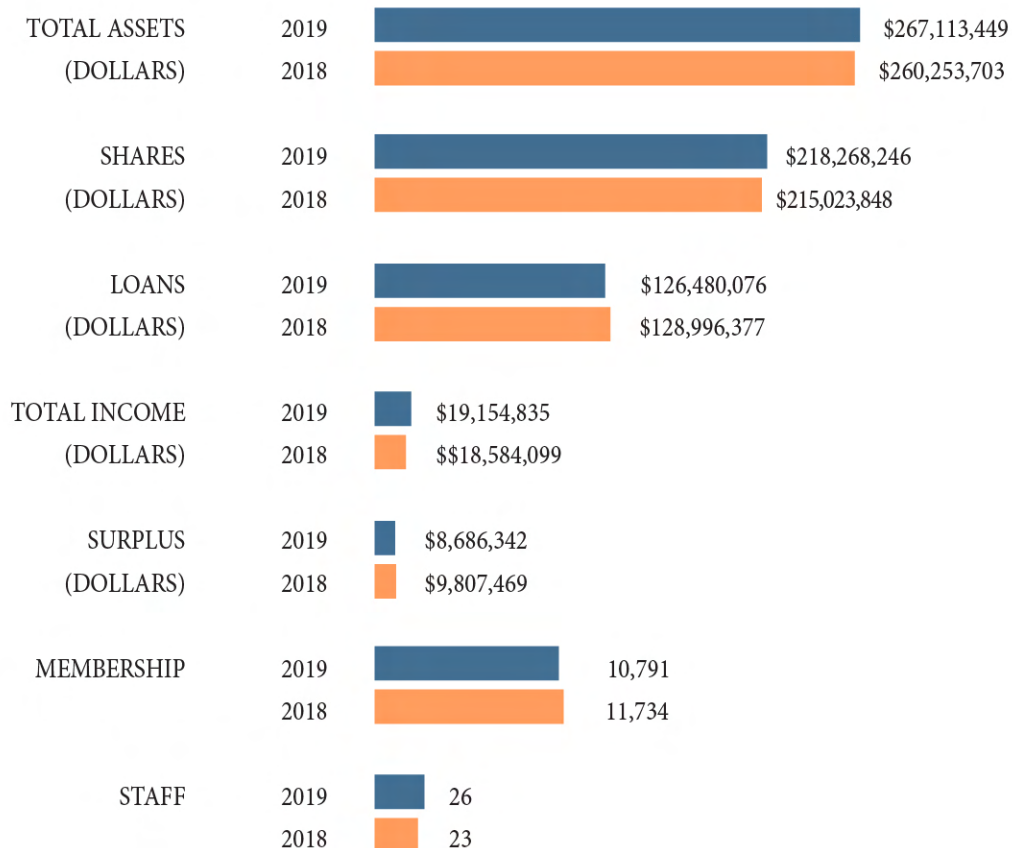
# AGENDA

1. Call to Order
2. National Anthem/Invocation
3. First Credential Report
4. Reading of Notice
5. Adoption of The Standing Orders
6. President's Address
7. Business Presentation
8. Reading and Confirmation of
  - **The Minutes of the 66th Annual General Meeting held on Saturday 27th, April 2019, and Matters Arising**
9. Presentation of Reports: -
  - **Board of Directors**
  - **Credit Committee**
  - **Supervisory Committee**
  - **Education Committee**
  - **Auditors' Report**
  - **Presentation of Financial Statements**
10. Budget Projections for the year ending December 31st, 2020
11. Election of Officers: -
  - **Nominating Committee Report**
  - **Closure of Nominations/Voting**
12. Resolutions
13. Other Business
14. Election Results and Destruction of Ballots
15. Vote of Thanks

# STANDING ORDERS - ONLINE MEETING

1. A member can only address the Chairman i.e. contribute/make an input, by:
  - a) Clicking/Selecting the “ASK A QUESTION” button located at the top of the Online Portal page;
  - b) Using the chat box; and
  - c) Waiting for the contribution/input to be recognized by the Chairman/Moderator
2. Contributions/Inputs by members must be clear and relevant to the subject before the meeting.
3. No member shall address the meeting except through the Chairman.
4. A member shall only address the meeting when called upon by the Chairman to do so. In this regard, the contribution/input that was placed in the chat box by the member will be read by the Chairman/Moderator.
5. A member may not contribute/make an input (*click/select the “ASK A QUESTION” button and then use the chat box*) twice on the same subject except:
  - a) The Mover of a Motion - who has the right of reply
  - b) He makes an objection or to explain (with the permission of the Chair)
6. The Mover of a Procedural Motion - (Adjournment laid on the table, Motion to postpone) shall have no right of reply.
7. No contributions/inputs to be made after the “Question” has been put and carried or negated.
8. A member rising on a “point of order” (*click/select the “ASK A QUESTION” button and then use the chat box*) to state the point clearly and concisely. (A “point of order” must have relevance to the “Standing Order”).
  - 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 of a “Procedural Motion”. “The Previous Question” “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 has 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 to be made for protection by the Chairman from vilification (personal abuse).
15. No member shall impute improper motives against another member.
16. All members are asked to share any issue they may be experiencing (*click/select the “ASK A QUESTION” button and then use the chat box*) so that the support team can troubleshoot and resolve the problem.
17. All members are reminded to conduct themselves in a professional manner.  
Please refrain from sharing any explicit, violent or inappropriate content.

# HIGHLIGHTS



**Auditors:**

Hardys Chartered Accountants  
 Limetree House,  
 27 Gordon Street,  
 San Fernando, Trinidad W.I.

**Solicitors:**

Johnson, Camacho & Singh  
 Fifth Floor, Newtown Centre,  
 30-36 Maraval Road,  
 Newtown,  
 Port of Spain

T. Malcolm Milne & Co.  
 #34 Edward Street,  
 Port of Spain



# FIVE YEAR REVIEW

## SHARES



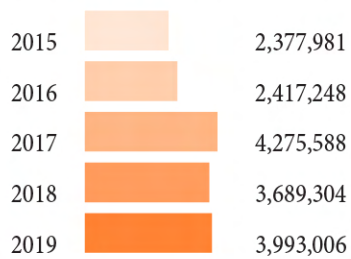
## INTEREST (ON MEMBERS' LOANS)



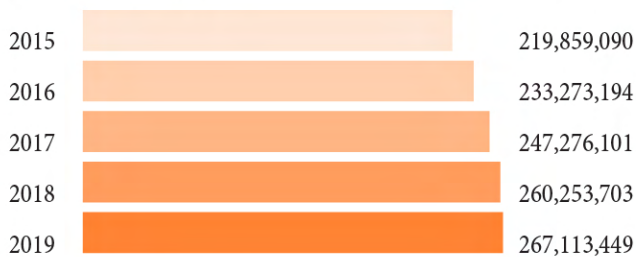
## MEMBERS' LOANS



## INVESTMENT INCOME



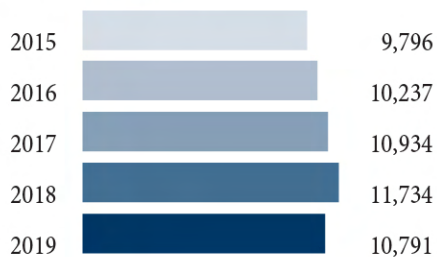
## TOTAL ASSETS



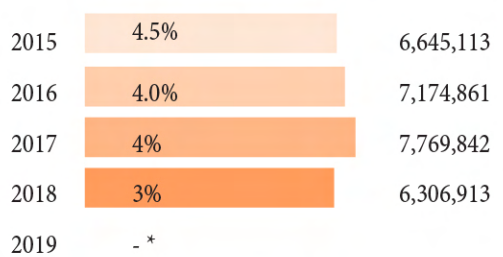
## SURPLUS (OF INCOME MINUS EXPENDITURE)



## MEMBERSHIP



## DIVIDEND AMOUNT PAID



\* to be approved at the AGM

# MINUTES

## OF THE 66th ANNUAL GENERAL MEETING OF NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY

The 66th Annual General Meeting of Neal & Massy Credit Union Co-operative Society was convened on Saturday, April 27, 2019 at 9:30 a.m. at HYATT Regency Trinidad, 1 Wrightson Road, Port-of-Spain.

### Commencement

The meeting convened with the singing of the National Anthem and the Credit Union Prayer. This was followed by a safety briefing, which was led by a representative of Hyatt's security staff.

### First Report of the Credential Committee

The first credential report was read at 9:30 a.m. by the President Mr. Raymond Lewis in accordance with Bye Law (23) e.

The report confirmed that a total of one hundred and twenty-seven (127) persons were present at that time comprising: ninety-two (92) members, nine (9) Board Directors, two (2) Supervisory Committee member, three (3) Credit Committee members and seventeen (17) members of staff.

There were also four (4) guests in attendance.

### Notice of Meeting

The Notice of Meeting was read by Assistant Secretary to the Board, Mrs. Elicia Douglas-Cruickshank.

### Adoption of Standing Orders

A Motion for the acceptance of the Standing Orders was moved by Ms. Gemma Davis, and seconded by Mrs. Jennylyn Bailey.

The Meeting voted unanimously in favour.

### Adoption of Standing Orders

The President introduced all members at the head table and greeted all specially invited guests. These included: -

### Board of Directors:

Mr. Reynold York	- Vice President
Mr. Keston James	- Director

Mr. Nigel Irish	- Director
Ms Alana Blackman	- Director
Mr. Curtis Lee Poy	- Treasurer
Mr. Sean Byer	- Director
Mr. Richard Thomas	- Director
Mr. Edward King	- Director

### Credit Committee members:

Mr. Aaron Wilson	- Chairman
Mr. Nazim Mohammed	- Officer
Ms. Carla Benjamin-Martin	- Officer

### Guests

Ms Allison Manodath	- Co-operative Division
Ms Lorraine Bobb	- Co-operate Officer, Co-operative Division
Mr. Yohan Merritt	- Angostura Credit Union
Mr. Marlon Pierre	- Textel Credit Union
Mr. John Douglas	- COPOS Credit Union

### Apologies were made for:

Mrs. Lynn Gairy	- Secretary
Mrs. Kathleen Lewis-Garcia	- Assistant Treasurer

### President's Address

During his address, the President relayed that despite *internal challenges and overwhelming opposition in key markets*, the Credit Union had held firm and as such, was subsequently able to pay dividends to members.

He highlighted however, that the last year's growth in surplus was *relatively flat* compared to the previous year, due to a *steep decline* in loan grants. The data for membership shares and assets in comparison were more positive and indicated increases.

The adoption of the International Financial Reporting Standard 9 (IFRS9), was also reported to have impacted undivided earnings. The President noted that after statutory

deductions, the Board will be seeking approval to pay approximately \$6.3M from the membership's undivided earnings as **dividends** and a percentage rebate of interest for the financial year ended, December 31, 2018.

Under the theme, *New Beginnings, New Horizons* it was also mentioned that the Credit Union had embarked on various financial and strategic initiatives, to ensure continued stability and prosperity for the membership. These included the commissioning of the Credit Union's new Head Office, as well as, Board approval for the design and implementation of a service transformation project. The latter is intended to focus on building an *exceptional member experience*. According to the President, the Board also placed emphasis on the use of 4 DX Strategic Management, that together with all stakeholders, *will move the organisation in a quantum way*.

The President ended his address by extending thanks to the Board of Directors, the Credit and Supervisory Committee members, the new General Manager, the staff of the Credit Union and members in attendance.

## Feature Address

Ms. Dawn Richards of DRA Consulting gave the feature address.

## Corrections and Omissions of the 66th Annual Report

Mr. Matthew Quamina, General Manager, proceeded to review the errata sheet as follows: -

- **Page 7:** The dividend for 2017 was edited from 4% to read as 4.0%.
- **Page 17:** Section 3, under the second box, sub-heading Titles. The word *recovies* was corrected to *recoveries*.
- **Page 20:** Under Section 3.3.5.1.2 *...designation CARIBDE compared to \$128.8M in 2017*, was removed and a full stop placed after *CARIBDE*.
- **Page 26:** The number of attendances for Ms. Alana Blackman was changed from 8 to 7.
- **Page 36:** Third paragraph *flip side* was changed to, *flip-side*.
- **Page 40:** Under Section 9.1. Youth Committee Launch the name *Johnathan Bail* was amended to *Mr. Johnathan Bailey*.
- **Page 42:** Under the section *Outgoing Officers*, in the second-to-last line, *August* was changed to *September*.
- **Page 42:** The numbering under sub-title, *Nominees for the Credit Committee*, was changed to read as, 1-2-3-4-5.
- **Page 44:** *Mrs. Lata Mangroo's* title was changed from *Credit Officer/Supervisor* to that of *Credit Officer/Supervisor (Ag.), Administrator/Supervisor*.
- **Page 80:** Under the heading *Proposed*, an ampersand was inserted, between *Neal & Massy*.
- **Page 81:** The name *Christopher Auguste* was removed, since he has retired.
- **Page 83:** under the title, *Dividend Amount Paid*, the asterisk attached to the year *2017* was changed to 4.0%.
- **Page 4.11:** Nominating was corrected to nominating.
- **Page 8:** Under *Notice of Meeting, the Cooperative Society's Act* was changed to *the Co-operative Society's Act*.
- **Page 8:** In the penultimate paragraph *Notice is* was revised to *Notice was*.
- **Page 12:** *Minutes of Special General Meetings* was changed to *Minutes of Special General Meeting*.
- **Page 12:** Under *Matters Arising from the Minutes of the Special General Meeting* the first line was amended to read, expressed *her disappointment*.
- **Page 13:** The second line under the heading, *Third Report of the Credential Committee*, the word *eight* was inserted between *and* and *one*.
- **Page 13:** *Interest on Members* was revised to, *Interest on Members' loans increased*.
- **Page 15:** Space inserted between *the* and *recommendation*, under the title, *Resolution 3*.
- **Page 15:** The sentence, *Special birthday wishes was expressed* was edited to read...*were expressed*.
- **Page 38:** Paragraph 7 was amended to read as, the *Co-operative Credit Union League of Trinidad & Tobago*.
- **Page 40:** Item 6 was amended to read as, The *Co-operative Credit Union League of Trinidad and Tobago*.

## Annual Reports 2018

A Motion for the contents of the Annual Reports for 2018 was taken and moved by Ms. Marilyn Smith, and seconded by Ms. Astrid Moses.

The Meeting voted unanimously in favour.

## Reading and Confirmation of the Minutes

A Motion for the Confirmation of the Minutes of the Special General Meeting held on Saturday, January 13th, 2018, presented as a one-pager in the additional booklet, was moved by Ms. June Lezama and seconded by Mr. Junior Francis Davis.

The Meeting voted unanimously in favour.

## Matters arising from the Minutes of the Special General Meeting held on Saturday, January 13th, 2018

The President began by stating that based on the bye-laws, a quorum was not achieved for the meeting.

The Minutes of the Special General Meeting held on Saturday, February 17th, 2018 were then reviewed for errors and omission. There were no errors and omissions.

As such, a Motion for the Confirmation of the Minutes of the Special General Meeting held on Saturday, February 17th, 2018, presented as 18 pages in the additional booklet, was moved by Mrs. Janessa Forde-Edwards and seconded by Ms. Nicole Williams.

The Meeting voted unanimously in favour.

## Matters arising out of the Special General Meeting held on Wednesday, February 17th, 2018

The following changes were discussed:

- **Page 13, Paragraph (a) Supervisory Committee:** The term of the Supervisory Committee was extended from one term to two years. Additionally, it was explained that at the first Annual General Meeting coming into force of this Bye-Law, the first three persons with the

three highest votes were to serve for two years, and the other individuals for one year.

- **Credit Committee Bye-Law 39, paragraph 9:** The Credit Committee has 5 members. Each person will serve for a two years term. As described for Supervisory Committee, the first three persons with the three highest votes will serve for two years, and the other individuals for one year.
- **Page 17, Paragraph 11:** The change here was to allow for a Secret Ballot.
- Final resolution to amend the numbering of the Bye-Laws.

## Confirmation of Minutes of the 65th Annual General Meeting

A Motion for the Confirmation of the Minutes of the 65th Annual General Meeting with the Amendments was moved by Mrs. Jennylyn Bailey and seconded by Mrs. Marilyn Smith.

The Meeting voted unanimously in favour.

## Matters arising from the Minutes of the 65th Annual General Meeting

### Second Report of the Credential Committee

At 10:25 a.m. there were 226 members including: ten (10) Board Directors, four (4) Credit Committee members, two (2) Supervisory Committee members, eighteen (18) members of staff and one hundred and ninety-two (192) members.

Seven (7) guests were also present.

The President acknowledged the presence of Ms. Cindy Rosemin from the Credit Committee, as well as, Mr. Stephen Thomas and Mr. Godfrey Peters from the Supervisory Committee at the Head Table.

The following guests were also introduced to the membership:

- Mr. Yohan Merritt - Angostura Group Employees Credit Union,  
 Mr. Marlon Pierre - Textel Credit Union, Member, CCULTT and Member, North West Chapter  
 Mr. John Douglas - COPOS Credit Union, and Member, CCULTT  
 Ms. Lorraine Bobb - Commissioner, Co-operative Office.  
 Ms. Allison Manidath - Co-operative Officer II  
 Mr. Earnest Williams - English Speaking Sales Agent - GBS/Sharetec  
 Mr. Ken Holder - K.S. Holder Architects

## Report of the Board of Directors

A Motion for the Acceptance of the Report of the Board of Directors was moved by Ms. Astrid Moses, and seconded by Mr. Cuthbert Eustace.

The Meeting voted unanimously in favour.

## Report of the Credit Committee

A Motion to adopt the Report of the Credit Committee, as presented on pages 34 and 35 of the Neal & Massy Credit Union's Annual Report, was moved by Mrs. Jennylyn Bailey and seconded by Ms. Grace O'Neal.

The Meeting voted unanimously in favour.

## Report of the Supervisory Committee

A Motion to adopt the Report of the Supervisory Committee, as presented in Neal & Massy Credit Union's Annual Report was moved by Ms Allison Purcell and seconded by Mr. Denny Compton.

The Meeting voted unanimously in favour.

## Report of the Education Committee

A Motion to adopt the Report of the Education Committee, as presented in Neal & Massy Credit Union's Annual Report was moved by Ms. Hazel Ryan, and seconded by Ms. Simone Hillarie.

The Meeting voted unanimously in favour.

## Third Report of the Credential Committee

At 11:30 a.m. there were three hundred and eight (308) members and fourteen (14) guests. Guests included:

- Mr. Peter Burke - K.S. Holder Architects  
 Mr. Sanchish Sudama - Hardys Chartered Accountants  
 Mrs. Deborah Nanton-Phillip - Government Printery Credit Union  
 Ms. Candis Sarwan - Rose IT Services  
 Ms. Naresha Bergotie - Rose IT Services  
 Mr. Israel Bennet - Rose IT Services  
 Ms. Denise Sarwan - Rose IT Services

## Auditor's Report

The Auditor's Report on pages 47 and 48 of the Neal & Massy Credit Union's Annual Report was read by Mr. Sanchish Sudama, Chartered Accountant.

Subsequently, a Motion to adopt the Independent Auditors' Report, Financial Statements, Notes, and Comments was moved by Ms. Gemma Davis. It was then seconded by Mr. Carl John.

The Meeting voted unanimously in favour.

## Presentation of Financial Statements

The Financial Statements for the year ending December 31st, 2018 were presented by the General Manager, Mr. Matthew Quamina.

A Motion to Adopt the Budget Projections for the year ending December 31st, 2019 was moved by Mr. George Roberts, and seconded by Mr. Junior Francis Davis.

The Meeting voted unanimously in favour.

## Report of the Nomination Committee

A Motion to adopt the report of the Nominations Committee, as presented Neal & Massy Credit Union's Annual Report, was moved by Ms. Lauren Eligon, and seconded by Ms. Shelly Slater.

The Meeting voted unanimously in favour.

## Fourth Report of the Credential Committee

At 12:30 p.m. there were three hundred and forty-nine (349) members and fourteen (14) guests.

## Election of Officers

### Nominations for the Board of Directors

The following persons were nominated and elected to serve on the Board of Directors:

#### Results for the Board of Directors:

- Aaron Wilson - 255
- Godfrey Peters - 236
- John Victor - 218
- Allison Purcell - 209
- Reynold York - 167
- Jennylyn Bailey (First Alternate) - 166
- Johnathan Bailey (Second Alternate) - 83

### Nominations for the Credit Committee

The following persons were nominated to serve on the Credit Committee:

- Nizamudin Mohammed - 229
- Carla Benjamin-Martin - 193
- Astrid Moses - 192
- Aisha Mc Kenzie - 190
- Francis Davis - 158
- Onika Logan (First Alternative) - 157
- Cindy Rosemin (Second Alternate) - 132
- Karen Lee - 100

### Nominations for the Supervisory Committee

The following persons were nominated to serve on the Supervisory Committee:

- Shelly Slater - 247
- Stephen Thomas - 241
- Janessa Forde-Edwards - 225
- Boodram Harripersad - 223

- Rhonda Romany - 140
- Michelle Isaac-Constantine (First Alternate) - 119
- Marilyn Smith (Second Alternate) - 96

## Resolutions

The Treasurer read all four (4) resolutions consecutively:

### Resolution 1:

*Be it resolved* that this 66th Annual General Meeting of Neal & Massy Credit Union Co-operative Society Limited, accept the recommendation of the Board of Directors to appoint Hardy's Chartered Accountants as Auditors for the financial year ending December 31st, 2019.

### Resolution 2:

*Be it resolved* that this 66th Annual General Meeting of Neal & Massy Credit Union Co-operative Society Limited, accept the recommendation of the Board of Directors to pay a dividend of three percent (3.0%) on members' shares for the financial year ended December 31st, 2018 and be it further resolved that dividends due to members whose accounts have become delinquent be credited to their outstanding loan and interest balances.

### Resolution 3:

*Be it resolved* that this 66th Annual General Meeting of Neal & Massy Credit Union Co-operative Society Limited, accept the recommendation of the Board of Directors to pay a percentage rebate of interest of 2.0% on all interest paid on loans excluding interest on mortgage loans and promotional low interest loans, in proportion to the amount paid by each member for the financial year ended, December 31st, 2018.

### Resolution 4:

*Be it resolved* that this 66th Annual General Meeting of Neal & Massy Credit Union Co-operative Society Limited, accept the recommendation by the Board of Directors to pay honoraria to Elected Officers not exceeding \$157,200.00.

All four (4) resolutions were moved by Mr. Curtis Lee Poy, Treasurer and were seconded by Mrs. Jennylyn Bailey.

The meeting voted unanimously in favour.

## **Amendments to By-Laws**

**Amendment to the Bye-Law, Paragraph 1, as on page 80** of the Neal & Massy Credit Union's Annual Report was passed with 181 votes.

The Meeting voted unanimously in favour.

**Amendment, Paragraph 2, as on page 80** of the Neal & Massy Credit Union's Annual Report was passed with 215 votes.

The Meeting voted unanimously in favour.

**Amendment, Paragraph 3, as on page 80** of the Neal & Massy Credit Union's Annual Report was passed with 203 votes.

The Meeting voted unanimously in favour.

## **Other Business**

Questions from Floor.

Door prizes were awarded.

Token of Appreciation presented to the guest speaker.

## **Vote of Thanks**

The Vote of Thanks was given by Mr. Keston James, Director.

**The meeting ended at 4:38 p.m.**



**MR. NIGEL IRISH**  
**SECRETARY**

# BOARD OF DIRECTORS

MR. RAYMOND LEWIS  
*President*

MR. CURTIS LEE POY  
*Treasurer*

MR. NIGEL IRISH  
*Secretary*



MR. REYNOLD YORK  
*Vice President*

MS. ALLISON PURCELL  
*Assistant Treasurer*

MR. KESTON JAMES  
*Assistant Secretary*



MR. EDWARD KING  
*Director*

MR. RICHARD THOMAS  
*Director*

MR. JOHNATHAN BAILEY  
*Director*



MR. SEAN BYER  
*Director*

MR. AARON WILSON  
*Director*

MR. JOHN VICTOR  
*Director*

# REPORT OF THE BOARD OF DIRECTORS

## 1 INTRODUCTION

The Board of Directors is pleased to submit the Annual Report to the 67th Annual General Meeting (AGM) of Neal & Massy Credit Union (NMCU), on its stewardship over the last Term.

NMCU has made a strategic decision with respect to the future success of the Credit Union and will pursue a Growth, Digitization and Modernization strategy in order to bring value and to forge wealth creation and build prosperity for its owners. Our achievements over the last term demonstrate our commitment to the aforementioned success factors.

Trinidad and Tobago was faced with its first case of COVID-19 on March 12th, 2020, the day before, The World Health Organisation (WHO) declared COVID-19 a pandemic i.e. a worldwide crisis. In light of this, the Government of the Republic of Trinidad and Tobago (GORTT) commenced precautionary measures to avoid a surge of cases. Our 67th AGM, which was initially scheduled for March 28th, 2020, was subsequently postponed.

Considering the potential public health crisis that was before us, our commitment towards the safety and security of our members, staff, management, and other stakeholders became our highest priority. The 67th AGM will be

convened when the health authorities and in turn the GORTT approves mass gatherings or a suitable format is approved for the staging of the 67th AGM.

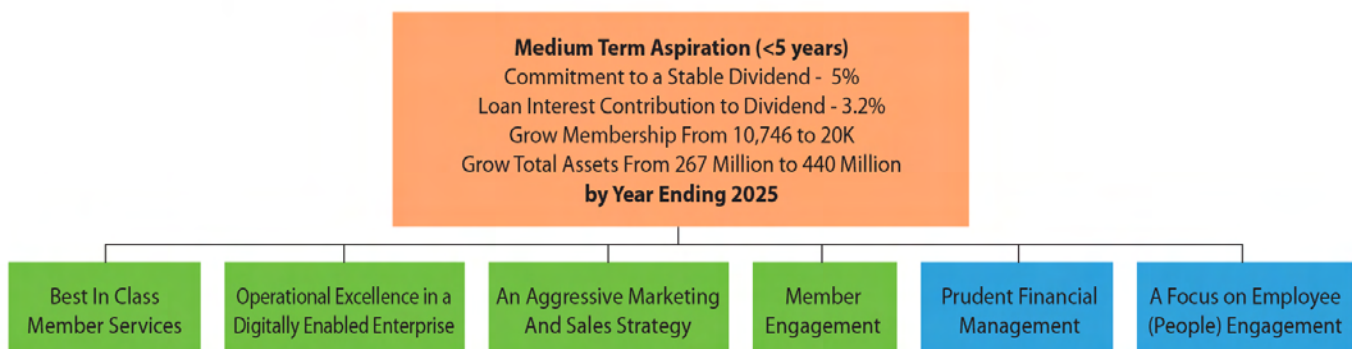
**The contents of this Annual Report will contain data and information that covers the period up to 31st, March 2020.** The notable exceptions being the following:

1. Financial Reporting - Covers Financial Year (FY) Ending December 31st, 2019
2. Record of Attendance of Directors - Will be presented as at October 22nd, 2020

## 2 STRATEGIC INTENT – WILDLY IMPORTANT GOAL

Our modernization and growth strategy continue to be anchored by our, 'Wildly Important Goals (WIGs)'. Our WIGs are enabled by six (6) pillars that will facilitate the successful landing point of the Credit Union over the next 3 to 5 years. These pillars are:

1. Best in Class Member Services
2. Operational Excellence in a Digitally Enabled Enterprise
3. An Aggressive Marketing and Sales Strategy
4. Member Engagement
5. Prudent Financial Management
6. A Focus on Employee (People) Engagement



### 3 HOW DID THE BOARD AND ORGANIZATION RESPOND?

#### 3.1 STRATEGIC IMPERATIVES: SUMMARY OF ACTIONS AND RESULTS

The Credit Union's mission statement, "To serve our members by providing innovative solutions and a personalized customer relationship that will positively impact their economic, social and cultural needs," is core to the way we intend to work and guides how we deliver our strategy. In order to operate in the challenging lending environment of the Financial Year 2019, while maintaining an outlook on future profitability and sustainability, the Credit Union worked on strengthening a foundation to deliver its strategic imperatives. This included moving into our new premises, on-boarding of a new management team, staff development, laying the groundwork for the implementation of the

Sharetec Enterprise System and continued strengthening of a sound control environment:

- Where the organisation demonstrates a commitment to integrity and ethical values;
- The Board of Directors demonstrates independence from management and exercises oversight of the development and performance of internal control;
- Management establishes with Board oversight, structures, reporting lines, and appropriate authorities, and responsibilities in the pursuit of objectives; and
- The organisation demonstrates a commitment to attract, develop, and retain competent individuals in alignment with objectives and the organisation holds individuals accountable for their internal control responsibilities in the pursuit of objectives.

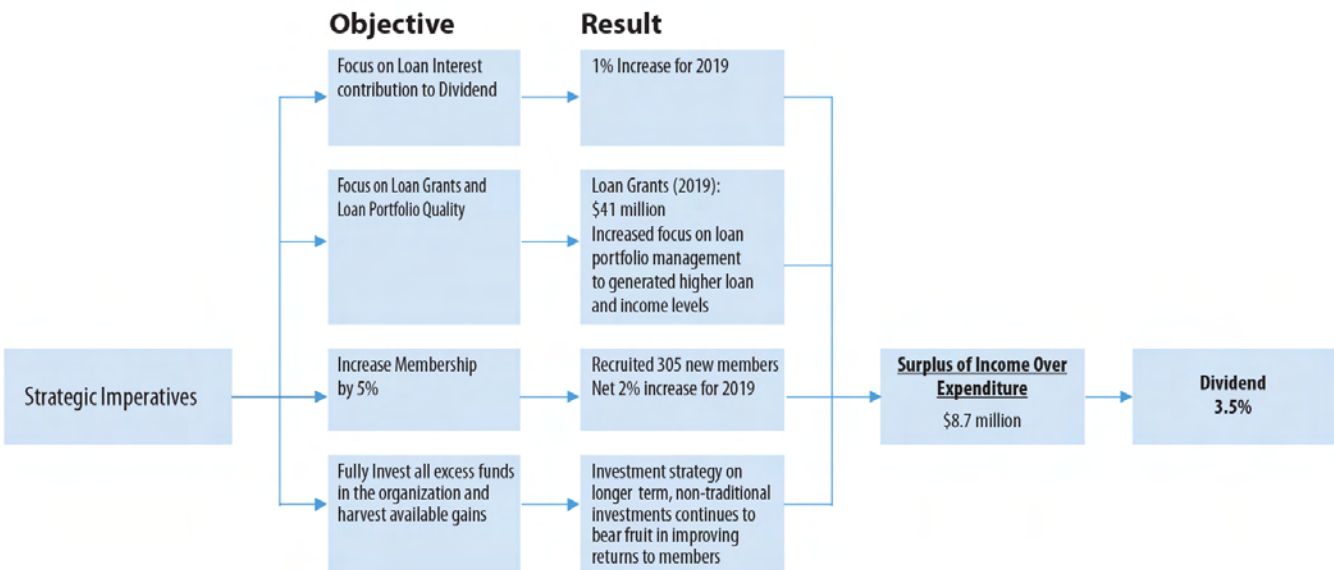


Figure 1 - Strategic Imperatives: Actions and Results

## 3.2 STRATEGIC INITIATIVES

### 3.2.1 Organizational Transformation

NMCU's organizational transformation is underway. Several initiatives have been activated and are converging the organization into a new business brand as a modern-day, vibrant entity that is committed to be the financial institution of choice for its owner members.

The two arms of this transformation have been stated as the Culture Shifting and the Service Transformation components. Significant effort has gone into crafting the strategy for engineering the Culture Shifting component, whilst the groundwork for establishing and sustaining a new code of member experience has been advanced.

On the Culture Shifting end, the process has yielded a 2020 – 2022 NMCU Draft Strategic Plan, which outlines the strategy for migrating the organization from its current to its future state. The planning and framework generation process engaged significant effort on the part of the Board of Directors and General Manager over several Saturday retreats, supplemented by weekday sessions.

This exercise navigated the decision makers through the task of horizon mapping, starting with the organization's current state and ending with a proposed future state to enable competitive differentiation on the one hand and continued value creation for members, on the other. The next step to this exercise is to engage widespread discussion across the organization and its Committees, to land the finalized plan.

As with many strategic planning exercises, the credit union's corporate alignment framework was the first area to be adjusted to ensure that its purpose, vision, mission, corporate brand, corporate strategy and corporate culture were unified into a coherent whole. This alignment set the tone for wedging the organization within a proposed future design for continued financial expansion, organizational growth and value creation for owners / members.

A Vision Map projecting the future operational footprint for the organization, based on the projected needs of the current and future membership, has been generated and will be proof tested in membership forums, for its robustness and veracity in the coming weeks.

Next came the building out of the organization's leadership and institutional strengthening activity. This served to create a managerial structure and associated practices that enabled the credit union to have a unified approach to departmental functionality.

All staff members of the credit union are aware of the organization's new service excellence intention and have been exposed to training in member engagement practices. These practices and engagement standards have been enshrined in a, "Member Care Handbook", that has been circulated to all staff and will soon become fully mandated. A *Service Excellence Charter* has been completed and will be installed in the credit union's lobby when a new Voice of the Member feedback system is installed through activation of a *Member Relations Unit*.

In 2019, two surveys conducted to determine member sentiment with the credit union's service delivery, yielded that generally, members were pleased with:

1. The quality of face to face interactions with staff members.
2. The level of willingness demonstrated by staff to assist members.

Some areas of displeasure were and continue to be:

1. Inadequacy of telephone access.
2. Lengthy wait time to complete transactions.
3. Lengthy loan approval process.

Staff members were highly rated by members in the surveys, leading to the conclusion that staff members are fully aware

of what is expected of them during the execution of the member experience process. Whilst the level of members facing service delivery, delivered by the employees of the Neal & Massy Credit Union still has to hit the targeted level, the quality of service delivery has improved overall from where it was, one year ago.

It should be noted that the momentum for advancing the desired member experience has been adversely impacted by several issues that have caused employee disenchantment, which, in turn, has dampened the level of service delivery consistency. The resolution of these issues continues to be actively addressed by the Management team of the credit union.

At this time, the credit union is focused on two areas that impact the member experience. Firstly, upgrading of the technology infrastructure to simplify and speed up transaction times. The benefit to employees will be simplified workflows and less cumbersome processes, whilst the benefit to members will be improvement in the ease of doing business and an uplift to the overall experience. It should be noted here that a strategic decision was taken to elevate the technology upgrade as a key business priority, creating a short suspension of staff engagement and face to face service driving activities.

Secondly, the implementation of a Member Relations Unit that will ensure the elimination of the additional challenges that currently impair the delivery of an exceptional member experience, is being activated. This new unit will house a Contact Centre to allow easy access to the credit union, speedy responses to members' needs and will drive service consistency to ensure that every member interaction is exceptional.

Additionally, the onboarding of the Marketing Manager has facilitated the management structure that will drive the new service improvement systems. Activities that will enable staff to navigate change and build talent for the new business model will resume as soon as the technology settlement period permits.

The organization is fully committed to the goal of delivering an exceptional member experience and will continue to execute the actions required to deliver on this goal, amidst the organizational challenges.

The intention is to create an organizational culture that is powered by a talented workforce and a robust business model that will sustain the modern-day entity that the Neal & Massy Credit Union has set itself on becoming.

## 3.2.2 Strategic Initiatives Associated with The Six (6) Key Pillars

### 3.2.2.1 Best in Class Member Services

#### 3.2.2.1.1 Group Health and Life Plan

A Group Health and Life Plan for members of the Credit Union is currently under review. A brokerage firm was engaged to analyze proposals from health insurance providers. The request for proposals was initiated after several surveys indicated that members were willing to consider and purchase a Group Health and Life Plan from their Credit Union.

#### 3.2.2.1.2 ACH Service

Continued promotion and engagement during the 2019 Term resulted in more than a doubling of the transactions via the ACH gateway. Members are experiencing the convenience of sending their request and receiving funds in a timely and hassle-free manner.

#### 3.2.2.1.3 Training and Development

During 2019, the Credit Union's management and staff were exposed to a spectrum of training offers covering IFRS 9, Credit Management, Taxation, Compliance, FIU, CUNA, and Mortgage Financing.

### 3.2.2.2 *Operational Excellence in a Digitally Enabled Enterprise*

#### 3.2.2.2.1 *Sharetec Enterprise Solution*

As part of our on-going commitment to provide you with effective and more efficient member services, NMCU went live with our new core enterprise solution called Sharetec, on March 2nd, 2020. This new technology solution is aimed at delivering to you, the membership an efficient and user-friendly system that will provide an enhanced service experience while at the credit union as well as cutting-edge home and mobile banking tools to leverage technology on your own.

From an organisational perspective, the following was our experience as we on-boarded the Sharetec system:

- We had to implement new work processes/workflows
- The learning curve and new learnings meant the following:
  - Training for employees
  - In-depth training for subject matter experts
  - Subject matter experts assist other employees
- Work is ongoing, with new functionality/services being reviewed and 'turned on.'

#### 3.2.2.2.2 *Launch of Online and Mobile Banking*

Sharetec will allow members to bridge the digital divide as they will be provided with cutting-edge home and mobile banking tools to leverage technology on their own. The launch of the Mobile and Online platforms of Sharetec will allow our members to conduct their financial transactions on their mobile devices using an App and Online on a 24/7 basis.

#### 3.2.2.2.3 *Teller Cash Recycler (TCR)*

##### 3.2.2.2.3.1 *Implementation*

Implementation of the Teller Cash Recycler (TCR) was rescheduled as the organization settled into our new building and then sought to align its implementation schedule to that of the Sharetec application. The intention is

that both the TCR and Sharetec application would seamlessly work in tandem.

The introduction of the new polymer one hundred dollar note by the Central Bank of Trinidad and Tobago (CBTT) meant that Teller Cash Recyclers across the Trinidad and Tobago also had to be refitted to facilitate the new bill.

##### 3.2.2.2.3.2 *Benefits*

Among other things, a TCR will:

1. Automate and drastically reduce the time taken to complete start and end-of-day procedures leading to a reduction in back office operational time and cost.
2. Significantly reduce the need for manual handling of cash and improve teller efficiency and availability.
3. Enable effective cash forecasting.
4. Provide fast and efficient banknote authentication and identification.
5. Shift focus from physical transaction to relationship building creating opportunities for increased sales.
6. Facilitate effective vault and cash management.

#### 3.2.2.2.4 *Membership Approvals*

The Board and Management reviewed the process for processing membership applications and developed and implemented a process that facilitates a faster turnaround time for membership application approvals.

### 3.2.2.3 *Marketing and Sales Strategy and Promotion*

#### 3.2.2.3.1 *Marketing and Sales Promotion*

During 2019, the credit union promoted their products and loans to prospective members through its road shows, static and digital billboards, radio, email campaigns and the use of social media via Facebook.

Even though the Marketing Officer resigned in the first quarter of 2019, the department was still able to function with its marketing and promotion activities through the Member Relations Officer.

In January 2020, the credit union recruited a Marketing Manager to lead the organisation's Marketing and Strategic objectives which are underpinned by a marketing plan and aligned to the NMCU brand: Stable, Modern, Owner Centred.

The Marketing Manager led several initiatives inclusive of the rebranding of the NMCU Website, and other social media platforms (Instagram and LinkedIn) have been added to promote the credit union. In addition, a weekly newsletter has been distributed to our membership via social media and direct email.

#### 3.2.2.3.2 Loan Promotions

The following loans were offered during 2019:

1. Carnival: Members benefited by gaining three times their shares up to a maximum of \$50,000.
2. Back to School: up to \$15,000 with low interest rates.
3. Vehicle: New vehicles had a 5.5% interest rate with no down payment, while used/foreign vehicles had a 6.5% interest rate with a down payment of 15%.
4. Divali through Christmas Special: of \$15,000 with 20% toward a member's shares
5. Other specials include loans for education, new members, vacation, debt consolidation and reduced mortgage rates.

#### 3.2.2.4 Member Engagement

##### 3.2.2.4.1 Charter for Education Committee

In accordance with the Bye-Laws of NMCU, an Education Committee shall be formed with at least a Chair and

Secretary. During this Term, a Charter was created for the Education Committee. This Charter is intended to define the responsibilities and areas of accountability of the Education Committee.

##### 3.2.2.4.2 Charter for Liaison Officers

A Liaison Officer is a person who liaises between Neal and Massy Credit Union and a designated organisation, to communicate and coordinate activities, by serving as an official go-between for the Marketing Team of the credit union, and employees who are members of the designated organisation.

With the enactment of the Anti-terrorist and Anti-Money Laundering (AML) legislation and regulations in Trinidad and Tobago, and in keeping with global legislation and regulatory requirements, credit unions like ours have had to place even greater focus on our long-practiced "Know Your Customer" processes and procedures. In that regard, organizations such as ours must take every step to ensure the safety and security of members' information and affairs. Therefore, change is required to meet regulatory, privacy and competitive circumstances that the credit union now operates in.

During this Term, a draft Charter was created for the Liaison Officers. This Charter is intended to define the responsibilities and areas of accountability of Neal and Massy Credit Union and the Liaison Officers, inclusive of the delegated authority and Code of Conduct that Liaison Officers act under.

##### 3.2.2.4.3 Education Seminars

The membership is commended for their uptake of the Education Seminars offerings. The initial seminar was on the topic of Wills & Probates, and was held at the Eric Williams Auditorium, La Joya complex. The other offerings were held on-site at the credit union's head office, where members gained valuable knowledge and got to experience the comfort and allure of their new building.

#### 3.2.2.4.4 Calendar of Events

Members of the Education Committee worked towards creating 'A Calendar of Events,' i.e. a schedule of education courses and events, for the first six (6) months of 2020. The advent of COVID-19 stymied further activities.

#### 3.2.2.4.5 Caribbean Development Educator Programme (CaribDE)

Members of the Board of Directors and Supervisory Committee attended the CaribDE leadership programme which was held in Trinidad in January 2020.

### 3.2.2.5 Prudent Financial Management

#### 3.2.2.5.1 Management's Responsibility

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Management, under the supervision of and the participation of the credit union's President and Treasurer, have a process in place to evaluate controls and procedures, and internal control over financial reporting. The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

During the period ending December 31st, 2019, the credit union has been adhering to its policies and procedures and no notable material errors or misstatements were discovered during the recently conducted external audit. Our auditors have issued an unqualified opinion.

#### 3.2.2.5.2 IFRS 9

##### 3.2.2.5.2.1 Adoption of IFRS 9

As at January 1st, 2018 the International Financial Reporting Standard (IFRS) 9 was adopted in Trinidad and Tobago. The credit union has implemented the IFRS 9 standard for its financial assets and loan loss provision.

##### 3.2.2.5.2.2 IFRS 9 Methodology

IFRS 9 is an 'expected loss' methodology which replaces the previously used 'incurred loss' methodology. Expected credit loss methodologies seek to estimate lifetime credit losses that are likely to occur and create larger loan loss reserves because they include future losses that have not yet been incurred as an economic matter.

IFRS 9 uses the 'Three Bucket Approach' reflecting the following phases of credit deterioration:

- Bucket 1 - Loans without signs of credit impairment; loans never in arrears > = 30 days
- Bucket 2 - loans that have signs of credit impairment; > 30 days but less than 90 days
- Bucket 3 - loans with serious credit impairment as well as large exposures with a history of arrearage

##### 3.2.2.5.2.3 Monitoring

We continue to monitor our delinquency in accordance with IFRS 9 and will be cognizant of the potential impact that COVID-19 will have on our loan portfolio.

### 3.2.2.6 A Focus on Employee (People) Engagement

#### 3.2.2.6.1 Collective Agreement

Negotiations with the Recognised Majority Union (RMU) for the negotiating period 2018-2020, commenced in March 2019 and is on-going. Staff will be paid retroactive salaries once the negotiations are concluded, since the last agreement ended on December 31st, 2017.

#### 3.2.2.6.2 Employee Performance Incentive Plan

Under the direction of the Board of Directors, Management developed an Incentive Plan aimed at motivating and rewarding employees for accomplishing individual performance goals established in accordance with the business targets of the credit union. This Incentive Plan is designed to ensure alignment between employee attitudes, behaviour and performance and the financial and strategic goals of the credit union. The incentive period under review is January 1st, 2020 to December 31st, 2020.



# REPORT OF THE BOARD OF DIRECTORS (CONT'D)

## 4 2019 FINANCIAL PERFORMANCE

### 4.1 FINANCIAL MONITORING

#### 4.1.1 Statement of Financial Position 2019

2019	
ASSETS	\$
Current Assets	16,766,717
Non-current Assets - Members' Loans	126,480,076
Other Non-current Assets	123,868,615
<b>Total Assets</b>	<b>267,115,408</b>

2018	
ASSETS	\$
Current Assets	22,371,512
Non-current Assets - Members' Loans	128,996,377
Other Non-current Assets	108,885,814
<b>Total Assets</b>	<b>260,253,702</b>

2019	
LIABILITIES AND MEMBERS' EQUITY	\$
Current Liabilities	3,355,794
Members' Savings and Deposits	11,182,830
Non-current Liabilities -	
Members' Share Balances	218,268,246
Asset Re-valuation Reserve	2,348,810
Institutional Capital	31,959,728
<b>Total Liabilities And Members' Equity</b>	<b>267,115,408</b>

2018	
LIABILITIES AND MEMBERS' EQUITY	\$
Current Liabilities	2,807,896
Members' Savings and Deposits	9,666,094
Non-current Liabilities -	
Members' Share Balances	215,023,848
Asset Re-valuation Reserve	2,348,806
Institutional Capital	30,407,059
<b>Total Liabilities And Members' Equity</b>	<b>260,253,702</b>

#### 4.1.2 PEARLS Ratios

Ratios	Indicators	Standards of Excellence	Actual 2019
Protection	Loan Losses/Delinquency > 12 months	= 100%	95%
Effective Financial Structure	Institutional Capital/Total Assets	Minimum 10%	11%
Asset Quality	Non-Earning Assets/Total Assets	<=5%	26%
Rates of Return & Costs	Net Income/Average Total Assets	10%	3%
	Total Operating Expenses/Average Total Assets	5%	4%
Liquidity	Non-Earning Liquid Assets/Total Assets	<1%	0%
Signs of Growth	Loan Growth	Not Specified	-2%

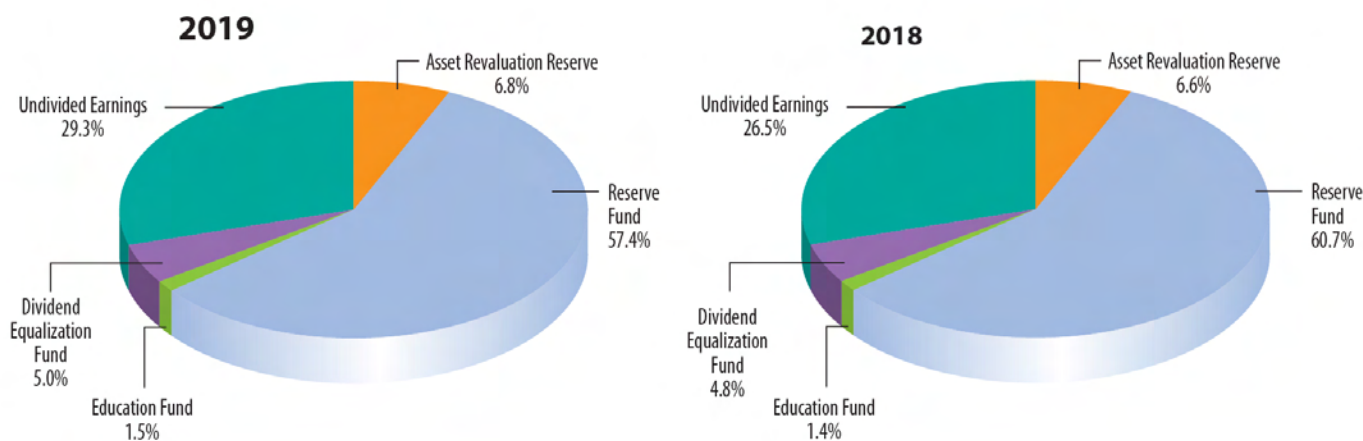
# REPORT OF THE BOARD OF DIRECTORS (CONT'D)

## 4.1.3 Other Prudential Financial Standards

Prudential Standards Analysis	Satisfactory	Unsatisfactory	Actual 2019
Borrowing limit	<=10% of assets \$26,711,541	>10%	0%
Credit exposures to any individual member, single entity, or related party or parties	<=25%	>25%	Within Standard
Equity Investment in an individual entity	<=20%	>20%	All investments are within stated limits
Aggregate Equity investment in other entities	<= 20% Institutional Capital	>20% Institutional Capital	50%
Liquid Assets Ratio (liquidity ratio)	>=15%	<15%	7%
Treatment of Interest for delinquent loans: >90 days for Ordinary Loans >180 days for Mortgages	Interest shall not be included as income	Interest included as income	Interest not included as income
Investments/Total Assets	Between 20% - 40%	Outside 20% - 40%	22%
Loans/Total Assets	Between 60% - 80%	Outside 60% - 80%	47%

## 4.1.4 Institutional Capital

Institutional Capital of \$34.3m is up \$1.55m or 4.7% over 2018. However, once normalized for the \$2.7m IFRS 9 impact in 2018, Institutional Capital is down \$1.19m or 3.3%.



# REPORT OF THE BOARD OF DIRECTORS (CONT'D)

Institutional Capital	2019	2018 (Including IFRS 9)	2018 (Excluding IFRS 9)
Asset Revaluation Reserve	2,348,810	2,348,806	2,348,806
Reserve Fund	19,687,622	18,796,181	21,536,561
Education Fund	510,410	492,974	492,974
Dividend Equalization Fund	1,712,745	1,712,745	1,712,745
Undivided Earnings	10,048,951	9,405,159	9,405,159
<b>Total Institutional Capital</b>	<b>34,308,538</b>	<b>32,755,865</b>	<b>35,496,245</b>
2019 vs. 2018		1,552,673	(1,187,707)

## 4.2 KEY ITEMS IN THE 2019 PERIOD

### 4.2.1 Membership

During 2019, the Board approved 305 new members. This increase together with 106 resignations and an ongoing data clean up exercise to remove inactive accounts resulted in a real net growth of 2%. Membership at December 31st, 2019 stood at 10,746.

### 4.2.2 Shares

Members' shares balances held with the credit union increased by \$3.2 million with shares of approximately \$218 million as at December 31st, 2019 compared to \$215 million in 2018. An increase of 1.5% over the period under review.

### 4.2.3 Assets

Total assets as at December 31st, 2019 were \$267.1 million

as compared to \$260.3 million as at December 31st, 2018. An increase of \$6.9 million or 2.6%.

### 4.2.4 Loans

The credit union's Loan portfolio was down 2%; \$126.5 million compared to \$128.8 million in 2018 reflecting a more conservative demand for borrowing. The credit union increased its loan promotion efforts which resulted in an uptake to loans during the last quarter of 2019 and this trend continued into the first quarter of 2020. However, the impact of COVID-19 is reflected in significantly lower member loans beginning March 2020.

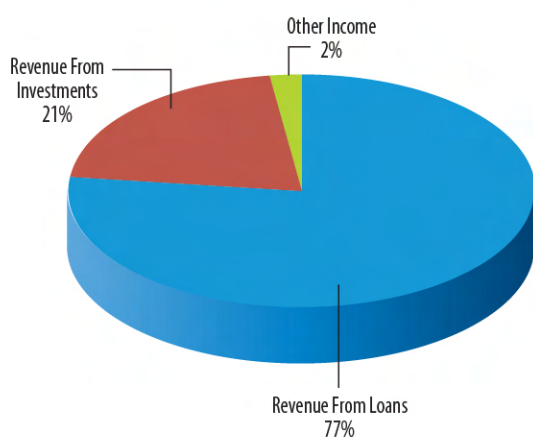
## 4.3 INCOME

Gross Revenues grew 3%; \$19.2 million in 2019 versus \$18.6m in 2018. Funds not in demand for loans to members were invested in accordance with our investment policy and contributed \$4 million to our overall net surplus.

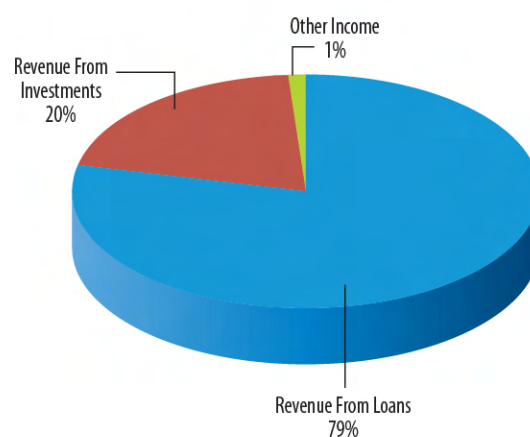
## 4.3.1 Sources and Use of Revenue

The table below provides a comparative summary of the revenue and expenses for 2019 versus 2018.

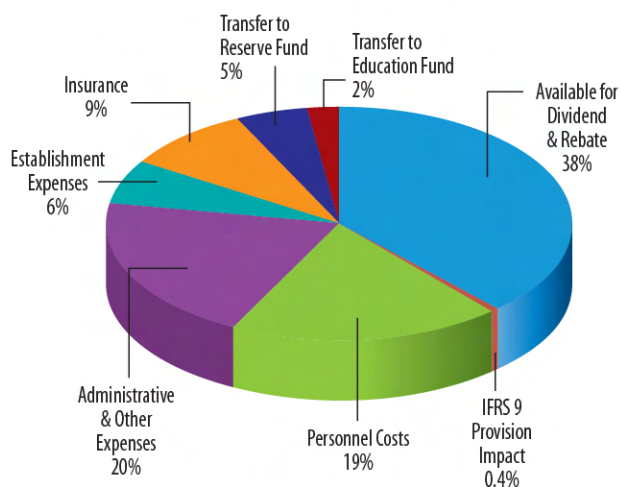
### SOURCES OF REVENUE 2019



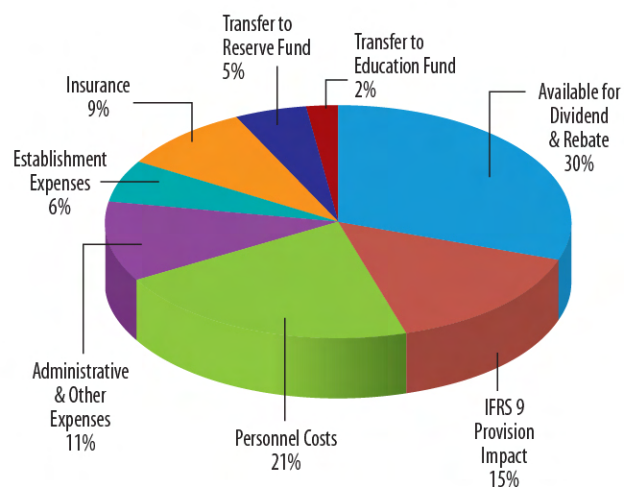
### SOURCES OF REVENUE 2018



### USES OF REVENUE 2019



### USES OF REVENUE 2018



# REPORT OF THE BOARD OF DIRECTORS (CONT'D)

Sources of Revenue	2019		2018	
Revenue from Loans	\$14,737,630	77%	\$14,638,145	79%
Revenue from Investments	\$3,993,006	21%	\$3,689,304	20%
Other Income	\$424,199	2%	\$256,650	1%
<b>TOTAL</b>	<b>\$19,154,835</b>	<b>100%</b>	<b>\$18,584,099</b>	<b>100%</b>

Use of Revenue (Expenditure)	2019		2018	
Available for Dividend & Rebate	\$7,344,533	38%	\$5,645,006	30%
IFRS 9 Provisional Impact	\$83,964	0.4%	\$2,740,380	15%
Personnel Costs	\$3,642,605	19%	\$3,900,879	21%
Administrative & Other Expenses	\$3,804,093	20%	\$2,117,941	11%
Establishment Expenses	\$1,224,870	6%	\$1,063,486	6%
Insurance	\$1,794,965	9%	\$1,694,324	9%
Transfer to Reserve Fund (10%)	\$868,830	5%	\$980,747	5%
Transfer to Education Fund (5%)	\$390,974	2%	\$441,336	2%
<b>TOTAL</b>	<b>\$19,154,835</b>	<b>100%</b>	<b>\$18,584,099</b>	<b>100%</b>

## 4.4 INVESTMENT PORTFOLIO

The credit union is pleased to announce another successful investing year as it managed to improve its performance in 2019, when compared to that of 2018.

As a reminder, the investment portfolio of the credit union represents an accumulation of those surplus funds not lent to members in past and current years. The Investment Committee, a subcommittee of the Finance Committee is charged, by the Board, with the responsibility of ensuring that these 'un-lent' funds are invested on behalf of its members in a safe and secure manner, while at the same time seeking to generate a return consistent with the organizations' investment policy and guidelines.

In 2019 the financial system, much like previous years, was

characterized by high levels of excess liquidity, which had the on-going effect of depressing interest rates and therefore returns on investments. When interest rates remain low for a long period, they present on a consistent basis a challenge to the credit union to continue to improve on its performance year after year and 2019 was no exception. During the year not only did interest rates remain relatively flat, but investors were also starved for new investing opportunities.

Having said this, one might be wondering, how the credit union was still able to improve its performance in 2019, despite the aforementioned. The answer lies in the fact that the credit union takes a diversified approach to investing and other than investing in instruments which pay a fixed return, it also invests in publicly listed stocks such as: Massy Holdings, WITCO, Clico Investment Fund (CIF) etc. These

# REPORT OF THE BOARD OF DIRECTORS (CONT'D)

investment types have the potential to increase in value, as opposed to paying a fixed rate of interest.

In 2019 the local stock market had a very positive performance, increasing 9.61% in 2019 - its first positive performance in five (5) years. This positive performance favourably impacted the credit union's equity portfolio, allowing 2019's reported income to go on record as the second highest ever recorded. It is important to note that at least 1/3 of the investment income reported in 2019 came from the positive performance of equities within the equity portfolio; this is significant in terms of percentage contribution. The caveat here is that these gains are oftentimes not repeated in subsequent years and as such while the credit union may have benefitted from an upturn in the local equity markets, we do not believe that this will be repeated in 2020. We therefore anticipate that investment income in 2020 will be moderate following a year of exceptional gains.

## 4.5 CUNA

### 4.5.1 CUNA Insurance and Claims

The total Loan Protection and Life Savings (LP/LS) insurance premium paid to CUNA for 2019 was \$1.6m, which represents 15.3% of the expenses of the credit union.

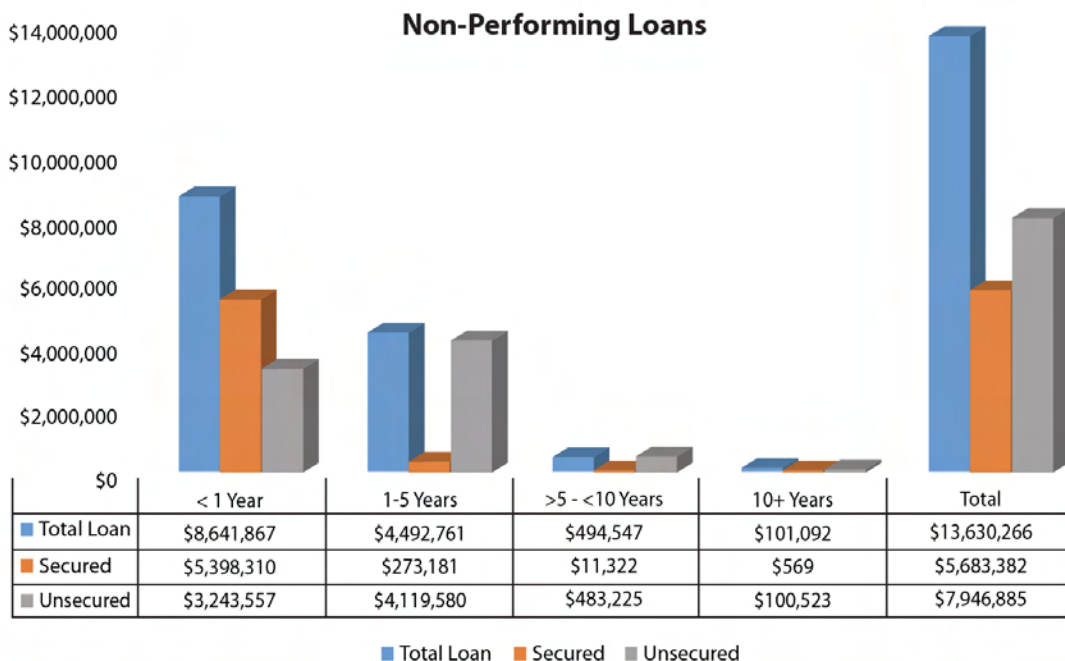
### 4.5.2 Family Indemnity Plan (FIP)

As at December 31st, 2019, 1,616 members were enrolled in the CUNA Family Indemnity Plan (FIP). Members are encouraged to avail themselves of this plan. Seventy-seven (77) claims amounting to \$1.8 million were settled for the year ending December 31st, 2019.

## 4.6 NON-PERFORMING LOANS

### 4.6.1 Delinquency

As at December 31st, 2019 delinquent loans held a net balance of \$8.6m or 7% of net loans. Efforts are continuing to bring this delinquency ratio within the acceptable PEARLS ratio of 5%. The chart below illustrates the aging of Non-Performing Loans as at December 31st, 2019.



## 4.6.2 Bad Debt Provisioning (Loan Losses)

Provision for loan losses for the year ended December 31st, 2019 was \$7.77m, an increase of \$84k or 1% over last year. The credit union's continued focus on its loan portfolio management and recovery efforts is illustrated by this small movement.

## 4.6.3 Impact on Undivided Earnings

The undivided earnings at December 31st, 2019 is \$10m, up \$0.8m from the balance at the beginning of the year of \$9.2m. This movement resulted due to a higher net surplus after appropriations of \$7.4m versus the dividend and interest rebate paid in 2019 of \$6.6m.

## 4.7 APPROPRIATION

### 4.7.1 Reserve Fund

In accordance with Bye-Law 19 which requires the credit union to set aside at least 10% of the net surplus to the reserve fund, a sum of \$0.87m (10%) was set aside in 2019.

### 4.7.2 Education Fund

In accordance with Bye-Law 19 (a) which requires the credit union to set aside at least 1% of the remaining net surplus after the reserve fund. A sum of \$0.39m (5%) was set aside in 2019.

### 4.7.3 Net Surplus

A net surplus of \$7.4m will be added to the Society's Undivided Earnings for the year ended December 31st, 2019, after allocation for IFRS 9, statutory and other reserves.

## 4.8 EXTERNAL AUDIT

### 4.8.1 Retention of External Audit Firm

For the financial year ending December 31st, 2019, a Resolution was approved by the membership at the 66th AGM, to contract the services of external auditors Messrs. Hardy's Chartered Accountants, practising members of the Institute of Chartered Accountants of Trinidad and Tobago (ICATT).

Hardy's has also expressed their interest and willingness to be re-appointed for the financial year ending December 31st, 2020 and are eligible under the requirements of ICATT and the Commissioner of Co-Operatives approved list of auditors. Formal approval from the membership will be sought by a Resolution during the 67th AGM.

The Board of Directors and Management will continue to assess audit firm rotation to ensure auditor independence.

## 4.9 DIVIDEND AND STIMULUS

### 4.9.1 Dividend Proposal

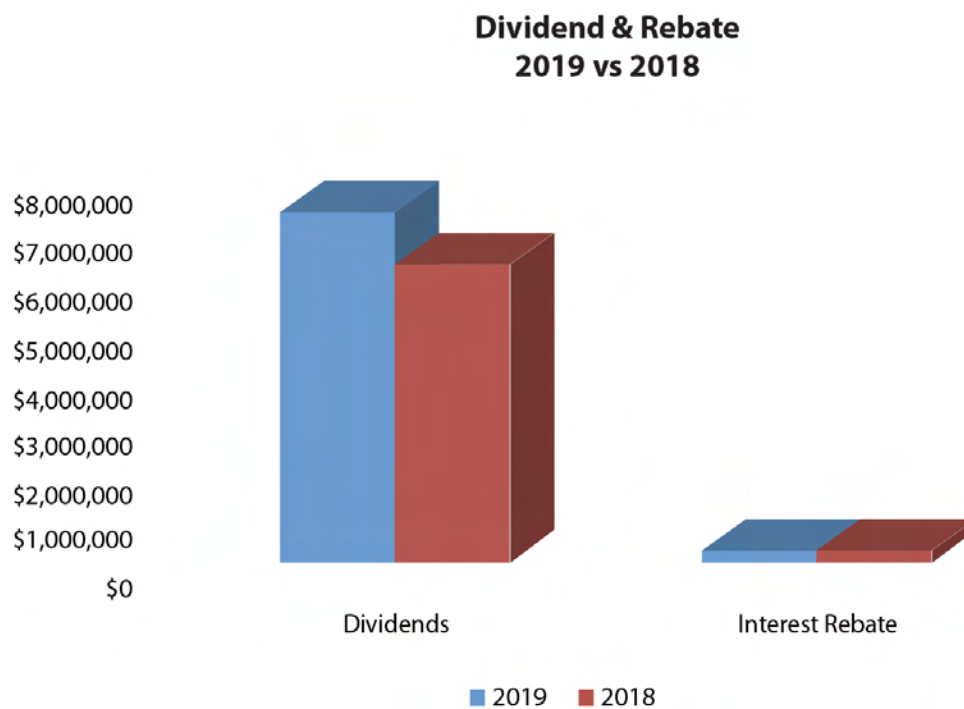
The Board remains focused on achieving the long-term sustainability of the organisation. For 2019, we propose a dividend of 3.5% amounting to approximately \$7.35 million, after covering the IFRS 9 impact (\$84k) and the allocations for statutory reserves (\$1.26m). This will require a drawdown of \$215k from the Reserve.

### 4.9.2 Stimulus - Percentage Rebate on Interest Paid

A stimulus measure is being introduced to increase borrowing within the Society and in turn bolster loan interest income. Accordingly, the Board proposes to pay a percentage rebate of 2% (\$0.29 million) on interest paid on all loans in proportion to the amount paid by each member for the financial year ended December 31st, 2019.

## 4.9.3 Dividend and Interest Rebate Comparison

The table below illustrates Dividend and Interest Rebate Comparison of 2019 to 2018.



Category	2019		2018	
Dividends	\$7,348,809	3.5%	\$6,306,915	3%
Interest Rebate	\$292,645	2%	\$292,826	2%



# REPORT OF THE BOARD OF DIRECTORS (CONT'D)

## 4.10 HONORARIA

Honoraria is unchanged from the previous Term.

The Board of Directors recommends Honoraria as follows:

### BOARD OF DIRECTORS

President	\$11,500.00
Vice President	\$10,500.00
Treasurer	\$10,500.00
Secretary	\$10,000.00
Assistant Secretary	\$9,000.00
Assistant Treasurer	\$9,000.00
Other Directors	\$8,000.00

### CREDIT COMMITTEE

Chairman	\$7,500.00
Secretary	\$7,200.00
Other Officers	\$6,800.00

### SUPERVISORY COMMITTEE

Chairman	\$4,800.00
Secretary	\$4,500.00
Other Officers	\$4,300.00

## 5 ADDRESSING CHALLENGES

### 5.1 MEMBER CARE COMMITTEE

#### 5.1.1 Special Report: Member Care Committee

Neal and Massy Credit Union has placed as a priority, the development and enhancement of the customer experience of its members. In support of this priority, the Member Care Committee sets out to achieve a passion for, and a culture of service at every level of the organization, while looking after the needs and concerns of the general membership of the credit union.

It is the view of the Committee that there is the need for more focussed attention on customer care and member engagement at all levels in the organization. There is also a recognition that the organization's employees are an integral part of the organization's internal public, critical to its success, and must therefore be recognized as being a key component in its overall member care efforts and initiatives.

This is critical, since it is recognized that happy, motivated employees, naturally translates to a better quality of service for its members.

The Member Care Committee over the last fiscal year identified a few key areas affecting service delivery and were flagged as requiring attention and improvement. Some of the major issues included: -

- Reduction in the length of time to approve new member applications;
- Improvement in the telephone system so that calls are answered in a timely fashion or redirected to appropriate departments without undue delay;
- Greater efficiency and timeliness in the issuance of Credit Union statements to members;
- Development of a Call Centre that will assist in the updating of members' information. It was also recognized that an enhanced website will assist in this process.
- Hosting of regular customer appreciation activities;
- The commissioning of a customer survey that could provide another avenue for ensuring the database of members' information accurately reflects the organization's status;
- The need was cited for a greater level of engagement among the Board, Management and employees of the NMCU; and
- Staff morale issues were also flagged as needing attention, as it is critical to the Service Delivery Transformation.

## 5.1.2 Proposed Solution(s)

The Board and Management of the credit union took cognizance of the findings identified above and began several initiatives to address these matters. This continues to be a work in progress, and we will use all endeavours to bring closure for all affected stakeholders.

## 5.2 LACK OF COMMUNICATION BY TELEPHONE

### 5.2.1 Background

Members continue to face the perennial problem of not being able to consistently reach the credit union via phone and have also experienced dropped calls when they are able to get through to credit union staff.

### 5.2.2 Current State

We are treating this as a matter of urgency and NMCU is in consultation with our service providers on a consistent basis. Among the myriad of troubleshooting steps that are pursued, they conduct diagnostics to identify and rectify any technical issues.

### 5.2.3 Proposed Solution(s)

The credit union is progressing a Telephone Access Upgrade project to ensure a better customer experience. Based on the diagnostics finding, NMCU will address the required software and hardware upgrades, and train staff to expert user level in use of the telephone system.

## 5.3 TRANSUNION

### 5.3.1 Current Status

During 2019, the credit union continued to face, and address issues related to false-positives indications of delinquency. This is an untenable situation and NMCU continues to place focus on rectifying this situation. Members accounts at TransUnion continue to be corrected on a case by case basis and the frequency of these requests for correction letters has decreased over time.

## 5.3.2 Proposed Solution(s)

As we continue to on-board the Sharetec system, we will implement a communication interface between the IT systems at Sharetec and TransUnion to provide a seamless transmission of accurate data to ensure that our members' credit information is correctly represented.

## 6 STAFF CHANGES

### 6.1 STAFF EXITS

During the first quarter of 2019, the Marketing Officer resigned from the organization.

### 6.2 HUMAN RESOURCE RECRUITMENT

Individuals continued to cover responsibilities, while the Credit Union initiated searches to fill several important leadership roles. The Accountant and Credit Administrator Supervisor roles were filled in May 2019 by Ms. Asha Baksh and Ms. Hazel Frederick, respectively. The Marketing Officer role was elevated to that of Marketing Manager and was filled by Ms. Kathy-Ann Donawa, while the Internal Auditor position was filled by Ms. Jiselle Renaud-De Silva, both beginning in January 2020. These new members of staff bring extensive experience in each of their respective fields which we expect to foster the continued growth and development of the credit union.

### 6.3 GENERAL MANAGER

Mr. Matthew Quamina who was previously acting in the role of General Manager took up the position as Neal & Massy Credit Union's General Manager effective June 3rd, 2019.

## 7 CORPORATE GOVERNANCE

### 7.1 BOARD OF DIRECTORS

At the 66th Annual General Meeting held on April 27th, 2019, the persons listed hereunder were elected to serve on the Board of Directors: -

# REPORT OF THE BOARD OF DIRECTORS (CONT'D)

- Mr. Godfrey Peters
- Ms. Allison Purcell
- Mr. John Victor
- Mr. Aaron Wilson
- Mr. Reynold York (1 Year)

At the inaugural meeting of the Board the following Officers were elected: -

- Mr. Raymond Lewis - President
- Mr. Reynold York - Vice President
- Mr. Nigel Irish - Secretary
- Mr. Keston Jame - Assistant Secretary
- Mr. Curtis Lee Poy - Treasurer
- Ms. Allison Purcell - Assistant Treasurer

Other Directors of the Board were:

- Mr. Sean Byer
- Mr. Edward King
- Mr. Godfrey Peters \*
- Ms. Richard Thomas
- Mr. John Victor
- Mr. Aaron Wilson
- Mr. Johnathan Bailey \*\*

\* During the Term the Board received and accepted the resignation of Director Mr. Godfrey Peters.

\*\* First Substitute Mrs. Jennylyn Bailey was called to serve, however she declined. The Second Substitute, Mr. Jonathan Bailey was also called to serve, and he accepted the offer.

## 7.2 APPROVED BYE-LAWS

At the 66th AGM, the members present approved several

amendments to our Bye-Laws, which were then approved by the Commissioner for Co-operative Development. These new amendments to our Bye-Laws came into effect on February 20th, 2020.

## 7.3 BOARD MEETINGS

During the period under review, the Board fulfilled its statutory obligations through regular monthly meetings and special meetings as required. The record of attendance of each member as at March 31, 2020 and for the period April 1, 2020 thru October 22, 2020 is detailed hereunder:

### Regular Board Meetings - through March 31, 2020

Directors	Present	Absent	Excused
Mr. Raymond Lewis	12	-	0
Mr. Reynold York	11	-	1
Mr. Curtis Lee Poy	11	-	1
Ms. Allison Purcell	11	-	1
Mr. Nigel Irish	9	-	3
Mr. Keston James	11	-	1
Mr. Sean Byer	11	-	1
Mr. Edward King	11	-	1
Mr. Aaron Wilson	11	-	1
Mr. Godfrey Peters	10	-	0
Mr. Richard Thomas	10	-	2
Mr. John Victor	12	-	0
Mr. Johnathan Bailey	2	-	0

# REPORT OF THE BOARD OF DIRECTORS (CONT'D)

## Special Board Meetings - through March 31, 2020

Directors	Special Meetings (Saturday)			Special Meetings (Other)		
	Present	Absent	Excused			
Mr. Raymond Lewis	1	-	-	8	-	-
Mr. Reynold York	1	-	-	5	-	3
Mr. Curtis Lee Poy	1	-	-	8	-	-
Ms.Allison Purcell	1	-	-	7	-	1
Mr. Nigel Irish	1	-	-	6	-	2
Mr. Keston James	-	-	1	6	-	2
Mr. Sean Byer	1	-	-	5	-	3
Mr. Edward King	1	-	-	8	-	-
Mr. Aaron Wilson	1	-	-	7	-	1
Mr. Godfrey Peters	1	-	-	5	-	1
Mr. Richard Thomas	1	-	-	6	-	2
Mr. John Victor	1	-	-	8	-	-
Mr. Johnathan Bailey	-	-	-	2	-	-

## Regular and Special Board Meetings - April 1, 2020 through October 22, 2020

Directors	Regular Meetings			Special Meetings		
	Present	Absent	Excused			
Mr. Raymond Lewis	7	-	-	6	-	-
Mr. Reynold York	7	-	-	6	-	-
Mr. Curtis Lee Poy	7	-	-	6	-	-
Ms.Allison Purcell	7	-	-	6	-	-
Mr. Nigel Irish	7	-	-	6	-	-
Mr. Keston James	7	-	-	6	-	-
Mr. Sean Byer	5	-	2	5	-	1
Mr. Edward King	6	-	1	5	-	1
Mr. Aaron Wilson	7	-	-	6	-	-
Mr. Richard Thomas	7	-	-	5	-	1
Mr. John Victor	7	-	-	6	-	-
Mr. Johnathan Bailey	6	-	1	6	-	-

## 7.4 STATUTORY AND AD-HOC COMMITTEES

Consistent with our established practice, Directors were appointed to Chair Statutory and Ad-Hoc Committees that provided valuable support to the Board during the period of review.

The under mentioned lists Directors and their appointed portfolio for the 2019/2020 term:

- Mr. Reynold York - Education Committee
  - Now inclusive of all Events (Marketing input)
  - Youth Committee Chairman is a member of the Committee
- Mr. Nigel Irish - Nominating Committee
- Mr. Curtis Lee Poy - Finance Committee
- Mr. Nigel Irish - Governance & Risk, Compliance (Audit)
- Mr. John Victor - Member Care Committee
- Mr. Sean Byer - Special Project: Liaison for Youth Arm

## 7.5 OUTGOING DIRECTORS

In accordance with Bye-Law 28(b), Mr. Keston James, Mr. Edward King and Mr. Richard Thomas will retire by rotation.

Mr. Reynold York having served three (3) consecutive terms, is statute barred for a period of one year. The Board extends our profound thanks to Mr. Reynold York for his immeasurable contribution to our credit union over the years and takes this opportunity to extend best wishes.

Due to the unexpired term of former Director Mr. Godfrey Peters and pursuant to his resignation from the Board, five (5) vacant positions are to be filled on the Board of Directors through the democratic process at the 67th Annual General Meeting. The nominee receiving the fifth highest votes at the 67th AGM, will serve the unexpired term of two (2) years for Mr. Godfrey Peters.

## 7.6 CODE OF CONDUCT

As previously noted earlier in section 3.2.2.4.2, *“With the enactment of the Anti-terrorist and Anti-Money Laundering (AML) legislation and regulations in Trinidad and Tobago, in keeping with global legislation and regulatory requirements, Credit Unions like ours have had to place even greater focus on our long-practiced “Know Your Customer” processes and procedures. In that regard, organizations such as ours must take every step to ensure the safety and security of members’ information and affairs. Therefore, change is required to meet regulatory, privacy and competitive circumstances that the Credit Union now operates in.”*

Additionally, The Board of Directors, Credit Committee and Supervisory Committee members should maintain the confidentiality of information entrusted to them by the credit union as confidential. Furthermore, any other confidential information about the credit union, its operations, members or vendors, which comes to them, from whatever source in accordance with **Bye-Law 50** of the credit union, should also be treated as confidential except when disclosure is authorized or legally mandated.

A written Code of Conduct has been developed and approved by the Board. The Code of Conduct is a succinct statement of essential principles intended to govern the conduct of the Board of Directors, Credit Committee and Supervisory Committee members of the organization. At the start of each Term this document will be signed by ALL elected Officers. Liaison Officers are also expected to sign this document.

## 7.7 CORPORATE SECRETARIAT

The Secretary is the custodian of the Seal of the Society and of all official books, papers, records, documents and correspondence of the Corporation.

In this regard, the organisation continued efforts to formalise and strengthen the secretarial functions that are performed for The Board of Directors.

## 7.8 DATA WAREHOUSE

The organisation sought the use of technology, to ensure corporate data availability and business continuity with respect to the papers, records, documents and correspondence of the Board of Directors. The secure data repository is hosted in the 'Cloud.'

## 7.9 AML/CFT

As part of our compliance programme with the Cooperative Credit Union League of Trinidad & Tobago for AML/CFT, annual training was carried out for all elected officers, the Board of Directors, Credit and Supervisory Committees, Liaison Officers and Staff.

## 8 GOVERNANCE & RISK, COMPLIANCE (AUDIT)

### 8.1 GOVERNANCE & RISK, COMPLIANCE (AUDIT) COMMITTEE

The mandate of the Governance & Risk, Compliance (Audit) Committee is to assess all risk factors in the credit union and provide solutions to the Board of Directors and management to eliminate or mitigate against the risk.

### 8.2 BUSINESS CONTINUITY PLAN

MCU is forging ahead with the implementation of a Business Continuity Plan. The project is expected to be completed in a six (6) month work period and would encompass five (5) phases:

- Phase 1 – Project Initiation
- Phase 2 – Business Impact Analysis
- Phase 3 – Recovery Strategies
- Phase 4 – Plan Development
- Phase 5 – Plan Testing/Maintenance

## 9 OSHA COMPLIANCE

### 9.1 HEALTH AND SAFETY COMMITTEE

The Health and Safety Committee, a requirement of the OSH Act continues to meet and focus on providing a safe work environment for our staff, members, and all other stakeholders who work at or visit our new Head Office at 15-17 Borde Street. We continue to take this responsibility seriously and will continue to work with our Health and Safety committee to ensure that we meet our on-going commitment.

Several actions were completed in support of this on-going commitment:

- Appropriate safety signage installed throughout the building.
- Safety/First Aid certification and training in the use of fire extinguishers.
- Fire extinguishers requirement assessment completed and all certifications up to date.
- Office Risk Assessment was reviewed, and necessary actions completed to mitigate any new risks.
- Instituted maintenance programs for maintenance of the equipment and facility.
- Safety Policy Statement on display at the premises.

### 9.2 OSH AGENCY INSPECTION

On May 15, 2019, officials from Occupational Safety and Health Agency (OSH Agency) visited our new office at 15-17 Borde Street, Port of Spain to conduct a planned routine inspection. Two findings communicated by the OSH Agency inspector were the absence of "Please Use Handrails" signage and the absence of a fire certificate issued by the Trinidad and Tobago Fire Service (TTFS).

## 9.2.1 Signage

The signage was subsequently rectified.

## 9.2.2 Fire Service Inspection

The appropriate submission was made to the TTFS and they inspected our new building at #15-17 Borde Street on June 25th, 2019. The credit union continues to progress the necessary actions to facilitate obtaining a successful outcome. We await a return visit by the TTFS.

## 10 AFFILIATIONS/CO-OPERATION AMONG CO-OPERATIVES

Neal & Massy Credit Union is affiliated to the following organisations:

1. We maintain our support for the Co-Operative Credit Union League of Trinidad and Tobago (CCULTT):
  - a. Paid League Dues
  - b. Attended training courses
  - c. Attend meetings, functions etc.
2. North West Regional Chapter of the League (CCULTT)

## 11 CO-OPERATIVE ACTIVITIES

The following are some Co-Operative activities of Neal & Massy Credit Union:

1. Participated in the Opening and Closing ceremony of Credit Union month.
2. Held membership appreciation day on Thursday October 17th, 2019, to commemorate Credit Union Day.
3. Continue to add elected officials and staff to the growing list of persons with the designation CaribDE.

## 12 CONCERN FOR COMMUNITY

In keeping with our Co-Operative Concern for Community

(Co-Operative Social Responsibility), Neal & Massy Credit Union made contributions in the areas of:

- Reducing our carbon footprint - plastic recycling
- Charitable giving - supported several members, Co-Operatives and organisations in academic, sporting, cultural, and social categories.

## 13 RECOGNISING MILESTONES AND ACHIEVEMENTS

### 13.1 HUMAN RESOURCE (HR) DEVELOPMENT AWARD

Once again, our credit union has won in our category, the prestigious award, "Best Performing Credit Union - HR Development," at the Co-operative Credit Union League's Awards ceremony and dinner during Credit Union Month in October 2019. We will remain resilient in pushing the boundaries of people strategy, employee engagement, performance management, and more.

### 13.2 CITY OF PORT OF SPAIN, MAYOR'S AWARD

The City of Port of Spain held its 105th Anniversary in 2019. The Credit Union was honoured to be nominated by His Worship, The Mayor of Port of Spain, Alderman Mr. Joel Martinez for the Business category. The award was presented at the City Day 2019 Ceremony and Civic Reception.

## 14 NEW BEGINNING ... NEW HORIZONS

### 14.1 RATIONALE - OUR NEW HEAD OFFICE

The Board sees it as extremely important for the credit union to establish appropriate infrastructure to meet current and future needs. Our new head office as an institutional investment speaks to our image, projects confidence, will facilitate Members/Owners with their consultancy services and complex transactions, and has the add-on value as an investment for future generations of members.

## 14.2 COMMISSIONING AND BUILDING HANDOVER

Subsequent to occupying our office and serving our first member on Wednesday, April 24th, 2019, NMCU will engage with the architect, KS Holder and the building contractor, Unicom Limited to progress all outstanding activities during the defects period and to officially complete the commissioning and handover of the new building. Once this is completed, the building, which is currently reflected in our financials as Work-in-Progress, will be transferred as an asset to our balance sheet and reflect the final cost of the building.

## 15 WE ENVISION ... MOVING BEYOND THE HORIZON

### 15.1 STRATEGIC PLANNING AND EXECUTION

#### 15.1.1 Strategic Plan

As described in Section 3.2.1, *“On the Culture Shifting end, the process has yielded a 2020 – 2022 NMCU Draft Strategic Plan, which outlines the strategy for migrating the organization from its current to its future state.”*

#### 15.1.2 Implementation Plan 2020

The intent is that NMCU will be guided by the Strategic Plan and execution of the Implementation Plan for 2020 will be guided by the Execution Methodology i.e. Four (4) Disciplines of Execution (4DX):

1. Focusing on the Wildly Important
2. Acting on Lead Measures
3. Keeping a Compelling Scoreboard
4. Creating a Cadence of Accountability

## 15.2 MOVING BEYOND THE HORIZON ... BEST IN CLASS MEMBER SERVICES

### 15.2.1 Access to Services - Bridging the Digital Divide

The intent is to enable several electronic service channels that will connect the membership to the products and services you need, right when you need them. Eventually members will be able to perform the following functions at his/her convenience:

- Online and Mobile Access to Member Accounts (“Completed”)
  - View accounts;
  - Process transfers from deposit and dividend accounts;
  - Access e-statements;
- Submit and receive secure messaging regarding transaction(s)
- Online Membership Application
- Submit Online loan applications (Online Loan Origination)
- Online Loan & Member Service Consultancy
- Online Request for Letters

### 15.2.2 Online Member Portal

NMCU intends to create a secure Online Members Only Portal to create interactive experiences for members and to keep them more fully engaged around specific initiatives. The Online Member Portal will allow the membership to initially perform the following actions:

- To review and update their personal data e.g. address, contact information
- Access specialised services e.g. Group Health and Life Plan
- Access AGM data/information

### 15.2.3 Group Health and Life Plan

A Group Health and Life Plan for members of the Credit Union is currently under review. A brokerage firm was engaged to analyze proposals from health insurance providers to ensure the following:



- Benefit levels would be adequate and competitive in the marketplace; and
- Offer a premium that is affordable for our members.

Once the Group Health and Life Plan is 'active', our members will use the proposed Online Member Portal (described above in Section 15.2.2) to enrol, submit, and view the status of Claims for the Group Health and Life Plan.

The stakeholders in this initiative are as follows:

- Membership;
- The NMCU Office;
- Brokerage Firm; and
- Insurance Provider

#### 15.2.4 Delinquency - Heightening of the Recoveries Programme

The Board and Management see loan portfolio management and recovery efforts as top priorities and will continue to heighten the Recoveries Programme. As documented in Section 4.6.2, "Provision for loan losses for the year ended December 31st, 2019 was \$7.77m, an increase of \$84k or 1% over last year. The credit union's continued focus on its loan portfolio management and recovery efforts is illustrated by this small movement."

In this regard, the organisation will maintain its focus on recovery efforts and continue to pursue a two-fold

approach:

1. Firstly, we are encouraging members who are experiencing financial difficulties to work with our Credit Officers to discuss ways of providing a solution; and
2. Secondly, the credit union will act in accordance with the relevant laws to recover funds from delinquent members.

#### 15.3 MOVING BEYOND THE HORIZON ... OPERATIONAL EXCELLENCE IN A DIGITALLY ENABLED ENTERPRISE

##### 15.3.1 Never Waste A Serious Crisis – Becoming A Data Driven Enterprise

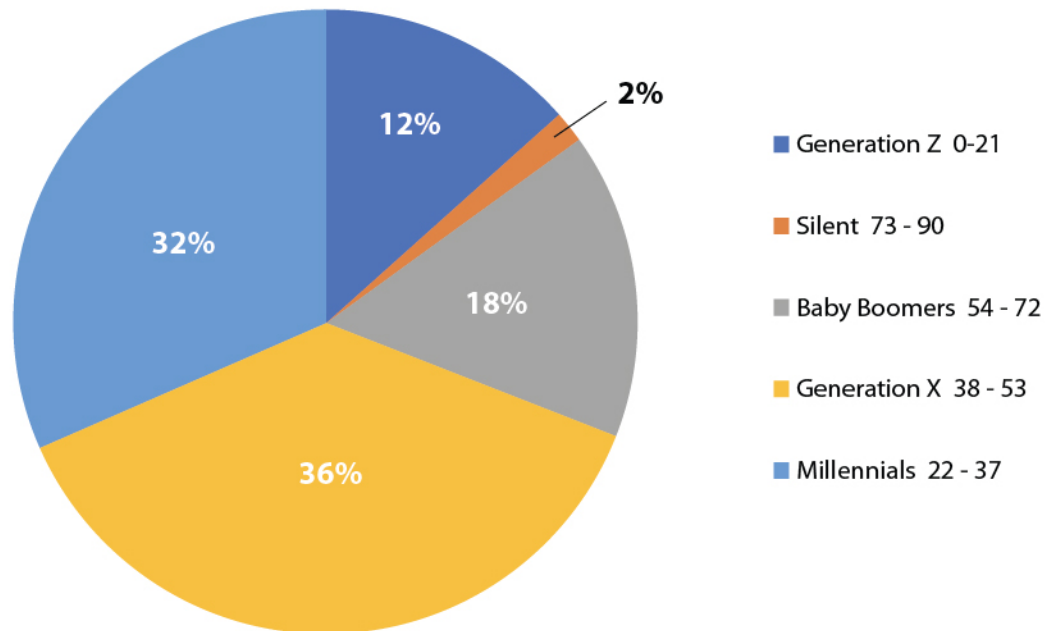
###### 15.3.1.1 Vision Map

The credit union's digital transformation journey seeks to improve operational efficiency and embrace digital channels. Our Vision Map that was first mentioned in Section 3.2.1, speaks to the organisation aspiring to be:

- High Touch - Above average personal attention and service to members
- Seamless Transactions
  - Create fewer touch points and reducing in-person interaction between people. N.B. This is atypical of our local Credit Union culture
- Personalization
- Low Wait Time

## 15.3.1.2 Membership Demographics

### MEMBERSHIP BREAKDOWN BY GENERATION AGE



CATEGORY	AGE CATEGORY	%
Prior to 1947 73 - 90	179	2%
Baby Boomers 54 - 72	1868	18%
Generation X 38 - 53	3850	36%
Millennials 22 - 37	3445	32%
Generation Z 0 - 21	1327	12%
<b>Grand Total</b>	<b>10669</b>	<b>100%</b>

### 15.3.1.3 Digital Transformation

*"You never want a serious crisis to go to waste. And what I mean by that is an opportunity to do things that you think you could not do before."*

Rahm Emanuel, (Nov. 19, 2008)

COVID-19 will accelerate our credit union's journey towards digital transformation and change the behaviour of owners/members faster than any other impetus ever has. The lack of accurate and timely information in decision making may have defined our past but does not need to claim our future.

Our intent is that almost every strategic and operational initiative should be underpinned by data. Therefore, the use of data and technology will eventually be ubiquitous; and transform and enable informed decision making in:

- Our Boardroom
- Our Business Operations
- Our Engagement with Stakeholders

### 15.3.1.4 Roadmap

The proposed Roadmap to 'Become a Data Driven Enterprise,' will entail the following:

1. Implement data capture and information gathering:
  - a. Internal data capture and assessment (inclusive of Online Member Portal)
  - b. Environment/Competitive market information gathering
2. Perform Analysis (inclusive of Industry analysis)
3. Perform Predictive/Scenario Modelling
  - a. Look ahead window(s) - 3 months, 6 months etc.
4. Implement comprehensive strategic and operational reporting.

N.B. Items 1, 2 and 4 i.e. Data Capture, Analysis and Reporting, will require specialized tool(s) e.g. Power BI and resource(s).

The current crisis presents a window of opportunity that we must not waste.

### 15.3.1.5 Data Clean-up

Mention was made in the Annual Report for 2018 that, *"In lieu of the implementation of our new Enterprise solution and to accurately facilitate the ACH service, an exercise will be conducted to review all member accounts that exists within the Credit Union. This data clean-up exercise will identify duplicate accounts, dormant accounts etc."*

This exercise was not completed, but now requires the direct input of the membership. The creation and use of the 'Online Member Portal,' as described in Section 15.2.2 will allow NMCU and its members to validate data that is stored on their behalf in the Enterprise system.

## 15.4 MOVING BEYOND THE HORIZON ... MEMBER ENGAGEMENT

### 15.4.1 Way Forward for Continued Reform of Liaison Officer Network

The time has come to re-examine and re-engineer our member outreach, education, sales and service channels, in a way that draws on the best features of our tried and true Liaison Officer network, while leveraging techniques and technologies that protect our members and afford them the highest quality of advice and service to meet their needs.

One avenue is to create in addition to our existing Liaison Officers (defined in Section 3.2.2.4.2), a new level of "Liaison Officer" by enhancing the network (or making a distinction among existing Liaison Officers) to include persons who are well qualified to advise members on financial matters and handle simple transactions on behalf of NMCU.

These persons can be referred to as “Cooperative Advisors,” and we can **incentivize** and position our new Cooperative Advisors (CAs), going forward, as trained (CertFA; ChFC qualified or similar level), quality personnel, who members and future members may look to for advice and guidance, especially on financial matters. Once our new CAs refer persons to our sales officers, it should be relatively easy for the officers to convert the members’ needs into a product solution. Such CAs will serve as trained and quality spotters and filters among membership and future members, for a faster and easier conversion to member solutions, using the products and services of NMCU.

We have an opportunity to make the best use of our ‘Liaison Officer,’ while addressing the gaps that exist in the current construct. Broad outreach and consultation would also be required among all stakeholders to determine the “way forward.”

#### 15.4.2 Education and Training Initiatives

NMCU will seek to modernize and bring new educational initiatives to the membership. The organisation must explore new delivery modes (inclusive of Online learning) and engage the membership using several channels (mediums).

#### 15.5 MOVING BEYOND THE HORIZON... PRUDENT FINANCIAL MANAGEMENT

##### 15.5.1 Other Comprehensive Income (OCI)

The credit union continues to focus on the integrity of our financial statements and providing the requisite level of transparency. We will adjust our reporting to reflect Other Comprehensive Income (OCI) which are those revenues, expenses, gains, and losses under both Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS) that are excluded from net income on the income statement. A member would therefore be able to obtain a more comprehensive view of our financial performance (i.e. net income from loan portfolio management against expenditures underpinned by

cost management strategies) versus fair market value movements in our investment portfolio.

#### 15.6 MOVING BEYOND THE HORIZON ... A FOCUS ON EMPLOYEE (PEOPLE) ENGAGEMENT

It is imperative for us to foster and create new levels of value and engagement with all our employees because, “People are the key to workplace excellence.”

##### 15.6.1 Human Resource Solution

As part of its effort to digitally enable the workplace and empower our employees to have the best HR experience possible, NMCU is investing in a HR solution.

Implementation will be completed by the 4th Qtr. of 2020.

#### 15.7 MOVING BEYOND THE HORIZON... GOVERNANCE

##### 15.7.1 Corporate Secretariat

The organisation will initiate efforts to formalise and extend secretarial functions that are performed for the Board of Directors to now include the Credit Committee and Supervisory Committee.

##### 15.7.2 Data Warehouse

The organisation sought the use of technology, to ensure business continuity with respect to the papers, records, documents and correspondence of the Board of Directors. Once a solution is implemented, the intent is to extend the service to the Credit Committee, Supervisory Committee and Business Units of the credit union.

## 16 COVID-19

We continue to be impacted by the COVID-19 pandemic, an unprecedented worldwide event which caused an economic impact upon Trinidad and Tobago and the rest of the world. As a result, the country began to gradually shut

down to avoid mass gatherings and several non-essential services were closed.

First and foremost, we at NMCU sought to preserve health and save lives (public health), because the welfare of our staff, membership and other stakeholders is paramount. We are of the firm belief that Health & Safety Initiatives is not only the right thing to do, but is also in our own interest. Thereafter, our efforts were turned towards protecting the health of our business. We remained open to the public with shorter hours, rotated our staff and employed remote work strategies to mitigate any risk of exposure.

In these uncertain times, the credit union will continue to support the financial needs of its membership as a result of the pandemic, as many of our members have been affected through loss of jobs or a reduction in salary, owing to Public Health measures that have been enacted to contain the threat to human life. A Loan Deferral programme and a special “**CARE**” (Covid-19 Aid & Relief) Loan were implemented to address our members’ short-term needs. These initiatives together with members’ loss of purchasing power and other safety measures; staff rotation and shorter working hours, have and will have a bearing on the financial performance of the credit union for FY 2020.

Our commitment to the safety and security of our Members, Board of Directors and Statutory Committees, Staff and other stakeholders remains our highest priority. Nonetheless, the adjustment to societal and members’ changing demands in the wake of Covid-19 has been a herculean task. NMCU must be strategic and adopt an enterprise-wide approach to be nimble (dealing with change and uncertainty) and to effectively incorporate lessons-learned into the ‘new’ operating model.

We are optimistic that in these challenging times, where our way of life is being transformed and with a marketplace that is in flux, that you will always see us as a progressive organization, with impassioned staff that remain committed to offering the comfort, care and convenience for our membership.

## 17 ACKNOWLEDGEMENTS

The Board is thankful for yet another successful year in 2019 and wishes to acknowledge the contributions of our statutory and appointed committees in managing the affairs of our credit union for the period of review and place on record our appreciation. The dedication and loyalty of all staff members and the commitment of our Liaison Officers is appreciated and highly valued. Special mention should be made of our business Consultants who assisted us greatly during the Term. We would be much less than we now are without the contributions of these stakeholders.

Thanks are due to you, our owners, for your continued support and your patronage. We acknowledge the work and contributions of our other service providers during the period of review and record our appreciation to all.

Many thanks to the Co-operative Credit Union League of Trinidad and Tobago, CUNA Caribbean and the Co-operative Division for your continued support.

This pandemic is the ultimate stress test for our organisation, but we must emerge as a stronger and even more successful credit union. In this regard, we graciously thank the Creator for his continued guidance and blessings.



Mr. Raymond Lewis  
President

# THE CREDIT COMMITTEE



*Standing (L to R): Nizam Mohammed - Member, Junior Francis Davis - Member, Cindy Rosemin - Member  
Seated (L to R): Carla Benjamin-Martin - Chairman, Aisha McKenzie - Secretary*

# REPORT OF THE CREDIT COMMITTEE

The Credit Committee wishes to thank the membership for the opportunity given to us to serve during the 2019/2020 financial year. The Committee tenders the following report of our stewardship for this period.

## Members of the Credit Committee for 2019/2020

At the (66th) Annual General Meeting of the society, held on April 27th, 2019, the following members were elected:

- Mrs. Carla Benjamin-Martin
- Mr. Nizam Mohammed
- Ms. Astrid Moses
- Ms. Aisha McKenzie
- Mr. Junior Francis Davis
- Ms. Onika Logan (1st Alternate)
- Ms. Cindy Rosemin (2nd Alternate)

## Meetings

At our very first meeting Mrs. Carla Benjamin-Martin was elected Chairman and Ms. Aisha McKenzie was elected as Secretary and accepted with great pleasure.

On August 27th, 2019, Astrid Moses resigned as a committee member. In light of this, Ms. Onika Logan (1st Alternate) was called upon to serve, however she was unable to hold office, hence Ms. Cindy Rosemin (2nd Alternate) was called upon to maintain the continuity of the committee. She accepted and assumed the post from September 3rd, 2019.

The committee was most assiduous in performing its weekly duties of processing members' loan applications. We utilized various channels to ensure that all decisions made were well informed, impartial, in the best interest of the members and by extension, the longevity of the credit union.

Name	Meetings	Present	Excused	Absent
Carla Benjamin-Martin	34	33	1	0
Asha McKenzie	34	31	3	0
Nizamudin Mohammed	34	29	5	0
Junior Francis Davis	34	33	1	0
Astrid Moses (Resigned 27/08/19)	18	17	1	0
Onika Logan (1st Alternate)	3	3	0	0
Cindy Rosemin (2nd Alternate) (Served from 03/09/19)	18	18	0	0

## Training

We were offered the opportunity to attend training seminars and workshops conducted by The Co-Operative Credit Union League of Trinidad and Tobago. This provided us with the added insight needed to diligently carry out the functions of the Credit Committee throughout our tenure.

## Loan Portfolio Performance

The loan amount was significantly reduced from 2002 to 1896 for this period in comparison to the previous period.

# REPORT OF THE CREDIT COMMITTEE (CONT'D)

*Table 2 : Comparison of Loan Portfolio Performance*

LOAN TYPE	No. of Loans	2018 \$	No. of Loans	2019 \$
Utilities	1	20,000.00	0	0
Medical	79	983,487.44	80	945,750.00
Education	205	2,460,404.33	187	1,929,139.49
Household	182	1,930,829.91	192	1,498,802.15
Legal	15	177,500.00	16	322,726.67
Personal	14	107,700.00	16	152,670.83
Vacation	191	2,644,056.76	160	2,045,940.49
Consolidation of Debt	270	7,128,409.93	236	5,999,519.58
Motor Vehicle	300	9,918,226.91	288	11,781,382.53
Ceremonial	71	1,144,470.17	55	751,617.80
Small Business	6	184,500.00	7	199,500.00
Home Furnishings	64	1,408,425.51	43	952,200.00
Investment	42	1,270,384.54	46	1,209,801.89
Christmas Expenses	206	1,678,011.00	276	2,676,145.69
Housing	350	10,776,354.40	291	9,121,868.43
Mortgage	6	1,718,000.00	3	1,514,381.45
<b>Totals</b>	<b>2002</b>	<b>43,550,760.94</b>	<b>1896</b>	<b>41,101,447.00</b>

Table 2 above illustrates the comparison between 2018 and 2019 loan portfolio performance. There was a decrease of 5.3% in the number of loans requested, and a 5.6% decrease in loan value. The category with the highest revenue of loans for the 2019 period was Motor Vehicle followed by Housing.



# REPORT OF THE CREDIT COMMITTEE (CONT'D)

Figure 1 below shows the comparison of our loan portfolio for 2018 and 2019. Even though there was a decrease in the number of loans granted, revenue for Christmas Loans and Motor Vehicle increased in 2019 compared to 2018.

**Figure 1: Comparison of Loan Portfolio Performance**

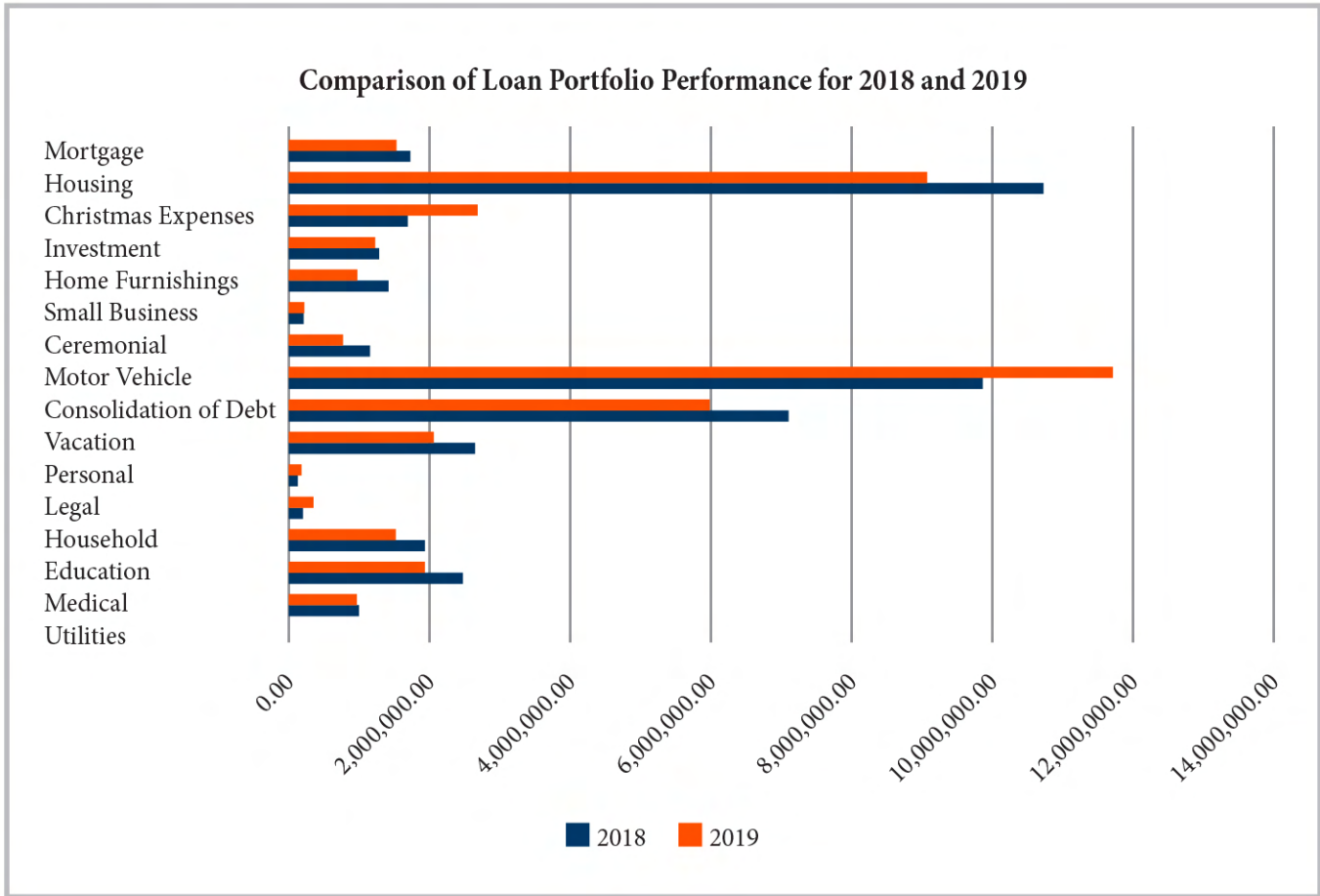
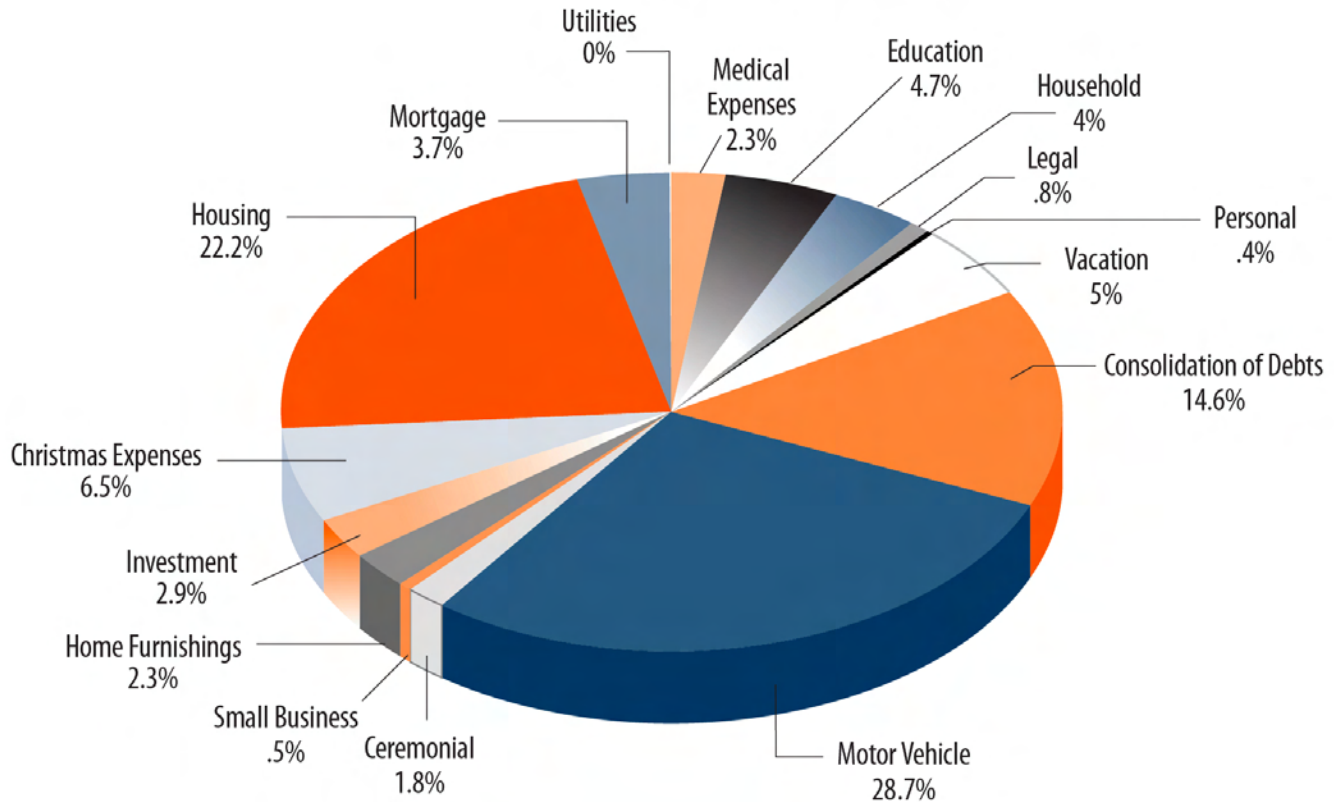


Table 3 indicates a comparison of the loans granted by category for 2018 and 2019 while Figure 2 demonstrates the percentage of loans granted by category for 2019.

*Table 3: Loan Type By Percentage*

LOAN TYPE	2018 %	2019 %
Utilities	0%	0.0%
Medical	2%	2.3%
Education	6%	4.7%
Household	4%	3.7%
Legal	0.4%	0.8%
Personal	0.3%	0.4%
Vacation	6%	5.0%
Consolidation of Debt	16%	14.6%
Motor Vehicle	23%	28.7%
Ceremonial	3%	1.8%
Small Business	0.4%	0.5%
Home Furnishings	3%	2.3%
Investment	3%	2.9%
Christmas Expenses	4%	6.5%
Housing	25%	22.2%
Mortgage	4%	3.7%
<b>Totals</b>	<b>100%</b>	<b>100%</b>

Figure 2: Loans Granted by Category for 2019



## Conclusion

The Credit Committee sincerely thanks all members once more for granting us the opportunity to serve and we encourage you to make our credit union your number one financial choice for a better life.

Our ardent thanks and appreciation go out to the Board of Directors, Management, staff and other Committees of this Cooperative Society, for the support and team spirit during this year as we strived to achieve the number one goal of serving its members. We look forward to continued growth as we work to make this Cooperative Society the best it can be.

Thank You.

*Carla Benjamin-Martin*  
 Mrs. Carla Benjamin-Martin  
 Chairman

# THE SUPERVISORY COMMITTEE



*Standing (L to R): Michelle Isaac Constantine - Member, Stephen Thomas - Chairman, Rhonda Romany - Member  
Seated (L to R): Shelly Slater - Member, Marilyn Smith - Secretary*

# REPORT OF THE SUPERVISORY COMMITTEE

The Supervisory Committee for the year 2019/2020 comprised:

Stephen Thomas	-	Chairman
Marilyn Smith	-	Secretary
Rhonda Romany	-	Member
Shelly Slater	-	Member
Michelle Constantine	-	Member

Recorded amongst the Founding Fathers of the 'Co-operative Credit Union Movement', was Edward Albert Filene, one of the earliest and most zealous champions of the Co-operative Movement in the USA; he was also an American businessman, social entrepreneur, and philanthropist. Edward Albert Filene was inspired to define the Movement in the following terms:

***"It is a great Movement, worthy of great deeds, deserving of great loyalty"*** - Edward Albert Filene  
(3rd September 1860 to 26th September, 1937).

Those words were not empty platitudes then, nor are they now. In our humble opinion, they succinctly describe the sacred respect that we must not only possess but also actively and passionately demonstrate, in the ways we discharge our responsibilities to this venerable Movement. Our credit union is in fact one of the tiles on the floor on which generations of member/owners must traverse socially, financially, and safely but always respectfully, with unbridled pride.

## OUR RECENT PAST

At the 2017 and 2018 Annual General Meeting held in 2018 and 2019 respectively, the Supervisory Committee established; for your consideration and eventual formal endorsement, an *Internal Audit Template*. This template detailed the broad spectrum of operational activities that fall under the scrutiny of any Supervisory Committee. We reiterate today, that after more than sixty years in business, this credit union, *if it must actualize its phenomenal potential, must build and grow, systematically and strategically.*

*We explained that every aspect of our Governance Infrastructure must be meticulously articulated, so that continuity and perpetuity are achieved by design as opposed to, by chance or good fortune.*

We wish to underscore that the integrity of our intentions and commitment are irrefutable as they align to the expressly recorded sentiments of our Board of Directors. It is in this context that we recapture at this juncture, the very instructive address shared with you by our President on the 27th May, 2017, on the occasion of our **64th Annual General Meeting**. He said:

*"As we reflect on the past, there are some tangible and intangible elements that stand out: an initial bond out of which was born a common cause, shared values, and there were certain ideals that we stood for; assistance from the parent company, Neal & Massy Holdings Limited, as they were called then; dedication to staff, some of whom were seconded to the credit union; a continual review and upgrade of operations inclusive of infrastructure.*

*If we compare the past to the present and look at the challenges that we confront today, we can easily see that some of the underlying issues still confront our credit union. And so, every person or an organisation reaches a point where going backward can seem more appealing than going forward.*

*Notwithstanding that the technology of cyberspace today seems to make the gap between us and the pre-internet path wider still, the world is changing so fast it makes us yearn for the old days when life seems simpler, but it does not mean that those old ideas are good for us now.*

*It may seem fun to go back and recycle the past we love, but we end up with no sustenance and no growth. One thing credit unions need to do to survive and thrive is challenge the preconception of its stakeholders. The theme chosen for this year's AGM is: 'Preserving our Legacy'.*

*I propose that as we look at the past as it exists through our lens today, that we pay attention to our notions of the*

*past and how they may have to change if our past is to have a future”.*

## Setting Standards - The Indispensable Value

We have long passed the era when persons elected to carry the governance/ leadership mantle; whether at the level of our Board of Directors, Credit Committee or Supervisory Committee, are trusted and expected to simply do their best. This statement is to be understood in a very pragmatic context. If we use athletics as a comparator, anyone of us can run at our fastest. But does that mean that our personal best qualifies us to represent Trinidad & Tobago (T&T) in the 2020 Olympics? What T&T needs are Olympic qualifiers whose performances are benchmarked against greats like Usain Bolt, Yohan Blake, Nesta Carter and Steve Mullings of Jamaica, Jareem Richards, Lalonde Gordon, Machel Cedenon and Jarrin Solomon of T&T (4x4 2017 World Championship Gold Medalists - 13th August 2017) or the Tyson Gray, Maurice Greene, Justin Gatlin of the USA, to name a few.

**As a people, we have one choice in this matter; a choice which demands that we establish standards objectively and measure our progress and performances against those standards.**

This Credit Union Sector was once described as a 'sleeping giant'. The contemporary reality is that giant or not, we can no longer indulge the perilous luxury of slumber.

## THE CONTEMPORARY CHALLENGES

You may recall that on numerous occasions this Committee acknowledged that the process through which our governance teams are elected is essentially based upon popular support. It remains an essential facet of the democratic traditions and continues to be relevant. However, as we reminded last year, there is an urgent and persistent need to facilitate the upgrade and/or reinforcement of particular competencies, via institutionalized, professional, and infrastructural support, for at least two reasons.

1. Our credit union is entrusted with responsibility for optimizing the **'returns on assets'** valued at hundreds of millions of dollars - as part of a sector that currently controls assets reliably estimated at just in excess of seventeen billion dollars.

2. **Voluntarism remains a foundation pillar of this 'peoples' institution'**. It therefore means that those of us who bring certain professional competencies to the table, do so at our convenience, usually outside of our prime working hours - contributing to a business that operates principally during the normal work-day.

It is necessary that **our work must be ably executed and intelligently supported by a cadre of 'subject-matter' professionals and technocrats, whom we either employ and/or grow in-house. The inescapable questions that must be answered are:**

1. **How are they to be guided?**
2. **To what will they be held accountable?**

## MANPOWER RESOURCING

During the year under review, we remained unimpressed with our credit union's approach to the matter of manpower resourcing. The examples that follow will assist your understanding of our concerns.

1. Within the past five years there were two major incidences of reported fraudulent activities that affected this credit union. We are not satisfied that an adequate account was subsequently shared with members, even though we agreed at the relevant time to treat the investigations with sensitivity.

Our principal concern is that no statement was shared that reassures us that appropriate built-in systems and controls, have been instituted to minimize and/or eliminate the associated systemic risks.

## RECOMMENDATION AND MANDATE

This Committee repeatedly insisted that the sheer volume of transactions that passes through a business of our size,

renders it prudent to institute and execute certain controls, independent of those responsible for executing the transactions. In this regard, the recruitment of an Internal Auditor was mandated by you at least two years ago. At that time the Board agreed to comply with this mandate but explained that the lack of accommodation was the sole constraint. We ended 2019 without the benefit of such personnel, for reasons that this Committee deem totally unacceptable.

Particulars will be volunteered at the AGM, as required. We, however acknowledge that an Internal Auditor commenced employment on January 6th, 2020.

## OTHER RECRUITMENT

During the period under review the services of a number of appropriately qualified persons were retained to fill certain vacancies. The positions filled were:

- General Manager
- Accountant
- Marketing Manager
- Loans Supervisor

On the face of it, the Board cannot be faulted for filling these positions. However, the unanswered question is “how are we to make best use of these vital resources in the absence of an intelligently rationalized, and carefully documented consensus about the way forward. In other words, what are **the plans; underlying strategies, and order of priorities** that we propose to pursue over **identified timelines**? What are the associated human, financial, technological, and other resources to be engaged and ultimately, how are the outcomes to be engineered and what instruments **will be used to measure the following**:

1. Degrees of success, both in comparative and in absolute terms.
2. Rates of success compared against projections.
3. Adjustments; where the operational and/ or strategic dynamics require adjustments and the related contingency plans to minimize disruptions, in the event that the identified adjustments prove to be significant.

4. End goals/ achievement of major milestones.

In addition to the above, employees have been involved in a series of training exercises intended to equip them with knowledge and skills to interact competently with new software systems acquired to facilitate ease of doing business, for us as members. It would be unfair for anyone; including this Committee, to attempt in any way to diminish the value of this initiative.

However, we harbor significant concerns about the apparent absence of the foundational work that is indispensable to optimizing the fullest potential associated with this initiative. In this regard, our specific concerns surround the inadequate and inappropriate attention devoted to the legitimate personnel issues, clearly evidenced by repeatedly demonstrated broad-based disaffection felt by our employees. We make no apology for placing this matter on record because we are convinced that the remedies being ‘misapplied’ are not genuinely focused upon redressing clearly discernible problems, in an honest and caring manner. We expect strong rebuttals but the evidence is irrefutable.

This credit union has engaged the services of Consultants charged with responsibility for engineering a transformation initiative, ostensibly intended to redress fundamentally deep-rooted issues.

One of the early Reports described the project in the following terms:

*The new Board-mandated, Service and Organizational transformation, is introducing an “emboldened style of operating” that emphasizes performance, best practice and stringent adherence to standards. This shift is being championed by the current General Manager and is a critical success factor for the STP.*

*Employees are getting used to a shifting organizational needle. There is a visible effort on the part of 60% - 70% of employees to start embracing the new member care attitude and style of member engagement. Driving Consistency of Behaviour, will be the focus over the current quarter, by the STP.*

current quarter, by the STP.

*To date, the STP is moving ahead according to the established Work-plan. This is a project that is heavily reliant on having individuals unlearn deeply rooted habits, reinforced by a toxic organizational climate that has not been heavily driven by stringent measurement of performance.*

***The programs and processes appear to be excessively academic and are as a consequence achieving little real outcomes. Levels of disenchantment remain high while the metrics for evaluating outcomes have either been erroneously calibrated or continue to be misread.***

It is our intention to share with you at the AGM, the evidential premises that support these conclusions. At least two concrete pieces of evidence will be presented.

## FUNDAMENTAL PLANNING DEFECT

Earlier in this report, we shared that the planning process, or rather the absence of an approved documented blueprint which provides defined specifications that can be referenced by all of our architects, engineers, technocrats, technicians, support personnel and service delivery ambassadors, continue to be a critical material gap in our approach to piloting this organization, into the future. In the absence of this blueprint, we continue to make serious and costly missteps that we write-off to the detriment and compromise of the quality of progress that can be achieved - **measurable in terms of financial losses, social elevation deficits and compromised organizational advancement.**

## WHAT IS THE POINT?

If you feel a sense of disquiet that prompts you to ask for a clear and concise answer to this question your inquiry would be more than eminently justifiable.

The point is, we continue to either undervalue, overlook or attach diminished importance to the task of **crystallising a business plan through an intelligently organized consultative process**. We go further to explain that the word 'consultative' is not to be narrowly construed to mean 'all

inclusive' of Board and Committees, but must necessarily include all stakeholders' interests.

*Had we undertaken such a project, it would have been pellucidly clear that certain pre-requisites needed to be satisfied, before embarking upon costly interventions, prematurely. Foundations need to be laid prior to attempting to construct the super-structure.*

*At this stage, we once again point to the available evidence - (Records Management - undervalued and Performance Management - unstructured).*

## ORGANISATIONAL FOCUS – OTHER ITEMS

This Committee continues to devote attention to the matters listed hereunder and will volunteer additional views as required, always predicated upon the information to which we have, or have had access.

As we acknowledged earlier, the Committee is now better supported to undertake the breadth and depth of scrutiny that you require of us. Accordingly, more detailed attention will be devoted to matters such as:

- Corporate Governance
- Risks Rating, Compliance & Security.
- Delinquency Management /Loan-Recovery efficiency Rationalised Provisioning for loan-losses
- Investment Portfolio Management (may be tied to risks)
- Assets Management
- Human Resources Management
- Financial matters International Financial Reporting Standards (IFRS 15 - the status, progress)

## ACKNOWLEDGMENTS

We wish once again to expressly thank you our members for having entrusted us with the magnitude of oversight responsibilities that are so critically important to the preservation of the integrity of our institution.

While discharging our functions, we consistently tried to be unobtrusive but effective. Challenges arose, but we



addressed them with a spirit of temperance, reminding ourselves at all times, that our contribution may not always be appreciated but always need to be respected.

Thanks to the General Manager for his accessibility, his willingness to listen and to share his views. His is a challenging set of tasks. We wish him well and trust that our work will ultimately serve to facilitate the re-engineering of the infrastructural adjustments that the Organisation must undertake.

The work of the Board of Directors and the Credit Committee remains indispensable to the continued growth and progress of this credit union. They are very hard working Committees. We respect their contributions and thank them graciously.

Our observations, recommendations and critiques remain eminently justified and are to be received and addressed constructively, as they are intended to be.

And finally, to the entire team of *Service Delivery Ambassadors*, whom you our members normally refer to as our staff. Our heartfelt thanks to you our Service Delivery Ambassadors for your perseverance, your patience and in the midst of it all, your silent but powerful insistence that we must do better.

Working together, we - yes all of us - take this Neal & Massy Credit Union to the pinnacle of success - measurable in terms of:

1. Financial Security and Stability.
2. **Entrepreneurial Business & Service Delivery Excellence.**
3. Social Elevation & Educational Advancement of all our peoples.

Nothing that we do can be possible without the omnipresence, guidance and constant inspiration of our Creator. **Thanks always to HIM.**

And lastly, our sincere appreciation and gratitude or the dedication, co-operation and support of our Supervisory Committee Team, that made this experience, a good one. It has been a labour of love from us, to you all.

We wish everyone a productive day and look forward to continuing to work with selfless dedication as we make this instalment contribution, building upon the legacy that we have inherited.

God's guidance and blessings to us all.



**Stephen Thomas (Mr.)**  
*Chairman*  
**Supervisory Committee**

# THE EDUCATION COMMITTEE



(L to R): Reynold York - Chairperson, Keston James - Secretary, Raymond Lewis, Louanne Loutan, Sean Byer, Johnathan Bailey, Matthew Quamina - *General Manager*, Kathy-Ann Donawa - *Marketing Manager*  
*Missing:* Elicia Douglas-Cruickshank, Johann Borde

# REPORT OF THE EDUCATION COMMITTEE

The Education Committee for the year 2019/2020 comprised of the following members:

Reynold York	Chairperson
Keston James	Secretary
Raymond Lewis	
Louanne Loutan	
Sean Byer	
Johann Borde	
Elicia Douglas-Cruickshank	
Johnathan Bailey	
Matthew Quamina	General Manager
Kathy-Ann Donawa	Marketing Manager

## Education Grants

The Credit Union Annual Education Awards Ceremony was held on Thursday, October 3rd, 2019 on the Penthouse Floor of our new building located at 15-17 Borde Street, Port of Spain. The purpose of this event was to honour our young members who performed well scholastically, in the annual national examinations.

Awards were distributed within three categories:

- Secondary Entrance Assessment (S.E.A.)
- Advance Level
- Tertiary Level

S.E.A. awards were granted to fifteen (15) of our young members:

1. Mya Beguesse
2. Jared Campbell
3. Sadie Collymore
4. Johannah Cooper
5. Isaiah Terrance Francis
6. Geneva Henry
7. Desiree Massy
8. Brianna Pierre
9. Sebastian Rampersad
10. Naeem Santana
11. Renushka Singh
12. Sachin Sookram

13. Aaliyah Trim
14. Dion Trancoso
15. Jonathan Walcott

Advance Level awards were granted to six (6) awardees:

1. Renee Bartholomew
2. Levana Gopee
3. Riad Haniff
4. Jordon Mc Millian
5. Kailon St. Bernard
6. Arianne-Marie Rocke

Tertiary Level awards were granted to eight (8) awardees:

1. Dexter Blackman
2. Jae Ann Campbell
3. Rashaun Garcia
4. Falisha Haniff
5. Eden King
6. Caitlin Milne
7. Cale Sylvester
8. Tiffany Wint

## COIN DAY

Coin Day was held on Tuesday October 15th, 2019. It is a main event during Credit Union Month for our youth membership and one of our most prestigious. It encourages the young members to understand the value of saving and investing, and that the choices they make today can have a significant impact on their financial future.

There were three age bound categories. Our winners were as follows:-

### Newborn to 8 years

- 1st Place - Kayson Murray.
- 2nd Place - Zamaya O'Connor
- 3rd Place - Azara O'Connor

### 9 to 14 years

- 1st Place - Donovan Stephen
- 2nd Place - Jenessa Campbell
- 3rd Place - Samantha Beckles

## 15 to 25 years

- 1st Place - Joneil Robinson
- 2nd Place - Solange Roberts-Clarke
- 3rd Place - Tiffany Ragoobir

## Credit Union League (CULTT) and North-West Chapter activities

The members of the Supervisory and Credit Committees attended specialized training facilitated by the Co-operative League of Trinidad and Tobago.

During Credit Union Month 2019, our unit was well represented at the various functions.

## Liaison Officers

The Committee recognizes the sterling contribution Liaison Officers have made to the Society over the years. It is an invaluable, voluntary service that may easily go unnoticed and can often be a thankless labour of love.

## Yard Lime

The Annual Yard Lime- a free Carnival event for members, was held on Friday, February 7th, 2020. The street was blocked off with the permission of the police and in accordance with other regulatory bodies. A stage was erected on the street for use by the entertainment and DJs.

This year, we partnered with Next 99.1 to advertise the loan specials of the credit union. Their advertising package included free Soca Artists, Announcers and DJs from NEXT 99.1, as well as live capsule reports during the event to promote the credit union.

## Training and Development for Members

The credit union facilitated training seminars for our membership to educate them on different areas of finance and planning for the future. The following seminars were conducted:

- Wills & Probates Seminar
- Effective Money Management for a Challenging Economy

- Insurance 101- Motor & Homeowners Seminar

The Wills & Probate Seminar was well attended with over one hundred (100) members participating. It was held at the Eric Williams Auditorium, Eastern Credit Union, La Hoya. The other two seminars were held at NMCU and were also supported by our membership.

## CaribDe 37 in Trinidad

The Caribbean Development Education Program (CaribDe) was held at The Normandie Hotel, St. Ann's from January 12th - 18th, 2020.

The attendees to the CaribDE 37 were:

- Marilyn Smith
- Allison Purcell
- Rhonda Romany
- Shelly Slater

The CaribDe programme energises and enables participants to leverage the CO-OP difference, advance the credit union sector, and expand their regional and international networks.

## Kids Summer Camp

During, July and August 2019, the credit union held its annual Kids Summer Camp for our younger members. The kids were provided with the opportunity to interact, learn new skills, become more independent as well as socialize and build their self-esteem. In addition, they were taught the benefits of being a credit union member.

In total, thirty-two (32) children between the ages of 4-13, registered for the camp.

## Children's Christmas Party

The credit union's annual Children's Christmas party was attended by 121 children from the membership. This was the 2nd year that Skallywag Bay Adventure Park was used to host the event. The children were able to have an adventure at the facility and had the pleasure of meeting and greeting Santa Claus to receive a Christmas gift.

## Conclusion

The Committee wishes to publicly thank the General Manager, the Marketing Team, the Executive Assistant, and all other members of staff for their efforts in bringing these objectives to fruition.

We extend a warm welcome to Ms. Kathy-Ann Donawa, who joined the organization in January as Marketing Manager and will have substantial inputs in the future operations of the Education Committee. We also thank the Liaison Officers who continue to voluntarily render service to the Society and its members. We urge them to continue in their service to this noble cause.



**Reynold York**

*Chairman*

**Report of the Education Committee**

# REPORT OF THE NOMINATING COMMITTEE

In accordance with Bye-Law 33 (a) of the Society, a Nominating Committee of the Neal & Massy Credit Union was formed for the purpose of inviting nominations from suitably qualified members who are desirous of serving on the Board of Directors, the Credit Committee and the Supervisory Committee.

The Committee in its invitation to the general membership, stressed the importance that persons who are desirous of serving should be in good standing with the organization, i.e. not delinquent. The Committee has always been mindful of its critical role in ensuring that members nominated have the basic knowledge and skills required to serve on the Board of Directors and other Statutory Committees. Significant focus was placed on finding candidates who possess the right attitude and personal characteristics, and who can make valuable contributions to ensure the effective and efficient functioning of the various committees of the organization to which they will be appointed. Candidates must also be willing to commit the required time to fulfill their elected responsibility.

## THE MEMBERS OF THE 2019 NOMINATING COMMITTEE WERE AS FOLLOWS:

Mr. Nigel Irish - Chairperson  
Mrs. Tracy Awai - Member  
Mr. William Bhola - Member

## OUTGOING OFFICERS:

The outgoing members on the Board of Directors are:

Mr. Keston James  
Mr. Edward King  
Mr. Richard Thomas  
Mr. Reynold York

Mr. Bailey was invited to join the Board in February 2020 as a result of the resignation of Mr. Godfrey Peters who migrated in January 2020.

## NOMINATIONS RECEIVED

A total of twenty (20) nomination forms were submitted for consideration by the Committee.

However, in its deliberation five (5) forms were rejected, two (2) as a result of late submissions, two (2) were related to conflicts of interest, as they were employees at other financial institutions and one (1) as a result of not being in good standing in accordance with the credit union's Bye Laws. Subsequently, one (1) other person withdrew their nomination.

All nomination forms submitted, were reviewed by the Supervisory Committee. Nominees were screened by the credit union under the fit and proper criteria as identified by the Central Bank. Their financial status was checked for irregularity or delinquency, including TransUnion reports.

We are pleased to report that the nominees are in full compliance and good standing. The Committee conducted face-to-face interviews with all first-time nominees who were seeking to serve on the Board and Committees, and they received related training. During the interactions, nominees were sensitized to the functions and responsibilities under the area they sought to serve and were given an opportunity to seek clarity on any concerns or gaps in their understanding of the roles and responsibilities.

The Nominating Committee is pleased to recommend the following nominees for consideration by the membership at the Annual General Meeting 2020:

## NOMINEES FOR THE BOARD OF DIRECTORS

1. Mr. Shawn Alexander
2. Mr. Johnathan Bailey
3. Ms. Keri Marie-Campbell
4. Mrs. Elicia Douglas Cruickshank
5. Mr. Dickson Osuala Chiedozi
6. Mr. Edward King
7. Mr. Keston James
8. Ms. Natalie Barnswell-Legall

## NOMINEES FOR THE CREDIT COMMITTEE

1. Mr. Junior Davis
2. Mr. Keegan Orosco
3. Ms. Cindy Rosemin

## NOMINEES FOR THE SUPERVISORY COMMITTEE

1. Ms. Sue-Ann Chin Chuck
2. Ms. Cheryl Ann Mc Donald
3. Ms. Rhonda Romany

The members of the Nominating Committee wish to express our sincere thanks and appreciation to the Board, committees and general membership for allowing us the opportunity to serve. We would also like to extend best wishes to all nominees.



Mr. Nigel Irish  
*Chairman*  
Nominating Committee

# STAFF MEMBERS



*Front Row (L to R): Safiya Reid - Recoveries Officer, Emily Reid - Business Temp, Aliah Aaron - Clerk, Shantell Bernard - Accounting Assistant.  
2nd Row (L to R): Lisette Sheppard-Cuffy - Administrative Assistant, Lata Mangroo - Credit Officer,  
Janelle Giroux-Wong - Accounts Clerk, Shontel Primo - Clerk.  
3rd Row (L to R): Audrey Joy Garcia - Credit Officer, Cynthia Kennedy - Credit Officer, Jonelle Allick - Accounts Clerk.  
4th Row (L to R): Yolande Arthur - Executive Assistant, Josanne Julien-Robinson - Recoveries Officer,  
Kevaune Seedarnee - Member Relations/Marketing Assistant.  
Back Row (L to R): Dale Prince - Assistant Accountant, Tyrone Thomas - IT Officer, Rondell Ross - Clerk.*



# MANAGEMENT



*(L to R): Matthew Quamina - General Manager, Asha Baksh - Accountant, Hazel Frederick - Credit Supervisor, Jiselle Renaud-De Silva - Internal Auditor, Kathy-Ann Donawa - Marketing Manager*


# STATEMENT OF MANAGEMENT RESPONSIBILITY

## STATEMENT OF MANAGEMENT RESPONSIBILITY FOR NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

Management is responsible for the following:

- Preparing and fairly presenting the Financial Statements of Neal & Massy Credit Union Co-operative Society Limited, which comprise the Statement of Financial Position at December 31, 2019, the Statement of Income, Statement of Changes in Equity, Statement of Cash Flows and the Receipts and Payments Account for the year then ended, including 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 judgment in the determination of estimates.

In preparing these Financial Statements, Management utilized the International Financial Reporting Standard, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where International Financial Reporting Standards presented alternative accounting treatments, Management 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 Financial Statements have been authorized for issue, if later. Management affirms that it has carried out its responsibilities as outlined above.



Matthew Quamina  
**General Manager**

March 5th, 2020

Port of Spain  
Trinidad, W.I.

**INDEPENDENT AUDITORS' REPORT  
TO  
THE MEMBERS  
OF  
NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED**

**Opinion**

We have audited the Financial Statements of Neal & Massy Credit Union Co-operative Society Limited, which comprise the Statement of Financial Position as at December 31, 2019, the Statement of Income, the Statement of Changes in Equity, the Statement of Cash Flows and the Receipts and Payments Account for the year then ended, and the Notes to the Financial Statements, including a summary of significant accounting policies. In our opinion, the accompanying Financial Statements present fairly, in all material respects, the financial position of the Society as at December 31, 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and the Co-operative Societies Act.

**Basis for Opinion**

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

**Emphasis of Matter**

We draw attention to Note 3 Page 17 on the notes to the Financial Statements which describes the effect of the Society's practice of recording loan interest on a 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 comprises the information included in the Credit Union's 2019 Annual Report but does not include the Financial Statements and our Auditors' Report thereof. The Credit Union's Annual Report is expected to remain available to us after the date of this Auditors' Report.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information when it becomes available and in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

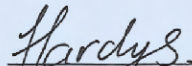
Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with IFRSs and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error. In preparing the Financial Statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Society's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness, of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities to express an opinion on the Financial Statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

  
**HARDYS**  
Chartered Accountants

March 5<sup>th</sup>, 2020  
San Fernando,  
Trinidad, W.I.


  
Hardys  
CHARTERED ACCOUNTANTS

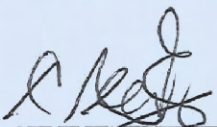
NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

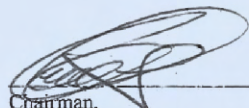
STATEMENT OF FINANCIAL POSITION AT DECEMBER 31, 2019

ASSETS	NOTES	2019	2018
<b>Non-Current Assets</b>			
Property, Plant and Equipment	10	\$ 16,362,338	\$ 16,116,795
Capital Work in Progress		52,204,274	31,732,290
Members' Loans	11	126,480,076	128,996,377
Long-Term Investments	12(a)	55,302,003	61,036,729
Total Non-Current Assets		250,348,691	237,882,191
<b>Current Assets</b>			
Short-Term Investments	12(b)	3,980,920	10,762,545
Receivables and Prepayments	14	938,857	2,340,619
Taxation Recoverable		1,959	-
Cash at Bank and in Hand	13	11,844,981	9,268,348
Total Current Assets		16,766,717	22,371,512
<b>TOTAL ASSETS</b>		<b>\$ 267,115,408</b>	<b>\$ 260,253,703</b>
<b>MEMBERS' EQUITY AND LIABILITIES</b>			
<b>Members' Equity</b>			
Asset Re-valuation Reserve		\$ 2,348,810	\$ 2,348,806
Reserve Fund	27	19,687,622	18,796,181
Education Fund	26	510,410	492,974
Dividend Equalization Fund		1,712,745	1,712,745
Undivided Earnings		10,048,951	9,405,159
Total Members' Equity		34,308,538	32,755,865
<b>Non-Current Liabilities</b>			
Members' Share Balances	15	218,268,246	215,023,848
<b>Current Liabilities</b>			
Members' Savings and Deposits		11,182,830	9,666,094
Payables and Accruals	16	3,355,794	2,807,896
Total Current Liabilities		14,538,624	12,473,990
<b>Total Liabilities</b>		<b>232,806,870</b>	<b>227,497,838</b>
<b>TOTAL MEMBERS' EQUITY AND LIABILITIES</b>		<b>\$ 267,115,408</b>	<b>\$ 260,253,703</b>

These Financial Statements were approved by the Board of Directors on March 5th, 2020.

  
 \_\_\_\_\_  
 President

  
 \_\_\_\_\_  
 Treasurer

  
 \_\_\_\_\_  
 Chairman,  
 Supervisory Committee



The attached notes and comments form an integral part of these Financial Statements.

NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF INCOME FOR THE YEAR ENDED DECEMBER 31, 2019

	NOTES	2019	2018
<b>INCOME</b>			
Interest on Members' Loans		\$ 14,737,630	\$ 14,638,145
Investment Income	20	3,993,006	3,689,304
Other Income	21	424,199	256,650
		<u>19,154,835</u>	<u>18,584,099</u>
<b>EXPENDITURE</b>			
Personnel Costs	22	3,642,605	3,900,879
Administrative Expenses	23	3,232,616	1,457,462
Establishment Expenses	24	1,224,870	1,063,486
Interest on Members' Deposits		51,972	45,845
Finance Charges		28,523	29,404
Other Fees and Charges		18,455	116,108
Officers' Expenses	25	395,504	306,027
Insurance		1,794,965	1,694,324
Rental		77,024	163,095
		<u>10,466,534</u>	<u>8,776,630</u>
<b>SURPLUS OF INCOME OVER EXPENDITURE</b>		<u>8,688,301</u>	<u>9,807,469</u>
<b>APPROPRIATIONS</b>			
Transfer to Reserve Fund (10%)	27	868,830	980,747
Transfer to Education Fund (5%)	26	390,974	441,336
<b>TOTAL APPROPRIATIONS</b>		<u>1,259,804</u>	<u>1,422,083</u>
<b>NET SURPLUS AFTER APPROPRIATIONS</b>		<u>\$ 7,428,497</u>	<u>\$ 8,385,386</u>

NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 31, 2019

YEAR ENDED DECEMBER 31, 2019

Particulars	Asset Re-Valuation Reserve	Reserve Fund	Education Fund	Dividend Equalization Fund	Undivided Earnings	Total
Balance at January 1, 2019	\$ 2,348,806	\$ 18,796,181	\$ 492,974	\$ 1,712,745	\$ 9,405,159	\$ 32,755,865
Green Fund Levy Payments for prior years	-	-	-	-	(204,482)	(204,482)
Restated Balance at January 1, 2019	2,348,806	18,796,181	492,974	1,712,745	9,200,677	32,551,383
<b>Adjustments</b>						
Net Surplus for the Year	-	-	-	-	8,688,301	8,688,301
Transfer to the Reserve Fund	-	868,830	-	-	(868,830)	-
Transfer to the Education Fund	-	-	390,974	-	(390,974)	-
Entrance Fees to Reserve Fund	-	4,875	-	-	-	4,875
Education Expenses	-	-	(373,538)	-	-	(373,538)
Dividends Paid	-	-	-	-	(6,306,913)	(6,306,913)
Interest Rebate	-	-	-	-	(292,825)	(292,825)
Other Transactions	-	17,736	-	-	19,515	37,251
Revaluation	4	-	-	-	-	4
<b>Balance at December 31, 2019</b>	<b>\$ 2,348,810</b>	<b>\$ 19,687,622</b>	<b>\$ 510,410</b>	<b>\$ 1,712,745</b>	<b>\$ 10,048,951</b>	<b>\$ 34,308,538</b>

YEAR ENDED DECEMBER 31, 2018

Particulars	Asset Re-Valuation Reserve	Reserve Fund	Education Fund	Dividend Equalization Fund	Undivided Earnings	Total
Balance at January 1, 2018	\$ 2,348,806	\$ 17,799,030	\$ 659,045	\$ 1,710,256	\$ 11,694,678	\$ 34,211,815
Impact of initial adoption of IFRS 9 (note 28)	-	-	-	-	(2,740,380)	(2,740,380)
Restated Balance at January 1, 2018	2,348,806	17,799,030	659,045	1,710,256	8,954,298	31,471,435
<b>Adjustments</b>						
Net Surplus for the Year	-	-	-	-	9,807,469	9,807,469
Transfer to the Reserve Fund	-	980,747	-	-	(980,747)	-
Transfer to the Education Fund	-	-	441,336	-	(441,336)	-
Entrance Fees to Reserve Fund	-	13,395	-	-	-	13,395
Education Expenses	-	-	(607,407)	-	-	(607,407)
Dividends Paid	-	-	-	2,489	(7,669,842)	(7,667,353)
Interest Rebate	-	-	-	-	(264,683)	(264,683)
Other Transactions	-	3,009	-	-	-	3,009
<b>Balance at December 31, 2018</b>	<b>\$ 2,348,806</b>	<b>\$ 18,796,181</b>	<b>\$ 492,974</b>	<b>\$ 1,712,745</b>	<b>\$ 9,405,159</b>	<b>\$ 32,755,865</b>



The attached notes and comments form an integral part of these Financial Statements.

**NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED**

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2019**

	2019	2018
<b>OPERATING ACTIVITIES</b>		
Net Surplus Before Appropriations	\$ 8,688,301	\$ 9,807,469
<b>Adjustment For:</b>		
Depreciation of Property, Plant and Equipment	275,480	244,921
Loss on Disposal of Property, Plant and Equipment	1,452	19,222
Revaluation of Assets	4	-
Green Fund Levy	57,464	-
<b>Operating Surplus Before Changes in Working Capital and Reserves Components</b>	<b>9,022,701</b>	<b>10,071,612</b>
<b>CHANGES IN WORKING CAPITAL</b>		
Decrease / (Increase) in Members' Loans	2,516,301	(236,054)
Decrease / (Increase) in Receivables and Prepayments	1,401,762	(558,674)
Increase in Members' Savings and Deposit	1,516,736	297,188
Increase in Payables and Accruals	547,898	809,069
<b>Net Cash Generated From Operations</b>	<b>15,005,398</b>	<b>10,383,141</b>
Taxation Paid	(263,905)	-
<b>Net Cash Generated From Operating Activities</b>	<b>14,741,493</b>	<b>10,383,141</b>
<b>INVESTING ACTIVITIES</b>		
Decrease in Long Term Investments	5,734,726	11,688,648
(Increase) in Capital Work in Progress	(20,471,984)	(19,799,615)
Additions to Property, Plant and Equipment	(526,092)	(123,883)
Proceeds from Sale of Property, Plant and Equipment	3,617	-
<b>Net Cash (Used In) Investing Activities</b>	<b>(15,259,733)</b>	<b>(8,234,850)</b>
<b>FINANCING ACTIVITIES</b>		
Increase in Members' Shares	3,244,398	13,327,295
Entrance Fees	4,875	13,395
Dividends Paid	(6,306,913)	(7,667,353)
Interest Rebate	(292,825)	(264,683)
Education Expenses	(373,538)	(607,407)
Other Transactions	37,251	3,009
<b>Net Cash (Used In) / Generated From Financing Activities</b>	<b>(3,686,752)</b>	<b>4,804,256</b>
<b>Net Change For The Year</b>	<b>(4,204,992)</b>	<b>6,952,547</b>
<b>Cash and Cash Equivalents at the Beginning of the Year</b>	<b>20,030,893</b>	<b>15,818,726</b>
<b>Impact of initial adoption of IFRS 9</b>	<b>-</b>	<b>(2,740,380)</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>\$ 15,825,901</b>	<b>\$ 20,030,893</b>
<b>REPRESENTED BY:-</b>		
Cash at Bank and in Hand	\$ 11,844,981	\$ 9,268,348
Short-Term Investments	3,980,920	10,762,545
	\$ 15,825,901	\$ 20,030,893



The attached notes and comments form an integral part of these Financial Statements.



NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2019

RECEIPTS	2019	2018
Annual General Meeting	\$ 60,126	\$ 5,250
Capital Work-in-Progress	23,000	6,322,738
Commissions	228,718	225,727
Communications Expense	-	33,865
Co-Op Activities	6,900	600
Credit Card	5,615	1,063
Data Processing	-	57,870
Donations	1,000	-
Education Expenses	36,032	67,534
Education Fund	-	2,250
Family Indemnity Plan/Payment Protector Plan Deposits	507,319	592,175
Finance Charges	162	141
Gain on Foreign Exchange	7,308	3,514
Gain on Asset Disposal	200	-
Health Surcharge	1,031	-
Honorarium	6,800	12,300
Insurance Claims	1,835,119	1,659,793
Interest on Investments	189	965,783
Interest on Members' Loans	2,068,536	2,698,984
Investments	15,773,532	16,791,010
Janitorial	10,762	-
Legal and Professional Fees	155,647	150,497
Loan Application Fees	19,680	29,560
Loan Loss Recovery	-	4,000
Marketing/Advertising and Promotion	5,799	1,238
Member Relations	357	14,935
Members' Deposits	2,313,037	2,488,690
Members' Loans	10,397,940	11,207,797
Members' Shares	9,014,667	11,492,055
Miscellaneous Income	7,372	9,773
New Member Applications	7,380	18,420
Office Maintenance	6,314	-
Other Employee Benefit	600	-
Payables and Accruals	1,215,915	559,254
Payroll Clearing	165,505	-
Printing	2,540	5,141
Property, Plant and Equipment	6,769	14,365
Receivables and Prepayments	43,204,368	39,950,994
Refreshments/Meetings Expense	3,180	13,402
Rental	2,041	1,134
Rental Income	9,000	-
Reserve Fund	-	3,009
Retained Earnings	14,243	-
Shortages and Overages	182	32,145
Stationery	1,114	141
Subsistence	-	160
Sundry Creditors	537,775	230,220



The attached notes and comments form an integral part of these Financial Statements.

NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

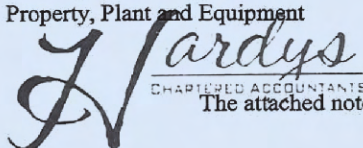
RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2019

	2019	2018
Sundry Debtors	\$ 1,709,300	\$ 1,184,371
Teller Account	23,187,704	17,788,492
Training and Development	10,686	22,836
Travelling/Courier Expenses	1,900	-
Unclaimed Cheques	44,507	150,347
Unclaimed Dividends	234,985	1,037,783
<b>Total Receipts</b>	<b>\$ 112,852,856</b>	<b>\$ 115,851,356</b>
Opening Balance	\$ 9,268,348	\$ 4,227,545
Total Receipts	112,852,856	115,851,356
Less Payments	110,276,223	110,810,553
<b>Closing Balance</b>	<b>\$ 11,844,981</b>	<b>\$ 9,268,348</b>
<b>REPRESENTED BY:</b>		
Cash at Bank and in Hand	\$ 11,844,981	\$ 9,268,348

NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2019

PAYMENTS	2019	2018
Annual General Meeting	\$ 657,159	\$ 354,085
Audit Fees	55,625	51,625
Bad Debt Expense	-	25,170
Bank Charges	-	33,998
Capital Work-in-Progress	20,877,883	25,083,824
Communications Expenses	96,482	117,579
Convention Expenses	-	150
Co-Op Activities	56,808	28,631
Cuna Insurance Premium	133,127	-
Data Processing	47,627	122,517
Debt Collection	6,950	19,744
Dividends Paid	-	1,359
Donations	27,550	18,650
Education Expenses	358,078	655,111
Education Fund	412	160,275
Electricity	318,242	52,100
Entertainment	900	1,500
Family Indemnity Plan/Payment Protector Plan Deposits	29,742	23,285
Finance Charges	28,290	-
Gain on Foreign Exchange	384	-
Honorarium	147,710	119,900
Insurance	11,758	5,939
Insurance Claims	2,122,682	1,415,035
Interest on Members' Loans	9,457	95,543
Interest on Investments	1,263	-
Inter Member Journals	-	20,000
Investments	314	2,800,000
Janitorial	62,508	30,689
League Dues	48,516	48,516
Legal and Professional Fees	958,287	552,588
Loan Application Fees	20	60
Marketing, Advertising and Promotions	64,368	38,649
Member Relations	252,074	109,707
Members' Deposits	9,289,113	6,591,658
Members' Loans	36,780,274	39,386,140
Members' Shares	22,166,638	21,982,962
Miscellaneous Expenses	56,774	689
Miscellaneous Income	10	630
National Insurance	381,458	364,055
Office Maintenance	222,956	124,158
Other Employee Benefits	74,003	101,686
Other Fees and Charges	1,500	83,145
Pantry	40,403	22,386
Payables and Accruals	6,797,742	3,153,465
PAYE Payable	268,034	280,075
Payroll Clearing	2,100,714	2,016,981
Petty Cash	1,178,133	-
Pre-paid Expenses	450,793	167,624
Printing and Stationery	90,338	81,342
Property, Plant and Equipment	109,631	56,216



The attached notes and comments form an integral part of these Financial Statements.

NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2019

	2019	2018
RBC Royal Bank Credit Card	247,725	81,369
Receivables and Prepayments	\$ 363,993	\$ 217,662
Refreshments and Meeting Expenses	162,212	161,464
Rental	77,647	164,229
RISP	224,585	387,965
Salaries	-	10,547
Security Services	279,664	201,668
Shortages and Overages	1,124	10,726
Stationery	56,256	71,482
Subsistence	3,488	2,194
Sundry Debtors	894	-
Sundry Creditors	2,331,301	1,861,446
Teller Account	8,669	-
Training and Development	79,049	152,799
Travelling and Courier Expenses	25,690	26,005
Unclaimed Cheques	10,508	1,009
Unclaimed Dividends	2,453	1,041,989
Water Rates and Taxes	18,235	18,558
<b>Total Payments</b>	<b>\$ 110,276,223</b>	<b>\$ 110,810,553</b>

NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

**1 REGISTRATION AND PRINCIPAL ACTIVITIES**

The Society was registered under the Co-operative Societies Act Chapter 81:03 of Trinidad and Tobago on April 25, 1953. Its objectives are to promote the economic welfare of its members, self-help and co-operation and to promote the development of co-operative ideas.

**2 ACCOUNTING POLICIES**

**a) Basis of Accounting**

These Statements have been prepared on the historic cost basis and in accordance with International Financial Reporting Standards and the requirements of the Co-operative Societies Act.

**b) New Accounting Standards and Interpretations**

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

IFRS 16 Leases supersedes IAS 17 Leases and its related interpretations. IFRS 16 eliminates the classification by a lessee of leases as either operating or finance. Instead all leases are treated in a similar way to finance leases in accordance with IAS 17. Under IFRS 16, leases are recorded on the Statement of Financial Position by recognizing a liability for the present value of its obligation to make future lease payments with an asset (comprised of the amount of the lease liability plus certain other amounts) either being disclosed separately in the Statement of Financial Position (within right-of-use assets) or together with Property, Plant and Equipment. The most significant effect of the new requirements will be an increase in recognized lease assets and financial liabilities. However, IFRS 16 does not require a lessee to recognize assets and liabilities for short term leases and leases of low-value assets. IFRS 16 clarifies that a lessee separates lease components and service components of a contract, and applies the lease accounting requirements only to the lease components. IFRS 16 applies to annual periods commencing on or after January 1, 2019. The adoption of this standard had no significant impact on the Society's Financial Statements.

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

There were no standards, amendments and interpretations to existing standards, which are relevant to the society and requires disclosure.

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

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

**c) 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 credit union's accounting policies. It also requires the use of assumptions that affect the amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of these Financial Statements and the reported amounts of income and expenditure during the period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

d) **Property, Plant and Equipment**

Property, Plant and Equipment are recorded at cost and depreciation is computed on the reducing balance basis at rates which are considered sufficient to write off the cost of the assets over their estimated useful lives.

Upon disposal or retirement of assets, the cost and related depreciation are removed from the accounts and the gain or loss, if any, is reflected on the Statement of Income. In accordance with IAS 16 – Property, Plant and Equipment, the property held should be revalued regularly, so that the carrying amount of an asset does not differ materially from its fair value at the Statement of Financial Position date. The property at #24 Borde Street, Port of Spain was revalued in March, 2010.

The depreciation rates are as follows:

Building and Improvements	- 2%
Office Furniture & Equipment	- 12.5 - 20%
Computer Hardware and Software	- 33.33%

e) **Financial Assets**

The Society classifies its investment financial assets as, amortised cost fair value through Other Comprehensive Income or fair value through the profit or loss. The classification depends on the purpose for which financial assets were acquired or originated.

Amortised cost

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

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

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

Fair Value through profit or loss

Certain equity instruments and receivables (for example trade receivables) are classified as fair value through profit or loss.

The equity instruments are either acquired for generating a profit from short-term fluctuations in price, or are securities included in a portfolio in which a pattern of short-term profit taking exists. These instruments are initially measured at fair value plus transaction costs that are directly attributable to their acquisition.

Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value, based on their quoted market price at the reporting date without any deduction for transaction costs or their recoverable value. Gains and losses both realised and unrealised, arising from the change in the fair value of equity instruments at fair value through profit or loss are recognised in net surplus for the year.

NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

**Financial Assets (continued)**

Fair value through other comprehensive income

Financial assets measured at fair value through other comprehensive income includes certain equity instruments, corporate bonds, notes and repurchase agreements.

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

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

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

**f) Impairment**

Financial assets

At the reporting date, the Society assess on a forward-looking basis, the credit losses associated with its financial assets measured at amortised cost and fair value through other comprehensive income (excluding equity instruments).

The Society measures loss allowances on its debt instruments at an amount equal to lifetime credit losses, except in the following cases, for which the amount recognized is 12 months credit losses.

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

See note 2(h) for details of credit losses recognition on loans to members.

All impairment losses are recognized in the Statement of Income. Any cumulative loss in respect of investments measured at fair value through other comprehensive income recognized previously in equity is transferred to the profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost and at fair value through other comprehensive income that are debt securities, the reversal is recognized in the Statement of Income. For investments measured at fair value through other comprehensive income that are equity securities, the reversal is recognized directly in equity.

NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

**Impairment - Continued**

Non-financial assets

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

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

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

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

**g) Cash and cash equivalents**

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

Cash and cash equivalents also comprise cash balances which are payable on demand and deposits with maturities of three (3) months or less from the date of acquisition. Bank overdrafts are disclosed as current liabilities.

**h) Loans to members**

Member loans are initially measured at cost, net of loan origination fees and inclusive of transaction costs incurred. They are subsequently measured at amortised cost, using the effective interest rate method, less any impairment losses. Loans to members are reported at their recoverable amount representing the aggregate amount of principal, less any allowance or provision for impaired loans.

Impairment provisions for loans to members are recognized based on the three stage approach within IFRS 9 as follows:

Stage 1 represents 12 month expected credit losses (gross interest)

- Applicable when there is no significant increase in credit risk
- Entities continue to recognize 12 month expected losses that are updated at each reporting date
- Presentation of interest on a gross basis

Stage 2 represents lifetime expected credit losses (gross interest)

- Applicable in case of significant increase in credit risk
- Recognition of lifetime expected losses
- Presentation of interest on gross basis



## NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

#### Loans to Members – Continued

Stage 3 represents - lifetime expected credit losses (net interest)

- Applicable in case of credit impairment
- Recognition of lifetime expected losses
- Presentation of interest on net basis

#### i) Members' deposits

Members' deposits are initially measured at fair value, net of any transaction costs directly attributable to the issuance of the instrument. Members' deposits are subsequently measured at amortised cost, using the effective interest rate method.

#### j) Members' shares

Upon opening an account at the Society, new members are required to subscribe for a minimum of one (1) share. Subsequently every member subscribes at least one (1) share per month to his/her share capital in the Society. Members can withdraw all or any portion of their unencumbered shares from the Society at any time.

Members' shares are classified as financial liabilities under the International Accounting Standard (IAS) 32 Financial Instruments: Disclosure and Presentation and are measured at par value.

Dividends are paid on an annual basis at rates that are determined at the Annual General Meeting of members of the Society. Dividends are calculated based on the monthly minimum share balance of each active member of the Society and distributed via additional shares and credits to members' deposits.

### 3 REVENUE RECOGNITION

#### Loan Interest

Interest charged on all loans to members is calculated at 1% per month on the outstanding balance for Ordinary Loans and 7% to 12% per annum amortised for Mortgage Loans, Instruments of Charge and Bridging Loans.

Loan interest is accounted for on the 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 cash flow information, using the accrual basis of accounting.

Interest on non-performing loans 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 a 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 the provision is dependent upon the extent of the delinquency.

NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

REVENUE RECOGNITION – CONTINUED

Investment Income

Income from investments is accounted for on the accruals basis except for dividends, which are accounted for on a cash basis, consistent with International Financial Reporting Standards (IFRS 15).

4 DIVIDENDS PAYABLE TO MEMBERS

Dividends are computed on the basis of the average value of shares held throughout the year, the average being determined on the basis of the balance of shares held at the end of each month. Dividends that are proposed and declared after the Statement of Financial Position date are not shown as a liability in accordance with IAS #10.

5 FOREIGN CURRENCY

Monetary assets and liabilities denominated in foreign currencies are expressed in Trinidad & Tobago dollars at rate of exchange ruling at the Statement of Financial Position date. All revenue and expenditure transactions denominated in foreign currencies are translated at the average rate and the resulting profits and losses on exchange from these trading activities are recorded in the Statement of Income.

6 PROVISIONS

Provisions are recognised when the Society has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the Statement of Financial Position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

7 COMPARATIVE FIGURES

Where necessary, comparative amounts have been adjusted to conform with changes in presentation in the current year.

8 FINANCIAL RISK MANAGEMENT

The Society's activities expose itself to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or a combination of risks. Taking risks is core to the financial business, and the operational risks are an inevitable consequence of being in business. The Credit Union's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on the Credit Union's financial performance.

NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

FINANCIAL RISK MANAGEMENT – CONTINUED

The Credit Union's risk management policies are designed to identify and analyze these risks, to set appropriate risk limits and controls, and to monitor the risk and adherence to limits by means of reliable and up-to-date information systems. The Credit Union periodically reviews its risk management policies and systems to reflect changes in products and emerging best practice.

Risk Management of Loans is carried out by the Finance Committee under policies approved by the Board of Directors.

The Finance Committee identifies and evaluates financial risks in close co-operation with the Credit Union's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as interest rate and credit risk. In addition, the Supervisory Committee is responsible for the independent review of risk management and the control environment. The most important type of risks are credit risks and other operational risks.

i. **Credit Risk**

The Credit Union takes on exposure to credit risk, which is the risk that a member(s) will cause a financial loss for the Credit Union by failing to discharge an obligation.

Management of Risk

Credit risk is the most important risk for the credit union's business which principally arises in lending activities that lead to loans and other financing. The credit risk management and control are reported to the Board of Directors regularly. In order to effectively manage credit risk, the following are considered;

- a) Proper judgement of the creditworthiness of the member when analyzing the loan application
- b) Adequate collateral held as security for funds advanced
- c) Maintenance of a strict and aggressive collection policy
- d) Monthly review of the risk ratios for the management of credit risk
- e) Maintenance of a prudent loan provisioning policy
- f) Monitor exposures against limits to any one member
- g) The Credit Committee to be informed of any large exposures to any one borrower or borrower group in default
- h) The information technology system for reporting, monitoring and controlling risks is properly maintained and updated
- i) Regular reporting to the Board of Directors on the performance of the loan portfolio

ii. **Interest Rate Risk**

The interest rate risk arises from the possibility that changes in market rates will affect future cash flows or the fair values of financial instruments externally and held internally by its members. The credit union is exposed to interest rate risks on annuity, fixed deposits and money market investments that can experience fluctuations on interest rates currently or upon reinvestment after maturity.

Management of Risk

The credit union should mitigate interest risk by setting interest rates on loans and other financing facilities taking into consideration the effects of an increase in funding cost during the short to medium term. Management is expected to monitor interest rate risks on these financial instruments and report on changes in the Statements of Financial Position and Statement of Income.

NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

FINANCIAL RISK MANAGEMENT – CONTINUED

iii. **Liquidity Risk**

Liquidity Risk is the risk where the Credit Union will be unable to meet its payment obligations when they fall due under normal and stressed circumstances.

Management of Risk

Through experience and monitoring, the Credit Union is able to maintain sufficient liquid resources to meet current obligations. The current asset ratio which compares current asset to current liabilities is 1.15 to 1 (2018: 1.79 to 1). The largest of the current liability is Members' Deposits which has shown an increase from the previous financial year. This trend suggests a lesser possibility of any extraordinary call by the overall membership for these savings which can lead to undue stress on the Credit Union's Liquidity.

iv. **Market Risk**

The Credit Union is exposed to market risk, which is the risk that the fair values or future cash flows of invested financial instruments will fluctuate because of changes in market prices. Market risks arise from open positions in interest rates, equity prices, currency exchange rates and other market factors.

Management of Risk

Management is entrusted with the responsibility to monitor this risk, there is a formal system in place to effectively and specifically report on market changes and do sensitivity analysis on investments, considering future impact on cash flows on a systematic basis.

v. **Foreign Currency Exchange Risk**

The credit union is exposed to foreign exchange risk as a result of fluctuations in exchange rates, since it has financial assets that are denominated in the US dollar currency.

Management of Risk

Management is responsible to monitor and report on changes that impacts on these financial assets.

vi. **Operational Risk**

Operational risk is the risk derived from deficiencies relating to the Society's information technology and control systems, as well as the risk of human error and natural disasters. The Society's systems are evaluated, maintained and upgraded continuously. Supervisory controls are installed to minimise human error. Additionally, staff is trained on an on-going basis.

vii. **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 Central Bank of Trinidad & Tobago, as well as by the monitoring controls applied by the Society.

NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

FINANCIAL RISK MANAGEMENT -- CONTINUED

viii. **Reputation Risk**

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

9. **CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of Financial Statements in accordance with International Financial Reporting Standards requires management to make judgements, estimates and assumptions in the process of applying the Society's accounting policies. See Note 2 (c).

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events, that are believed to be reasonable under the circumstances. The Society makes estimates and assumptions concerning the future. However, actual results could differ from those estimates as the resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Changes in accounting estimates are recognized in the Statement of Income in the period which the estimate is changed, if the change affects that period only, or in the period of the change and future periods if the change affects both current and future periods.

The critical judgements, apart from those involving estimations, which have the most significant effect on the amounts recognized in the Financial Statements, are as follows:

- i) Whether investments are classified as held-to-maturity investments, available-for-sale or loans and receivables.
- ii) Whether leases are classified as operating leases or finance leases.
- iii) Which depreciation method for plant and equipment is used.

The key assumptions concerning the future and other key sources of estimation uncertainty at the Statement of Financial Position date (requiring management's most difficult, subjective or complex judgement(s) that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

i) Impairment of Assets

Management assesses at each Statement of Financial Position date whether assets are impaired. An asset is impaired when the carrying value is greater than its recoverable amount and there is objective evidence of impairment. Recoverable amount is the present value of the future cash flows. Provisions are made of the excess of the carrying value over its recoverable amount.

ii) Plant and Equipment

Management exercises judgement in determining whether future economic benefits can be derived from expenditures to be capitalized and in estimating the useful lives and residual values of these assets

NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

10. PROPERTY, PLANT AND EQUIPMENT

(i) Year Ended December 31, 2019 – The sum of \$16,362,338 is made up as follows:-

	Land	Building & Site Improvements	Computer Hardware & Software	Office Furniture	Total
<b>Cost</b>					
At Jan. 1, 2019	\$ 13,370,000	\$ 2,614,111	\$ 1,384,281	\$ 656,817	\$18,025,209
Additions	-	-	138,066	388,026	526,092
Disposals	-	-	-	(206,714)	(206,714)
At Dec. 31, 2019	13,370,000	2,614,111	1,522,347	838,129	18,344,587
<b>Depreciation</b>					
At Jan. 1, 2019	-	332,297	1,099,601	476,516	1,908,414
Charge	-	45,636	142,457	87,387	275,480
Disposals	-	-	-	(201,645)	(201,645)
At Dec. 31, 2019	-	377,933	1,242,058	362,258	1,982,249
<b>Net Book Value</b>					
At Dec. 31, 2019	\$ 13,370,000	\$ 2,236,178	\$ 280,289	\$ 475,871	\$16,362,338

(i) Year Ended December 31, 2018 – The sum of \$16,116,795 is made up as follows:-

	Land	Building & Site Improvements	Computer Hardware & Software	Office Furniture	Total
<b>Cost</b>					
At Jan. 1, 2018	\$ 13,370,000	\$ 2,614,111	\$ 1,631,306	\$ 695,865	\$18,311,282
Additions	-	-	86,705	37,178	123,883
Disposals	-	-	(333,730)	(76,226)	(409,956)
At Dec. 31, 2018	13,370,000	2,614,111	1,384,281	656,817	18,025,209
<b>Depreciation</b>					
At Jan. 1, 2018	-	285,729	1,258,626	509,872	2,054,227
Charge	-	46,568	155,483	42,870	244,921
Disposals	-	-	(314,508)	(76,226)	(390,734)
At Dec. 31, 2018	-	332,297	1,099,601	476,516	1,908,414
<b>Net Book Value</b>					
At Dec. 31, 2018	\$ 13,370,000	\$ 2,281,814	\$ 284,580	\$ 180,301	\$16,116,795

NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

11. MEMBERS' LOANS

Members' loans are stated at principal outstanding, net of a provision for loan losses. The provision for loan losses is based on the Board of Directors' evaluation based on the expected credit loss method.

	2019	2018
Loans to Members	\$ 134,249,999	\$ 136,682,336
Less: Provision for loan losses (see below)	(7,769,923)	(7,685,959)
	<u>\$ 126,480,076</u>	<u>\$ 128,996,377</u>
<u>Provision for loan losses:</u>		
Balance, beginning of the year	7,685,959	4,945,579
Impact of initial adoption of IFRS 9	-	2,740,380
Charge for the year	83,964	-
Balance, end of year	<u>\$ 7,769,923</u>	<u>\$ 7,685,959</u>

NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

12. (a) LONG TERM INVESTMENTS

The sum of \$55,302,003 is made up as follows:-

	2019	2018
Scotiabank (T&T) Limited - Shares	\$ 660,874	\$ 696,085
Republic Bank Limited - Caribbean Equity Fund	2,796	2,431
First Line Security - \$3.5M REPO 4.100%	-	3,500,000
West Indian Tobacco Company Limited	2,459,754	1,887,534
Guardian Asset Management - TT Monthly Income Fund	12,155,838	7,186,876
Guardian Asset Management	14	14
SavInvest IAH Fund	363,166	330,938
Guardian Holdings Limited - Shares	392,753	885,561
Massy Holdings Limited - Shares	3,208,905	2,472,435
First Citizens - Shares	2,225,000	1,698,500
GOTT / NIPDEC Bonds	6,188,356	6,204,486
CLICO Investment Fund	2,599,599	1,827,016
Massy Holdings 2024 4% Bond	670,000	670,000
Unit Trust Corporation - Growth Fund	583	555
Roytrin (TTD) Income and Growth Fund	1,321	1,124
Bourse SavInvest - Structured investment Fund	69,171	67,974
NIF 2030 Series B 12 Year Corporate Bond	7,457,000	7,457,000
Trinidad and Tobago NGL Limited	5,278,843	6,411,283
National Enterprises Limited	198,357	275,496
Bourse Securities Investment	-	7,500,000
TIMF 2023 Series C 6 Year Bond	3,475,500	3,475,500
TIMF 2024 Series D 7 Year Bond	3,482,500	3,482,500
TSTT TT\$500M 5 Year Tranche 2 Bond	-	3,555,710
West Indies Stock Brokers Perishing Brokerage Accounts	4,411,673	1,447,711
	<u>\$ 55,302,003</u>	<u>\$ 61,036,729</u>



NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

(b) SHORT-TERM INVESTMENTS

The sum of \$3,980,920 is made up as follows:-

	2019	2018
<b>Financial Institution</b>		
Unit Trust Corporation- US Income Fund	\$ 34,583	\$ 34,434
Unit Trust Corporation- TT Income Fund	339,716	335,068
Unit Trust Corporation-Money Market Fund	103,451	102,407
RBC Royal Bank- Roytrin	3,170	2,859
Petrotrin 2019 Bond Investment	-	2,854,398
GHL 4.25% Note	-	7,433,379
First Line Security - \$3.5M REPO 4.100%	3,500,000	-
	<u>\$ 3,980,920</u>	<u>\$ 10,762,545</u>

13. CASH AT BANK AND IN HAND

The sum of \$11,844,981 is made up as follows:

	2019	2018
Cash in Hand	\$ 125,882	\$ 45,651
RBC Royal Bank (T&T) Limited		
- Current Account	8,487,353	6,463,380
- Dividends Account	719,907	12,172
- Linx Account	306,214	1,413,103
- US Account	1,298,697	638,105
First Citizens Bank Limited		
- Current Account	620,066	692,970
- US Account	286,862	3,017
	<u>\$ 11,844,981</u>	<u>\$ 9,268,348</u>

**NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**14. RECEIVABLES AND PREPAYMENTS**

The sum of \$938,857 is made up as follows:-

	<b>2019</b>	<b>2018</b>
Accounts Receivable	\$ 162,305	\$ 224,253
Payroll Deductions Receivable	129,139	669,260
Sundry Debtors	(24,457)	841,998
Prepayments	374,022	307,260
SPMC	297,848	297,848
	<u>\$ 938,857</u>	<u>\$ 2,340,619</u>

**15. MEMBERS' SHARE BALANCES**

The sum of \$218,268,246 is made up of:-

	<b>2019</b>	<b>2018</b>
Ordinary Shares @ \$5.00 each	\$ <u>218,268,246</u>	\$ <u>215,023,848</u>

According to the Bye-Laws of Neal and Massy Credit Union Co-operative Society Limited, the capital of the society may be composed of an unlimited number of shares of \$5.00 each.

**16. PAYABLES AND ACCRUALS**

The sum of \$3,355,794 is made up as follows:-

	<b>2019</b>	<b>2018</b>
RBC Royal Bank Credit Card	\$ 33,881	\$ 23,959
Accounts Payable	183,584	57,103
Sundry Creditors	147,803	305,479
New Member Applications	-	(935)
Accrued Charges	588,098	197,452
Accrual for Audit Fees	50,625	50,625
Insurance Claims	(226,051)	(85,238)
Other Payables	59,533	(1,810)
Retention Payable	1,251,419	1,251,419
Other Liabilities	1,266,902	1,009,842
	<u>\$ 3,355,794</u>	<u>\$ 2,807,896</u>

NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

17. RELATED PARTY TRANSACTIONS

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

Key Management Personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Society.

A number of transactions are entered into with related parties in the normal course of business. These transactions were carried out on commercial terms at market rates.

Assets, Liabilities and Members' Equity

	2019	2018
Loans due from Directors, Committee Members and Key Management Personnel	\$ 841,037	\$ 1,019,462
Shareholding and Deposits due to Directors, Committee Members and Key Management Personnel	\$ 2,659,260	\$ 3,283,243

18. FAIR VALUES

Fair Values 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) Member's 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 market prices available at December 31, 2019.

NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

19. CAPITAL RISK MANAGEMENT

The Society manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to members, whilst providing value to its members by offering loan and savings facilities. The Society's overall strategy remains unchanged from previous years.

The capital structure of the Society consists of equity attributable to members, which comprises of reserves and undivided surplus.

20. INVESTMENT INCOME

The sum of \$3,993,006 is made up as follows:-

	2019	2018
Interest on Investments	\$ 3,992,455	\$ 3,689,114
Interest on Savings Accounts	551	190
	<u>-----</u>	<u>-----</u>
	\$ 3,993,006	\$ 3,689,304
	<u>=====</u>	<u>=====</u>

21. OTHER INCOME

The sum of \$424,199 is made up as follows:-

	2019	2018
Loan Applications	\$ 37,645	\$ 41,790
Commissions	228,718	225,727
Miscellaneous	20,753	20,486
Rental Income	9,000	-
Gain on Disposal of Property, Plant and Equipment	(1,452)	(19,221)
Loss / Gain on Foreign Exchange	129,535	(12,132)
	<u>-----</u>	<u>-----</u>
	\$ 424,199	\$ 256,650
	<u>=====</u>	<u>=====</u>

NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

22. PERSONNEL COSTS

The sum of \$3,642,605 is made up as follows:-

	2019	2018
Salaries and Wages	\$ 3,092,476	\$ 3,247,615
National Insurance, Health Plan and Other Benefits	377,050	359,826
Retirement - Income Security Plan	132,560	163,347
Training and Development	40,519	130,091
	<u>\$ 3,642,605</u>	<u>\$ 3,900,879</u>

23. ADMINISTRATIVE EXPENSES

The sum of \$3,232,616 is made up as follows:-

	2019	2018
Legal and Professional Fees	\$ 830,508	\$ 404,122
Audit Fees	52,375	51,625
Printing and Stationery	170,686	140,249
Office Maintenance	272,318	136,590
Information Technology	142,923	142,081
Utilities	419,444	164,708
Janitorial Services	157,995	77,937
Rates and Taxes	3,749	18,559
Green Fund Levy	57,464	-
Bad Debts	86,453	21,526
Donations	21,760	18,000
Depreciation – Property, Plant and Equipment	275,480	244,921
Depreciation – Capital Work in Progress	693,411	-
Travelling and Courier	47,150	37,144
Entertainment	900	-
	<u>\$ 3,232,616</u>	<u>\$ 1,457,462</u>

**NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**24. ESTABLISHMENT EXPENSES**

The sum of \$1,224,870 is made up as follows:-

	<b>2019</b>	<b>2018</b>
Annual General Meeting	\$ 521,006	\$ 348,835
Marketing / Advertising Promotions	64,908	222,803
Credit Union League Dues	48,516	48,516
Member Relations	251,480	102,216
Security	279,664	292,366
Co-operative Activities	59,296	48,750
	<u>\$ 1,224,870</u>	<u>\$ 1,063,486</u>

**25. OFFICERS' EXPENSE**

The sum of \$395,504 is made up as follows:-

	<b>2019</b>	<b>2018</b>
Honoraria	\$ 157,652	\$ 157,200
Meetings and Conferences	237,852	148,827
	<u>\$ 395,504</u>	<u>\$ 306,027</u>

**26. EDUCATION FUND**

	<b>2019</b>	<b>2018</b>
Opening Balance	\$ 492,974	\$ 659,045
Less: Education Expenses	(373,538)	(607,407)
Transfer from Statement of Income	390,974	441,336
	<u>\$ 510,410</u>	<u>\$ 492,974</u>

The Education Fund is set up in accordance with Bye-Law 19 (a), approved by the Commissioner for Co-operative Development, which requires the Credit Union to set aside at least (1%) one percent of the remaining net surplus, after reserve fund, to the education fund. The amount proposed by the Board is (5%) five percent.

NEAL & MASSY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

27. RESERVE FUND

	2019	2018
Opening Balance	\$ 18,796,181	\$ 17,799,030
Transfer from Statement of Income	868,830	980,747
Entrance Fees	4,875	13,395
Other Transactions	17,736	3,009
	<hr/>	<hr/>
Closing Balance	\$ 19,687,622	\$ 18,796,181
	<hr/>	<hr/>

The Reserve Fund is set up in accordance with Bye-Law 19 which requires the Credit Union to set aside at least (10%) ten percent of the net surplus to the reserve fund

# 2020 BOARD OF DIRECTORS NOMINEES



## SHAWN ALEXANDER

COMPANY/LOCATION: Ferreira Optical  
 OCCUPATION: Customer Service Representative  
 EDUCATIONAL BACKGROUND: Certificate in Customer Service, Union Business  
 CREDIT UNION & OTHER ACTIVITIES: Served on Credit and Supervisory Committee

NOMINATED BY: Elicia Douglas-Cruickshank  
 SECONDED BY: Jumeil Simpson



## JOHNATHAN BAILEY

COMPANY/LOCATION: TSTT/ Contractor of Amalgamated  
 OCCUPATION: Install, Repair Service Officer  
 EDUCATIONAL BACKGROUND: 8 subjects in O Levels and 4 subjects in A Levels  
 CREDIT UNION & OTHER ACTIVITIES: President of Youth Committee/Education Committee, Dragon Boat Athlete/ Coach

NOMINATED BY: Cindy Rosemin  
 SECONDED BY: Justin Jones



## KERI-MARIE CAMPBELL

COMPANY/LOCATION: Cipriani College of Labour & Co-operative Studies  
 OCCUPATION: Business Development Manager  
 EDUCATIONAL BACKGROUND: Msc International Relations, Certified Manager Quality-Organizational Excellence from (ASQ), BA History  
 CREDIT UNION & OTHER ACTIVITIES: Actively involved in the promotion of education in credit union management and cooperative studies Dragon boat racing, latin and ballroom dancing

NOMINATED BY: Rondell Ross  
 SECONDED BY: Lisette Sheppard-Cuffy



## ELICIA DOUGLAS-CRUICKSHANK

COMPANY/LOCATION: Transport and Industrial Workers Union  
 OCCUPATION: Labour Relations Officer  
 EDUCATIONAL BACKGROUND: Certificate in Legal-CILEX-ATS Studies  
 CREDIT UNION & OTHER ACTIVITIES: Served on Board of Directors, Credit Committee, Education Committee; Member TTSS-Global Women's Leadership Network; DE Graduate; IDTA Certification in Dance

NOMINATED BY: Keston James  
 SECONDED BY: Raymond Lewis



## 2020 BOARD OF DIRECTORS NOMINEES (CONT'D)



### DR. DICKSON CHIEDOZIE OSUALA

COMPANY/LOCATION: Telecommunications Authority of Trinidad and Tobago (TATT)  
OCCUPATION: Economist, Manager Market Economics, Certified Quality Manager (ASQ)  
EDUCATIONAL BACKGROUND: PHD Economic Development & Policy  
CREDIT UNION & OTHER ACTIVITIES: Volunteer (Reject the Silence) Mental Health Group, Soccer Player, Cooking  
NOMINATED BY: Adebunmi Opadeyi  
SECONDED BY: Cleavon Palmer



### EDWARD KING

COMPANY/LOCATION: None  
OCCUPATION: Pensioner  
EDUCATIONAL BACKGROUND: Post Primary Cipriani Labour College  
CREDIT UNION & OTHER ACTIVITIES: Former member of staff, Credit and Supervisory Committee, Outgoing Board of Director, Vice President and President N.W.R.C  
NOMINATED BY: Sean Byer  
SECONDED BY: Reynold York



### KESTON JAMES

COMPANY/LOCATION: AEGIS Business Solutions  
OCCUPATION: Senior Client Account Manager  
EDUCATIONAL BACKGROUND: Spanish for Business  
CREDIT UNION & OTHER ACTIVITIES: Credit Committee, Supervisory Committee, Board of Directors and CARIBDE  
NOMINATED BY: Raymond Lewis  
SECONDED BY: Sean Byer



### NATALIE BARNSWELL-LEGALL

COMPANY/LOCATION: North Central Regional Health Authority  
OCCUPATION: Chief Audit Executive  
EDUCATIONAL BACKGROUND: Masters of Business Administration, Finance & CIMA  
CREDIT UNION & OTHER ACTIVITIES: Previously employed at a Credit Union  
NOMINATED BY: Shelly Ann King-Ramkissoon  
SECONDED BY: Jiselle Read-Desi

# 2020 CREDIT COMMITTEE NOMINEES



## JUNIOR FRANCIS DAVIS

COMPANY/LOCATION: EIG  
OCCUPATION: Service Provider  
EDUCATIONAL BACKGROUND: Curupe A.C, El Socorro South Government, St Anthony's Private Secondary Tunapuna, 3 day training to help elder and mentally disabled, Customer Relations Training Course in Credit Assessment safeguards against risk  
CREDIT UNION & OTHER ACTIVITIES: Course in Credit Assessment safeguards against risk  
NOMINATED BY: Carla Benjamin-Martin  
SECONDED BY: Cindy Rosemin



## KEEGAN OROSCO

COMPANY/LOCATION: Attorney General & Legal Affairs  
OCCUPATION: Business Operations Assistant 1  
EDUCATIONAL BACKGROUND: Pursuing Bachelor's Degree in Co-operative Studies and Completed an Associate Degree in Co-operative Studies  
CREDIT UNION & OTHER ACTIVITIES: Internship at the Co-operative Development Division  
NOMINATED BY: Edward King  
SECONDED BY: Rondell Ross



## CINDY ROSEMIN

COMPANY/LOCATION: T.S.T.T  
OCCUPATION: Mathematics and Accounting  
EDUCATIONAL BACKGROUND: Mathematics and Accounting  
CREDIT UNION & OTHER ACTIVITIES: Long standing member of Credit Committee; Steelband Management/Movement Panist  
NOMINATED BY: Nizam Mohammed  
SECONDED BY: Carla Benjamin-Martin

# 2020 SUPERVISORY COMMITTEE NOMINEES



## SUE-ANN CHIN CHUCK

COMPANY/LOCATION:

Massy Technologies InfoCom Trinidad Limited

OCCUPATION:

Human Resource Manager

EDUCATIONAL BACKGROUND:

Bsc Business

CREDIT UNION & OTHER ACTIVITIES:

NOMINATED BY:

Natasha Blackman

SECONDED BY:

Khadine Mahabak-Alcala



## CHERYL ANN MC DONALD

COMPANY/LOCATION:

Administrative Assistant

OCCUPATION:

EDUCATIONAL BACKGROUND:

St Martin's Girls High School, Cipriani Labour College

CREDIT UNION & OTHER ACTIVITIES:

NOMINATED BY:

Khadine Mahabal-Alcala

SECONDED BY:

Natasha Blackman



## RHONDA ROMANY

COMPANY/LOCATION:

Massy Stores

OCCUPATION:

Hire Purchase Officer

EDUCATIONAL BACKGROUND:

Bills Clerk, Head Cashier, Payable Clerk, Senior Accounts Tech, Hire Purchase Officer

CREDIT UNION & OTHER ACTIVITIES:

Supervisory Committee, Computer Literate, Hospitality Leader at Church, Social Welfare Officer, ALTA Tutor, Dancing and Hiking/field trips, Active role in my parish, Volunteer at Trinidad and Tobago Red Cross

NOMINATED BY:

Shelly Ramkissoon

SECONDED BY:

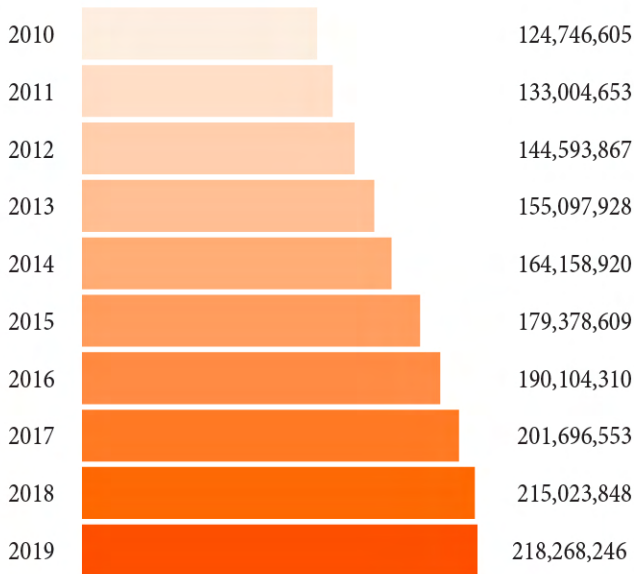
Stephen Thomas

# LIAISON OFFICERS 2020 - 2021

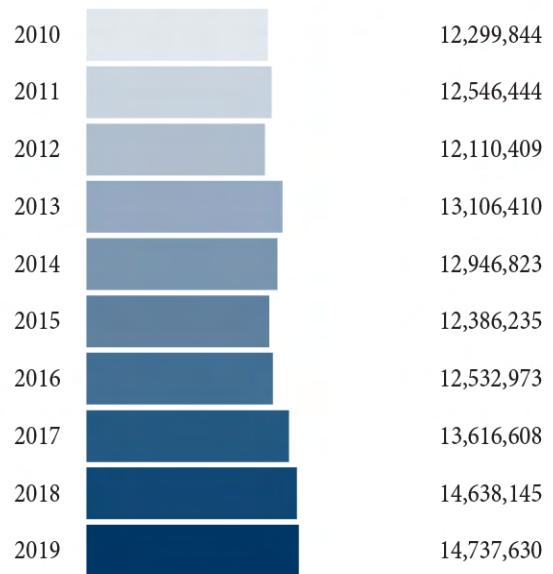
Air Liquide	-	KAMIE JAGDEO
Electrical Industries Limited	-	WENDY REYES
Ferreira Optical	-	SHAWN ALEXANDER
G4S Secure Solutions (Trinidad) Limited	-	WAYNE JOSEPH
Massy Finance (GFC)	-	DAVID ADAMS
Guardian General	-	CHERI-ANN TAM
Massy Machinery	-	MARIE AUDAIN
Massy Machinery	-	AARON WILSON
Massy Distribution	-	JUDY APPLEWHITE
Massy Gas Products	-	AVRIL DE SILVA
Massy Gas Products	-	DENYSE ALEXANDER
Massy Holdings	-	MARSHA ALI
Massy Motors - Automotive Components	-	JEWEL LEIGERTWOOD
Massy Motors - Automotive Components	-	COREY HILLAIRE
Massy Motors (Morvant)	-	THALIA BERNARD
Massy Motors - South	-	RHONDA DILLON
Massy Motors - Tobago	-	WINSTON TRIM
Massy Motors - Tobago	-	SHERMONA BECKLES
Massy Motors/Quickservice	-	TRISTA SAMMY
Massy Properties	-	ANN-MARIE CHRISTINE ALVES
Massy PRES-T-CON	-	THOMAS ADOLPHE
Massy PRES-T-CON	-	DANA RAMNARINE-POLLIDORE
Massy Stores	-	ANN-MARIE WEEKES LOCTOR
Massy Stores	-	DEBBIE-LYN DE-GALE MOORE
Massy Stores	-	RHONDA ROMANY
Massy Stores	-	JULIA VILLAROEL
Massy Technologies (Tragarete Road)	-	NATASHA BLACKMAN
Massy Technologies (Tragarete Road)	-	RAYMOND LEWIS
Massy Technologies (Tragarete Road)	-	REYNOLD YORK
Massy Technologies (Curepe)	-	CANDACE SEOW
Massy Technologies (Scarborough)	-	TERRY-JO CASSIM-GRUNY
MDC-UM	-	GAIL TAITT
Massy Wood Group - POS	-	DARREN LENNARD
Massy Wood Group - Chaguanas	-	SHANNON PLACIDE
Pensioner	-	EDWARD KING
Pensioner	-	GEORGE ROBERTS
Pensioner	-	KATHLEEN LEWIS-GARCIA
Risk Management Services Limited	-	SEAN BYER

# TEN YEAR REVIEW

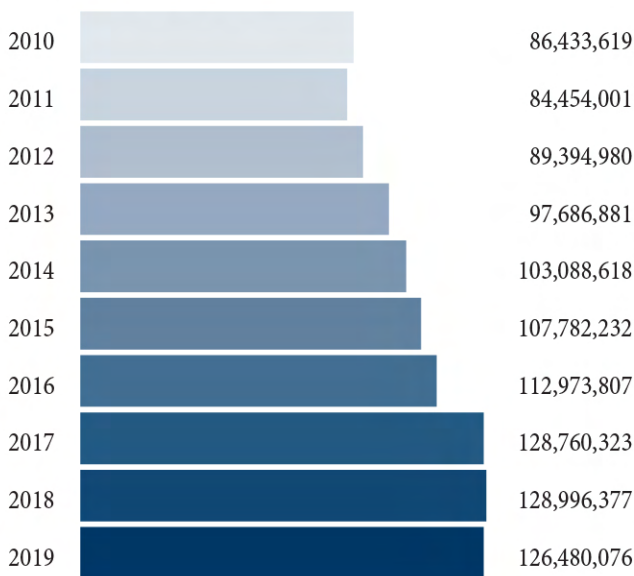
## SHARES



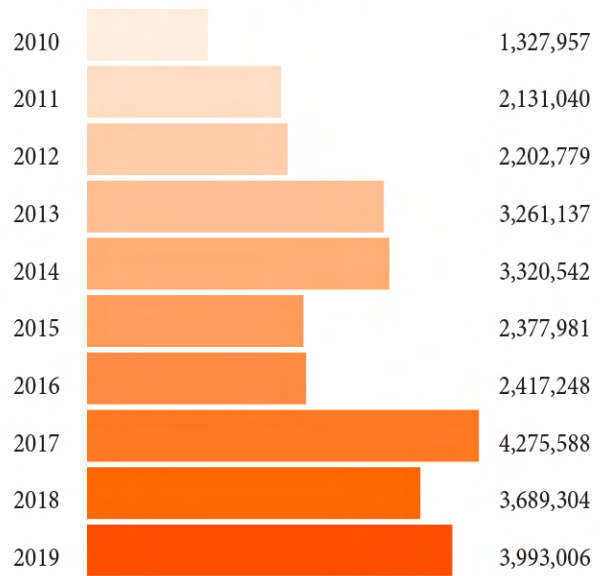
## INTEREST (ON MEMBERS' LOANS)



## MEMBERS' LOANS

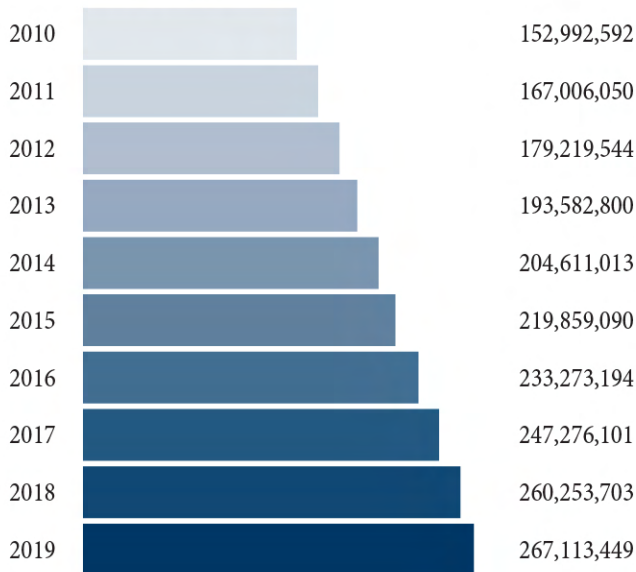


## INVESTMENT INCOME

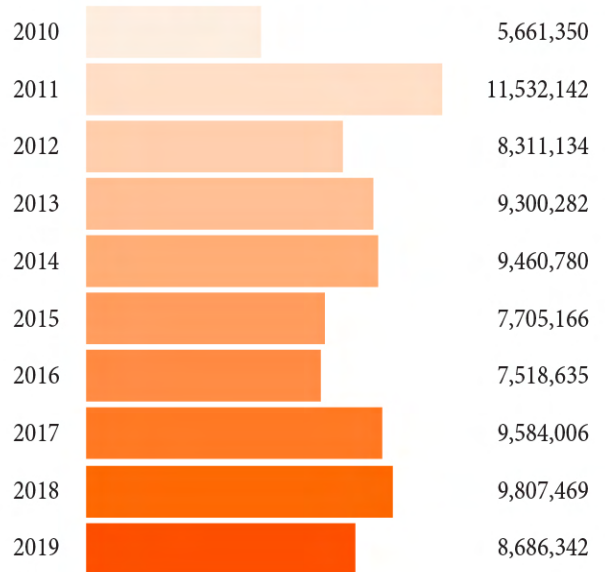


# TEN YEAR REVIEW

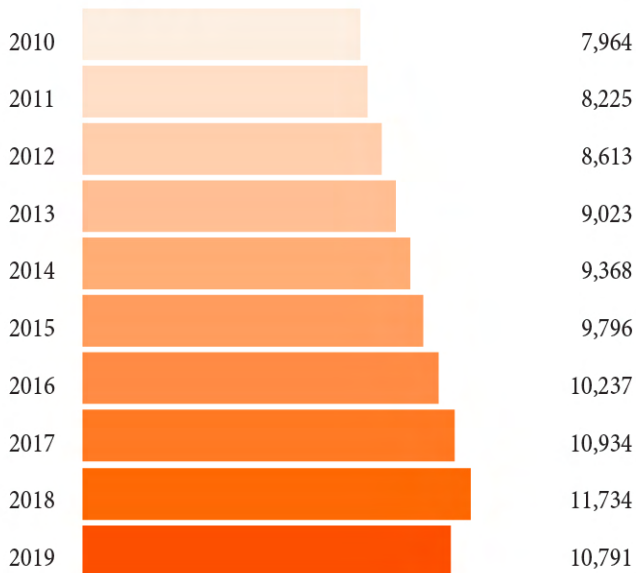
## TOTAL ASSETS



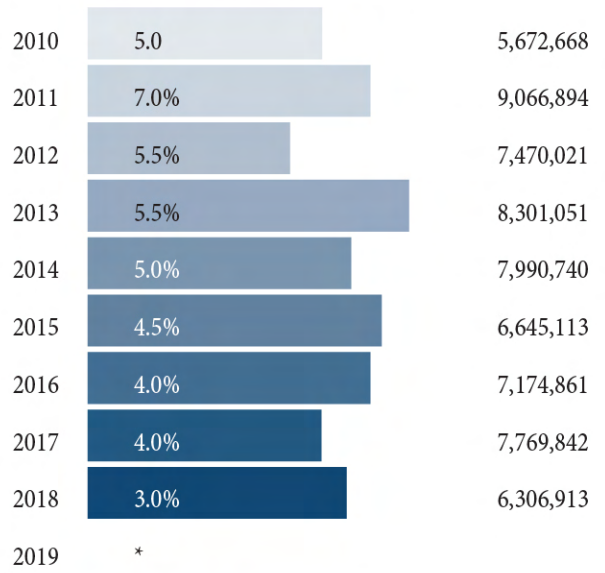
## SURPLUS (OF INCOME MINUS EXPENDITURE)



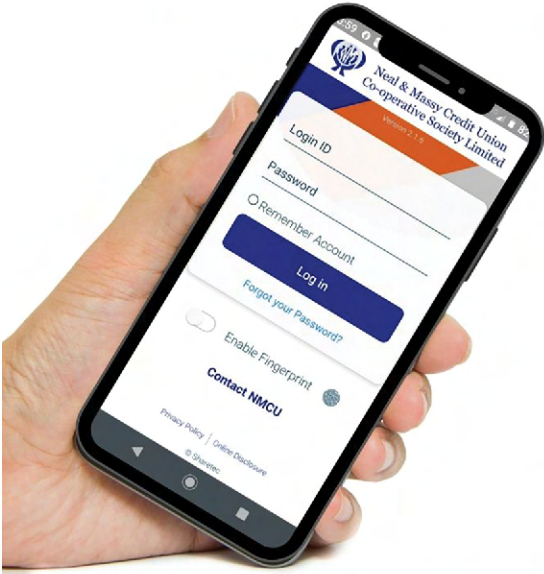
## MEMBERSHIP



## DIVIDEND AMOUNT PAID



\* to be approved at the AGM



# NMCU ONLINE BANKING

**SIGN UP NOW  
FOR A CHANCE TO WIN**

# \$500

As members you will have the opportunity to conduct your financial transactions on your mobile devices using an App and online (via the Internet) on a 24/7 basis.

Check our website and social media for contest rules and details.




For more information: [onlinebanking@nmcu.coop](mailto:onlinebanking@nmcu.coop)

**THIS CONTEST HAS BEEN APPROVED BY THE NATIONAL LOTTERIES CONTROL BOARD**



**Neal & Massy Credit Union  
Co-operative Society Limited**

15-17 Borde Street, Port of Spain | Telephone: 624-6428/ 625-9455/ 627-3412  
Website: [www.nealandmassycu.coop](http://www.nealandmassycu.coop)

FIND US ON:   



**Neal & Massy Credit Union  
Co-operative Society Limited**

*Health for Life with*

## **NEAL & MASSY AFFORDABLE CARE (NMAC)**

Affordable Health and Life Insurance is now within your reach. Benefits include:

- ✓ Major medical coverage, doctor's visits, vision, maternity and much more
- ✓ Life insurance up to your 70th birthday
- ✓ Persons over 65 years can access health insurance
- ✓ Complimentary national discount card
- ✓ Claims paid directly to your bank account
- ✓ Add your loved ones to your policy




**Group Health and  
Life Insurance from  
December 1, 2020  
Premiums start at  
\$319.00\***

\* All rates outlined are based on certain minimum requirements for participation

Note: The rates quoted and/or the associated benefits are subject to change at the anniversary date of the policy.

Sign up within October through December 31, 2020 to take advantage of limited underwriting requirements.

Sign up today at [nmcu@rms.co.tt](mailto:nmcu@rms.co.tt) or [www.nealandmassycu.coop](http://www.nealandmassycu.coop)

FIND US ON:   



**Tatil**  
...where people are people

Underwritten by

**TATIL LIFE**  
**Guaranteed Protection**

Managed by

**Risk Management Services Limited**  
A Gallagher Company



# Chase Financial Solutions

Agents for

# COLFIRE



## Motor Insurance

Get MORE with our special Comprehensive cover!

- **40% Discount** available as one of three standard non-SDD discounts.
- **\$3,000 FREE** Windscreen Cover
- **FREE Partial Waiver of Excess** for the duration of the policy
- **FREE Loss of Use** (\$250 per day) for the duration of the policy
- **ERA** (Emergency Roadside Assistance)
- **Flood & Special Perils** cover

*Underwriting guidelines apply.*

## Home & Contents Insurance

- HomeSafe Advantage



## Comprehensive Discounts Include:

- **Up to 65% Safe Driver Discount**  
*(The Highest in the Market)*
- **20% Credit Union Discount**
- **20% Credit Card Discount**
- **20% Baby on Board Discount**
- **20% Female Driver Discount**  
*Joint Insureds (Male and Female Drivers) also qualify*
- **20% 20K Advantage Discount**
- **20% First Experience Drivers Discount**  
*(Young Drivers)*

**20%**  
Discount for members  
of the  
**Neal & Massy  
Credit Union**

## Chase Financial Solutions

- MARABELLA  
235 Southern Main Road,  
658-5568, 658-5572, 658-1350

- ARIMA  
Faiz Khan Shopping Plaza  
4 Devenish Street,  
664-5160, 664-1855, 667-7055

E-mail: [chasefinancial@colfireagent.com](mailto:chasefinancial@colfireagent.com)





## Secondary Entrance Assessment Application Form

1. MEMBER'S NAME: \_\_\_\_\_
2. ADDRESS: HOME: \_\_\_\_\_  
POSTAL: \_\_\_\_\_
3. TELEPHONE NO: \_\_\_\_\_
4. DATE OF BIRTH: \_\_\_\_\_  
(Please submit copy of Birth Certificate)
5. ACCOUNT NO: \_\_\_\_\_
6. SCHOOL ATTENDED: \_\_\_\_\_
7. EXAMINATION #: \_\_\_\_\_  
(Please submit copies of S.E.A and Students Performance Report slips)
8. PARENTS/GUARDIAN INFORMATION:
  - i) MOTHER'S NAME: \_\_\_\_\_  
FATHER'S NAME: \_\_\_\_\_
  - ii) COMPANY/DEPT: \_\_\_\_\_
  - iii) LOCATION: \_\_\_\_\_
  - iv) TELEPHONE: Home # \_\_\_\_\_ Work # \_\_\_\_\_ Cell # \_\_\_\_\_
  - v) EMAIL: \_\_\_\_\_

### CERTIFICATION

I \_\_\_\_\_ hereby certify that the information contained in this application is true and correct.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2020.

\_\_\_\_\_  
APPLICANT'S SIGNATURE

\_\_\_\_\_  
PARENT'S SIGNATURE

# Secondary Entrance Assessment Grant

## RULES

1. Applications must be completed in full and certified by the Member who must have held membership for at least six months prior to **March 31st 2020**.
2. **INCOMPLETE AND LATE** applications will not be considered.
3. Applicants must neither be delinquent nor inactive as at **30th April 2020**.
4. All applications must be submitted in sealed envelopes clearly marked

**"NEAL & MASSY (NORTH) CREDIT UNION SECONDARY ENTRANCE ASSESSMENT BOOK AWARD"**

and addressed to:-

**The General Manager,  
Neal & Massy (North) Credit Union,  
#15-17 Borde Street,  
Port-of-Spain**

to reach no later than **4:30 p.m. on July 10th 2020** at the Credit Union's Office.

5. Selection for the award will be based on SEA results and will be made by a Special Committee in strictest confidence and in collaboration with the Ministry of Education.
6. Only students, who have accepted the placement by the Ministry, will be eligible for the award.
7. Only students, who have accepted the placement by the Ministry, will be eligible for the awards.

**THE DECISION OF THE BOARD OF DIRECTORS IS FINAL.**

**This program is subject to annual review.**

## The Family Critical Illness Plan

From  CUNA CARIBBEAN INSURANCE

# IS AH GOOD THING!

Our family is protected with the BEST critical illness insurance plan!



Receive a refund of up to 50% of premiums paid if you or any of your covered family members do not make a critical illness claim before their 26<sup>th</sup> or 75<sup>th</sup> birthday!

Enjoy this refund for unmarried children or any adult covered on your plan!

- You can cover yourself and up to five eligible family members on one plan.
- You and your covered family members may each receive up to \$300,000 in critical illness coverage for **cancer, stroke, heart attack, major burns, paralysis OR coma**, depending on the plan option you choose.

Special conditions apply.

**NO MEDICAL REQUIRED TO SIGN UP!**

Protect your loved ones with the BEST Critical Illness insurance plan for your family! Contact your credit union or CUNA Caribbean Insurance at 628-CUNA (2862).

## The Family Indemnity Plan

From  CUNA CARIBBEAN INSURANCE

# IS AH GOOD THING!

Our family is protected with the BEST funeral insurance plan!



You too may enjoy the benefits of the Family Indemnity Plan!

- You'll pay only one monthly premium to cover you and up to five eligible family members.

- With seven plan options to choose from, your family's funeral expenses are covered up to the maximum of \$100,000 per person!
- Monthly premiums start as low as \$52.80 per month, depending on the plan you choose.

Special conditions apply

**NO MEDICAL REQUIRED TO SIGN UP!**

Protect your loved ones with the BEST funeral insurance plan for your family! Contact your credit union or CUNA Caribbean Insurance at 628-CUNA (2862).



Neal & Massy Credit Union  
Co-operative Society Limited

FIND US ON:   