



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

"Keeping our eyes on the ball"



Annual Report



“Keeping our eyes on the ball”



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 engender self

reliance and financial viability in

our membership.

*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

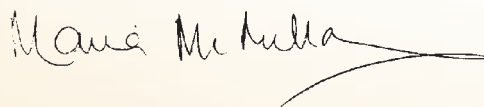
Notice is hereby given that the 58th Annual General Meeting of the Canning's Employees' Credit Union Co-operative Society Limited will take place at the Lion's Cultural Centre, FitzBlackman Drive, Woodbrook on Thursday 25th March 2010, at 5:00 p.m. for the following purposes:

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 2009.
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
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 Rivas-McMillan
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 December 31, 2009 with comparative figures for 2008

| | 2009 | 2008 |
|-----------------|-------------|-------------|
| | \$ | \$ |
| TOTAL ASSETS | 163,605,692 | 151,697,382 |
| SHARES | 121,796,169 | 107,300,172 |
| LOANS | 84,546,106 | 80,776,977 |
| NET INCOME | 8,591,274 | 9,670,982 |
| TOTAL EXPENSES | 5,106,016 | 4,723,252 |
| DIVIDENDS | 6.5% | 8% |
| INTEREST REBATE | 1.5% | 0 |
| MEMBERSHIP | 6615 | 6311 |
| STAFF | 13 | 13 |

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Auditors:

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

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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 57TH ANNUAL GENERAL MEETING OF CANNING'S EMPLOYEES' CREDIT UNION COOPERATIVE SOCIETY LIMITED HELD ON THURSDAY, MARCH 26, 2009 AT THE LION'S CULTURAL CENTRE, FITZBLACKMAN DRIVE, WOODBROOK.

CALL TO ORDER

CECU'S President and Chairman of the proceedings, Govind Maharaj, called the meeting to order at 5.00 p.m. According to the report of the Credentials' Committee, there were 142 members and 5 guests present; he then gave notice that the meeting was duly constituted.

INVOCATION

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

NOTICE OF MEETING

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

WELCOME AND OPENING REMARKS

In his welcome, Govind Maharaj noted that Canning's Employees' Credit Union, even in the face of global financial crisis, had done well. There had been growth in all the key areas. Membership, he said, grew from 5754 in 2007 to 6311 in 2008; total assets from \$136 million to \$151 million; members' savings increased from \$91 million to \$107

million; loans from \$74 million to \$81 million; reserves from 9.3 million to \$10.3 million; income from \$12.3 million to \$14.4 million and surplus increased from \$6.9 million to \$8.4 million.

He indicated that the Society's performance is measured by International Standards, namely, the Pearls Standards. CECU's capital adequacy ratio is 11.9%, above the requirement of the proposed legislation which is 8%. In terms of earnings, CECU is at 6.73% when the satisfactory standard is .5% to 1.5%. Operating expenses are well controlled, 32.81% when the satisfactory standard is 30% to 50%. Asset quality net is 3%. Loans growth rate is 8.94%, membership growth rate is 11.24% and liquidity is 53.25% which is not within the Pearls Standard and it is something the credit union has been working on.

The credit union performed very well both in terms of the standards as measured locally as well as internationally.

He indicated that the Directors and various committees continue to work tirelessly to ensure that members' needs are met, the credit union's assets are protected and the organisation continues to experience an acceptable level of growth.



*Maria Rivas-Mc Millan,
Secretary*

Mr. Maharaj noted that CECU had a good year and was able to propose a dividend of 8%, similar to the previous year, however the Society cannot rest on its laurels. The global financial crisis has significantly affected the developed countries. Major financial institutions in our country experienced serious difficulties and as a country we would be impacted. The severity and extent of the impact are uncertain.

The President assured members that in the trying times ahead, CECU will continue to adhere to the basic credit union principle of people helping people. In the face of the adversity to come, the credit union will be more aware of the needs of its membership. CECU will continue to be socially and financially responsible and adhere to international best practice.

He reminded members that renovations to CECU's head office on Victoria Avenue were proceeding apace and the credit union expects to occupy the building by the end of 2009. He thanked members for their attendance and wished that the meeting be a very productive one.

FEATURE ADDRESS

Maria Rivas-Mc Millan introduced the guest speaker, Mr. Carl Hiralal, Inspector of Financial Institutions, Central Bank of Trinidad and Tobago since January 01, 2009. Prior to that appointment, he worked at the Office of Superintendent of Financial Institutions in Canada as a Senior Director with regulatory and supervisory responsibility for more than 400 financial institutions, comprising banks, insurance companies and credit unions. He was also responsible for directing the examinations of occupational pension plans.

Mr. Hiralal was actively involved with the International Association of Insurance Supervisors serving on its Executive. He also served as a Board member on the Canada Deposit Insurance Corporation as well as a member on the Institute of Chartered Accountants of Trinidad and Tobago.

Mr. Carl Hiralal noted that it was a rare occasion to listen to the performance of financial institutions that were doing well. He suggested that CECU should congratulate itself for having accomplished improvements in many of the important matrix. He expressed gratitude for

the invitation to address the members. He indicated that developing countries in the world today were experiencing the effects of an unprecedented financial crisis. While the crisis may not be as severe as the 1929 – 1933 depression, the difference was that it was affecting many countries around the world and one cannot ignore the contagion effects any more.

Mr. Hiralal noted that, within recent times, collapsing international financial conglomerates, government bail-outs, credit crisis, panicking investors and the public run have been dominating the international news. He shared some of the recent developments in both the national and international economies and highlighted how those developments could impact citizens of Trinidad and Tobago.

He described the world economic environment as extremely volatile characterized by a high level of instability. He stated that the world growth is projected to fall to one-half of one per cent in 2009 compared to a growth of 3.4 per cent in 2008 - the lowest rate since World War II.

The Inspector was of the opinion that much of the financial meltdown could be attributed to greed and over leveraging but one could argue that a lack of regulation was a critical element. The decision to take a lax stance on regulations proved fatal for the financial sector. In many countries around the world, regulation was based on self regulation and looking at the investment community in the United States, it was for the most part unregulated and certainly not regulated to the extent of the banking community. The crisis started in the investment community. In addition, the failure of rating industries and their culpability must also be noted. The recommendation to register and regulate rating industries is now universal.

Mr. Hiralal noted that the impact of the global financial crisis on advanced countries and developing countries was not the same. Advanced countries, which include the United States of America, United Kingdom and Japan are in a recession. Advanced economies are projected to contract by 2% in 2009. On the flip side, emerging and developing economies such as Brazil, China and Trinidad and Tobago are expected to experience positive growth rate in 2009. He stated that consumer demands have been

dramatically curtailed across advanced and emerging economies and falling asset values in both the financial and real estate markets negatively impacted household wealth. Rising unemployment amidst layoffs by financial, manufacturing and other companies contributed to a fall in consumer demand. The drop in global demand has led to a collapse in commodity prices. The price decline has adversely affected commodity exporting economies such as ours. Oil prices have declined by over 60% since July 2008. The IMF price per barrel projection for 2009 is \$50 then increasing to \$60 in 2010.

On a positive note, declining commodity prices have served to tackle inflationary pressures particularly in the advanced economies where headline inflation is expected to fall from 3.5% in 2008 to a record low of .25% in 2009. Trinidad and Tobago is experiencing the effects of the global economic slowdown largely through the sharp decline in oil prices and the low demand for petrochemicals. The sharp reversal in energy prices has prompted at least two formal reviews of our national budget. The local financial market has also been affected with commercial banks credit in the private sector declining in the face of weakening demands and the Stock Market taking a sharp drop of 27% between June and December 2008. Liquidity in the system has, however, increased significantly and will force interest rates down and create a greater competition for scarce investment options and loans.

It is well known that unemployment is one of the most direct ways that persons will be impacted by an economic slowdown. When household income is reduced, people have to choose between repaying their loans, paying bills and putting food on the table. Unfortunately, increasing numbers of people are finding themselves in the difficult position and several large firms such as Mital Steel, Digidel and Hilton have announced layoffs; while employment in construction has also declined in Trinidad and Tobago.

Rising unemployment is accompanied by an increase in persons defaulting on their loans. As a result, banks have become particularly cautious during tough economic times. Credit in the private sector had already fallen sharply towards the end of 2008. The reduction was largely in consumer loans. It means that persons who qualified for financing in the past are not likely to do so today even under the same circumstances.

The psychological impact of a slowing economy is reflected in the way people think and how their decision-making is affected and this is just one of the implications for credit unions nationally and internationally. Recently, the Chief Executive Officer of the National Confederation of Co-operatives strongly advised co-operative leaders to focus on stability, savings, and quality in services to combat the effects of the global financial crisis that caused the collapse in banks in the United States.

Mr. Hiralal recalled that at a forum entitled "Thriving Global Recovery through Co-operatives", credit unions were advised to ensure good governance and transparency towards members. It was felt that the global financial crisis posed an opportunity for co-operatives and, contrary to the global financial crisis, credit union development around the world is

prospering in growth and membership. Co-operatives have



*Elizabeth Raphael
Chief Executive Officer*

responded to the global financial crisis as an opportunity to reaffirm the co-operative difference.

Some persons think that cooperatives fare better because their main banking activity takes place in the economy at the local or regional market. Trinidad and Tobago's economy has been fairly robust in the past few years and the banks had little incentives to go out and invest outside of this country.

Co-operative leaders were asked to abide by the co-operative principles: voluntary membership, democratic control, concern for the community, education and training and member economic participation.

He informed members that in the United States, despite their economic woes, the Credit Union Movement continues to strive as more citizens realize that on average credit unions lend money at lower rates than most banks in addition to offering higher rates on savings accounts. Credit Union membership rose to almost 90 million in 2008 compared to 85 million in 2004 while loans increased from \$539 billion in 2007 to \$575 billion in 2008. A review of a small sample of large credit unions in Trinidad and Tobago reflect a similar trend: significant loan growth in 2007 with more attractive deposit and lending rates than the commercial banks.

Mr. Hiralal observed that Credit Unions in the United States had not been immune to the country's financial suffering as nationwide loan delinquency for credit unions is now double what it was in 2006.

The Inspector strongly encouraged CECU to take the necessary steps to ensure that a similar trend of rising loan delinquency does not occur in Trinidad and Tobago. While it is true that regulatory developments on the horizon will change the operating environment for credit unions in this country, for some time the credit union sector has been responding and adapting spontaneously to various currents of change in the financial services industry. Since not all credit unions have adapted at the same pace, the sector has evolved into a heterogeneous mix of institutions with different outlooks and pursuing different types of business models. This diversity forms an important part of the context in which the legislation for the sector is

now being developed. For example, there is one credit union that is heavily emphasizing investment activities because of its ageing membership that no longer requires loans from the credit union.

Mr. Hiralal stated that recently a number of credit unions in Trinidad and Tobago had been celebrating their 60th Anniversary, underscoring the fact that credit unions have been part of the local landscape for a very long time. Although the number of credit unions in active operation has fluctuated over a period of time the number today stands at well over 100 with reported member accounts of approximately 500,000 and assets in the vicinity of \$6 billion.

The longevity of the credit union sector and the fact that it has more than held its own against the powerful forces of competition in the financial sector are indications that credit unions remain relevant and important in the lives of a large segment of our population. With the growth and maturity of the sector, however, the operations of credit unions seek to be rudimentary and credit union activity began to assume some of the characteristics of the competitive marketplace.

While loans and deposits have remained the stable activity within the sector, many credit unions have become significant investors in the financial market bringing them face to face with all the risks and potential pitfalls inherent in this kind of activity and raising the bar on the level of expertise and experience required to successfully manage these risks. Other credit unions have ventured heavily, with varying results, into various forms of non financial business effectively creating subsidiaries through which they manage the delivery of non- financial goods and services to their members. That is a trend that needs to be watched. For example, some credit unions have ventured into property development through subsidiaries.

He observed that credit unions today are confronted by a number of realities and influences that have made it very difficult for them to adhere to the traditional way of doing business; for example, fees of membership or common bond. The common bond is the key element and one of the traditional pillars that define the co-operative basis on which credit unions operate. It has also helped to provide a major source of economic advantage for credit unions in the form of lower

information cost in the credit screening process and lower loan delinquency as borrowers have a greater incentive to repay. However, many credit unions in our environment have found themselves driven by competition to find creative ways of loosening the common bond in order to gear themselves for growth and improve on their financial performance. This may be evident by credit unions expanding their product lines by offering services such as debit cards and mortgage loans.

Secondly, during consultation with credit unions on the proposed new legislation, many credit unions have pointed to what appears to be a declining spirit of volunteerism in the sector. Volunteerism predicated on the philosophy of members looking after their own affairs is one of the cornerstone principles of the credit union sector. Its big advantage is that it attempts to ensure that owners and managers have the same interest thereby eliminating the so-called problem of owner and manager conflict that arise in other kinds of institutions.

He stated that many credit unions have told the Central Bank that unless they are prepared to offer attractive financial incentives they are finding it increasingly difficult to find volunteers willing to accept positions of responsibility within the credit union. In other cases, credit unions have simply grown too large and too complex to rely on volunteerism as their main source of managerial expertise. In the final analysis, what this trend seem to be saying is that even as credit unions seek to maintain many of their unique characteristics in other ways their traditional identity and co-operative people have been slowly but steadily adapting to accommodate new market processes.

The rising importance of credit unions within the financial sector and the changing reality in terms of their mode of operations make a compelling case for the strengthening and modernizing of regulations to regulate the new model and variety of risks being assumed by these institutions.

In closing, Inspector Carl Hiralal noted that the year 2009 has and will continue to be a very challenging time for us in the face of a global recession. However, as a country we are well poised to withstand the period of turbulence and uncertainty. "It will be a difficult year but we have the resources to weather the storm with a

manageable national debt burden, the existing Heritage and Stabilization Fund and a high level of external reserves", he said. In the meantime, he urged CECU to be prudent and cautious in the management of its personal finances as well as those of the credit union as this is not the time for an increase in risk.

He advised co-operative leaders to tighten credit evaluation, review their loan portfolio, build member awareness of a possible crisis which will impact their lives; increase efficiency and quality and save till it hurts.

He thanked CECU for the opportunity to address the members and wished CECU a successful Annual General Meeting.

VOTE OF THANKS

Vice President Kenny Jalsa thanked Mr. Carl Hiralal for addressing CECU members and bringing them focus as to where they belong as a local financial business, part and parcel of the global economy. He was sure members were well educated and certainly better informed by the Inspector's Address. He noted that CECU encourages its members to save and has been practising some of the things Mr. Hiralal spoke about in terms of governance and transparency.

Mrs. Rivas-McMillan presented a token of appreciation to Mr. Carl Hiralal.

ACCEPTANCE OF THE ANNUAL REPORT

The Annual Report was taken as read on a motion moved by Mr. Peter Thompson and seconded by Mrs. Carol Roberts.

Errata Sheet:

Members' attention was drawn to the following amendments, as stated in the Errata Sheet:

On page 9, 4th to last line from the bottom in the first column, change 5,704 to 5,754 members. Page 42, delete "Excused: 1" from Rosemary Ayres. Change "Gerard Henry" to "Gerald Henry".

PROCEDURE FOR THE MEETING

The Standing Orders: The meeting accepted the Standing Orders on page 7, on a motion moved by Mrs. Pearl Butler-Lopez and seconded by Mrs. Viola Callender.

NOMINATIONS COMMITTEE'S REPORT

Mr. Trevor Howell, Chairman of the Nominations Committee, presented the Nominations Committee's Report to the meeting. He reported that at the end of the process, nominees were recommended as follows:

Supervisory Committee

Peter Thompson
Viola Callender
Teron Phillip

Mary Fullerton
Derek Le Gay

Board of Directors

Terri Ann Brathwaite
Glenroy Forrester
Pearl Butler-Lopez

Carol Roberts
Peggy La Guerre
Erica Cazoe

Credit Committee

Calvin Francis
Glenn Piontkowski
Gerald Henry
Michael Constantine

Junior Dhoray
Rosemary Ayres
Natalie Owen

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). Mr. Anurudh Rai of the Co-operative Division, Ministry of Labour and Small and Micro Enterprise Development was invited to inspect and secure the ballot boxes accordingly. The scrutineers were:

Team 1:

Rhonda Clarke (Leader)
Joy Hamilton

Patrice Williams
Lorraine Small

*"Keeping our
eyes on service"*



Team 2:

| | |
|---------------------|---------------|
| Abfzal Ali (Leader) | Susan Longdon |
| Helen Blackman | Judy Tardieu |

Team 3:

| | |
|-------------------------|-----------------|
| Steve de Souza (Leader) | Patricia White |
| Rhonda Romany | Joanne Williams |

ELECTION RESULTS

The results of the elections were as follows:

Supervisory Committee

| Nominees | No. Of Votes | Tenure |
|-----------------|---------------------|--------|
| Viola Callender | 232 | 1 year |
| Peter Thompson | 200 | 1 year |
| Mary Fullerton | 198 | 1 year |
| Teron Phillip | 159 (1st Alternate) | 1 year |
| Derek Le Gay | 129 (2nd Alternate) | 1 year |

Board of Directors

| Nominees | No. Of Votes | Tenure |
|----------------------|---------------------|---------|
| Terri Ann Brathwaite | 231 | 3 years |
| Carol Roberts | 227 | 3 years |
| Peggy La Guerre | 207 | 3 years |
| Glenroy Forrester | 201 | 3 years |
| Pearl Butler-Lopez | 174 (1st Alternate) | 1 year |
| Erica Cazoe | 109 (2nd Alternate) | 1 year |

Credit Committee

| Nominees | No. Of Votes | Tenure |
|---------------------|---------------------|--------|
| Calvin Francis | 250 | 1 year |
| Glenn Piontkowski | 245 | 1 year |
| Rosemary Ayres | 226 | 1 year |
| Gerald Henry | 196 | 1 year |
| Junior Dhoray | 188 | 1 year |
| Natalie Owen | 176 (1st Alternate) | 1 year |
| Michael Constantine | 158 (2nd Alternate) | 1 year |

RESOLUTION FOR DESTRUCTION OF BALLOTS

The meeting accepted a motion for the ballots to be destroyed, moved by Glenn Piontkowski and seconded by Peggy La Guerre.

EXCUSES

The Chairman stated that excuses were received from the following persons:

| | |
|------------------------|--------------------------------------|
| Terri Ann Brathwaite | CECU Board of Directors |
| Bernard Dulal Whiteway | CEO Neal and Massy Limited |
| Manuelita Thomas | Neal and Massy North Credit Union |
| Ignatius Blandin | Member |
| Grace New | Daughter, Founder of Canning's & Co. |

ACKNOWLEDGEMENT OF GUESTS

The Chairman acknowledged the presence of the following guests:

| | |
|-----------------------|-----------------------------------|
| Mr. Kester Husbands | Aero Services Credit Union |
| Mr. Gordon | Teachers Credit Union |
| Mr. Dane Francois | Huggins Credit Union |
| Ms. Margo Welch | Huggins Credit Union |
| Mr. Nizam Mohammed | Neal and Massy North Credit Union |
| Ms. Lyn Gairy | Neal and Massy North Credit Union |
| Mr. Leroy Fermin | TECU Credit Union |
| Mr. Lawrence Hackshaw | Gordonious Credit Union |

GREETINGS

Mr. Kester Husbands of Aero Services Credit Union/ Trinidad and Tobago Credit Union Stabilization Fund congratulated CECU on its performance during the period under review.

On behalf of NEDCO, Mr. Husbands also extended greetings to Ms. Elizabeth Raphael and condolences on the passing of her brother. He trusted that the presence of Almighty God continues to prevail over CECU as time unfolds in the future.

Mr. Gordon brought greetings from Teachers' Credit Union and extended very sincere congratulations to CECU on its performance during 2008.

Mr. Dane Francois of Huggins Credit Union congratulated CECU on its performance and dividend.

Ms. Lyn Gairy of Neal and Massy North Credit Union congratulated CECU on their financial stability and wished that they continue with the same prudence that they performed in the past.

Mr. Leroy Fermin of TECU, with whom CECU shares a partnership, extended warmest greetings to CECU. He noted that from the records, it seemed as though TECU members made more use of CECU's offices than CECU's members made of TECU's offices perhaps because of the number of TECU members in the north. He stated that it is a shared service which is very much appreciated by the members.

He congratulated CECU for its fine performance. He expressed a bit of jealousy at the 8% dividend offered by CECU and, for a moment, wondered if that might woo TECU members to CECU but noted that competition was welcomed.

Mr. Lawrence Hackshaw of Gordonious Credit Union wished CECU continued success and noted that the dividend paid was always good.

Mr. Bhan Ramcoomarsingh, CECU's Attorney at Law, wished CECU continued success. He noted that he has been CECU's legal advisor for 32 years and he has received more than he gave.

Ms. Margo Welch of Huggins Credit Union congratulated CECU for a marvelous job and hoped that other credit unions would emulate CECU.

Mr. Jeffrey Clarke thanked the Board for the excellent job over the years. He then congratulated CECU and offered best wishes for the future.

ADOPTION OF THE MINUTES

The Minutes of the 56th Annual General Meeting were to be found on pages 9 – 16 of the Annual Report.

The Minutes were confirmed on a motion moved by Mr. Glenroy Forrester and seconded by Ms. Dedra Cox.

Matters Arising

There were no matters arising out of the Minutes.

The Minutes were adopted on a motion by Mrs. Mary Fullerton and seconded by Mr. Gerald Henry.

CORRESPONDENCE

There was no correspondence.

ADOPTION OF THE BOARD OF DIRECTORS' REPORT

The Chairman invited corrections to and omissions from the Board of Directors' Report, found on pages 18 – 27 of the Annual Report.

There being no matters, the report was adopted on a motion moved by Ms. Courtenay Augustine and seconded by Mr. Junior Dhoray.

AUDITORS' REPORT/FINANCIAL STATEMENTS

Mr. David Montgomery of D. Montgomery & Company presented the Auditors' Report.

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

In response to a query from Ms. Dedra Cox about the effect, if any, of Clico on investments of the credit union, the Chief Executive Officer indicated that CECU had an investment with Clico which matured in October 2008 and was not rolled over.

The Chairman stated that the Investment Committee is seriously challenged in terms of avenues for investments so that the Society can continue to earn what it has been earning in the past due to falling interest rates.

Mr. Kenny Jalsa explained that the Investment Committee held regular meetings and it communicated with other partners who are in the business of investment and kept abreast of what was happening in the economy. There was no guarantee that dividends

will continue to be as good but the Investment Committee will ensure that investments earn maximum returns with minimum risks, which was a tough task, but the committee was up to the challenge.

The Chairman added that CECU, in terms of loans, had significant amounts of income coming from investments whereas other credit unions have more significant amount of income from loans. CECU is at the lower end of the Pearl standards as far as loans were concerned.

The Auditors' Report and Financial Statements were adopted on a motion moved by Kenny Jalsa and seconded by Calvin Francis.

BUDGET

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

Chief Executive Officer Elizabeth Raphael presented the operating budget for the financial year ended December 2008 and highlighted the projections for 2009.

Revenue:

The total income for 2008 exceeded the budget by \$614,233. Investment income was the most favourable variance. A negative variance was recorded under "Rent".

Expenditure:

In 2008, personnel cost showed a positive variance of \$14,139 and administrative cost of \$410,210. The provision of \$500,000 for repairs and maintenance was not utilized in the last financial year. Total expenses were maintained within the budgetary projection reflecting a positive variance of \$399,249.

Net Income

In 2008, Net Income showed a positive variance of \$1,013,481 over budget projection.

Those factors contributed to CECU's ability to maintain 8% dividend and to carry forward the sum of \$556,270

in retained earnings, thereby strengthening the credit union's capital adequacy position.

Revenue

In 2009, an increase of 9.42% over 2008 actual is projected in revenue.

Loan Interest:

The loan interest projection for 2009 was \$11 million which was based on an average loan balance of \$82.4 million and mortgage loan balance of \$6.8 million. The current investment portfolio is expected to yield \$3.9 million while new investments averaging \$11 million will yield \$650,000.

Expenditure

In 2009 an 18% increase in expenditure over 2008 is projected. Expenses will be managed to ensure that the Credit Union remains within an acceptable standard notwithstanding the challenges. CECU is confident that its goals will be realized and it will be in a position to pay 7% dividend for 2009.

Matters Arising

In response to a query about an increase in Professional and Legal Fees, Ms. Raphael indicated that renovations had begun on the credit union's office at 10 Victoria Avenue and the Society had to pay the architects for preparation of the drawings.

The budget was adopted on a motion moved by Mr. Calvin Francis and seconded by Ms. Erica Cazoe.

CREDIT COMMITTEE'S REPORT

The Chairman referred to the Credit Committee's Report on pages 40 – 42. Mr. Govind Maharaj indicated that 49 meetings were held by the committee but at the time of the report 43 was the number recorded. There were 5,958 loan applications of which 5,400 were approved. He noted that the committee did a fantastic job in 2008 and this year will be more hard-pressed.

There being no matters arising, the report of the Credit Committee was adopted on a motion moved by Mr. Trevor Howell and seconded by Ms. Peggy La Guerre.

SUPERVISORY COMMITTEE'S REPORT

The report of the Supervisory Committee as stated on page 43 was submitted for comment.

There being no matters, the report of the Supervisory Committee was adopted on a motion moved by Mr. Glenn Piontkowski and seconded by Ms. Dian Lopez.

RESOLUTIONS

Dividend

The Secretary, Maria Rivas-Mc Millan, on behalf of the Board of Directors, presented the following resolutions 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 2008, and that such dividends be credited to members' shares.

On a motion moved by Mr. Junior Dhoray and seconded by Mrs. Sheila Chaves, the resolution was approved by the meeting with all members voting in the affirmative.

Appointment of Auditors

The Secretary, Maria Rivas-Mc Millan, on behalf of the Board of Directors, presented the following resolution to the meeting:

Be it resolved that the firm D. Montgomery & Company be appointed auditors for the financial year ending December 31st, 2009.

On a motion moved by Mr. Kenny Jalsa and seconded by Mrs. Jeffrey Clarke, the resolution was approved by the meeting with all members voting in the affirmative.

VOTE OF THANKS

Mr. Kester Hamlet thanked the Chairman for a very refreshing and incident free meeting.

With respect to the dividend over the years, Mr. Hamlet stated that if someone saved \$100 monthly at an average 8% for the period stated on page 44, which was 10 to 11 years, that person would have saved \$21,058. If the person saved \$500, he would have saved \$105,290. A person saving \$1000 would have saved \$589,020. He implored members to establish savings account. He thanked God for CECU's resources.

Mr. Hamlet also thanked Mr. Carl Hiralal for his words of advice; the co-operative officers, specially invited guests from various credit unions, the Auditors, Attorneys, CUNA Caribbean Insurance Society Limited.

He specially thanked Sheila Chaves for her 56 years with the credit union. He extended a hand to Mr. Hackshaw and indicated that CECU would be glad to have Gordonious Credit Union in its fold.

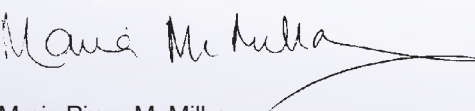
He thanked the member companies who donated hampers, the note-taker, caterers and all those who made the meeting possible.

PRIZES

Mrs. Sheila Chaves was presented with a token of appreciation for her loyalty to CECU. She has been a member from the Society's inception and was the first Secretary.

Ms. Lorraine Ragbir named the persons who won early bird prizes and indicated that at the conclusion of the meeting, they would be invited to collect their prizes. She also thanked the member companies who donated the prizes.

There being no further official business, the Chairman closed the Annual General Meeting at 7.15 p.m.



Maria Rivas-McMillan
Secretary

Board of Directors

Kenny Jalsa,
Vice President

Pearl Butler-Lopez,
Director

Govind Maharaj,
President

Terri Ann Brathwaite,
Director

Trevor Howell,
Director



Report of the Board of Directors

FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2009

OVERVIEW:

We are pleased to report that the year-end results reflect the strength, stability and continuity of Canning's Employees' Credit Union in spite of the challenges of the financial crisis that the world continued to experience during 2009.

CECU's focus has always been on anticipating and meeting our members' needs with timely and relevant solutions. As we go through these difficult times, our principal objectives continue to be:

- deepening the relationship between CECU and membership
- preserving the relationships for the long term

Those two objectives correlate well since, the deeper the relationship, the less likely are we to suffer from membership attrition. As a tangible gesture of how much member loyalty and support are appreciated, your Board has decided to reward both savers and borrowers with a dividend as well as an interest rebate.

The outlook for 2010 remains cautious in Trinidad & Tobago. A marked contraction in consumer credit was coupled with extremely high levels of liquidity in the system. This will continue to put

pressure on local interest rates. Our investment in five of the six stocks held in the local stock market recorded declines ranging from 9.09% to 21.61%; the other recorded an appreciation of 16.04%.

Your Investment Committee has been extremely vigilant and adopted the strategic position of investing in fixed income investments, government and quasi-government bonds. This has resulted in a more diversified portfolio, the objective being to maximize current income while ensuring the safety and soundness of our investments.

BOARD OF DIRECTORS:

The following persons were elected to serve on the executive at the first Board meeting following the 57th Annual General Meeting:

| | | |
|----------------------|---|---|
| Govind Maharaj | - | President |
| Kenny Jalsa | - | Vice President |
| Maria Rivas-McMillan | - | Secretary |
| Dian Lopez | - | Asst. Secretary |
| Elizabeth Raphael | - | Chief Executive Officer (Ex Officio) |

Other serving Directors were:

| | |
|-----------------|----------------------|
| Trevor Howell | Terri Ann Brathwaite |
| Calvin Francis | Glenroy Forrester |
| Peggy La Guerre | Carol Roberts |
| Sheila Chaves | Kester Hamlet |

| | |
|-------------|--------------------|
| Alternates: | Pearl Butler-Lopez |
| | Erica Cazoe |

Our policy is to use the skills and expertise of those elected to serve; the following persons were elected convenors of key sub-committees of the Board:

| Convenors | Committees |
|----------------------|--------------------------------|
| Govind Maharaj | Executive & Building Committee |
| Maria Rivas-McMillan | Marketing/Public Relations |
| Carol Roberts | Education |
| Kenny Jalsa | Investment |
| Peggy La Guerre | Delinquency Control |
| Kester Hamlet | Information Technology |
| Trevor Howell | Nominations |

*Govind Maharaj
President*



A record of Directors' attendance for the period April 2009- March 2010

| Names | Position | Possible Attendance | Attended | Excused |
|----------------------|-----------------|---------------------|----------|---------|
| Govind Maharaj | President | 9 | 8 | 1 |
| Kenny Jalsa | Vice President | 9 | 8 | 1 |
| Maria Rivas-McMillan | Secretary | 9 | 8 | 1 |
| Dian Lopez | Asst. Secretary | 9 | 8 | 1 |
| Terri Ann Brathwaite | | 9 | 7 | 2 |
| Sheila Chaves | | 7 | 1 | 6 |
| Calvin Francis | | 9 | 5 | 4 |
| Trevor Howell | | 9 | 8 | 1 |
| Peggy La Guerre | | 9 | 5 | 4 |
| Carol Roberts | | 9 | 8 | 1 |
| Glenroy Forrester | | 9 | 7 | 2 |
| Kester Hamlet | | 9 | 9 | - |
| Pearl Butler-Lopez | Alternate | 9 | 5 | 4 |
| Erica Cazoe | Alternate | 9 | 7 | 2 |

MEMBERSHIP:

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

| | 2009 | 2008 |
|------------------|-------|-------|
| Employees | 2,357 | 2,326 |
| Relatives | 1,118 | 1,052 |
| Ex employees | 3,140 | 2,933 |
| Total membership | 6,615 | 6,311 |

SHARES:

Our share capital recorded a 13.51% growth up from \$107,300,172 in 2008 to \$121,796,169 in 2009, an increase of \$14,495,997. This is a phenomenal achievement considering the level of Share withdrawals (\$12,601,018) resulting from resignations, job losses, migration or actions exercised by members who expressed uncertainty regarding their employment status.

DEPOSITS:

Given the liquidity in the financial system and the resultant low interest rates, a downward adjustment of CECU's interest rate became imperative. Notwithstanding this adjustment, our existing rates are still very competitive and the terms and conditions are particularly beneficial to our retirees. The portfolio now stands at \$8,855,731.

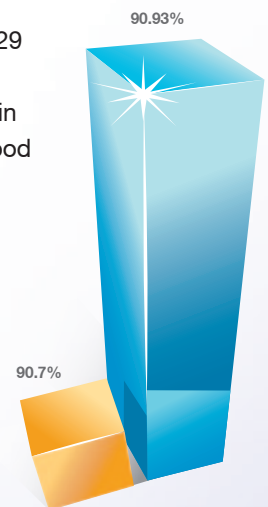
LOANS:

Total loans increased by \$3,769,129 or 4.67% in 2009 compared with \$6,627,859 an increase of 8.94% in 2008. The loans to asset ratio stood at 51.68%.

Loans outstanding:

Credit Union Personal Loans
76,875,569 - 90.93%

Credit Union Mortgage Loans
7,670,538 - 9.07%

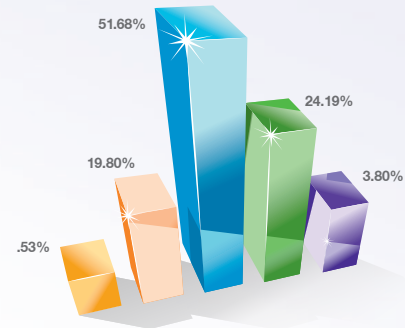


DELINQUENCY:

Our in-house recoveries department, working closely with the Arbitration Department of the Commissioner for Co-operative Development, has been relentless in its efforts to recover outstanding loans deemed to be delinquent. The sum of \$375,425.03 was collected during the year. In keeping with management's prudent approach, the sum of \$331,000.00 has been provided for in the 2009 accounts. The total loan loss provision of \$2,853,998.82 represents the unsecured balance of impaired or doubtful loans.

ASSET MIX:

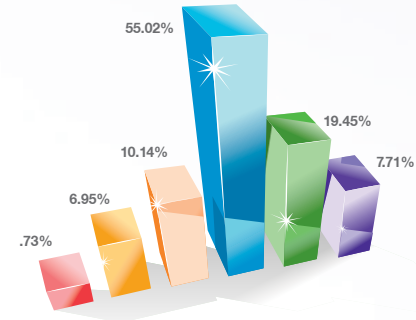
| | | |
|---------------------------------|------------|--------|
| Loans | 84,546,106 | 51.68% |
| Cash and short term investments | 39,582,832 | 24.19% |
| Other Investments | 32,387,612 | 19.80% |
| Fixed Assets | 6,214,385 | 3.80% |
| Accounts Receivable | 874,755 | .53% |



The Investment portfolio grew by 6.17% from \$67,787,952 to \$71,970,444. It comprises:

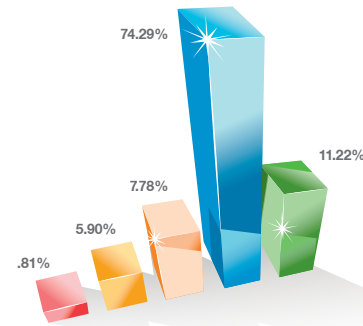
2009

| | | |
|------------------------|---------------------|-------------|
| Equities | 7,301,248 | 10.14% |
| Mutual Funds | 528,811 | .73% |
| Bonds | 14,000,000 | 19.45% |
| Cash & short term Inv. | 39,582,832 | 55.02% |
| Managed Portfolios | 5,557,553 | 7.71% |
| Medium term | 5,000,000 | 6.95% |
| | \$71,976,444 | 100% |



2008

| | | |
|------------------------|------------------------|-------------|
| Equities | 7,606,553.10 | 11.22% |
| Mutual Funds | 548,811.87 | .81% |
| Bonds | 4,000,000.00 | 5.90% |
| Cash & short term Inv. | 50,361,947.94 | 74.29% |
| Managed Portfolios | 5,270,639.22 | 7.78% |
| Medium term | - | - |
| | \$67,787,952.13 | 100% |



To achieve maximum profitability, we procured several long and medium term investments yielding a reasonable rate of return ranging from 5.35% - 6.8% per annum.

REVENUE:

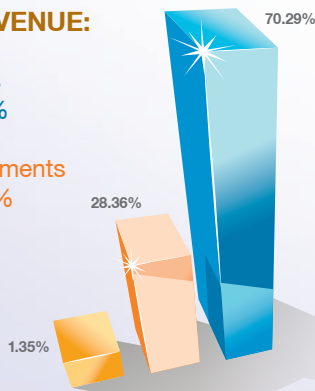
Gross revenue was \$13,697,290 a decline of \$696,943 or 4.84%; loan interest increased by \$324,142 or 3.48%. Incorporated in the prior year investment income was the capital gain on the sale of RBTT shares amounting to \$363,425.33. In 2009, investment income amounted to \$3,884,097. When compared with 2008, excluding the exceptional item there was a decline of \$578,165 or 11.9% which was anticipated given the economic climate.

SOURCES OF REVENUE:

Revenue from Loans
\$ 9,627,828 - 70.29%

Revenue from Investments
\$ 3,884,096 - 28.36%

Other income
\$185,365 - 1.35%



USE OF REVENUE:

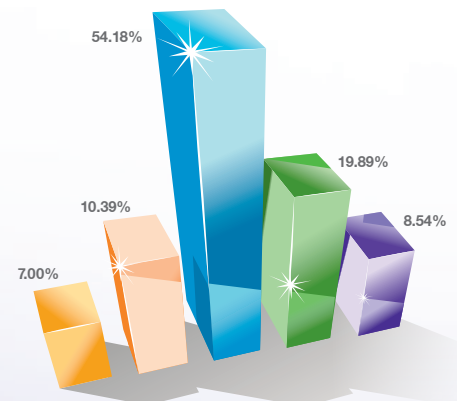
Dividend & Rebate
\$7,421,498 - 54.18%

Administrative Costs
\$2,724,615 - 19.89%

Additions to Reserve
\$1,169,776 - 8.54%

Personnel Costs
\$1,423,135 - 10.39%

Loan Protection/Life Savings
\$958,266 - 7.00%



DIVIDENDS & INTEREST REBATE:

Net surplus, after allocation for statutory and other reserves, amounted to \$7,495,886.33. CECU's capital adequacy ratio measured 11.72%, well above the minimum requirement of 8% proposed in the impending regulation.

Your Board proposes a dividend payment of 6.5% and an interest rebate of 1.5%. A total of \$7,421,497.61, representing 99.01 % of the net surplus. The sum of \$74,388.72 will be capitalized in the retained earnings.

PEARLS ANALYSIS:

| COMPONENTS | SATISFACTORY | UNSATISFACTORY | ACTUAL 2009 |
|---|---------------------------|----------------|-------------|
| Protection (Capital/Total Assets) | 8% | <3% | 11.72% |
| Earnings (Net Income/Average Assets) | 0.5 - 1.5% | <0.5% | 5.45% |
| Operating Exps/Gross Income | 30 - 50% | >60% | 37.28% |
| Asset Quality (Delinquent Loans/Total Loans) | <3% | >5% | net 3.27% |
| Rate of Growth (Savings Growth Rate) | > Inflation & Growth Rate | <0.5% | 8.65% |
| Loans Growth Rate | > Savings Growth Rate | <0.5% | 4.67% |
| Membership Growth Rate | min. 5% | <5% | 8.33% |
| Liquidity (Loans/total assets) | 70 - 80% | >90% | 51.68% |
| Structure (Non-Earning Assets/Total Assets) | <5% | 15% | 3.80% |

IMPENDING LEGISLATION FOR THE CREDIT UNION MOVEMENT

Consultations and dialogue with the Central Bank of Trinidad & Tobago on the proposed legislation for the Credit Union Movement have been completed. The Minister of Finance proposes to present the Bill to Parliament within the second quarter of this year.

In recognition of the varied and expanded level of reporting that accompanies the new legislation, and the implementation of our succession plan given the retirement of our Chief Executive Officer, the following matters are engaging the Board's attention.

- Recruitment of two senior Managers

It is critical that the new Managers have:

- A sound track record at a management level in a financial services organisation
- A solid capacity for financial analytics
- An appreciation of the Credit Union culture and organizational values
- Leadership skills that will inspire and maintain the trust and respect that is required in our team-oriented environment
- Integrity

LEASEHOLD IMPROVEMENTS - 10 VICTORIA AVENUE

Canning's Employees' Credit Union moved into its fully renovated and refurbished home on November 25, 2009, exactly 10 months after the project started on January 26.

Board of Directors

Carol Roberts,
Director

Kester Hamlet,
Director

Glenroy Forrester,
Director

Dian Lopez,
Director



The refurbishment was completed at a cost of \$3,808,813. The Board is gratified that we have been able to provide our staff and members with these new facilities. Special attention has been paid to maximising safety and comfort with the colour palette and the ergonomic furnishings. Members have expressed immense joy at the new surroundings and are pleased that we have maintained an architecture that is modern, while maintaining many of the traditional elements of our original Victorian building.

The building was finished with our operational cash flow and will be written off over the unexpired period of the lease.

MARKETING/EDUCATION ACTIVITIES

Membership

CECU surpassed the Pearls Standard to realise an increase of 526 new members in 2009, equating to an 8.33 % increase over 2008. The drive was centered on member companies, ensuring that all employees' became full members of CECU. However, CECU still managed to bring two new companies into the CECU family: Market Facts and Opinion and Dairy Distributors, Ellerslie Plaza.

Education

Succession planning, through training and upgrading of skills, is critical as it ensures the availability of experienced and capable resources at all times. Mr. Junior Dhoray and Ms. Lorraine Ragbir participated in the 2009 Caribbean Conference of Credit Unions conference held in the Dominican Republic. Three Directors, Mr. Govind Maharaj, Mr. Kenny Jalsa and Mrs. Maria Rivas-McMillan, along with CEO Ms. Elizabeth Raphael represented CECU at the World Council of Credit Unions Conference in Spain. Participants at each conference came away with a wealth of knowledge as these conferences exposed them to what is taking place both internationally and regionally, and allowed interaction with Credit Union Executives from the region and around the world.

Site Visits

Canning's Employees' Credit Union has been on a drive to enrol all employees from our member companies

and educate existing membership. The Marketing Team visited 17 locations, meeting with close to 300 members, and enrolling 120 new members. This outreach reinforced CECU's personal approach in these difficult financial times.

Health Drive

CECU continued the Member Health Drive started in 2008. Six member companies were targeted: HADCO, Micon Marketing, Laughlin and De Gannes, Dairy Distributors, Climate Control and KISS Baking. Employees not only got their Blood Pressure/Blood Glucose and Cholesterol tested but were educated on the services and benefits of credit unionism and CECU in particular. CECU's Wellness objective was very much appreciated since many persons indicated that these basic health checks were not done – either through lack of knowledge or of time.

Newsletter

CECU's quarterly newsletter continues to provide useful information and advice saving and thrift as well as updates on the worsening economic situation. The newsletter is available online (www.mycecu.com) and members can opt to receive an electronic version simply by sending their email address information to the Marketing Department.

Corporate Responsibility

CECU is cognisant of its responsibility towards the environment, members, employees, communities, and other key stakeholders. In particular, we remain committed to national development through education.

To this end, support was provided to Newtown Boy's R.C., Lower Morvant Primary School, Tranquility Secondary School, St. Joseph's Convent and Corpus Christi College. In addition, assistance was provided to Akini Gill to complete his thesis at the University of the West Indies.

For the second time in CECU's history, one past SEA achiever received an extended scholarship of \$1000 Canadian per year for five years, to continue her studies at the Tertiary level. Jolie Figaro has been accepted to the University of Waterloo to pursue a Bachelor of

Science Degree in Actuarial Science. Jolie performed exceptionally well while at secondary school in Trinidad and Tobago. CECU is very proud to have played a part in her development. We continue to be proud of her achievements and wish her well.

Two students also received bursaries for vocational training at the National Centre for Persons with Disabilities.

Modern day Trinidad & Tobago critically requires a strengthening of community bonds. Donations were therefore given to support the work of various NGO's such as the Society of St. Vincent De Paul and the Paralympic Organisation of Trinidad and Tobago. CECU also gave financial support to fellow credit unions, Western Credit Union and COPOS credit union, to assist in promoting financial literacy among its members.

Children's Christmas Party

CECU changed venues for its 2009 party and hosted 800 parents and children to a rollicking time at the Woodbrook Youth Facility.

OBITUARIES

We were indeed saddened over the passing of two stalwarts of CECU during the year.

Emil de la Grenade

Emil de la Grenade, CECU's longest serving President, passed away on April 30, 2009. Ill health alone forced Mr. De la Grenade to retire after 22 years. Well respected in the local and regional credit union fraternity, his service record dates back to 1970. In addition to being CECU's Chief Delegate on the Co-operative Credit Union League, and later the Association of Credit Union Presidents for Trinidad & Tobago (ACUPTT), he also served as Vice President on the Policy Owners Group instituted by CUNA Caribbean Insurance of the CUNA Mutual Group. His vision, knowledge and expertise are sadly missed.

Sheila Chaves

CECU's 58 year success can in the main be attributed to the dedication and commitment of our founding members, one of whom was Sheila Chaves. Loyal, dedicated, efficient, steadfast, poised, lovely, unchanging, smiling and an amazing memory were just some of the

words used to describe Mrs. Chaves. She served CECU with distinction and humility as Assistant Secretary, Secretary and, up to her untimely passing on November 25, 2009, was a Director of CECU. We remember and cherish the legacy she left us in Canning's Employees' Credit Union.

The Board of Directors extends sincerest condolences to the bereaved families of members who passed away and also to members who suffered the loss of their loved ones during the year.

DECEASED MEMBERS

| | |
|---------------------|--------------------|
| Sheila Chaves | Emil de la Grenade |
| Joyce de la Grenade | Keisha Hamilton |
| Surendra Madoo | Arjoon Maharaj |
| Ricardo Marcano | Zena Mark |
| Vernon Mendes | Vera Pichery |
| Ashley Richmond | Albert Teemul |

OUTGOING DIRECTORS

In accordance with Byelaws 18 and 22, the Credit and Supervisory Committees are outgoing.

We thank Messrs. Calvin Francis, Kester Hamlet, Dian Lopez and Pearl Butler Lopez, who served the unexpired term of the late Sheila Chaves, for their invaluable contribution.

ACKNOWLEDGMENT

CECU continues to be an exemplar in the Co-operative Movement due in no small measure to the commitment and dedication of the Board, Committees, Management and Staff. We are pleased to have made a difference in the lives of you, our loyal membership, and we thank you for your unwavering support.

We wish to place on record our deepest gratitude to our sponsor companies, bankers, insurance brokers, Attorneys, stock brokers, auditors, CUNA Caribbean Insurance, the Commissioner for Co-operative Development and staff, our architect and contractor for their yeoman service during the year.

With God's help we shall once again overcome any challenges ahead in this fiscal year and build an even stronger organisation.

CONCLUSION

The economic challenges of 2009 are a matter of record and countries continue to experience the negative impact of the worst recession for decades. In 2010, amidst the uncertainty with respect to any significant recovery, the Credit Union fraternity in Trinidad and Tobago now faces the implementation of new Credit Union Legislation.

The anticipated changes will undoubtedly provide some challenges to the Movement. CECU, whose impeccable reputation for integrity, professionalism, accountability and good governance is known throughout the Credit Union fraternity, will continue to serve as a model Credit Union.

CECU will ensure that, not only will we be “our brother’s keeper” but will also be vigilant in managing operational expenses, improving service efficiency and product delivery while providing continuous education for an informed membership.

With the support of all our stakeholders, CECU and its membership will be well-prepared to weather any storm.

Thank you and God Bless You All.



Govind Maharaj
President



Emil De La Grenade
October 12, 1926 – April 30, 2009



Sheila Chaves
October 22, 1930 – November 25, 2009

Board of Directors

Maria Rivas-Mc Millan,
Secretary

Calvin Francis,
Director

Elizabeth Raphael,
Chief Executive Officer

Peggy La Guerre,
Director



RESOLUTIONS

Appointment of Auditors:

Be it resolved that the firm D. Montgomery & Company be appointed for the financial year ending December 31, 2010.

Maximum Liability:

That the Annual General meeting authorise the sum of \$500,000 as the maximum liability for the financial year ending December 31, 2010.

Dividends:

Be it resolved that in accordance with bye-law 25 Section (1), a dividend of 6.5% be paid on fully paid up shares at the end of the financial year ended December 31, 2009, and that such dividends be credited to members' shares.

Interest Rebate:

That the Annual General Meeting approve the recommendation of the Board of Directors re the payment of an interest rebate of 1.5% on all interest paid on loans for the financial year ended December 31, 2009, such interest rebate to be credited to members' loan account.



**D. MONTGOMERY & CO
CHARTERED ACCOUNTANTS**

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 2009 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 the entity's internal control. An audit also includes evaluating the appropriateness 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 2009, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.



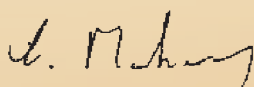
2nd March 2010
Port of Spain
TRINIDAD AND TOBAGO

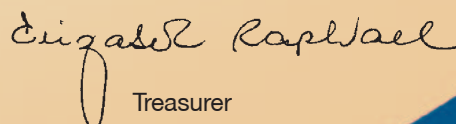
Balance Sheet

DECEMBER 31, 2009

| Assets | Notes | 2009 | 2008 |
|---|--------------|---------------|---------------|
| Cash and Short Term Deposits | 2 | 27,408,470 | 22,627,222 |
| Investments – Available-for-Sale | 3 | 14,289,573 | 14,373,428 |
| – Loans and Receivables | 3 | 30,133,175 | 30,787,302 |
| Accounts Receivable and Accrued Interest | | 1,014,829 | 1,126,875 |
| Total Current Assets | | 72,846,047 | 68,914,827 |
| Non- Current Assets | | | |
| Loans to Members Net of Allowance for Loan Losses | 4 (i) | 84,546,106 | 80,776,977 |
| Property and Equipment | 5 | 6,213,539 | 2,005,578 |
| Total Assets | | \$163,605,692 | \$151,697,382 |
| Liabilities and Members' Funds | | | |
| Current Liabilities | | | |
| Accounts Payable and Accrued Expenses | | 981,289 | 1,330,451 |
| Due to National Insurance Board | 6 | 1,454 | 448 |
| Members' Deposits | 7 | 8,925,595 | 12,836,953 |
| Total Current Liabilities | | 9,908,338 | 14,167,852 |
| Non-Current Liabilities | | | |
| Accounts Payable and Accrued Expenses | | 1,156,624 | - |
| Total Liabilities | | 11,064,962 | 14,167,852 |
| Members' Funds | | | |
| Members' Shares | | 121,796,169 | 107,300,172 |
| Fair Value Reserves | | 4,150,661 | 4,291,298 |
| Reserve Fund | 8 | 11,210,897 | 10,351,664 |
| Education Fund | 9 | 316,905 | 317,791 |
| Common Good Fund | | 34,300 | 26,000 |
| Retained Income | | 15,031,798 | 15,242,605 |
| Total Members' Fund | | 152,540,730 | 137,529,530 |
| Total Liabilities and Members' Fund | | \$163,605,692 | \$151,697,382 |

The accompanying significant accounts policies on pages 7 to 12 and notes on pages 13 to 16 form an integral part of these financial statements. On March 2, 2010 the Board of Directors Authorised these financial statements for issue.


 President


 Treasurer

Income and Expenditure Account

FOR THE YEAR ENDED DECEMBER 31, 2009

| Income | Notes | 2009 | 2008 |
|--|-------|--------------------|--------------------|
| Loan Interest | | 9,627,828 | 9,303,687 |
| Investment Income | | 3,884,097 | 4,825,687 |
| Rent | | 300 | 62,750 |
| Sundry Revenue | | 185,065 | 202,110 |
| | | 13,697,290 | 14,394,234 |
| | | | |
| Expenditure | | | |
| Annual General Meeting | | 260,301 | 256,246 |
| Audit Fee | | 65,250 | 61,089 |
| Bad Debt Provision | | 331,000 | 204,000 |
| Bank Charges and Interest | | 12,811 | 9,178 |
| Computer Services | | 20,381 | 21,376 |
| CUNA Insurance Premium | | 958,266 | 889,713 |
| Depreciation | 5 | 100,395 | 47,917 |
| Directors' Travel and Subsistence | | 28,875 | 26,700 |
| Electricity | | 38,048 | 19,323 |
| Employees' Retirement Income Security Plan | | 77,980 | 66,614 |
| Fidelity Bond | | 2,160 | 2,160 |
| Insurance | | - | 17,119 |
| Interest on Members' Fixed Deposits | | 677,272 | 1,044,935 |
| Legal and Professional Fees | | 62,288 | 65,131 |
| Loss on Disposal of Fixed Assets | | 116,971 | 37 |
| Marketing | | 157,901 | 192,840 |
| Meetings and Seminars | | 55,424 | 32,673 |
| Miscellaneous | | 106,927 | 16,630 |
| Office Expenses | | 182,591 | 203,403 |
| Rates and Taxes | | 4,587 | 4,720 |
| Repairs and Maintenance | | 1,973 | 21,909 |
| Rent | | 291,322 | 49,530 |
| Salaries, Wages and National Insurance | | 1,345,154 | 1,289,247 |
| Security | | 36,025 | 9,582 |
| Stationery, Printing and Postage | | 81,572 | 66,316 |
| Telephone | | 86,705 | 100,347 |
| Travelling and Entertainment | | 3,837 | 4,517 |
| | | 5,106,016 | 4,723,252 |
| Excess of Income over Expenditure | | \$8,591,274 | \$9,670,982 |

Cash Flow Statement

FOR THE YEAR ENDED DECEMBER 31, 2009

| CASH FLOWS FROM OPERATING ACTIVITIES | 2009 | 2008 |
|--|---------------------|---------------------|
| Surplus for the Year | 8,591,274 | 9,670,982 |
| Adjustment for Non-Cash Items: | | |
| Capitalised Interest on investment and Originated Securities | 597,346 | 9,069,667 |
| Loss on Disposal of Fixed Assets | 116,971 | 37 |
| Depreciation | 100,395 | 47,917 |
| Cash Flows before Changes in Operating Assets and Liabilities | 9,405,986 | 18,788,603 |
| Increase in Loans to Members (Net) | (3,769,129) | (6,627,859) |
| (Decrease)/Increase in Other Payables | 808,469 | (910,340) |
| (Decrease)/Increase in Customers' Deposits | (3,911,357) | (172,304) |
| Decrease in Receivables | 112,044 | 1,266,901 |
| Cash Generated from Operations | 2,646,013 | 12,345,001 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Proceeds from Disposal of Investments | 5,000,000 | 10,609,256 |
| Purchase of Investments | (5,000,000) | (17,000,000) |
| Purchase of Plant, Machinery and Equipment | (4,425,328) | (6,932) |
| Net Cash Used in Investing Activities | (4,425,328) | (6,397,676) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Issue of Shares | 14,495,997 | 15,421,879 |
| Dividends Paid | (7,706,694) | (6,478,496) |
| Education Fund | (215,668) | (180,008) |
| EDLG Medical Assistance Fund | (13,178) | - |
| Entrance Fees | 106 | 162 |
| Net Cash Provided by Financing Activities | 6,560,563 | 8,763,537 |
| Net Increase/(Decrease) in Cash and Cash Equivalents | 4,781,248 | 14,710,862 |
| Cash and Cash Equivalent – at beginning of the Year | 22,627,222 | 7,916,360 |
| Cash and Cash Equivalent – at end of the Year | \$27,408,470 | \$22,627,222 |
| REPRESENTED BY | | |
| Cash and Short Term Deposits | \$27,408,470 | \$22,627,222 |

Statement of Changes in Members' Funds

FOR THE YEAR ENDED DECEMBER 31, 2009

| Year Ended 31st December 2008 | Members' Shares | Fair Value Reserve | Reserve Fund | Education Fund | EDLG Fund | Retained Income | Total |
|--|----------------------|--------------------------|---------------------|-------------------|------------------------|---------------------|----------------------|
| Balance as at 31st December 2007 | 91,878,293 | 6,177,664 | 9,384,404 | 256,025 | - | 13,284,991 | 120,981,377 |
| 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) |
| Appreciation in Market Value of Securities | - | (1,886,366) | - | - | - | - | (1,886,366) |
| 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 |
| Balance as at 31st December 2008 | \$107,300,172 | \$4,291,298 | \$10,351,664 | \$317,791 | \$26,000 | \$15,242,605 | \$137,529,530 |
| Year Ended 31st December 2009 | Members' Shares | Fair Value Reserve | Reserve Fund | Education Fund | Common Good Fund | Retained Income | Total |
| Balance as at 31st December 2008 | 107,300,172 | 4,291,298 | 10,351,664 | 317,791 | 26,000 | 15,242,605 | 137,529,530 |
| Appropriation | - | - | 859,127 | 214,782 | 21,478 | (1,095,387) | - |
| Entrance Fee | - | - | 106 | - | - | - | 106 |
| Staff Training and Social Function Expenses | - | - | - | (198,968) | - | - | (198,968) |
| Donations and Scholarships | - | - | - | (16,700) | (13,178) | - | (29,878) |
| Depreciation in Market Value of Securities | - | (140,637) | - | - | - | - | (140,637) |
| Excess of Income over Expenditure | - | - | - | - | - | 8,591,274 | 8,591,274 |
| Dividends | - | - | - | - | - | (7,706,694) | (7,706,694) |
| Receipts | 21,031,434 | - | - | - | - | - | 21,031,434 |
| Payments | (12,601,018) | - | - | - | - | - | (12,601,018) |
| Net Transfers | 6,065,581 | - | - | - | - | - | 6,065,581 |
| Balance as at 31st December 2009 | \$121,796,169 | \$4,150,661 | \$11,210,897 | \$316,905 | \$34,300 | \$15,031,798 | \$152,540,730 |

Receipts and Payments

FOR THE YEAR ENDED DECEMBER 31, 2009

Receipts

| | |
|----------------------------------|------------|
| Shares | 21,031,434 |
| Loans – Personal | 16,236,769 |
| – Mortgage | 996,199 |
| Members' Deposits | 2,439,564 |
| NIB Mortgage | 85,471 |
| CUNA Insurance Claims | 363,013 |
| Interest on Loans | 8,637,602 |
| Investment Income | 3,636,692 |
| Rent | 300 |
| Entrance Fee | 106 |
| Commission | 175,858 |
| Accounts and Payroll Receivables | 268,055 |
| Bad Debt Recoveries | 3,820 |
| TECU Clearing Account | 665,677 |
| Republic Bank Limited | 5,000,000 |
| Other | 6,241 |
| UTC Second Scheme | 15,693,926 |
| Stale Dated Cheques | 17,294 |
| | |
| Balance at 31st December 2008: | |
| Payroll in Transit | 140,648 |
| 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 |

\$87,825,891

Payments

| | |
|----------------------------------|------------|
| Shares | 12,601,018 |
| Loans – Personal | 25,839,697 |
| – Mortgage | 742,454 |
| Members' Deposits | 1,648,979 |
| Investments | 5,000,000 |
| Fidelity Bond | 2,160 |
| CUNA Accounts Payable | 1,284,302 |
| Salaries and Staff Expenses | 1,419,607 |
| Accounts Payable and Accrual | 113,233 |
| NIB Loans | 105,737 |
| Rent | 291,322 |
| Audit Fee | 10,250 |
| Bank Charges | 12,811 |
| Computer Expenses | 26,074 |
| Education Fund Expenses | 210,469 |
| Miscellaneous Expenses | 128,439 |
| Rates, Taxes and Utilities | 129,110 |
| Professional and Legal | 29,824 |
| Annual General Meeting | 259,900 |
| Security | 36,025 |
| TECU Clearing | 756,599 |
| Meetings and Seminars | 55,424 |
| CUNA Insurance Premiums | 876,679 |
| CUNA Insurance Claims | 223,813 |
| Office Expense | 194,593 |
| Repairs and Maintenance | 2,716,876 |
| Stationery, Printing and Postage | 81,572 |
| Fixed Assets | 516,433 |
| Advertising and Marketing | 150,301 |
| Dividend | 14,491 |
| | |
| Balance at 31st December 2009: | |
| Payroll in Transit | 139,229 |
| RBTT Bank Ltd – Current Account | 1,654,323 |
| US Money Market Fund | 3,722,831 |
| UTC Second Unit Scheme | 16,774,782 |
| Petty Cash | 333 |
| RBTT US Dollar Savings | 56,201 |
| Nipdec Government Bonds | 5,000,000 |
| Education Bonds | 5,000,000 |

\$87,825,891

Significant Account Policies

DECEMBER 31, 2009

(a) Basis of Financial Statements Preparation

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), and are stated in Trinidad and Tobago dollars. These financial statements are stated on the historical cost basis, as modified by the revaluation of investment securities in accordance with the Co-operative Societies Act 1971.

(b) Use of Estimates

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires management to exercise its judgment in the process of applying the Society's accounting policies. It also requires the use of 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 expenditure during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

(c) Adoption of New and Revised IFRSs and IFRICs

During the current year the Society adopted all the new and revised International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations (IFRICs) which are relevant to its operations and are effective for accounting periods commencing on or before 1st January 2008. The adoption of these Standards did not have a material effect on the financial statements. At the date of authorization of these financial statements, some Standards were in issue but not yet effective. The Board of Directors expects that the adoption of these Standards in future periods will not have a material effect on the financial statements of the Society.

(d) Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation 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 is provided on the diminishing balance method, 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 |

The assets' residual values and useful lives are reviewed at each balance sheet date and adjusted as appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(e) Investments

The Society has classified all investments into the following categories:

Loans

These investments are for a specified period and are not quoted on an active market. They are carried at amortised cost.

Available for Sale

These securities are intended to be held for an indefinite period of time but may be sold in response to the needs for liquidity or changes to interest rates, exchange rates or equity prices

Available for sale of investments are subsequently carried at fair value with unrealized gains or losses (arising from changes in the fair value) 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.

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. For actively traded investments, fair value is determined by reference to the Stock Exchange quoted market prices at the balance sheet date, adjusted for transaction costs necessary to realize the investment. For investments where there is no quoted market price, the carrying value is deemed to approximate fair value.

(f) Financial Instruments

Financial instruments are contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognized on the Society's balance sheet when the Society becomes a party to the contractual provisions of the instrument.

Financial Assets

All regular purchases and sales of financial assets are recognized or derecognized on the trade date i.e. the date on which the Society commits itself to purchase or sell an asset. A regular purchase and sale of financial assets is a purchase or sale of an asset under a contract whose terms require delivery of the asset within the timeframe established generally by regulation or convention in the marketplace concerned.

When financial assets are recognized initially, they are measured at fair value of the consideration given plus transaction costs directly attributable to the acquisition of the assets.

Financial assets are derecognized when the contractual rights to receive the cash flows expire or where the risks and rewards of ownership of the assets have been transferred.

(g) Revenue Recognition

Loan Interest

Interest charged on all loans to members is calculated on the outstanding balance at 1% per month. Interest on non-performing loans is not accrued or taken into income on an ongoing basis because there is doubt as to the recoverability of the loans. Income from non-performing loans is taken into income on a cash basis.

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

Investment Income

Income from investments is accounted for on the accruals basis except for dividends, which are accounted for on a cash basis, consistent with International Accounting Standards (IAS)#18.

(h) Dividends Payable to Members

Dividends are computed on the basis of the average value of shares held throughout the year, the average being determined on the basis of the value of shares held at the end of each day. Dividends that are proposed and declared after the balance sheet date are not shown as a liability in accordance with IAS #10 but are disclosed as a note to the financial statements.

(i) Foreign Currency

Monetary assets and liabilities denominated in foreign currencies are expressed in Trinidad and Tobago dollars at rates of exchange ruling at the balance sheet date. All revenue and expenditure transactions denominated in foreign currencies are translated at the average rate and the resulting profits and losses on exchange from these trading activities are recorded in the statement of income.

(j) Comparative Figures

Certain changes in the presentation have been made during the year and comparative figures have been restated accordingly. These changes have no impact on the surplus reported for the previous year.

(k) Financial Risk Management

Financial Risk Factors

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

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

(a) Interest Rate Risk:

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

The Society is exposed to interest rate risk through the effect of fluctuations in the prevailing levels of interest rates on interest bearing financial assets and liabilities including

investments in bonds, loans, customer deposits and other funding instruments.

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

(i) Bonds

The Society invests mainly in medium terms bonds consisting of fixed rate instruments.

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

(b) Credit Risk:

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

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

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

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

(c) Liquidity Risk:

Liquidity risk is the risk that arises when the maturity dates of assets and liabilities do not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Society has procedures with the object of minimizing such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

The Society is able to make daily calls on its available cash resources to settle financial and other liabilities.

Risk Management

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

To manage and reduce liquidity risk the Society's management actively seeks to match cash inflows with liability requirements.

(d) Currency Risk:

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

(e) Operational Risk:

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

(f) Compliance Risk:

Compliance risk is the risk of financial loss, including fines and other penalties, which arise from non-compliance with laws and regulations of the state. The risk is limited to a significant extent due to the supervision applied by the Inspector of Financial Institutions at the Central Bank of Trinidad and Tobago, as well as by the monitoring controls applied by the Society.

(g) Reputation Risk:

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

(I) Critical Accounting Estimates and Judgments:

The preparation of financial statements in accordance with International Financial Reporting Standards requires management to make its judgments, estimates and assumptions in the process of applying the Society's accounting policies.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under

the circumstances. The Society makes estimates and assumptions concerning the future. However, actual results could differ from those estimates as the resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

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

The critical judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements, are as follows:

- (i) Whether investments are classified as held to maturity investments, available for sale or loan and receivables.
- (ii) Which depreciation method for plant and equipment is used.
The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date (requiring management's most difficult, subjective or complex judgments) that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:
 - (i) **Impairment of Assets**
Management assesses at each balance sheet date whether assets are impaired. An asset is impaired when the carrying value is greater than its recoverable amount and there is objective evidence of impairment. Recoverable amount is the present value of the future cash flows. Provisions are made for the excess of the carrying value over its recoverable amount.
 - (ii) **Plant and Equipment**
Management exercises judgment in determining whether future economic benefits can be derived from expenditures to be capitalized and in estimating the useful lives and residual values of these assets.

Notes to the Financial Statements

DECEMBER 31, 2009

1. INCORPORATION AND PRINCIPAL ACTIVITY 31ST DECEMBER 2009

Canning's 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. CASH AND SHORT TERM DEPOSITS

| | 2009 | 2008 |
|---|--------------|--------------|
| Cash and Cash Equivalents | | |
| RBTT Bank Limited – Current Account | 1,654,323 | 2,640,254 |
| Unit Trust Corporation – US Dollar Money Market Fund | 3,722,831 | 3,591,011 |
| Unit Trust Corporation – Second Scheme | 16,774,782 | 6,151,846 |
| Petty Cash | 333 | 560 |
| RBTT Merchant Bank and Finance Company Limited – Fixed Deposits | 200,000 | 200,000 |
| Bourse Securities Limited – Fixed Deposits RBL Issue 6.3% | 5,000,000 | 5,000,000 |
| Republic Bank Limited – Fixed Deposits | - | 5,000,000 |
| RBTT USD Savings | 56,201 | 43,551 |
| | \$27,408,470 | \$22,627,222 |
| | \$27,408,470 | \$22,627,222 |

3. INVESTMENTS

| | 2009 Cost | 2008 Cost |
|---|--------------|--------------|
| <u>Loans</u> | | |
| Government of Trinidad and Tobago – Fixed Bond | 4,000,000 | 4,000,000 |
| Unit Trust Acceptance Credit | 1,133,175 | 16,787,302 |
| General Finance Corporation | 10,000,000 | 10,000,000 |
| NIPDEC F.R. Government Bond | 5,000,000 | - |
| Education Facilities Bond | 5,000,000 | - |
| CMMB – Guardian Holdings Ltd – Fixed Rate Bond 7.5% | | |
| - TSTT Strip Series 15 6.225% | 5,000,000 | - |
| | \$30,133,175 | \$30,787,302 |
| | \$30,133,175 | \$30,787,302 |

3. AVAILABLE -FOR-SALE

| | 2009 Cost | 2009 Market Value | 2008 Market Value |
|--|--------------|----------------------|----------------------|
| Quoted Shares | 3,283,729 | 8,490,784 | 9,351,644 |
| - Savinvest US Growth Fund | - | - | 177,613 |
| - Savinvest Structured Investment Fund | 1,647,592 | 1,647,592 | 891,029 |
| - Savinvest India Asia Fund | 638,500 | 645,854 | 729,190 |
| <u>Mutual Funds:</u> | | | |
| - Praetorian Property Mutual Fund | 600,000 | 415,200 | 464,400 |
| - Scotia Bank Global Growth Fund | 125,600 | 113,611 | 84,412 |
| - Unit Trust Chaconia income and Growth Fund | 314,000 | 256,107 | 218,234 |
| <u>Unquoted Share:</u> | | | |
| - Central Finance Facility | 25,000 | 25,000 | 25,000 |
| - Guardian Asset Management | 3,000,000 | 2,695,425 | 2,431,906 |
| | | \$14,289,573 | \$14,373,428 |

Total Other Investments

The United States dollar investments are expressed in equivalent Republic of Trinidad and Tobago Dollars.

4. (i) LOANS TO MEMBERS

| | Personal Loans | Mortgage Loans | Car Loans | Small Business Loans | 2009 Total | 2008 Total |
|---------------------------|-------------------|-------------------|--------------|----------------------------|---------------|---------------|
| Non-Delinquent Loans | 74,538,398 | 7,670,537 | 181,988 | - | 82,390,923 | 78,977,131 |
| Delinquent Loans | 4,989,072 | - | - | 20,110 | 5,009,182 | 4,326,645 |
| | \$79,527,470 | \$7,670,537 | \$181,988 | \$20,110 | \$87,400,105 | \$83,303,776 |
| | | | | | 2009 | 2008 |
| Gross Loans | | | | | 87,400,105 | 83,303,776 |
| Allowance for Loan Losses | | | | | (2,853,999) | (2,526,799) |
| | | | | | \$84,546,106 | \$80,776,977 |

Of the balance of delinquent loans \$4,989,072 (2008 - \$4,306,535) represents accounts on which no collections have been received for the year.

Shares held by members whose loans are delinquent total \$2,135,450 (2008 - \$1,779,733). The Credit Union also holds security in respect of the mortgage loans.

| 4. (ii) ALLOWANCE FOR LOAN LOSSES | 2009 | 2008 |
|--|--------------------|--------------------|
| Balance Brought Forward | 2,526,799 | 2,328,248 |
| Increase in the Provision | 331,000 | 204,000 |
| Loans Written Off | (7,620) | (8,580) |
| Amounts Recovered on Balances Previously Written off | | 3,820 5,353 |
| Amounts paid to Collectors | - | (2,222) |
| | <hr/> | <hr/> |
| <u>Balance Carried Forward</u> | <u>\$2,853,999</u> | <u>\$2,526,799</u> |

5. PROPERTY AND EQUIPMENT

| Year Ended 31st December 2009 | Office Furniture | Furniture & Fixtures | Leasehold Premises | Computer Hardware | Leasehold Improvements | Total |
|--------------------------------------|-----------------------------|-------------------------------------|-------------------------------|------------------------------|-----------------------------------|--------------------|
| Opening Net Book Amount | 17,906 | 147,186 | 1,797,012 | 43,474 | - | 2,005,578 |
| Additions | 61,054 | 427,115 | - | 65,631 | 3,871,527 | 4,425,327 |
| Disposals | (7,530) | (105,838) | - | (3,603) | - | (116,971) |
| Depreciation Charge | (3,691) | (18,208) | - | (15,599) | (62,897) | (100,395) |
| | <hr/> | | | | | |
| <u>Closing Net Book Amount</u> | <u>\$67,739</u> | <u>\$450,255</u> | <u>\$1,797,012</u> | <u>\$89,903</u> | <u>\$3,808,630</u> | <u>\$6,213,539</u> |
| | <hr/> | | | | | |
| <u>Year Ended 31st December 2008</u> | | | | | | |
| Opening Net Book Amount | 21,024 | 157,191 | 1,810,420 | 57,965 | - | 2,046,600 |
| Additions | 1,135 | 5,797 | - | - | - | 6,932 |
| Disposals | (37) | - | - | - | - | (37) |
| Depreciation Charge | (4,216) | (15,802) | (13,408) | (14,491) | - | (47,917) |
| | <hr/> | | | | | |
| <u>Closing Net Book Amount</u> | <u>\$17,906</u> | <u>\$147,186</u> | <u>\$1,797,012</u> | <u>\$43,474</u> | <u>\$-</u> | <u>\$2,005,578</u> |

| 6. DUE TO NATIONAL INSURANCE BOARD | 2009 | 2008 |
|---|----------------|--------------|
| Balance due 1st January | 448 | 1,644 |
| Amounts Received on Mortgages Disbursed | 108,930 | 144,529 |
| | <hr/> | <hr/> |
| | 109,378 | 146,173 |
| Funds Paid over to National Insurance Board | (107,924) | (145,725) |
| | <hr/> | <hr/> |
| <u>Balance due at 31st December 2009</u> | <u>\$1,454</u> | <u>\$448</u> |

| 7. MEMBERS' DEPOSITS | 2009 | 2008 |
|-----------------------------------|-------------|--------------|
| Period to Maturity | | |
| Within three months | 1,921,651 | 4,310,948 |
| Between three months and one year | 7,003,944 | 8,526,004 |
| | \$8,925,595 | \$12,836,952 |

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

8. RESERVE FUND

The reserve fund is set up in accordance with Rule No. 27 of Canning's 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.

9. 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% (2008: 2.5%) of the net surplus.

10. 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 17th December 2009 a dividend in respect of 2009 of 6.50 cents per share amounting to a total of \$7,421,497.61 (2008 actual \$7,706,694) 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 2009.

11. 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.

12. 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 December 31, 2009 there was \$516,572 (2008: \$544,598) in loans that were approved but not yet fully disbursed.

Projected Income & Expenditure Account

JANUARY - DECEMBER 2010

| INCOME | BUDGET FORECAST 2010 | BUDGET FORECAST 2009 | ACTUAL 2009 | ACTUAL 2008 | ACTUAL 2007 |
|------------------------------------|----------------------------|----------------------------|----------------------|----------------------|----------------------|
| Loan Interest | 11,300,000.00 | 11,000,00.00 | 9,627,828.47 | 9,303,686.49 | 8,284,839.00 |
| Investment Income | 3,500,000.00 | 4,500,000.00 | 3,884,096.51 | 4,825,687.00 | 3,782,860.00 |
| Rent | | | | 62,750.00 | 76,000.00 |
| Sundry Revenue | 200,000.00 | 250,000.00 | 185,365.06 | 202,110.05 | 182,658.00 |
| | 15,000,000.00 | 15,750,000.00 | 13,697,290.04 | 14,394,233.54 | 12,326,357.00 |
| EXPENDITUE | | | | | |
| Personnel Costs: | | | | | |
| Salaries & Wages | 1,250,000.00 | 1,200,000.00 | 1,139,210.34 | 1,097,631.67 | 1,038,949.00 |
| Employer's Contribution to Pension | 90,000.00 | 75,000.00 | 77,980.48 | 66,613.74 | 60,985.00 |
| Employer's NIS Contribution | 70,000.00 | 60,000.00 | 61,224.29 | 57,347.98 | 38,596.00 |
| Employees' Expenses | 20,000.00 | 15,000.00 | 14,441.95 | 8,820.58 | 14,883.00 |
| Employee's Fringe Benefits | 150,000.00 | 130,000.00 | 130,277.86 | 125,447.00 | 124,260.00 |
| | 1,580,000.00 | 1,480,000.00 | 1,423,134.92 | 1,355,860.97 | 1,277,673.00 |
| ADMINISTRATION COSTS | | | | | |
| AGM & Other Expenses | 300,000.00 | 300,000.00 | 260,300.52 | 256,246.00 | 206,119.00 |
| Meetings & Seminars | 100,000.00 | 150,000.00 | 55,423.75 | 32,673.24 | 129,647.00 |
| Cuna Caribbean Ins. Premium | 975,000.00 | 900,000.00 | 958,265.76 | 889,713.21 | 791,298.00 |
| Bank Charges, interest & Comm. | 12,000.00 | 12,000.00 | 12,811.17 | 9,178.00 | 25,056.00 |
| Bad Debt Provisions | 300,000.00 | 250,000.00 | 331,000.00 | 204,000.00 | 93,000.00 |
| Interest on Members' Deposits | 650,000.00 | 1,200,000.00 | 677,271.75 | 1,044,934.71 | 1,061,031.00 |
| Rates & Utilities | 160,000.00 | 150,000.00 | 129,340.42 | 124,389.97 | 95,147.00 |
| Audit Fees | 55,000.00 | 35,000.00 | 65,250.00 | 61,088.83 | 58,492.00 |
| Stationery & Printing | 100,000.00 | 85,000.00 | 81,572.14 | 66,315.60 | 74,643.00 |
| Professional & Legal Fees | 50,000.00 | 75,000.00 | 62,287.71 | 65,130.94 | 14,618.00 |
| Miscellaneous Expenses | 60,000.00 | 50,000.00 | 106,927.20 | 38,266.00 | 35,083.00 |
| Marketing | 175,000.00 | 225,000.00 | 157,900.59 | 192,839.81 | 155,276.00 |
| Security | 60,000.00 | 35,000.00 | 36,024.68 | 9,581.78 | 6,751.00 |
| Board & Committee Meetings | 40,000.00 | 35,000.00 | 28,875.00 | 26,700.00 | 23,250.00 |
| Fidelity Bond | 2,500.00 | 2,500.00 | 2,160.00 | 2,160.00 | 2,160.00 |
| Computer Services | 30,000.00 | 30,000.00 | 20,381.51 | 21,376.08 | 28,617.00 |
| Loss on Disposal of equipment | | | 116,971.04 | 37.03 | |
| Office Expenses | 200,000.00 | 200,000.00 | 186,428.25 | 203,403.00 | 199,564.00 |
| Repairs and Maintenance | 25,000.00 | 25,000.00 | 1,973.00 | 21,908.81 | 20,447.00 |
| Depreciation & Disposal | 160,000.00 | 60,000.00 | 100,395.05 | 47,917.38 | 54,858.00 |
| Occupancy Costs - Rent | 300,000.00 | 300,000.00 | 291,321.86 | 49,530.49 | |
| | 3,454,500.00 | 4,119,500.00 | 3,682,881.40 | 3,367,290.95 | 3,075,057.00 |
| | 5,034,500.00 | 5,599,500.00 | 5,106,016.32 | 4,723,251.85 | 4,352,730.00 |
| TOTAL EXPENSES | 9,965,500.00 | 10,150,500.00 | 8,591,273.72 | 9,670,981.69 | 7,973,627.00 |
| Excess of Income over Expen. | | | | | |
| Appropriated as follows: | 996,550.00 | 1,015,050.00 | 859,127.37 | 967,098.00 | 797,363.00 |
| Reserve Fund - 10% | 249,137.50 | 253,762.50 | 214,781.84 | 241,774.00 | 199,341.00 |
| Education Fund 2.5% | 24,913.75 | 25,376.25 | 21,478.18 | 26,000.00 | |
| Common Good Fund - .25% | 8,694,898.75 | 8,856,311.25 | 7,495,886.33 | 8,436,109.69 | 6,976,923.00 |
| Retained Earnings | | | | | |
| | 9,965,500.00 | 10,150,500.00 | 8,591,273.72 | 9,670,981.69 | 7,973,627.00 |

Report of the Credit Committee

FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2009

“Economic Downturn” “Economic Crisis”, “Recession” “Global financial meltdown” were just some of the buzz words that remained constant in financial circles during 2009. Without question, it has been a historic year, plagued by one of the most menacing financial meltdowns most people today have never experienced. Suddenly, some of the largest and most respected financial institutions in the world were on the brink of collapse requiring governments to quickly intervene by injecting liquidity into the financial markets.

The unimaginable downfall of one of our local titans was a rude awakening for many investors who were not aware of the severity of the situation, and what followed was a state of panic, declining values in investment portfolios, job losses, foreclosures and a definite reduction in economic activities. This turmoil in the financial industry indeed made it a difficult year for your Credit Committee.

Cognisant of the fact that it was the level of consumer borrowing that pushed the economy into overdrive and led to the financial crisis, we adopted a healthy attitude towards risk and continued adherence to fundamentals as the path to navigate the current crisis. We had to strike a balance between RISK and REWARD from a lending perspective. Some of the decisions taken at times may not have been pleasing to all, but we adopted what was prudent and right for the individual member given his/her ability to service the loan comfortably.

The lessons learnt from the events of 2009 remind us of the initial logo of the World Credit Union Movement – the little man under the umbrella saving for the rainy day – that idea, conceptualized almost two hundred years ago, is still very relevant today. We firmly believe that the future belongs to those who prepare for it. If you have not already started, now is a good time to put your house in order and start your personal budget.

At the commencement of the new term on April 16, 2009, Calvin Francis and Glenn Piontkowski were re-appointed Chairman and Secretary respectively.

Other serving members were: Junior Dhoray
Rosemary Ayres
Gerald Henry

Alternates: Natalie Owen
Michael Constantine

During the year, our Chairman, Mr. Calvin Francis fell ill. We place on record our deepest gratitude to Mr. Junior Dhoray, who was appointed to fill the void during Mr. Francis' absence.

Mr. Dhoray's diligence, focus and contributions have been deeply appreciated.

Considering the critical role of this most important Committee. The 1st alternate, Ms. Natalie Owen, was invited to attend meetings commencing April 20, 2009, as a means of gaining hands-on experience on the Committee. Table 1 gives details of members' attendance at meetings.

TABLE 1

Attendance Record 6th April 2009 – 1st March, 2010

| | Present | Excused |
|------------------------------|---------|---------|
| Calvin Francis | 27 | 16 |
| Junior Dhoray | 40 | 3 |
| Glenn Piontkowski | 35 | 8 |
| Rosemary Ayres | 43 | - |
| Gerald Henry | 43 | - |
| Natalie Owen (1st Alternate) | 35 | 5 |

The Committee met weekly during the period and approved 6,344 loans for the fiscal year ended 31st December, 2009. There was an increase in the total number of loans approved 924 or 17% but a decline in value by \$2,374,340 or 8.20%.

There was an upsurge in share withdrawals, as some members, wary that they may lose their jobs in an economy

stymied by a slowdown in domestic growth, refrained from borrowing. This action impacted on the loans.

TABLE 2

Classification of Loans January – December, 2009
 With comparative figures for 2008

| No of Loans 2008 | No. of Loans 2009 | PURPOSE OF LOANS | \$ VALUE OF LOANS | |
|---------------------|----------------------|---------------------------------|----------------------|------------------------|
| | | | 2009 | 2008 |
| | | | 1,138,773.66 | |
| 1034 | 1318 | Domestic Expenses | 5,064,818.12 | \$1,853,836.57 |
| 307 | 300 | Holidays (Local & Abroad) | 1,697,342.72 | 1,343,414.70 |
| 580 | 654 | Housing (Purchase, Mort/ Repair | 132,180.00 | 5,913,594.29 |
| 175 | 222 | Investments | 545,295.00 | 2,450,888.81 |
| 38 | 46 | Funeral | 7,900.00 | 155,885.84 |
| 146 | 125 | Weddings & Christenings | 1,193,170.94 | 918,445.93 |
| 14 | 7 | Car License & Permits | 4,746,090.00 | 16,637.05 |
| 348 | 328 | Car Repairs & Parts | 2,442,763.46 | 1,135,870.65 |
| 140 | 93 | Purchasing of cars | 426,668.96 | 6,930,073.10 |
| 550 | 815 | Consolidation of debts | 1,693,995.46 | 1,823,933.05 |
| 142 | 147 | Fire, Life & Car Insurance | 2,269,210.89 | 510,251.62 |
| 412 | 461 | Medical Expenses | 260,640.85 | 1,054,788.53 |
| 535 | 735 | Education Expenses | 909,423.32 | 1,914,602.10 |
| 57 | 65 | Legal Expenses | 1,828,069.58 | 177,641.80 |
| 210 | 212 | Household Furnishings | 9,000.00 | 797,090.11 |
| 574 | 690 | Christmas Shopping | 52,410.00 | 1,560,381.88 |
| 12 | 2 | Miscellaneous | 192,980.00 | 15,400.00 |
| 41 | 30 | Carnival Expenses | | 153,545.74 |
| 67 | 94 | Rent | | 135,950.00 |
| 35 | 0 | Anniversary Loan | | 110,060.00 |
| 5417 | 6344 | TOTAL LOAN GRANTED | 26,597,951.17 | \$28,972,291.77 |

TABLE 3

Applications presented to the Committee

| Approved | Not approved Deferred/Additional Security | Total |
|-------------|--|--------------|
| 6344 | 640 | 6,984 |

Approximately 75% of the loans that were turned down on their initial submission received favourable consideration after some adjustment or compliance issues were subsequently addressed.

As bleak and deep as the current crisis may seem history tells us it will pass. We are optimistic that in 2010 the world economy would be on the mend. Our optimism comes from the hope that the economy and the market in general may have the worst behind them.

Our advice to you therefore, at this time would be to adopt a conservative and prudent approach as the market corrects itself.

We thank the Board of Directors, the various Committees, Liaison Officers, Management and Staff of CECU for their co-operation, support and confidence in us as we go beyond the call of duty in ensuring the safety and soundness of our operations.

We also extend our sincere thanks to all our members for your continued loyalty. We are honoured to have the opportunity to keep on serving you.

God Bless you all.



Calvin Francis



Glenn Piontkowski

Calvin Francis,
Chairman

Glenn Piontkowski,
Secretary

Rosemary Ayers,
Member

Natalie Owen,
Member

Gerald Henry,
Member

Junior Dhoray,
Member



Supervisory Committee Report

Since the last Annual General Meeting our core responsibilities remained the same and as such the Supervisory Committee worked in a manner to fulfil its mandate and carried out its operations in a meticulous manner. We now review the year 2009.

The Committee comprised: Ms. Mary Fullerton {chairman} Mrs. Viola Callender {secretary} Mr. Peter Thompson {member} Mr. Terron Phillip {alternate}.

The Committee is pleased to report that the Canning's Employees' Credit Union maintains proper documentation concerning its accounting records, internal controls and procedures. It is also our pleasure and responsibility to report that members' assets are secure.

BOARD MEETINGS

We were present at all Board Meetings where, all information, reports, information related to procedures, management practices and policies were discussed in a democratic fashion and as such allowing us to measure the effectiveness of the Credit Union, and at the same time displaying its efficiency.

LOANS

We were satisfied that all loan applications were accompanied by the relevant documents, the purposes clearly identified and the signatures of all members of the Credit Committee seen on the forms.

INVESTMENTS

The committee is satisfied that astute decisions were made with the Credit Union's finances and that our Investment portfolio was handled prudently. We are pleased to report that good governance and transparency obtains in the operations of our Credit Union.

The Committee is pleased to note that our newly renovated office at 10 Victoria Avenue lends a sense of belonging, modernization and vision to the Institution.

NEW LEGISLATION

All indications point to the new legislation taking effect during 2010. This will impose many changes to the operations of Credit Unions. There would be a higher standard of oversight in the sector which will now be required to adhere to International Best Practice and improved Corporate Governance. The onus would be on each and every one of us as members to ensure the persons we elect to serve satisfies the "fit and proper" criteria, a critical element in carrying out the mandate of the new legislation. CECU will therefore need to be vigilant and constant in its purpose, to continue to be customer advocates, doing what is right for our members and not just focusing on the bottom line.

We must remain the financial Institution of choice for our members.

MARKETING

Through our marketing committee new and enhanced services are introduced to ensure life long financial relationships among members, in the light of the national and international economic factors that present challenges.

As members' representatives, we note with sincere appreciation the support extended to us by the management and staff of Canning's Employees' Credit Union. We wish to record our warmest and sincere thanks to the President, CEO, the Board of Directors, other Committee members and staff of Canning's Employees' Credit Union for all courtesies extended to us and to let you know we recognise your hard work and dedication throughout the years.

Our sincerest appreciation to the general membership for giving us the privilege to serve on this important committee.

Respectfully,

Viola Callender

*Viola Callender,
Secretary*

Peter Thompson

*Peter Thompson,
Member*

Mary Fullerton

*Mary Fullerton,
Chairman*



Ten Year Review

| Year | No. of Members | Total Assets | Members Savings | Loan Outstanding | Reserve Fund | Total Income | Surplus (After Trans to Reserve) | Dividend | % |
|------|----------------|--------------|-----------------|------------------|--------------|--------------|----------------------------------|-----------|------|
| 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 | 107,300,173 | 80,776,977 | 10,351,664 | 14,394,234 | 8,436,110 | 7,889,940 | 8 |
| 2009 | 6615 | 163,605,690 | 121,796,169 | 84,546,106 | 11,210,897 | 13,697,290 | 7,495,886 | 4,421,497 | *6.5 |

* Proposed dividend
 ** Interest Rebate **1.5

Staff

Deanne Simpson,
Operations Manager

Sharon Howard,
Loans Officer

Nyland Young,
Marketing Assistant

Linda Mentor,
Recoveries Officer

Lorraine Ragbir,
Marketing Manager



Staff

Theresa Mendez,
Confidential Secretary

Charlene Hamblin,
Cashier

Deion Raphael,
Office Clerk

Sandra Johnson,
System Administrator

Adelio Gomez,
Courier

Deborah Byng,
Senior Loans Officer



Liaison Officers

LAISON OFFICER

Ms Erica Cazoe
 Ms Jennifer Williams
 Ms Devika Singh
 Mr Ramdath Chadee/Devika Singh
 Ms Ingrid Nicholls
 Ms Angela Beckles
 Ms Rosemary Ayers
 Ms Marla Narine
 Ms Victoria-Ann Constantine
 Ms Marcia Bartholomew
 Mr Derek Cheddie
 Ms Celia Jackson
 Mr Ethelbert Bascombe
 Ms Rasthee Sankar
 Ms Nicole Doyle-Edwards
 Ms. Suzette Hood
 Ms Sasha Dublin
 Ms Natalie Owen
 Ms. Sherry-Ann Pierre
 Ms Denise Bruce
 Ms Camille Faustin
 Mr Paul Gowandan
 Ms Stephanie Garner-Walker
 Mr Courtney Augustine
 Mr Shelton Daisy
 Ms Pauline Williams
 Ms Patricia White
 Mr Amraz Ali-Bocas
 Ms Nichelle Morris
 Ms Lucy Sheen
 Ms. Florence Bhagaloo
 To be advised
 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 Kimberly Phillip
 Ms Sherry-Ann Garcia
 Ms Wendy John
 Ms Camille Gomes
 Ms Gisele Durham
 Mr Henry Marcial
 Ms Kristen Dookhoo
 Ms Marsha Ali
 Ms Ishah Pereira
 Ms Lisa Escalante
 Mr Sean Clarke
 Ms Wendy Plentie
 Ms Abbeigail De Souza
 Ms Sheryl Viarruel
 Ms Marcia Huggins
 Ms Mary Fullerton
 Ms Vera Maharaj
 Ms Jane Rodriguez
 Ms Carlene Washington
 Ms Alyson Forde

MEMBER COMPANY

HILO, 104 Cascade Road, St. Ann's
 HILO Head Office, 39 Wrightson Road, Port of Spain
 Arvee's Food Masters Limited, Eastern Main Road, Tunapuna
 Athabasca, (LB's), Eastern Main Road, Cane Farm Junction, Tacarigua
 HILO, Broadway, Arima
 HILO, Alyce Glen, Petit Valley
 HILO, Crews Inn, Chaguaramas
 HILO, Eastern Main Road, St. Augustine
 HILO, Eastern Main Road, El Dorado
 HILO, French Street, Port of Spain
 HILO, Gopaul Lands, Marabella
 HILO, Gulf City, La Romain
 HILO, Main Road, Point Fortin
 HILO, Mid Centre Mall, Chaguanas
 HILO, Ridgewood, Arima
 HILO, Express, 111 Saddle Road, Maraval
 HILO, Shoppes of Maraval, Saddle Road, Maraval
 HILO, Starlite Shopping Plaza, Diego Martin
 HILO, Western Main Road, Glencoe
 HILO, West Mall, Westmoorings
 Auto Spot, 14 Mucurapo Rd, St James
 Automotive Components Ltd, O'Meara Road , Arima
 BHP Billiton (Trinidad-2C) Ltd, Invaders Bay Tower,
 Cardio Vascular Association Ltd, 92 Oxford Street, Port of Spain
 CARIB Brewery & Glass Works, Eastern Main Road, Champs Fleur
 CARS, #56 Diego Martin Main Road, Diego Martin
 Caribbean Bottlers (Trinidad & Tobago) Ltd., Streatham Lodge, Tunapuna
 Caribbean Bottlers Ltd, SouthTrunk & Dumfries Roads, San Fernando
 Cascadia Hotel, Ariapita Road, St Anns
 Climate Control Limited, 124 Eastern Main Road, Laventille
 CPPPL (1993) Ltd, 60A Boundary Road Ext, San Juan
 CUNA Caribbean Insurance Service, 7 Gray Street, St Clair
 Dairy Distributors Ltd, Ellerslie Plaza, Maraval
 Detect and Deter Security Services Limited, #10 6th Street West, Castleton, Trincity
 Egret Limited, The Falls, West Mall, West Moorings
 Food Giant Supermarket, Maritime Centre, Barataria (Nettleton Ltd)
 G4S (Securicor), 61-63 Edward Street, Port of Spain
 HADCO Limited, JRJ Warehousing, Bhagoutie Trace, San Juan
 Hamel Smith & Co., 11 Albion St., (Cor Albion & Dere Sts.,) Port of Spain
 ILLUMINAT (Trinidad & Tobago) Ltd, 155 Tragarete Road, Port of Spain
 John Dickinson & Co (W I) Ltd, Diamond Vale Ind Est., Diego Martin
 Kiss Baking Company Ltd, 12-14 Gaston Street, Chaguanas
 Laughlin & De Gannes Ltd, 37 Dundonald St, Port of Spain
 Market Facts & Opinion Tragarete Road Port of Spain
 Marketing & Distribution, Macoya Rd & Churchill Roosevelt Highway, Tunapuna
 Mc Cann Erickson, 8 Rapsey Street, St Clair
 Melville Shipping, 18 - 20 London Street, Port of Spain
 Micon Marketing, Fernandes Ind Est., EMR., Laventille
 National Carnival Commission, Ciprani Blvd, Port of Spain
 Neal & Massy Energy, 61 Ciperio Street, Cross Crossing, San Fernando
 Neal & Massy Ltd., 63 Park Street, Port of Spain
 NEDCO, New Street, Port of Spain
 Pereira and Company Limited, #88 Queen Street, Port of Spain
 Plantation Beach Villas Ltd, Stone Haven Bay Road, Black Rock, Tobago
 Pro Technologies Ltd, 8 Belmont Circular Road, Belmont
 Rostant Advertising Ltd, 38 Murray Street, Woodbrook
 Rotoplastics Trinidad Ltd, Lot C, Don Miguel Ext. Rd, San Juan
 Sissons Paints Ltd, Uriah Butler Highway, Chaguanas
 The Buzz Ltd, DeVerteuil Street, Port of Spain
 Tissues Limited, 40 -41 Tissue Drive, Industrial Estate, Trincity
 Tracmac Engineering, Uriah Butler Highway, Chaguanas
 Tru Valu, Trincity Mall, Trincity
 Waste Disposal Ltd, 9 Concessions Road, Sealots, Port of Spain

CONTACT

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 657-0721/23
 648-3174
 665-4109
 667-3947
 629-3120
 622-6752
 637-9769
 633-0101
 632-1085
 628-7768
 642-4236
 8215100
 624-8934
 662-2231
 637-5225
 662-4416
 652-5322
 623-4208
 624-2665
 674-1884
 622-3006
 675-0593
 365-0692
 632-1239
 674-9184
 624-5751
 675-7628
 623-4237
 628-4012/354-8454
 632-3422
 665-5047
 625-1712
 627-8417
 645-7454
 628-9109
 625-4977
 624-5996 ext 233
 627-1350
 657-8622
 625-3426
 625-7679
 625-3486
 639-9377
 625-6945
 622-9556
 674-8265
 665-5721
 624-0902
 640-4725
 665-5555
 640-1124
 625-6746

"Keeping our eyes on higher standards"

Open Accountability

responsible Leaders

International Best Practices

Transparency

Fiscal Responsibility

