

Over the last decade:

Supporting small business & job creation  
+ \$29 million in home renovations  
Supporting small business & job creation  
+ \$6 million in home renovations  
56 years of giving back  
+ \$2.9 million for weddings & christenings  
+ \$1.5 million in scholarships for education  
+ \$6 million in home renovations  
+ \$29 million in car loans  
sustainability  
giving back to local communities & charities  
responsible leaders  
open accountability  
socially responsible  
transparency  
financial stability  
retirement savings  
international best practices  
responsible investment  
responsible leaders



Canning's Employees' Credit Union  
Co-operative Society Limited

*"What a credit union should be."*



responsible investment

5,700 memberships

financial stability

responsible leaders

open accountability

setting the standard

sustainability

giving back to local communities & charities

Over the last decade...

**+ \$1.5 million in scholarships for education**

56 years of giving back  
transparency

+\$6 million in home renovations

fiscal responsibility

international best practices

socially responsible

supporting small business & job creation



## Mission Statement

Canning's Employees' Credit Union  
is committed to being a dynamic and  
model financial institution, operating  
on sound co-operative and business  
principles to provide quality competitive  
financial products and services that  
engenders self reliance and financial  
viability in our membership.

## Prayer OF ST. FRANCIS OF ASSISI

Lord make me an instrument of your 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,  
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.

AMEN.

## 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.

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## Notice

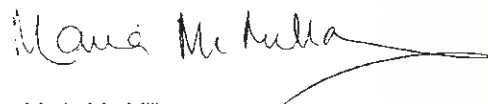
Notice is hereby given that the Fifty-seventh Annual General Meeting of the Canning's Employees' Credit Union Co-operative Society Limited will take place at the Lion's Cultural Centre, FitzBlackman Drive, Woodbrook on Thursday 26th March 2009, at 5:00 p.m. for the following purposes:

1. To receive the reports of the Board of Directors, Committees and the Balance Sheet of the Credit Union for the year ended 31st December 2008.
2. To elect officers.
3. To appoint Auditors.
4. To transact any ordinary business that may properly come before the house.

## Agenda

1. Invocation
2. Report of the Credential Committee
3. President's Welcome: Govind Maharaj
4. Feature Address
5. Vote of Thanks: Kenny Jalsa, *Vice President CECU*
6. Correspondence
7. Reading and Confirmation of Minutes
8. Reports:
  - (a) Board of Directors
  - (b) Auditors
  - (c) Budget
  - (d) Credit Committee
  - (e) Supervisory Committee
9. Resolutions
10. New Business
  - (a) Election of Officers
  - (b) Any other Business

BY ORDER OF THE BOARD OF DIRECTORS



Maria Mc Millan  
*Secretary*

## Standing Orders

1. A member shall stand when addressing the Chair. Speeches shall be clear and relevant to the subject before the meeting.
2. A member shall address the meeting when called upon by the chairman to do so, after which he shall immediately take his seat.
3. No member shall address the meeting except through the chairman.
4. A member may not speak twice on the same subject, except:
  - a. The mover of a motion, who has the right to reply.
  - b. He rises to object to or explain (with permission of the chair).
5. No speeches shall be made after the question has been put and carried or denied.
6. The mover of a "procedural motion" (adjournment, lay on the table, motion to postpone) shall have no right to reply.
7. A member rising on a "point of order" shall state the point clearly and concisely. A point of order must have relevance to the standing order.
8. A member shall not "call" another member "to order" but may draw the attention of the Chair to a "breach of order". On no account can a member call the Chair "to order".
9. Only one amendment shall be before the meeting at one and the same time.
10. When a motion is withdrawn, any amendment to it falls.
11. The chairman shall have the right to a "casting vote".
12. If there is an equality of voting on an amendment and if the chairman does not exercise his casting vote, the amendment is lost.
13. Provision shall be made for protection by the chairman from vilification (personal abuse).
14. No member shall impute improper motives against another.



# Financial Highlights

For the financial year ended 31st December 2008 with comparative figures for 2007

	2008	2007
	\$	\$
TOTAL ASSETS	151,697,382	136,231,872
SHARES	107,300,172	91,878,293
LOANS	80,776,977	74,149,118
NET INCOME	9,670,982	7,973,627
TOTAL EXPENSES	4,723,252	4,352,730
DIVIDENDS	8%	8%
MEMBERSHIP	6311	5,754
STAFF	13	13

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## Auditors:

D. Montgomery & Company  
#118 Abercromby St  
PORT OF SPAIN

## Solicitors:

Mr. Bhan Ramcoomarsingh  
Attorney At Law  
Sackville Street  
PORT OF SPAIN

Mr. Joseph Toney  
Attorney At Law  
# 28 Gordon Street  
PORT OF SPAIN

Mr. B.D. Hewitt  
Attorney At Law  
#76 Abercromby Street  
PORT OF SPAIN



# Minutes

## MINUTES OF THE FIFTY-SIXTH ANNUAL GENERAL MEETING OF CANNING'S EMPLOYEES' CREDIT UNION CO-OPERATIVE SOCIETY LIMITED HELD ON THURSDAY, MARCH 27TH, 2008 AT THE LION'S CULTURAL CENTRE, FITZBLACKMAN DRIVE, WOODBROOK

### 1.0 CALL TO ORDER

CECU's President and Chairman of the proceedings, Govind Maharaj, called the meeting to order at 5.10 p.m. According to the report of the Credentials' Committee, there were 176 members and 6 guests present; he then gave notice that the meeting was duly constituted.

### 2.0 INVOCATION

The National Anthem was sung, after which the Credit Union Prayer was recited and a one-minute silence observed for deceased members.

### 3.0 NOTICE OF MEETING

The Secretary, Maria Rivas-Mc Millan, read the official Notice of the Meeting.

### 4.0 WELCOME AND OPENING REMARKS

In his welcome, Govind Maharaj noted that 2007 had been a challenging year for the credit union. Fortunately the Board and the various committees were able to guide the credit union through the turbulent times to ensure that the returns to the members were maintained. CECU was able to maintain a dividend of 8% through its performance for the year under review.

Membership, he said, grew by 603 new members and two new companies were added: HADCO Limited and Cardio Vascular Associates Limited. There were some resignations and deaths but at the end of the year, the membership stood at 5,704 members against the previous year of 5,261 – a 10% increase in membership. Deposits grew by 40% or \$13 million and Loans increased by 7.8% or \$5.3 million.

Mr. Maharaj congratulated the Board and various committees for work well done. He stated that CECU had to salvage some members from the clutches of companies which grant hire purchase. In the coming year, the Education Committee will focus on educating the membership on the balance between consumption and savings, ensuring that members have the information to manage their finances properly.

Further, CECU will seek to increase its loan portfolio. It has identified mortgages as an area to increase its lending and the Investment Committee is considering how it can be done prudently. Mortgages are long-term lending so there must be a balance between satisfying the short-term needs of the membership and some of the long-term requirements of members.

The President informed members that the provision for bad debts had increased by \$93,000 over the previous year. In 2007 the Board took a decision to forward the names of delinquent members to the Co-operative Division, Ministry of Labour and Small and Micro Enterprise Development. Thirty-six names were forwarded, with most responding at the voluntary settlement stage. The decisions of the Commissioner for Co-operatives are equivalent to those handed down by a High Court Judge. The credit union collected \$545,000 from delinquent members during the year.

CECU concentrated on education and continued its SEA scholarship programme. Eight of CECU's former SEA achievers received extended scholarships of \$1,000 per year for two years to continue their studies at the advanced level.

Some members of the Board attended the World Council of Credit Unions (WOCCU) Conference in Calgary, Canada and witnessed the momentous

achievement of, for the first time, a Caribbean person –Melvin Edwards - elected as President of WOCCU. CECU was graced with his presence two months ago.

He noted that the credit union was competing with financial institutions, and it was affected by what happens in the global environment, therefore, the leadership has to be astute so that it recognizes trends and safeguards members' hard-earned funds so as to provide the best possible returns.

He thanked members for their support and observed that such support encourages the hardworking committees and the Board to try to do better.

### 5.0 FEATURE ADDRESS

Maria Rivas-Mc Millan introduced the guest speaker, Dr. Jennifer Rouse, a graduate of the University of Maryland, whose doctoral thesis was "A Case Study in Aging Policy in Trinidad and Tobago: the Role of Interest Groups in Defining New Policy Initiatives". She is Director of the Division of Aging, Ministry of Social Development.

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Dr. Rouse was very grateful for the invitation to speak thereby continuing her mission of removing the myths and misconceptions about growing old. Aging is an involuntary process - from the moment you are born you are aging. Therefore the whole phenomenon of population ageing should be seen along a life course perspective for persons from cradle to grave. How we grow old rests squarely with us and that is where the responsibility lies.

She noted that people aged differently. There are some 90-year olds who are more energetic than 20-year olds. She recalled that former Senator Louise Horne published her book: "The Evolution of Trinidad

and Tobago" at age 91 and she wrote it with a pen.

Those in school right through to those who are retired must be sensitized to the aging process. No longer "retirement" but "refirement", the nation is at a critical crossroad with a huge group of baby boomers who have come of age and are juxtaposed to those who are older than they are.

She recalled that a few decades ago, aging would not have been an issue, far less an issue to study at university level because life expectancy was too short; persons would have died by age 58. Today there are 143,000 persons 60 years and over in Trinidad and Tobago.

She observed that young persons work on contract - two years here; three years there - unlike the older persons who worked 20 or 25 years in one establishment, thereby forming a community. We are now a divorced society, e-mailing one another; with little conversation and friendship.

The whole structure of the family has changed. Instead of the extended family, there are multi-generations in one household, ten or twelve years apart, therefore, there is no history; they are all in the same cohort together. It is almost an incestuous household, she noted. The ones who least can afford it economically are the ones who are having many children. The family will shrink even more because the more educated people become, the fewer children they would have. These are issues for the Division of Ageing.

Dr. Rouse stated that persons can grow old gracefully and there is so much they can offer to young persons in terms of wisdom, experiential learning and knowledge.

+ 5,700 memberships

Over the last decade...

+\$2.9 million for weddings & christenings

+ \$56 million in home renovations

sustainability

+ giving back to local communities & charities  
responsible investments for retirement

+ transparency

+ international best practices

+ financial stability

The Division of Ageing conducted a survey on the living conditions of older persons in Trinidad and Tobago which revealed that senior persons wrestle with health issues, income security and loneliness. As a result, five senior centres were established in 2006 with multi-service facilities where seniors age 55 years and over can learn computer literacy, aqua therapy, yoga, dance classes and art and craft. There are lectures as well as field trips. The Division intends to open four additional centres during this year. There is a pool of retired nurses who checked persons' blood pressure, glucose, cholesterol and so forth and after six weeks in those centres, it was discovered that their diseases were under control.

She advised members to walk and take deep breaths of fresh air, which gives you a whole lease on life; drink plenty of water, eat green vegetables and enjoy the sun.

In addition to the senior centres, there are groups which offer assisted living facilities with all amenities for minimal rent where persons live in a commune setting. Two such facilities are coming on stream; the first one will be launched in two weeks' time.

Retirement communities are also planned. The credit unions in conjunction with the Division of Ageing can sensitize schoolchildren, especially fifth and sixth form students, to start putting money and savings towards time-sharing. She invited credit unions to invest some of their capital - when they discuss the plan with her - put their members to live in a communal setting and pay a rent; so it can be revenue-earning, and the children pay towards time-sharing.

In closing, she invited the audience to contact her via the numbers on the National Policy on Aging for Trinidad and Tobago which was circulated earlier in the meeting.

## 6.0 VOTE OF THANKS

Vice President Kenny Jalsa noted that CECU had taken the initiative to learn about ageing and to educate members on related matters. He thanked Dr. Rouse for her words of advice and assured her that CECU will accept the invitation to credit unions to invest in centres that can assist their members. He also urged members, in preparation for ageing, to invest more in their credit union.

Mrs. Rivas-Mc Millan presented a token of appreciation to Dr. Jennifer Rouse.

## 7.0 NOMINATIONS COMMITTEE'S REPORT

Miss Carol Roberts, Chairperson of the Nominations Committee presented the Nominations Committee's Report to the meeting. She reported that at the end of the process, nominees were recommended as follows:

### Supervisory Committee

Peter Thompson	Keith Samaru
Mary Fullerton	Viola Callender

### Board of Directors

Govind Maharaj	Maria Rivas-Mc Millan
Kenny Jalsa	Trevor Howell
Neil Sinanan	

### Credit Committee

Calvin Francis	Junior Dhoray
Glen Piontkowski	Rosemary Ayres
Gerard Henry	Sean Walker

## 8.0 VOTING PROCEDURES

Prior to moving into the meeting, the Chairman invited members to begin the voting procedure by casting votes for the Supervisory Committee (3 persons), the Board of Directors (4 persons) and finally, the Credit Committee (5 persons). Rhonda Joseph of the Co-operative Division was invited to inspect and secure the ballot boxes accordingly. The scrutineers were:

### Team 1:

Rhonda Clarke (Leader)	Joy Hamilton
Patrice Williams	Lorraine Small

### Team 2:

Abfzal Ali (Leader)	Helen Blackman
Susan Longdon	Judy Tardieu

### Team 3:

Steve de Souza (Leader)	Denise Barton
Renalda Ollivierre-Benthan	Patricia White

## 9.0 ELECTION RESULTS

The results of the elections were as follows:

### Supervisory Committee

Nominees	No. of Votes	Tenure
Viola Callender	223	1 year
Mary Fullerton	219	1 year
Peter Thompson	186	1 year
Keith Samaru	154 (Alternate)	1 year

### Board of Directors

Nominees	No. of Votes	Tenure
Maria Rivas-Mc Millan	252	3 years
Govind Maharaj	230	3 years
Trevor Howell	227	3 years
Kenny Jalsa	201	3 years
Neil Sinanan	123 (Alternate)	1 year

### Credit Committee

Nominees	No. of Votes	Tenure
Calvin Francis	241	1 year
Glen Piontkowski	241	1 year
Rosemary Ayres	239	1 year
Gerard Henry	228	1 year
Junior Dhoray	214	1 year
Sean Walker	135 (Alternate)	1 year



## 10.0 RESOLUTION FOR DESTRUCTION OF BALLOTS

The meeting accepted a motion for the ballots to be destroyed, moved by Calvin Francis and seconded by Keith Samaru.

## 11.0 ACKNOWLEDGEMENT OF GUESTS

The Chairman acknowledged the presence of the following guests:

Donovan Palmer	Teachers' Credit Union
Lai Leung	Teachers' Credit Union
Esme Raphael	President, Central Finance Facility
Hyder Ali	Manager, Credit Union Stabilization Fund
Margaret Weston	President, Public Service Credit Union
Rhonda Joseph	Co-operative Division, Ministry of Labour and Small & Micro Enterprise Development Representative, D. Montgomery & Co.
Ruthven Thompson	Huggins Credit Union
Margo Welch	Daughter, Founder of Canning & Co.
Grace New	

As at 6.25 p.m., the Chairman reported 273 members and 9 guests were in attendance.

## 12.0 ACCEPTANCE OF THE ANNUAL REPORT

The Annual Report was taken as read on a motion moved by Alice Maharaj and seconded by Dian Lopez, with all in favour.

## 13.0 PROCEDURE FOR THE MEETING

The Standing Orders: The meeting accepted the Standing Orders on page 7, on a motion moved by Carol Roberts and seconded by Glen Piontkowski.

## 14.0 ADOPTION OF THE MINUTES

The Minutes of the 55th Annual General Meeting were to be found on pages 9 – 20 of the Annual Report. The Minutes were confirmed on a motion moved by Junior Dhoray and seconded by Courteney Augustine.

### Matters Arising

In response to a query about what was being done to mitigate the exposure regarding loans to casual workers, Chief Executive Officer Elizabeth Raphael explained that the character limits of casual employees was less than that of permanent workers, that the credit union does not exceed 35% of their shares as the exposure on loans. The Chairman then indicated that as more companies are moving towards casual labour, the credit union will develop policies to deal with lending in relation to that matter.

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giving back to local communities & charities + \$6 million in home renovations + \$2.9 million for weddings & christenings + donations to worthy causes + \$1.5 million in scholarships for education + \$6 million in home renovations + donations to worthy causes + \$6 million in home renovations + Supporting small business & job creation + wishes come true + giving back to local communities & charities 5,700 memberships + \$1.5 million in scholarships for education + 5,700 memberships + retirement savings +

**socially responsible**

Maria Rivas-Mc Millan,  
Secretary



The Minutes were accepted on a motion moved by Junior Dhoray and seconded by Courteney Augustine.

### 15.0 CORRESPONDENCE

There was no correspondence.

### 16.0 ADOPTION OF THE BOARD OF DIRECTORS' REPORT

The Chairman invited corrections to and omissions from the Board of Directors' Report, found on pages 22 – 30 of the Annual Report.

There being no matters, the report was adopted on a motion moved by Trevor Howell and seconded by Jeffery Clarke.

### 17.0 AUDITOR'S REPORT/FINANCIAL STATEMENTS

In the absence of a representative from PricewaterhouseCoopers, the Auditor's Report as on page 31 was read by Kenny Jalsa. Members' attention was drawn to the Balance Sheet, Income and Expenditure Account, Cash Flow Statement, Statement of Changes in Members' Funds, Receipts and Payments Account and Notes to the Financial Statements.

#### Matters Arising

Ignatius Blandin observed that the lighting in the room was not reader-friendly and it was very difficult to see the figures in the report. The Chairman apologized for the poor lighting facilities.



+ responsible leaders  
 financial stability  
 giving back to local communities & charities  
 5,700 memberships +  
 + \$2.9 million for weddings & christenings

+ responsible investment  
 open accountability +  
 transparency

international best practices  
 setting the standard +  
 sustainability

Over the last decade...  
 + responsible investments for retirement  
 56 years of giving back  
 wishes come true +  
 socially responsible +

Mr. Blandin referred to page 33 and enquired what comprised "Sundry Revenue". Ms Raphael explained that it was commission which the credit union received from cross-selling products for CUNA Caribbean Insurance Society Limited and Unit Trust Corporation.

Mr. Blandin then enquired about the increase in computer service from \$11,818 to \$28,617 and Ms Raphael indicated that some of the computers were upgraded.

He wanted to know where income from members' fixed deposits was recorded. Miss Raphael explained that the fixed deposit were not segregated but were placed in the general pool of funds under "Investment Income".

Mr. Blandin queried the increase in "Salaries, Wages and National Insurance" and the Chief Executive Officer indicated that there was an increase in National Insurance premium, an increase in the Retirees' Income Security Plan and 7% increase in employees' salaries and one university graduate was hired so the credit union had to pay a competitive salary.

The Auditor's Report and Financial Statements were adopted on a motion moved by Calvin Francis and seconded by Terri-Ann Brathwaite, with all in favour.

## 18.0 BUDGET

The Chairman placed the budget before the membership for review and comments.

CEO Elizabeth Raphael presented the operating budget for the financial year ended December 2007 and highlighted the projections for 2008.

### Revenue:

The revenue budget for 2007 exceeded the projection by \$496,357. Investment income was the main contributor to the favourable variance. While Loan Interest Income and Sundry Revenue fell short of projections by \$265,161 and \$67,342 respectively, the 26% increase generated from investment income (\$782,860) - \$3 million was budgeted but the actual was \$3,782,860 - negated the impact of the shortfall in those two areas.

### Loan Interest:

The loan interest projection for 2008 is \$9.3 million which is based on an average loan balance of \$88 million. Projected loan disbursement in 2008 is \$30 million. In 2007, \$28 million was projected but the actual was \$25,142,262.

### Investment Income:

It is expected that \$4.2 million will be realized from investment income. This projection is based on: short term investments and bonds to the tune of \$40.8 million which at the existing rate will yield \$3.4 million. For new investments the projection is \$7.2 million at a rate of 7.5% which will yield \$540,000. Dividend on Equities of \$5.3

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The sign held by Elizabeth Raphael lists the following items:

- + retirement savings
- + \$1.5 million in scholarships for education
- + \$6 million in home renovations
- + \$6 million in home renovations wishes come true
- + \$6 million in home renovations
- + \$1.5 million in scholarships for education
- + 5,700 memberships
- + \$6 million in home renovations
- + \$2.9 million for weddings & christenings
- + giving back to local communities & charities
- + donations to worthy causes
- + Supporting small business & job creation
- + socially responsible
- + 5,700 memberships
- + \$1.5 million in scholarships for education
- + retirement savings

Elizabeth Raphael  
Chief Executive Officer



million will yield \$200,000. Dividends and gains realized on other investments: \$100,000

### **Expenditure:**

In 2007, expenses exceeded the projections by \$152,230 - \$4,199,500 was projected; actual was \$4,352,730. Significant cost overruns were recorded in Personnel Costs (\$102,673), CUNA LP/LS (\$66,298) and Interest on Members' Deposits (\$211,031), which represented 24.3% of total cost.

Projections for 2008 reflect 17.6% (\$769,770) increase over the actual for 2007. A sizeable amount is apportioned for maintenance and repairs to the credit union's building at 10 Victoria Avenue (\$500,000). An assessment is being undertaken to determine the extent of work to be done immediately. An 8% increase in net surplus is being projected for 2008.

Ms Raphael noted that over the last 10 years there had been only one year when the dividend rate declined by 1%. CECU has been consistently paying 8% dividend over the years. As the asset base increases, there will be a greater demand to set aside adequate capital in accordance with the statutory requirement of the Central Bank.

She then alerted members that 8% dividend was not the norm and that rate will be maintained when the capital requirement is adequately satisfied. The budget is subject to monthly review and if needs be, would be adjusted as the Board sees fit.

The budget was adopted on a motion moved by Glenroy Forrester and seconded by Kester Hamlet.

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

The Chairman referred to the Credit Committee's Report on pages 45 – 47. Mr. Maharaj noted that this committee was one of the hardworking committees of the credit union. They held 40 meetings during the year, deliberated on 6,000 applications, approved 5,600 totalling \$25 million. He commented that was a significant responsibility very well discharged by the committee.

There being no matters arising, the report of the Credit Committee was adopted on a motion moved by Glen Piontkowski and seconded by Charles Gill.

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

The Report of the Supervisory Committee as stated on page 48 was submitted for comment.

Mr. Blandin indicated that he would like to see the attendance of the Supervisory Committee at meetings recorded so that members can judge the commitment of the officers. The Chairman gave the assurance that the attendance will be recorded in the future.

There being no other matters, the report of the Supervisory Committee was adopted on a motion moved by Leo Pujadas and seconded by Pearl Lopez, with all in favour.

## **21.0 GREETINGS**

Donovan Palmer of Teachers' Credit Union congratulated CECU on its performance during the period under review. He made a subtle plea for the credit union to thank two persons from Teachers Credit Union who passed away over the years and were responsible for improvement in credit unions and legislation to govern credit unions.

Esme Raphael brought greetings from the Central Finance Facility and commended CECU on the excellence of its Annual Report and advised members to put the reports in a special place and keep them.

Hyder Ali, in bringing greetings on behalf of the Trinidad and Tobago Credit Union Stabilization Fund, congratulated CECU on a very successful meeting and good performance during the year under review. He commended the credit union for ensuring that their members, including retirees, have a better life. He noted that CECU is not a member of the Stabilization Fund but it made a good decision to send its entire Investment Committee to a training programme entitled: "How to Manage Investments" hosted by the Stabilization Fund.

Margaret Weston brought greetings on behalf of Public Service Credit Union. She noted that it was an opportunity to see excellence at work in terms of the presentation of material and performance of the credit union. She considered it a learning experience in order to try to improve the work at her credit union.

She congratulated members on the confidence they placed in the management of the credit union.

Margo Welch on behalf of Huggins Credit Union congratulated CECU and indicated that every year she was impressed with CECU's performance and trusted that it will continue to grow. She then advised members to visit their past President, Emil de la Grenade.

Grace New, daughter of the founder of Canning & Co. congratulated CECU for a job well done.

Peter Roberts representing Chase Financial, CLICO Credit Union and CL Financial noted that CECU is a true role model of a co-operative. He then sincerely congratulated the Board and Management for a job well done.

The Chairman thanked members for their support and indicated that the credit union was counting on the membership's support in 2008 which is a very challenging year.

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## 22.0 RESOLUTIONS

### Dividend

President Govind Maharaj, on behalf of the Board of Directors, presented the following resolution to the meeting:

Be it resolved that in accordance with bye-law 25, section (1), a dividend of 8% be paid on fully paid up shares at the end of the financial year ended 31st December 2007, and that such dividends be credited to members' shares.

The resolution was approved by the meeting with all members voting in the affirmative.

### Appointment of Auditors

On a motion moved by Kenny Jalsa and seconded by Neil Sinanan, the following resolution was accepted by the meeting:

Be it resolved that the firm D. Montgomery & Company be appointed auditors for the financial year ending December 31st 2008.

## 23.0 VOTE OF THANKS

Glenroy Forrester thanked Dr. Jennifer Rouse for gracing the meeting with her presence and sharing those words of wisdom and encouragement not only for the old but for the young at heart.

He specially thanked Converge Creative for the Annual Report, Studio Works for their fantastic photography, CPPPL (1993) Limited for printing, Vonline Limited for the banner, Lion's for its facilities, the Stadium for parking facilities, Linda Mentor and committee for the decorations.

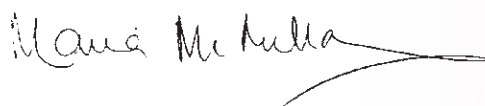
Mr. Forrester extended appreciation to the companies which contributed the hamper prizes: HADCO Limited, Hi Lo Food Stores, St. James Colour Shop and CCTTB, Laughlin & De Gannes, Marketing and Distribution, Rotoplastics, Tru Valu, Trinidad Tissues and Unilever.

He also thanked the credit union leaders for acknowledgement of the hard work done by Management and members of the credit union. He then invited everyone to stand and thank God for the many blessings bestowed upon Canning's Employees' Credit Union.

## 24.0 DOOR PRIZES

Lorraine Ragbir invited all winners to collect their hampers on the stage.

There being no further official business, the Chairman closed the Annual General Meeting at 7.30 p.m.



Maria Rivas-Mc Millan  
*Secretary*





wishes come true

giving back to local communities & charities

\$1.9 billion for rankings in community

transparency

socially responsible

responsible leaders

financial stability

Over the last decade...

+\$6 million in home renovations

\$1 million in

sustainability

56 years of giving back

+ 5,700 memberships

responsible investments for retirement  
setting the standard

international best practices

open accountability

fiscal responsibility

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# Report of the Board of Directors

## FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER, 2008

### OVERVIEW:

Amidst the turmoil in the global financial markets and in the midst of all that is taking place in our environment, CECU enjoyed another successful year of operations exceeding its targets in all the key operating areas. Our growth in membership has been phenomenal, reflecting an 11% increase over the 2007 figure.

There has also been significant increases in our savings and loans portfolio by 14.54% and 8.94% respectively.

Expenses have been maintained at 32.81% of our total revenue, well within the standard of excellence (30 – 50%). The Investment Committee constantly focuses on the institution's financial structure, ensuring that the capital adequacy requirement, the liquid investments as well as the financial investments are structured to comply with the goals enshrined in the Pearls Monitoring System. The delinquency situation is also monitored on a regular basis and the strategies being adopted are bearing some fruits.

Our asset base is strong, increasing by 11.35% to \$151,697,382. Overall, an evaluation of our financials reflects

positive results allowing us to maintain an enviable return of 8% dividends to our shareholders.

These accomplishments can be attributed to our unwavering commitment to our core purpose of helping our members become financially stable by providing them with services relevant to their unique needs. We kept 'purpose constant' adapting the core value and Credit Union principles to an ever-changing world of finance and service.

We are ever mindful of the impact that the on-going financial crisis has on the world. All the G 7 countries are in recession. Trinidad & Tobago is not insulated and has certainly been experiencing some negative fall-out from this deteriorating global economic situation. Oil and gas prices are declining and there is much speculation that the unemployment rate would rise as many businesses are cutting back on staff in the face of this economic decline.

The Government of Trinidad & Tobago has recently injected



+ setting the standard  
 \$6 million in home renovations  
 56 years of giving back  
 + donations to worthy causes  
 transparency +  
 + \$6 million in home renovations  
 responsible investment +  
 + retirement savings  
 + \$1.5 million in scholarships for education  
 + \$2.9 million for weddings & christenings  
 + socially responsible  
 international best practices  
 + giving back to local communities & charities  
 responsible leaders  
 sustainability  
 + financial stability  
 + open accountancy  
 5,700 memberships  
 + fiscally responsible  
 socially responsible  
 + open accountancy  
 5,700 memberships

billions into a large conglomerate in order to protect depositors and the interest of policy holders.

The Credit Union sector has withstood its own challenges, having to deal with the scourge of receivership and foreclosures among some of the larger units. This caused some degree of concern and panic in the Credit Union fraternity.

Your Board remains committed to its policy of reviewing the operational strategy of the Credit Union on a continuous basis and developing and pursuing the required action/contingency plans to address the challenges of the current times.

## BOARD OF DIRECTORS

The following persons were elected to serve on the executive at the first Board Meeting following the 56th Annual General Meeting;

Govind Maharaj	President
Kenny Jalsa	Vice President
Maria Rivas Mc Millan	Secretary
Terri Ann Brathwaite	Asst. Secretary
Elizabeth Raphael	Chief Executive Officer (Ex Officio)

### Other serving Directors were:

Trevor Howell	Glenroy Forrester
Calvin Francis	Dian Lopez
Peggy La Guerre	Carol Roberts
Sheila Chaves	Kester Hamlet
Alternate:	Neil Sinanan

CECU subscribes to the principle of total utilization of its directors expertise and skills and in this regard continued its practice of appointing sub committees to address the key areas of its operations. The convenors of those committees were:

<b>Convenors:</b>	<b>Committees:</b>
Govind Maharaj	Executive
Maria Rivas Mc Millan	Marketing/Public Relations
Carol Roberts	Education
Kenny Jalsa	Investment
Calvin Francis	Delinquency Control
Govind Maharaj	Building
Kester Hamlet	Information Technology
Carol Roberts	Nominations

## MEMBERSHIP

We surpassed our membership goal of 600 by 47. A total of 647 new members joined during the period under review as compared to 603 for the

A record of Directors' attendance is summarized in the following schedule:

Names	Position	Possible Attendance	Attended	Excused
Govind Maharaj	President	7	6	1
Kenny Jalsa	Vice President	7	5	2
Maria Rivas-Mc Millan	Secretary	7	6	1
Terri Ann Brathwaite	Asst. Secretary	7	4	3
Sheila Chaves		7	4	3
Calvin Francis		7	7	-
Trevor Howell		7	7	-
Carol Roberts		7	6	1
Dian Lopez		7	5	2
Glenroy Forrester		7	6	1
Peggy La Guerre		7	2	5
Kester Hamlet		7	6	1
Neil Sinanan	Alternate	7	7	-



corresponding period ending December, 2007. We welcome on board Egret Limited, Pereira & Company, and Detect & Deter Security Firm. We thank the Management of those companies for their confidence and the mutual trust demonstrated by both stakeholders in acknowledging that we can make a positive contribution in the development of their employees.

The composition of the membership at year-end was as follows:

	2008	2007
Employees	2326	2089
Relatives	1052	956
Ex employees	2933	2709
Total membership	6311	5754

## DEPOSIT

The deposit portfolio declined by \$1,636,403 or 12.75% to \$12,836,953. The withdrawal of a large deposit by an external depositor during the last quarter of the reporting period stunted the growth of this portfolio. The stability of the portfolio was maintained through the retention of our retirees fund as they depend on returns to supplement their monthly income.

## LOANS

Total loans increased by \$6,627,859 or 8.94% compared with \$5,368,612 or 7.81% in 2007. The loans to asset ratio stood at 53.25%.

Loans outstanding:

■ Credit Union	
Personal Loans:	\$73,930,936 - 91.52%
■ Credit Union	
Mortgage Loans:	\$ 6,846,040 - 8.48%



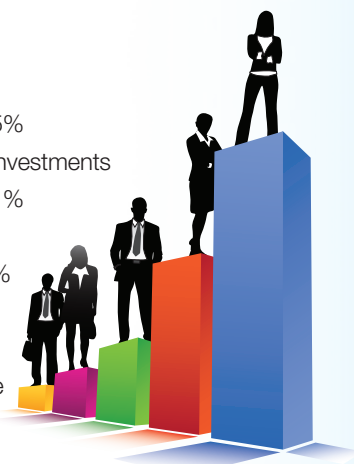
## DELINQUENCY

CECU continued to pursue those members deemed to be delinquent through our in-house Recoveries Department and the Commissioner for Co-operative Development. The latter channel was halted temporarily as a result of the transfer of the assigned officer to another Division .

Through our collective efforts, we recovered the sum of \$548,668.24 from defaulting members. \$78,525.20 or 14.31% represented sums collected through the intervention of the Co-operative Division. We continued to adhere to our prudent policy of provisioning for those loans which are deemed doubtful. The charge for the year was \$204,000.00. The total loan loss provision stood at \$2,526,799.00 and represents the unsecured balance of the impaired or doubtful loans.

## ASSET MIX

■ Loans	\$80,776,977 - 53.25%
■ Cash & Short Term Investments	\$53,414,524 - 35.21%
■ Other Investments	\$14,373,428 - 9.48%
■ Fixed Assets	\$2,005,578 - 1.32%
■ Accounts Receivable	\$1,126,873 - 0.74%



Our investment strategy is focused on consistently providing the best returns with conservative level of risks. We believe that the portfolio is structured to ride out the storm and take advantage of opportunities in the market as they arise.

It comprises the following:

	\$ Value	%
Equities	\$11,864,349	17.5
Mutual Funds	\$ 2,509,079	3.70
Bond	\$ 4,000,000	5.9
Cash & Short		
Term Investments	\$49,414,524	72.9
Total	\$67,787,952	

Notwithstanding the declining rate of return on our investments, revenue in this category surpassed the projections by \$625,687.

## REVENUE

Gross revenue exceeded the projections by \$614,234 or 4.46%. Revenue derived from investments was the main contributor to this favourable position. It should be noted that the sum of \$363,230 was realized from the sale of RBTT shares.



## SOURCES OF REVENUE

- Revenue from loans:
   
 \$9,303,687 - 64.63%
- Revenue from Investments:
   
 \$4,825,687 - 33.53%
- Other Income:
   
 \$264,860 - 1.84%



## USE OF REVENUE

- Dividend:
   
 \$7,889,940 - 54.82%
- Administrative Costs:
   
 \$2,477,578 - 17.21%
- Additions to Reserve:
   
 \$1,791,142 - 12.44%
- Personnel Costs:
   
 \$1,335,861 - 9.28%
- Loan Protection/
   
 Life Savings Protection:
   
 \$899,713 - 6.25%



## DIVIDENDS

Net earnings after allocation to statutory and other reserves amounted to \$8,436,110 an increase of \$1,459,187 or 20.91% over the previous year. The Board proposes a dividend payment of 8% amounting to \$7,889,940 which represents 93.53% of the net surplus. The sum of \$556,270 will be capitalized in the retained earnings account.

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## PEARLS ANALYSIS:

COMPONENTS	SATISFACTORY	UNSATISFACTORY	ACUTAL 2008
Protection (capital/Total Assets)	8%	< 3%	11.90%
Earnings (Net Income/Average Assets)	0.5 - 1.5%	< 0.5%	6.72
Operating Exps./Gross Income	30 - 50%	> 60%	32.81%
Asset Quality (Delinquent Loans)			
Total Loans	< 3%	> 5%	net 3.03%
Rate of Growth (Savings Growth Rate) (shares & Deposits)	> Inflation & Growth rate	< 0.5%	14.54%
Loans Growth Rate	> Savings Growth rate	< 0.5%	8.94%
Membership Growth Rate	min. 5%	< 5%	11.24%
Liquidity (Loans/total assets)	70 - 80%	> 90%	53.25%
Structure (non-earning assets/ Total assets)	< 5%	15%	2.06%

## IMPENDING LEGISLATION FOR THE CREDIT UNION MOVEMENT

There is continuous dialogue between the Central Bank of Trinidad and Tobago, The Ministry of Finance, The Co operative Division and the Credit Union Movement regarding the new legislation and regulations for the Co-operative Sector.

Generally, there is consensus in the movement which supports the need for upgrading regulation and supervision as it regards public confidence as critical to the furtherance of the movement. In these turbulent financial times the focus must be on good governance practices and accountability. CECU firmly believes that proper legislation must be enacted to prevent Credit Unions engaging in activities that exposes their members assets to excessive risks.

## RENOVATIONS - #10 VICTORIA AVENUE

A major project to be undertaken in the 2009 financial year is the renovation/refurbishment of our office at No. 10 Victoria Avenue, Port of Spain. Due to the extensive nature of the work to be undertaken, the office was temporarily relocated to the Uptown Mall No. 44 – 58 Edward Street, Port of Spain. The contractors have estimated a duration of eight (8) months for completion of the main building at an estimated cost of approx: \$2million. Improvements to the Annex, gate, yard and furniture are not included in this consideration.

## MARKETING/EDUCATION ACTIVITIES

### FINANCIAL LITERACY SEMINAR

“Who wants to be a Millionaire?” This question was answered with an overwhelming “ME!” in each of the

## Board of Directors

Peggy La Guerre, *Director*

Calvin Francis, *Director*

Kester Hamlet, *Director*

Shiela Chaves, *Director*



three sessions given by Cecil Sylvester, Facilitator for the National Literacy Programme. Mr. Sylvester grabbed the attention of all the Liaison Officers and brought home the point of saving and spending consciously. He spoke about the Seven Pillars of Financial Security: The Right Attitude; Goal Setting; Controlling Spending; Managing Your Debt; Managing Your Risk; Saving and Investing and Retiring Rich.

Mr. Sylvester explained the need to save now to ensure a healthy and happy retirement by taking personal responsibility for your financial situation. Just as a pillar gives support and strength to huge structures so too people must build pillars to support their financial empire. Liaison Officers left equipped with the proper financial advice to share with members in the various locations. Staff members and Liaison Officers made up a seventy seven per cent turn out overall.

## EDUCATION

Succession Planning through constant training and upgrading of skills is key to CECU's continued growth. In April 2008 Trevor Howell, Carol Roberts, Glenroy Forrester, Sandra Johnson and Lorraine Ragbir attended the Edu-Symposium on Investment Management held by the Stabilization Fund of Trinidad and Tobago in Curacao. Participants came away with a wealth of knowledge about proper risk management systems for investments.

Dian Lopez and Deanne Simpson were chosen to represent CECU at CUNA Mutual's Discovery 2008 conference in Miami, Florida. This eye opening experience provided powerful and useful information.

Kenny Jalsa and Calvin Francis were chosen to represent CECU at the 51st Annual International Convention and 37th Annual General meeting of the Caribbean Confederation of Credit Unions in Jamaica.

Carol Roberts, Director

Glenroy Forrester, Director

Dian Lopez, Director





Over 450 Credit Union Leaders and experienced presenters came together to share their knowledge.

a long and healthy life. May each day of your retirement fill your heart with joy and peace.

### CELEBRATING 32 YEARS OF SERVICE

In 1976 Paula Pierre walked through the doors of CECU and served the organization for 32 years. It was only fitting that CECU show appreciation by hosting Paula and her family to a night of fun, food and laughter on Thursday 16th October 2008, International Credit Union Day (ICU Day)! The day selected was deliberate. The ICU Day is used to honour those who have dedicated their lives to the movement, to recognize the hard work of credit union staff and volunteers and to show appreciation to members. CECU thanks Paula for her many and varied contributions over the years. We wish her success and

### HEALTH DRIVE

CECU embarked on a five day campaign to four of its larger member based companies with the purpose of enrolling new members as well as well as creating awareness for the need to live a healthy lifestyle. The drive included the testing of members' Blood Pressure/ Blood Glucose and Cholesterol. The programme allowed for interaction with over 200 members and potential members.

### INTERACTIVE VOICE RESPONSE SYSTEM

The Interactive Voice Response (IVR) is CECU's latest

## Board of Directors

Govind Maharaj, *President*

Elizabeth Raphael, *Chief Executive Officer*

Trevor Howell, *Director*



marketing tool to enhance our member service. CECU has instituted an Interactive Voice Response system so that members can have access to their share and loan balances during working hours (7:30am until 3:30pm.). In this fast paced world, members can now access their account balances faster and immediately, via phone. For security purposes, CECU introduced this system in phases with appropriate testing along the way. System Administrator Mrs. Sandra Johnson assures CECU will be running live 24 hours a day and many more transactions will be activated on the IVR.

## NEWSLETTER

The success of the CECU quarterly newsletter is growing nicely. A savings campaign, via articles in the newsletter, advised members of the worsening

economic situation and offered tips on how to save money. Many members expressed their appreciation for the advice.

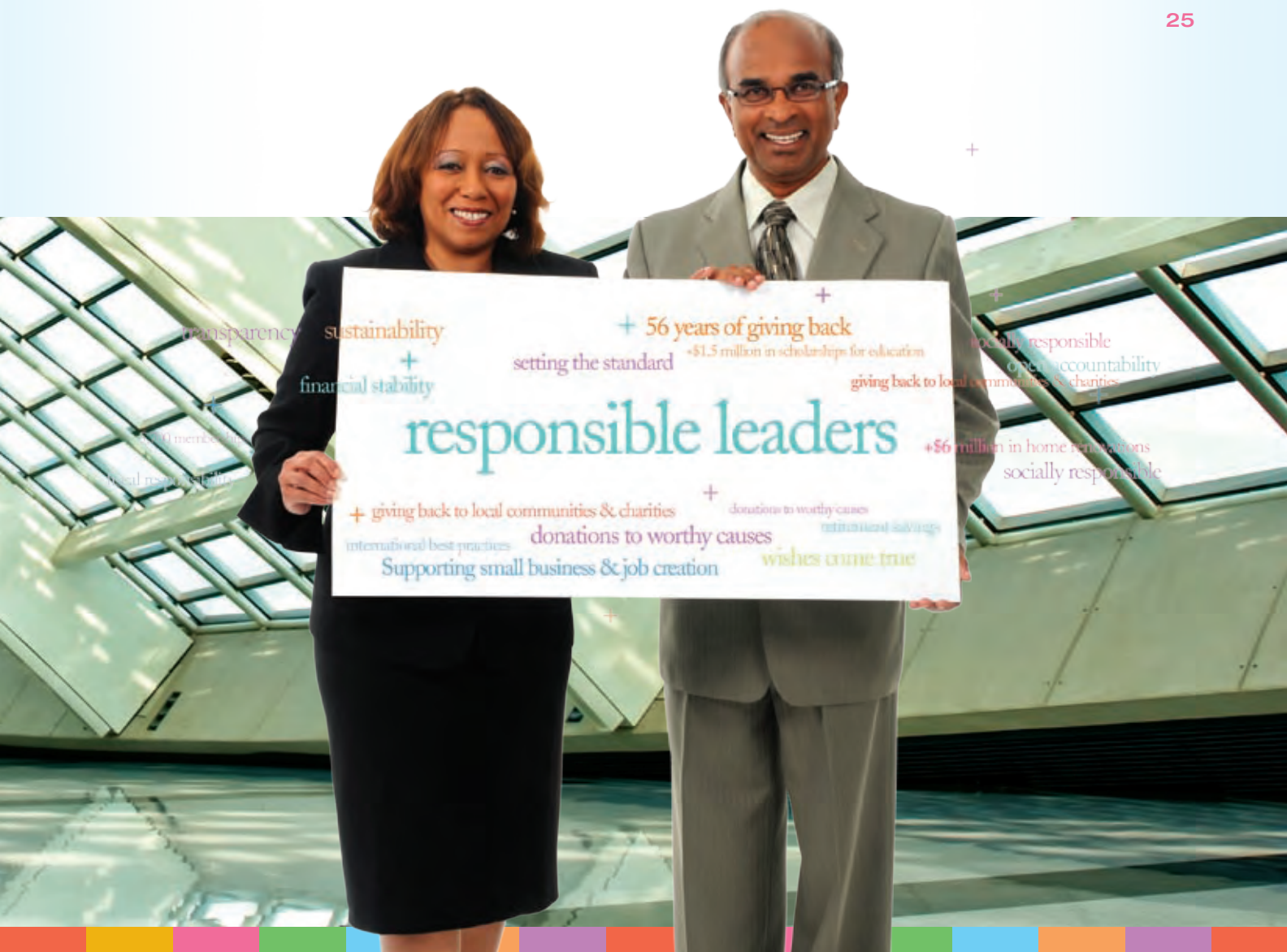
## CORPORATE RESPONSIBILITY

CECU's social responsibility towards the community in which we operate continues to be a primary focus, in keeping with the credit union philosophy of each one helping each other.

CECU is committed to national development through education. To this end, support was provided to Cipriani Labour College, Butler Institute of Learning and Labour, Bishop Anstey High School, Tranquillity Secondary School, St. Mary's College, St. Agnes Anglican School, Sacred Heart Girls R.C. School

Maria Rivas-Mc Millan, *Secretary*

Kenny Jalsa, *Vice President*





and Corpus Christi Nursery. Two students received bursaries for vocational training at the National Centre for Persons with Disabilities.

The strengthening of community bonds is especially critical in modern day Trinidad & Tobago. Donations were therefore given to support the work of the Society of St. Vincent De Paul among the underprivileged, the Mary Jenny Poole Home for Senior Citizens and the Regional Seminary of Trinidad and Tobago. Also benefiting from CECU's philanthropy were Our Lady of Fatima Church, the Cocoyea Open Bible Church, Cricket Umpires and Scorers Association, the Chest and Heart Association of Trinidad and Tobago and the Fire Services of Trinidad and Tobago.

CECU gave financial support to fellow credit union, Venture Credit Union, for its annual 5K "Green Run" and to young CECU member, Walter Romany, who continues to be dedicated to and successful in his sport of swimming.

Long standing, Liaison Officer for Hilo Food Stores Marabella, Zorida Bakar was diagnosed with Relapsed non Hodgkin's lymphoma (a type of Cancer). CECU was saddened by this re- occurrence and extended our support to her at this difficult time in her life.

## CHILDREN'S CHRISTMAS PARTY

CECU's Children's Christmas party was once again a huge success. Close to eight hundred (800) persons inclusive of parents and children participated in the event. Kay Donna was used for a fourth year and everyone who attended really had an enjoyable time.

## OBITUARIES

The Board of directors wishes to express condolences to all members who have lost loved ones and ask that they be granted the grace and hope and peace.

### Deceased Members:

- |                      |                        |
|----------------------|------------------------|
| 1. Karitus Castillo  | 11. Maurice Allen      |
| 2. Lea Meloney-King  | 12. Claudius Mitchell  |
| 3. Nicole Applewhite | 13. Charles Phillip    |
| 4. Elma Bindo        | 14. Jocelyn Ayoung     |
| 5. Patterson George  | 15. Judy Whittington   |
| 6. Bernadette Clarke | 16. Edward Samaroo     |
| 7. Ola Kera          | 17. Siewkoomar Maharaj |

- |                     |                    |
|---------------------|--------------------|
| 8. Arlene Mitchell  | 18. Rita Hunte-Cox |
| 9. Michael Jackson  | 19. Winston Lucas  |
| 10. Christine Grant |                    |

May their souls rest in peace.

## CUNA BENEFITS

### Family Indemnity Plan

The benefits of this laudable initiative by Cuna Caribbean Insurance Company Limited cannot be overstated. During the year claims amounting to \$565,000 were received on behalf of Thirty-four (34) members. The total number of members participating in the plan at year-end was 1,059.

### Cuna Loan Protection /Life Savings Coverage LP/LS

Benefits were received from Cuna Caribbean for sixteen (16) members under the Loan Protection/ Life Savings Policy. The claims totaled \$383,745 and represented 43.69% of the total premiums paid.

### Cuna Payment Protector Plan

This is a temporary disability insurance that provides a benefit which covers your regular monthly payments to the credit union such as:

- Loan installments
- Savings to Shares or Ordinary Deposits
- Insurance Premiums (e.g. FIP and Life)
- Utility Bills

This plan pays the above for a maximum of two years and covers members between the ages of 18 and 65 years. Three hundred and ninety Three (393) members are participating in this plan.

## OUTGOING DIRECTORS

In accordance with Byelaws 18 and 22, the Credit and Supervisory Committees are outgoing. Messrs. Terri-Ann Brathwaite, Carol Roberts, Glenroy Forrester and Peggy La Guerre are outgoing from the Board. We extend our deepest gratitude to these hard working officers and committee members for the significant contributions they have made to the success of the Credit Union. They have all indicated their willingness to serve if given the opportunity.



The Board of Directors at a glance:

2006 - 2009

Terri Ann Brathwaite	Glenroy Forrester
Carol Roberts	Peggy La Guerre

2007 - 2010

Calvin Francis	Sheila Chaves
Kester Hamlet	Dian Lopez

2008 - 2011

Govind Maharaj	Maria Rivas-Mc Millan
Kenny Jalsa	Trevor Howell

## ACKNOWLEDGMENT

The collaborative efforts of the staff have certainly contributed to our success this past year.

On behalf of the Board of Directors, I extend my deepest gratitude and look forward to your continued dedication and commitment as we seek to effectively leverage our most competitive advantage – the promise of Credit Union service excellence.

We also place on record our deepest gratitude to our sponsor companies, Bankers, Insurance Brokers, Attorneys, Stock Brokers, Auditors, Cuna Caribbean Insurance of the Cuna Mutual Group and the Co-operative Division for the yeoman service provided during the year. To our very loyal members, we are indeed grateful for your co-operation and support. To my fellow Directors and Committees, I offer my sincerest gratitude for their guidance and invaluable contributions. I trust that with God's help we would continue to achieve the excellent results that are the hallmark of CECU.

## CONCLUSION:

The financial crisis has affected the entire world. Several reasons have been advanced, among them were the absence of an effective regulatory system, a widespread disregard for supervisory structure and a lack of accountability and transparency. One may also add that greed, a total disregard for professional business ethics and the unscrupulous pursuit of profit at any cost significantly contributed to this debacle.

This is going to be a challenging period for us as individuals and for all financial institutions inclusive

of the Credit Union Movement. It will require 21st Century tools and solutions to treat with the problems and to recognize and seize the opportunities which may present itself. We expect that competitive pressures will increase, but as a Board, we give you the assurance that we will not be persuaded by high returns or risky schemes.

We will continue to follow sound investment procedures and perform the required due diligence. We will continue to take a cautious and conservative approach to our investment strategies and manage our expenses. This strategy has certainly accelerated our growth over the years and should provide a great opportunity for us to shine in these difficult times. Our financials are strong enough to carry us through the current turmoil and beyond. It also provides the mechanisms to deepen the relationship with our members by helping them build a better financial future.

Whilst we have the opportunity, the capacity and the duty to make the difference, we underscore the need for you, our members to exercise restraint, spend cautiously and save. We urge you to migrate from a consumption oriented lifestyle and adapt one that is frugal and encourages savings. We must do our part in stemming the recession and stimulating the economy.

We thank you for your continued support. May God bless you all.



Govind Maharaj  
*President*

## Independent Auditors' Report

### TO THE SHAREHOLDERS OF: CANNING'S EMPLOYEES' CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

#### Report on the financial statements

We have audited the accompanying financial statements of Canning's Employees' Credit Union Co-Operative Society Limited which comprise the balance sheet as of 31st December 2008 and the income statement, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

#### Management's responsibility for the financial statements

Management is responsible for the preparation and the fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

#### Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Canning's Employees' Credit Union Co-Operative Society Limited as of 31st December 2008, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.



9th March 2009

# Balance Sheet

Assets	Notes	31st December 2008	
		2008	2007
Cash and Short Term Deposits	4	22,627,222	7,916,360
Investments - Available-for-Sale	5	14,373,428	16,446,847
- Loans and Receivables	5	30,787,302	33,279,173
Loans Net of Allowance for Loan Losses	6 (i)	80,776,977	74,149,118
Accounts Receivable and Accrued Interest		1,126,875	2,393,774
Property and Equipment	7	2,005,578	2,046,600
<b>Total Assets</b>		<b>\$151,697,382</b>	<b>\$136,231,872</b>
<b>Liabilities and Members' Funds</b>			
Fixed Deposits	9	-	1,464,100
Accounts Payable and Accrued Expenses		1,330,451	775,495
Due to National Insurance Board	8	448	1,644
<b>Total Liabilities</b>		<b>1,330,899</b>	<b>2,241,239</b>
Members' Shares		107,300,172	91,878,293
Members' Deposits	10	12,836,953	13,009,256
Fair Value Reserves		4,291,298	6,177,664
Reserve Fund	11	10,351,664	9,384,404
Education Fund	12	317,791	256,025
Common Good Fund		26,000	-
Retained Income		15,242,605	13,284,991
<b>Total Members' Fund</b>		<b>150,366,483</b>	<b>133,990,633</b>
<b>Total Liabilities and Members' Fund</b>		<b>\$151,697,382</b>	<b>\$136,231,872</b>

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The attached notes form an integral part of these financial statements.

  
President

  
Treasurer



## Income and Expenditure Account

### YEAR ENDED 31ST DECEMBER 2008

<b>Income</b>	<b>Notes</b>	<b>2008</b>	<b>2007</b>
Loan Interest		9,303,687	8,284,839
Investment Income		4,825,687	3,782,860
Rent		62,750	76,000
Sundry Revenue		202,110	182,658
		14,394,234	12,326,357
<b>Expenditure</b>			
Annual General Meeting		256,246	206,119
Audit Fee		61,089	58,492
Bad Debt Provision		204,000	93,000
Bank Charges and Interest		9,178	8,501
Computer Services		21,376	28,617
CUNA Insurance Premium		889,713	791,298
Depreciation	7	47,917	54,858
Directors' Travel and Subsistence		26,700	23,250
Electricity		19,323	10,968
Employees' Retirement Income Security Plan		66,614	60,985
Fidelity Bond		2,160	2,160
Insurance		17,119	35,083
Interest on Members' Fixed Deposits		1,044,935	1,061,031
Legal and Professional Fees		65,131	14,618
Loss on Disposal of Fixed Assets		37	-
Marketing		192,840	155,276
Meetings and Seminars		32,673	129,647
Miscellaneous		16,630	18,481
Office Expenses		203,403	195,965
Rates and Taxes		4,720	-
Repairs and Maintenance		21,909	20,447
Rent		49,530	-
Salaries, Wages and National Insurance		1,289,247	1,214,828
Security		9,582	6,751
Stationery, Printing and Postage		66,316	74,643
Telephone		100,347	84,114
Travelling and Entertainment		4,517	3,598
		4,723,252	4,352,730
<b>Excess of Income over Expenditure</b>		<b>\$9,670,982</b>	<b>\$7,973,627</b>

# Cash Flow Statement

## FOR THE YEAR ENDED 31ST DECEMBER 2008

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2008</b>	<b>2007</b>
Surplus for the Year	9,670,982	7,973,627
Adjustment for Non-Cash Items:		
Capitalised Interest on investment and Originated Securities	9,069,667	(201,386)
Loss on Disposal of Fixed Assets	37	-
Depreciation	47,917	54,858
<b>Cash Flows before Changes in Operating Assets and Liabilities</b>	<b>18,788,603</b>	<b>7,827,099</b>
Increase in Loans to Members (Net)	(6,627,859)	(5,368,612)
(Decrease)/Increase in Other Payables	(910,340)	307,551
(Decrease)/Increase in Customers' Deposits	(172,304)	3,737,130
Decrease/(Increase) in Receivables	1,266,901	(1,649,175)
<b>Cash Generated from Operations</b>	<b>12,345,001</b>	<b>4,853,993</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from Disposal of Investments	10,609,256	8,000,000
Purchase of Investments	(17,000,000)	(33,000,000)
Purchase of Plant, Machinery and Equipment	(6,932)	(48,355)
<b>Net Cash Used in Investing Activities</b>	<b>(6,397,676)</b>	<b>(25,048,355)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issue of Shares	15,421,879	9,951,463
Dividends Paid	(6,478,496)	(5,733,606)
Education Fund	(180,008)	(126,830)
EDLG Medical Assistance Fund	-	(44,328)
Entrance Fees	162	149
<b>Net Cash Provided by Financing Activities</b>	<b>8,763,537</b>	<b>4,046,848</b>
Net Increase/(Decrease) in Cash and Cash Equivalents	14,710,862	(16,147,514)
Cash and Cash Equivalent – at beginning of the Year	7,916,360	24,063,874
<b>Cash and Cash Equivalent – at end of the Year</b>	<b>\$22,627,222</b>	<b>\$7,916,360</b>
<b>REPRESENTED BY</b>		
Cash and Short Term Deposits	\$22,627,222	\$7,916,360

# Statement of Changes in Members' Funds

## FOR THE YEAR ENDED 31ST DECEMBER 2008

Year Ended 31st December 2007	Members' Shares	Members' Deposits	Fair Value Reserve	Reserve Fund	Education Fund	EDLG Fund	Retained Income	Total
Balance as at 31st December 2006	81,926,829	9,272,126	5,428,726	8,586,892	183,514	44,328	12,041,674	117,484,089
Appropriation	-	-	-	797,36	199,341	-	(996,704)	-
Entrance Fee	-	-	-	149	-	-	-	149
Staff Training and Social Function Expenses	-	-	-	-	(38,915)	-	-	(38,915)
Donations and Scholarships	-	-	-	-	(87,915)	-	-	(87,915)
Appreciation in Market Value of Securities	-	-	748,938	-	-	-	-	748,938
Maturities	-	(9,272,126)	-	-	-	-	-	(9,272,126)
New Deposits	-	13,009,256	-	-	-	-	-	13,009,256
Excess of Income over Expenditure	-	-	-	-	-	-	7,973,627	7,973,627
Dividends	-	-	-	-	-	-	(5,733,606)	(5,733,606)
Receipts	18,788,874	-	-	-	-	23,083	-	18,811,957
Payments	(6,860,608)	-	-	-	-	(67,411)	-	(6,928,019)
Net Transfers	(1,976,802)	-	-	-	-	-	-	(1,976,802)
<b>Balance as at 31st December 2007</b>	<b>\$91,878,293</b>	<b>\$13,009,256</b>	<b>\$6,177,664</b>	<b>\$9,384,404</b>	<b>\$256,025</b>	<b>\$-</b>	<b>\$13,284,991</b>	<b>\$133,990,633</b>
Year Ended 31st December 2008	Members' Shares	Members' Deposits	Fair Value Reserve	Reserve Fund	Education Fund	Common Good Fund	Retained Income	Total
Balance as at 31st December 2008	91,878,293	13,009,256	6,177,664	9,384,404	256,025	-	13,284,991	133,990,633
Appropriation	-	-	-	967,098	241,774	26,000	(1,234,872)	-
Entrance Fee	-	-	-	162	-	-	-	162
Staff Training and Social Function Expenses	-	-	-	-	(162,508)	-	-	(162,508)
Donations and Scholarships	-	-	-	-	(17,500)	-	-	(17,500)
Depreciation in Market Value of Securities	-	-	(1,886,366)	-	-	-	-	(1,886,366)
Maturities	-	(13,009,256)	-	-	-	-	-	(13,009,256)
New Deposits	-	12,836,953	-	-	-	-	-	12,836,953
Excess of Income over Expenditure	-	-	-	-	-	-	9,670,982	9,670,982
Dividends	-	-	-	-	-	-	(6,478,496)	(6,478,496)
Receipts	20,240,440	-	-	-	-	-	-	20,240,440
Payments	(7,315,073)	-	-	-	-	-	-	(7,315,073)
Net Transfers	2,496,512	-	-	-	-	-	-	2,496,512
<b>Balance as at 31st December 2008</b>	<b>\$107,300,172</b>	<b>\$12,836,953</b>	<b>\$4,291,298</b>	<b>\$10,351,664</b>	<b>\$317,791</b>	<b>\$26,000</b>	<b>\$15,242,605</b>	<b>\$150,366,483</b>



# Statement of Changes in Members' Funds

## FOR THE YEAR ENDED 31ST DECEMBER 2008

### Receipts

Shares	20,240,440
Loans - Personal	16,786,748
- Mortgage	1,504,355
Members' Deposits	3,333,790
NIB Mortgage	118,037
CUNA Insurance Claims	263,721
Interest on Loans	8,375,272
Investment Income	3,291,442
Rent	62,750
Entrance Fee	162
Commission	191,163
Accounts and Payroll Receivables	1,512,492
Bad Debt Recoveries	2,661
TECU Clearing Account	838,593
RBTT Financial Holdings	508,441
Other	6,717
Payroll in Transit	514,437
Balance at 31st December 2007	
RBTT Bank Ltd - Current Account	1,147,370
US Money Market Fund	1,841,777
UTC Second Unit Scheme	4,297,621
Petty Cash	485
RBTT US Dollar Savings	429,107
Cllico/Central Finance Facility	10,100,815
	<hr/>
	\$75,368,396
	<hr/> <hr/>

### Payments

Shares	7,315,073
Loans - Personal	28,394,815
- Mortgage	577,477
Members' Deposits	1,987,293
Investments	17,000,000
Fidelity Bond	2,160
CUNA Accounts Payable	1,116,414
Salaries and Staff Expenses	1,354,993
Accounts Payable and Accrual	109,639
NIB Loans	145,726
Rent	74,284
Audit Fee	31,089
Bank Charges	8,906
Computer Expenses	15,010
Education Fund Expenses	175,898
Miscellaneous Expenses	49,805
Rates, Taxes and Utilities	124,390
Professional and Legal	52,374
Annual General Meeting	243,901
Security	9,237
TECU Clearing	1,060,435
External Investors	1,581,228
Meetings and Seminars	1,414
CUNA Insurance Premiums	812,480
CUNA Insurance Claims	25,444
Office Expense	250,297
Repairs and Maintenance	18,574
Stationery, Printing and Postage	66,153
Fixed Assets	6,933
Advertising and Marketing	189,084
Payroll in Transit	140,648
Balance at 31st December 2008	
RBTT Bank Ltd - Current Account	2,640,254
US Money Market Fund	3,591,011
UTC Second Unit Scheme	6,151,846
Petty Cash	560
RBTT US Dollar Savings	43,551
	<hr/>
	\$75,368,396
	<hr/> <hr/>

# NOTES TO THE FINANCIAL STATEMENTS

## 31ST DECEMBER 2008

### 1. INCORPORATION AND PRINCIPAL ACTIVITY

Cannings Employees Credit Union Co-Operative Society Limited is a credit union incorporated under the Co-Operative Societies Act 1971. Its principal activity is the granting of loans to members. Its registered office is situated at 10 Victoria Avenue, Port of Spain.

### 2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies of the Cannings Employees' Credit Union Co-Operative Society Limited are set out below:

#### (a) Basis of Accounting

These financial statements are prepared under the historical cost convention as modified by the revaluation of investment securities in accordance with the Co-Operative Societies Act 1971

The preparation of financial statements in conformity with accounting standards requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

#### (b) Property and Equipment

Property and equipment are recorded at cost and include improvements that significantly add to productive capacity or extend the useful life. Cost of maintenance and repairs are charged to expenses.

Upon retirement or disposal of assets, the cost and related depreciation are removed from the accounts and the gain or loss, if any, is reflected in the earnings for the year.

Depreciation has been provided so as to write the assets off over their estimated useful lives.

The rates used are:

Office equipment	-	20% on the net book amount
Furniture and fixtures	-	10-20% on the net book amount
Computer hardware	-	25% on the net book amount
Leasehold premises	-	2% on the net book amount

#### (c) Investments

The company classifies its investments into the following categories: loans and receivables and available-for-sale. The investments held by the Credit Union are for an indefinite period of time, which maybe sold in response to needs for liquidity or changes in interest rates and are therefore classified as available-for-sale. Investments which are for a specified period and are not quoted on an active market are classified as loans and receivables.

All purchases and sales of investments are recognized on the trade date, which is the date that the Credit Union commits to purchase or sell the asset. Cost of purchase includes transaction costs. Available-for-sale investments are subsequently carried at fair value. Unrealised gains and losses arising from changes in the fair value of available-for-sale investments are recognized directly to equity in the period in which they arise until the financial asset is disposed of at which time the cumulative gain or loss previously recognized in equity is included in the income statement. Loans and receivables are carried at amortised cost.

#### (d) Loans and Interest on Loans

Loans to members are stated at the gross amortised cost less any provision for impairment. An allowance for bad and doubtful loans is made by management based on objective evidence that the Credit Union would not be able to collect all amounts due.

### 3. REPORTING CURRENCY

These financial statements are expressed in Trinidad and Tobago Dollars.

#### 4. CASH AND SHORT TERM DEPOSITS

##### Cash and Cash Equivalents

	2008	2007
RBTT Bank Limited – Current Account	2,640,254	1,147,370
Unit Trust Corporation – US Dollar Money Market Fund	3,591,011	1,841,777
Unit Trust Corporation – Second Scheme	6,151,846	4,297,621
Petty Cash	560	485
RBTT Merchant Bank and Finance Company Limited – Fixed Deposits	200,000	200,000
Bourse Securities Limited – Fixed Deposits	5,000,000	-
Republic Bank Limited – Fixed Deposits	5,000,000	5,000,000
RBTT USD Savings	43,551	429,107
	\$22,627,222	\$7,916,360

#### 5. INVESTMENTS

##### Loans and Receivables

	2008 Cost	2007 Cost
Government of Trinidad and Tobago – Fixed Bond	4,000,000	4,000,000
Central Finance Facility	-	10,100,815
Unit Trust Acceptance Credit	16,787,302	9,178,358
General Finance Corporation	10,000,000	10,000,000
	\$30,787,302	\$33,279,173



## 5. Available-for-Sale

	Cost	2008 Market Value	2007 Market Value
Quoted Shares	3,851,114	9,351,644	10,151,810
- Savinvest US Growth Fund	200,000	177,613	209,045
- Savinvest Structured Investment Fund	891,019	891,029	1,231,358
- Savinvest India Asia Fund	628,000	729,190	780,306
Mutual Funds:			
- Praetorian Property Mutual Fund	600,000	464,400	600,000
- Scotia Bank Global Growth Fund	125,600	84,412	180,709
- Unit Trust Chaconia income and Growth Fund	314,000	218,234	321,485
Unquoted Share:			
- Central Finance Facility	25,000	25,000	25,000
- Guardian Asset Management	3,000,000	2,431,906	2,947,134
		<u>\$14,373,428</u>	<u>\$16,446,847</u>

## 6. (i) LOANS

					2008	2007
Gross Loans					83,303,776	76,477,366
Allowance for Loan Losses					<u>(2,526,799)</u>	<u>(2,328,248)</u>
					<u>\$80,776,977</u>	<u>\$74,149,118</u>
	Personal Loans	Mortgage Loans	Car Loans	Small Business Loans	2008 Total	2007 Total
Non-Delinquent Loans	71,822,451	6,846,041	308,639	-	78,977,131	72,276,765
Delinquent Loans	4,306,535	-	-	20,110	4,326,645	4,200,601
	<u>\$76,128,986</u>	<u>\$6,846,041</u>	<u>\$308,639</u>	<u>\$20,110</u>	<u>\$83,303,776</u>	<u>\$76,477,366</u>

Of the balance of delinquent loans \$4,306,535 (2007 - \$4,180,491) represents accounts on which no collections have been received for the year.

Shares held by members whose loans are delinquent total \$1,779,733 (2007 - \$1,852,544). The Credit Union also holds security in respect of the mortgage loans.

<b>(ii) ALLOWANCE FOR LOAN LOSSES</b>	<b>2008</b>	<b>2007</b>
Balance Brought Forward	2,328,248	2,214,645
Increase in the Provision	204,000	93,000
Loans Written Off	(8,580)	(7,812)
Amounts Recovered on Balances Previously Written off	5,353	29,600
Amounts paid to Collectors	(2,222)	(1,185)
	<hr/>	<hr/>
Balance Carried Forward	<u>\$2,526,799</u>	<u>\$2,328,248</u>

## 7. PROPERTY AND EQUIPMENT

Year Ended 31st December 2008	Office Furniture	Furniture & Fixtures	Leasehold Premises	Computer Hardware	Total
Opening Net Book Amount	21,024	157,191	1,810,420	57,965	2,046,600
Additions	1,135	5,797	-	-	6,932
Depreciation Charge	(4,253)	(15,802)	(13,408)	(14,491)	(47,954)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Closing Net Book Amount	<u>\$17,906</u>	<u>\$147,186</u>	<u>\$1,797,012</u>	<u>\$43,474</u>	<u>\$2,005,578</u>
Year Ended 31st December 2007					
Opening Net Book Amount	25,950	155,645	1,824,102	47,406	2,053,103
Additions	305	18,170	-	29,880	48,355
Depreciation Charge	(5,231)	(16,624)	(13,682)	(19,321)	(54,858)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Closing Net Book Amount	<u>\$21,024</u>	<u>\$157,191</u>	<u>\$1,810,420</u>	<u>\$57,965</u>	<u>\$2,046,600</u>

## 8. DUE TO NATIONAL INSURANCE BOARD

	<b>2008</b>	<b>2007</b>
Balance due 1st January	1,644	1,459
Amounts Received on Mortgages Disbursed	144,529	145,691
	<hr/>	<hr/>
	146,173	147,150
Funds Paid over to National Insurance Board	(145,725)	(145,506)
	<hr/>	<hr/>
Balance due at 31st December 2008	<u>\$448</u>	<u>\$1,644</u>

## 9. FIXED DEPOSITS

	<b>2008</b>	<b>2007</b>
Maturing within One Year	\$-	\$1,464,100
	<hr/>	<hr/>

## 10. MEMBERS' DEPOSITS

	<b>2008</b>	<b>2007</b>
Period to Maturity		
Within three months	4,310,948	4,820,276
Between three months and one year	8,526,004	8,188,980
	<hr/>	<hr/>
	<u>\$12,836,952</u>	<u>\$13,009,256</u>

Interest rate varies between 4.5% to 8% per annum. All deposits are repayable on demand but early redemption penalties apply.

## 11. RESERVE FUND

The reserve fund is set up in accordance with Rule No. 27 of Cannings Employees' Credit Union Co-Operative Society Limited which requires that the Society set aside annually all entrance and other fees and fines and a sum not less than 10% of the amount of its net surplus to be used as a reserve against bad loans and other losses. However, the approval of the General Meeting and the Commissioner for Co-Operative Development is required before any write-off is made.

By letter dated 31st October 1991 the Commissioner for Co-Operative Development advised the Credit Union that the Reserve Fund is not specifically set up for bad debts write-off which is to be affected through the Income and Expenditure Account. Utilisation of any balance in this account must be subject to the approval of the Commissioner in accordance with Section 47 of the Co-Operative Societies Act 1971.

## 12. EDUCATION

The Education Fund is set up in accordance with Rule 26 which provides that the balance of net surplus may be used at the discretion of the general meeting. The amount proposed by the Board is equal to 2.5% (2007: 2.5%) of the net surplus.

## 13. DIVIDEND PER SHARE

Dividends payable are not accounted for until they have been ratified at the Annual General Meeting. At a meeting of the Board of Directors on 3rd February 2009 a dividend in respect of 2008 of 8 cents per share amounting to a total of \$7,889,940 (2007 actual \$6,478,496) is to be proposed. These financial statements do not reflect this dividend payable, which will be accounted for in total members fund as an appropriation of retained income in the year ending 31st December 2008.

## 14. RETIREMENT INCOME SECURITY PLAN

The employees are now members of the Neal & Massy Company Limited Retirement Income Security Plan, which is a defined contributory scheme. The Credit Union's contributions are charged to expenses for the year.

## 15. CONTINGENT LIABILITIES

- (i) The Retrenchment and Severance Benefit Act 1985 prescribes procedures to be followed in the event of redundancy and to provide for severance pay to retrenched workers. The Credit Union has adopted the approach of pay-as-you go in dealing with these obligations. Under this approach no provision is made unless employees are terminated.
- (ii) As at 31st December 2008 there was \$544,598 (2007: \$641,542) in loans that were approved but not yet fully disbursed.



# Projected Income & Expenditure Account

**JANUARY - DECEMBER 2009**

INCOME	BUDGET FORECAST 2009	BUDGET FORECAST 2008	ACTUAL 2008	ACTUAL 2007	ACTUAL 2006
Loan Interest	11,000,000.00	9,300,000.00	9,303,686.49	8,284,839.00	7,663,492.54
Investment Income	4,500,000.00	4,200,000.00	4,825,687.00	3,782,860.00	2,710,993.00
Rent	-	80,000.00	62,750.00	76,000.00	74,900.00
Sundry Revenue	250,000.00	200,000.00	202,110.05	182,658.00	227,022.61
	<b>15,750,000.00</b>	<b>13,780,000.00</b>	<b>14,394,233.54</b>	<b>12,326,357.00</b>	<b>10,676,408.15</b>
<b>EXPENDITUE</b>					
Personnel Costs:					
Salaries & Wages	1,200,000.00	1,100,000.00	1,097,631.67	1,038,949.00	879,249.98
Employer's Contribution to Pension	75,000.00	75,000.00	66,613.74	60,985.00	49,990.69
Employer's NIS Contribution	60,000.00	45,000.00	57,347.98	38,596.00	33,693.43
Employees' Expenses	15,000.00	20,000.00	8,820.58	14,883.00	8,855.00
Employee's Fringe Benefits	130,000.00	130,000.00	125,447.00	124,260.00	120,800.00
	<b>1,480,000.00</b>	<b>1,370,000.00</b>	<b>1,355,860.97</b>	<b>1,277,673.00</b>	<b>1,092,589.10</b>
<b>ADMINISTRATION COSTS</b>					
AGM & Other Expenses	300,000.00	250,000.00	256,246.00	206,119.00	181,175.25
Meetings & Seminars	150,000.00	150,000.00	32,673.24	129,647.00	
Cuna Caribbean Ins. Premium	900,000.00	875,000.00	889,713.21	791,298.00	698,439.65
Bank Charges & Interest	12,000.00	10,000.00	9,178.00	25,056.00	13,162.78
Bad Debt Provisions	250,000.00	100,000.00	204,000.00	93,000.00	460,000.00
Interest on Members' Deposits	1,200,000.00	1,000,000.00	1,044,934.71	1,061,031.00	783,356.67
Rates & Utilities	150,000.00	100,000.00	124,389.97	95,147.00	80,154.37
Audit Fees	35,000.00	60,000.00	61,088.83	58,492.00	31,042.53
Stationery & Printing	85,000.00	85,000.00	66,315.60	74,643.00	54,120.45
Professional & Legal Fees	75,000.00	20,000.00	65,130.94	14,618.00	4,465.00
Miscellaneous Expenses	50,000.00	45,000.00	38,266.00	35,083.00	31,938.06
Marketing	225,000.00	250,000.00	192,839.81	155,276.00	125,101.60
Security	35,000.00	15,000.00	9,581.78	6,751.00	8,475.35
Board & Committee Meetings	35,000.00	25,000.00	26,700.00	23,250.00	30,900.00
Fidelity Bond	2,500.00	2,500.00	2,160.00	2,160.00	2,000.00
Computer Services	30,000.00	20,000.00	21,376.08	28,617.00	11,817.60
Loss on Disposal of equipment	-	-	37.03		848.15
Office Expenses	200,000.00	210,000.00	203,403.00	199,564.00	159,340.54
Repairs and Maintenance	25,000.00	500,000.00	21,908.81	20,447.00	27,495.41
Depreciation	60,000.00	60,000.00	47,917.38	54,858.00	52,194.03
Occupancy Costs - Rent	300,000.00		49,530.49		
	<b>4,119,500.00</b>	<b>3,777,500.00</b>	<b>3,367,290.95</b>	<b>3,075,057.00</b>	<b>2,756,027.44</b>
<b>TOTAL EXPENSES</b>	<b>5,599,500.00</b>	<b>5,122,500.00</b>	<b>4,723,251.85</b>	<b>4,352,730.00</b>	<b>3,848,616.54</b>
Excess of Income over Expen.	10,150,500.00	8,657,500.00	9,670,981.69	7,973,627.00	6,827,791.61
Appropriated as follows:					
Reserve Fund - 10%	1,015,050.00	865,750.00	967,098.00	797,363.00	682,779.00
Education Fund - 2.5%	253,762.50	216,437.50	241,774.00	199,341.00	170,695.00
Retained Earnings	8,856,311.25	7,575,312.50	8,436,109.69	6,976,923.00	5,974,317.61
Common Good Fund - .25%	25,376.25		26,000.00		
	<b>10,150,500.00</b>	<b>8,657,500.00</b>	<b>9,670,981.69</b>	<b>7,973,627.00</b>	<b>6,827,791.61</b>

# Report of the Credit Committee

## For the Financial Year Ended 31st December, 2008

The term of the new Committee commenced on 1st April, 2008. At its first meeting, following the 56th Annual General Meeting, Messrs. Calvin Francis and Glenn Piontkowski were appointed Chairman and Secretary respectively. The Committee comprised the following:

Calvin Francis	-	Chairman
Glenn Piontkowski	-	Secretary
Junior Dhoray	-	Member
Rosemary Ayres	-	Member
Gerald Henry	-	Member
Sean Walker	-	Alternate

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The Committee held 43 meetings and deliberated on 5959 applications over the period. The results are documented in Tables 1, 2, and 3 appended to this report.

We are pleased to report that 2008 was indeed a good year for the Credit Union. We surpassed our target in terms of disbursement in the personal loans category.

In the mortgage loans category, however, we fell short of our budgetary projections by \$1.4M dollars. We recognize that one of the initiatives introduced by the Government of Trinidad and Tobago, as part of its social services, is the provision of low-cost mortgage loans from the Trinidad & Tobago Mortgage Finance Company, for citizens earning less than Eight Thousand Dollars (\$8,000.00) per month. With no down payment and up to 25 years to repay, these individuals can purchase a home from the T & T Housing Development Corporation (HDC), Tobago House of Assembly (THA) or Caroni Lands at an interest rate of 2% for a maximum loan/property value of \$450,000.00. The majority of our members aspiring to accomplish the goal of property ownership will fall below the threshold and would therefore qualify for such loans.

We encourage our young members to avail themselves of this excellent opportunity which may never come their way again.

In this financial period, the new Credit Committee will be facing many challenges, taking into consideration the environmental issues and the potential risks to which the Credit Union will be exposed. These risks could negatively impact loan transactions and would therefore require thorough evaluations and analyses to be conducted on all loan requests.

As a Credit Committee, we are conscious of our role in the financial services environment. We are also cognizant of the positive image which must be projected for a stable high performing organization. In this regard, and in keeping with the stipulations of the impending regulations, it is mandatory that CECU maintain a sound asset base that produces a stable level of earnings regardless of the challenges.

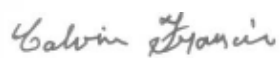
As we face the future, in these turbulent times, we are reminded that Credit Unions were born out of adversity. It is in times like these that organizations like ours prosper. During 2008, we benefited from a robust economy and the patronage of our incredibly loyal members. Our momentum is being sustained by the inextricable connection between that level of loyalty and smart business practices. We believe that We Can overcome the hurdles that may present itself as a consequence of the global financial crisis. This uplifting, affirming statement speaks to CECU's belief that with perseverance, encouragement and a strong determination to succeed we can achieve the goals we set for ourselves. We encourage you to remain focused, save diligently and spend wisely as we navigate this economic storm.

We express our sincere appreciation to the Management and staff for their support and

contribution during the year. We are also grateful to the members for the trust and confidence they have demonstrated in allowing us to be of service for yet another year.

We remain steadfast in our commitment to the development of your total well-being.

God Bless you all.



Calvin Francis, *Chairman*



Glenn Piontkowski, *Secretary*



From left to right:

Gerald Henry, *Member*

Rosemary Ayers, *Member*

Junior Dhoray, *Member*

Calvin Francis, *Chairman*

Glen Piontkowski, *Secretary*



**Attendance of the Committee Members  
at meetings.**

	Present	Excused
Calvin Francis	39	4
Glen Piontkowski	37	6
Junior Dhoray	41	2
Rosemary Ayres	43	1
Gerard Henry	42	1

**TABLE 2**

**Applications presented to the Committee**

	Approved	Not Approved /Deferred	Total
	5,417	542	5,959

**TABLE 3**

**Classification of Loans January-December 2008  
With Comparative Period Last Year**

No. of Loans 2007	No. of Loans 2008	Purposes of Loans	Value of Loans 2008	Value of Loans 2007
997	1034	Domestic Expenses	\$1,853,836.57	\$1,613,650.60
323	307	Holidays (Local & Aboard)	\$1,343,414.70	\$1,305,485.00
523	580	Housing (Purchase, Mort. Repair)	\$5,913,594.29	\$4,964,459.39
175	175	Investments	\$2,450,888.81	\$2,138,493.61
22	38	Funeral	\$155,885.84	\$63,428.00
99	146	Weddings & Christenings	\$918,445.93	\$334,350.00
8	14	Car Licence & Permits	\$16,637.05	\$10,705.89
304	348	Car Repairs & Parts	\$1,135,870.65	\$1,032,252.70
116	140	Purchasing of Cars	\$6,930,073.10	\$4,452,684.40
590	550	Consolidation Of Debts	\$1,823,933.05	\$1,911,943.53
150	142	Fire, Life & Car Insurance	\$510,251.62	\$599,343.05
369	412	Medical Expenses	\$1,054,788.53	\$958,711.85
498	535	Education Expenses	\$1,914,602.10	\$1,462,552.62
59	57	Legal Expenses	\$177,641.80	\$186,164.00
189	210	Household Furnishings	\$797,090.11	\$849,264.60
420	574	Christmas Shopping	\$1,560,381.88	\$1,264,671.44
3	12	Miscellaneous	\$15,400.00	\$12,400.00
36	41	Carnival Expenses	\$153,545.74	\$50,195.00
53	67	Rent	\$135,950.00	\$86,490.00
721	35	Anniversary Loan	\$110,060.00	\$2,080,000.00
5655	<b>5417</b>	<b>TOTAL LOAN GRANTED</b>	<b>\$28,972,291.77</b>	\$25,377,245.68



## Report of The Supervisory Committee 2008 - 2009

At the Fifty-Sixth Annual General Meeting, of Canning's Employees' Credit Union (CECU) held on March 27th 2008 the following members were elected to serve on the Supervisory Committee: Peter Thompson, Viola Callender and Mary Fullerton.

During the year the Supervisory Committee was present at all Board meetings where detailed financials and various committee reports were submitted and reviewed. These reports included; Credit Committee, Investment Committee, Marketing and Education Committee and the Building Committee.

We are pleased to report that the Committee was provided with explanations and required documentation when financial audits were conducted. Also accounting records were up to date and were supported with the necessary information and proper approvals; bank deposits were timely and the loan applications were found to be in good order as required by the by-law.

Members of the committee observed the credit committee during a meeting and ensured that decisions made were consistent with policies of the credit union. Loan applications were analyzed in detail

and the meeting was conducted in a professional manner. The committee is satisfied that the proper procedures were adhered to and loans were granted in the best interest of the applicant and the credit union membership.

We thank the Board of Directors, the various committees, the management and staff of CECU for their support and cooperation and commend them for their professionalism, astuteness and diligence in which they serve us members.

The committee thanks you our fellow members for allowing us the opportunity to serve and wish our credit union continued growth and success.



Mary Fullerton, *Chairman*

Viola Callender, *Secretary*

Peter Thompson. *Member*

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Peter Thompson. *Member*

Viola Callender, *Secretary*

# Ten Year Review

Year	No. of Members	Total Assets	Members Savings	Loan Outstanding	Reserve Fund	Total Income	Surplus (After Trans to Reserve)	Dividend Paid	%
1998	3407	55,531,255	41,703,504	44,522,268	4,434,085	6,248,252	3,644,150	3,294,655	8
1999	3532	53,726,046	40,526,514	41,912,257	4,849,007	5,796,087	3,629,874	3,243,443	8
2000	3774	57,668,916	43,301,599	45,106,536	5,272,477	6,178,471	3,704,327	3,304,655	8
2001	3975	63,716,694	46,554,954	46,860,264	5,704,034	6,320,465	3,775,391	3,533,153	8
2002	4262	72,707,953	52,173,917	51,466,020	6,140,209	6,850,602	3,815,692	3,831,318	8
2003	4545	84,798,992	58,088,583	53,718,455	6,628,533	7,632,981	4,271,974	3,738,072	7
2004	4852	95,797,651	64,935,901	57,505,924	7,240,223	9,450,810	5,351,235	4,757,097	8
2005	4934	107,051,838	72,400,406	62,518,336	7,904,006	9,826,188	5,807,136	5,242,855	8
2006	5261	121,729,680	81,926,829	70,995,152	8,597,956	10,787,050	6,071,129	5,860,396	8
2007	5754	136,231,872	91,878,293	74,149,118	9,384,404	12,326,357	6,976,923	6,649,079	8
2008	6311	151,697,380	107,300,172	80,776,977	10,351,664	14,394,234	8,436,110	7,889,940	*8

\* proposed dividend

## Staff

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### First row left to right:

Linda Mentor *Recoveries Officer*, Deanne Simpson *Operations Manager*, Lorraine Ragbir *Marketing Manager*, Kevin Thomas *Courier*, Theresa Mendez *Confidential Secretary*

### Second row left to right:

Amanda Best *Marketing Assistant*, Sandra Johnson *System Administrator*, Deion Raphael *Office Clerk*, Sharon Howard *Loans Officer*, Denecia Edmund *Cashier*, Deborah Byng *Senior Loans Officer*



# Liaison Officers

## MEMBER COMPANY

HILO St. Ann's  
 HILO Head Office  
 Arvee's Food Masters Limited  
 Athabasca, (LB's)  
 HILO, Broadway, Arima  
 HILO, Alyce Glen  
 HILO, Crews Inn  
 HILO St. Augustine  
 HILO El Dorado  
 HILO, French Street  
 HILO Marabella  
 HILO, Gulf City  
 HILO Point Fortin  
 HILO Chaguanas  
 HILO, Ridgewood, Arima  
 HILO Maraval  
 HILO Diego Martin  
 HILO Glencoe  
 HILO, West Mall  
 Auto Spot  
 Automotive Components Ltd  
 BHP Billiton (Trinidad-2C) Ltd.  
 Cardio Vascular Association Ltd  
 CARIB Brewery & Glass Works  
 CARS  
 Caribbean Bottlers (Trinidad & Tobago), Tunapuna  
 Caribbean Bottlers Ltd, San Fernando  
 Cascadia Hotel  
 Climate Control Limited  
 CPPPL (1993) Ltd  
 CUNA Caribbean Insurance Service  
 Dairy Distributors Ltd.  
 Detect and Deter Security Services Limited  
 Egret Limited, The Falls, West Mall  
 Food Giant Supermarket  
 G4S (Securicor)  
 HADCO Limited  
 Hamel Smith & Co.  
 ILLUMINAT (Trinidad & Tobago)  
 John Dickinson & Co (W I) Ltd.  
 Kiss Baking Company Ltd.  
 Laughlin & De Gannes Ltd.  
 Marketing & Distribution  
 Mc Cann Erickson, 8 Rapsey Street, St Clair  
 Melville Shipping  
 Micon Marketing  
 National Carnival Commission  
 Neal & Massy Energy  
 Neal & Massy Ltd  
 NEDCO  
 Pereira and Company Limited  
 Plantation Beach Villas  
 Pro Technologies Ltd  
 Rostant Advertising Ltd.  
 Rotoplastics Trinidad Ltd.  
 Sissons Paints Ltd.  
 The Buzz Ltd.  
 Tissues Limited  
 Tracmac Engineering  
 Tru Valu  
 Waste Disposal Ltd

## LAISION OFFICER

Ms Erica Cazoe  
 Ms Jennifer Williams  
 Ms Devika Singh  
 Mr Ramdath Chadee  
 Ms Ingrid Nicholls  
 Ms Angela Beckles  
 Ms Diana Bailey  
 Ms Jacqueline Pujadas  
 Ms Ann Constantine  
 Ms Marcia Bartholomew  
 Mr Derek Cheddie  
 Ms Celia Jackson  
 Mr Ethelbert Bascombe  
 Ms Rasthee Sankar  
 Ms Nicole Doyle-Edwards  
 Ms Sasha Dublin  
 Ms Natalie Owen  
 Ms Carol Prentice  
 Ms Denise Bruce  
 Ms Camille Faustin  
 Mr Paul Gowandan  
 Ms Stephanie Garner-Walker  
 Mr Courteney Augustine  
 Mr Shelton Daisy  
 Ms Pauline Williams  
 Ms Patricia White  
 Mr Amraz Ali-Bocas  
 Ms Nichelle Morris  
 Ms Lucy Sheen  
 Ms Anne Macleod  
 Ms Deanne Boucaud  
 Ms Susan Lennox-Wright  
 Mr Curtis Floyd  
 Ms Janice Miller  
 Mr Wendell Mansano  
 Ms Annette Hospedales  
 Ms Cindy Sirju  
 Mr Miguel Pinheiro  
 Ms Dedra Cox  
 Ms Loraine Thomas  
 Ms. Anastasia Joseph-Jangoo  
 Ms Margaret Ann Parris  
 Ms. Sherry Ann Garcia  
 Ms. Wendy John  
 Ms Camille Gomes  
 Ms Giselle Durham  
 Mr Henry Marcial  
 Ms Kristen Dookhoo  
 Ms Marsha Ali  
 Ms Ishah Pereira  
 Ms Lisa Escalante  
 Mr Sean Clarke  
 Ms Wendy Plentie  
 Ms Abbeygail De Souza  
 Ms Sheryl Viaruel  
 Ms Marcia Huggins  
 Ms Mary Fullerton  
 Ms Vera Maharaj  
 Ms Jane Rodriguez  
 Ms Carlene Washington  
 Ms Alyson Forde

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 624-0902  
 640-4725  
 665-4601  
 640-1124  
 625-6746



+ new business started +

+ 956 cars bought

sustainability

setting the standard

56 years of giving back

responsible investment

socially responsible

5,700 memberships

transparency

Over the last decade...

# supporting small business & job creation



financial stability

fiscal responsibility

open accountability

+ \$1.5 million in scholarships for education

responsible leaders

giving back to local communities & charities

international best practices

