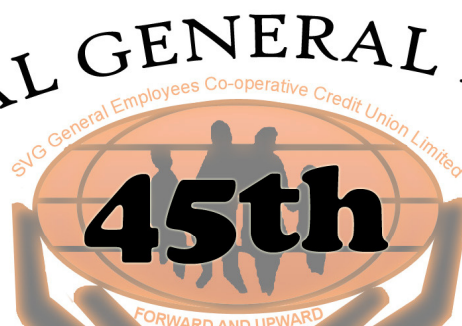


GENERAL EMPLOYEES CO-OPERATIVE CREDIT UNION LTD

GECCU LTD

ANNUAL GENERAL MEETING



REPORTS AND ACCOUNTS 2010

Wednesday, June 15th 2011

Methodist Church Hall, Kingstown

"Security, Prosperity - Living Our Commitment To Our Community."

Credit Union Song

With us there are no barriers, cause we are all
The same the more of us the happier the louder
We'll proclaim that we are owner members our rule is
honesty. We are the Credit Union and the entire world
can see.

Chorus:

Together we give and receive together we help each
other to achieve cause in our world today it's not safe to
be alone. Let make each other's cares to be our own.

We all will be true savers though it be great or small.
We will become shareholders providing loans for all.
So when great need arises there's no uncertainty once in
the Credit Union there's help for you and me.

We pledge to be of service to better our land.
We harbour no prejudice upon this theme we stand.
One man, one vote, for members of high or low degree.
For in the Credit Union there's pure democracy.

Credit Union Prayer

LORD, make me an instrument of Thy peace
Where there is hatred let me sow love.
Where there is injury, pardon;
Where there is doubt, faith;
Where there is despair, hope;
Where there is darkness, light and
Where there is sadness, joy.

O Divine Master, grant that 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 pardoning that we are pardoned
And it is in dying that we are born to eternal
life
Bless, O Lord our deliberations and grant that
whatever
We may say and do will have
Thy blessing and guidance through Jesus

Christ our Lord. Amen

National Anthem of St. Vincent and the Grenadines

St. Vincent land so beautiful,
With joyful hearts we pledges to thee
Out loyalty and love, and vow
To keep you ever free.

Refrain:

What eér the future brings
Our faith will see us through
May peace reign from shore to shore,
And God bless and keep us true.
Hairoun! Our fait and blessed isle
Your mountains high, so clear and green,
Are home to me, though I may stray,
A haven, calm serene.

Our little sister islands are
Those gems, the lovely Grenadines,
Upon their seas and golden sands,
The sunshine ever beams.

Lyrics: Phillis Joyce Mclean Punnet

Music: Joel Bertram Miguel.

VISION

To be accepted as the first choice financial institution by our members and the general public.



MISSION

To enhance the quality life of all members by their ownership of a stable and efficient institution offering quality services in keeping with members' needs.

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NOTICE/AGENDA OF THE 45th ANNUAL GENERAL MEETING

Dear Members,

Notice is hereby given that the 45th Annual General Meeting of the General Employees' Co-operative Credit Union Limited is scheduled to take place on Wednesday 15th June, 2011 at the Methodist Church Hall, Kingstown at 4:30 p.m.

AGENDA

OPENING SESSION

1. Call to Order – President
2. Prayers
3. National Anthem
4. Silent Tribute
5. Apologies for Absence
6. Welcome – President
7. Greetings – Guest Societies

CLOSED SESSION

1. Ascertainment of Quorum
2. Minutes of the 44th Annual General Meeting
3. Matters arising from Minutes
4. Reports and Elections
 - (a) Board of Directors
 - (i) Board of Directors' Report
 - (ii) Treasurer's Report
 - (iii) Auditors' Report
 - (iv) Election of Board of Directors
 - (b) Credit Committee
 - (i) Credit Committee's Report
 - (ii) Election of Credit Committee
 - (c) Supervisory Committee
 - (i) Supervisory Committee's Report
 - (ii) Election of Supervisory Committee
 - (d) Education Committee
 - (i) Education Committee's Report
5. Election of Auditors
6. New Business
7. Closing Exercise

Co-operatively yours,



Sis. Camilla Mandeville
Secretary

STANDING ORDERS

1. (a) A member to stand when addressing the Chair.
(b) Speeches to be clear and relevant to the subject before the meeting.
 2. A member shall only address the meeting when called upon by the Chairman to do so, after which he shall immediately take his seat.
 3. No member shall address the meeting except through the Chairman.
 4. A member shall not speak on the subject twice except:
 - (a) The Mover of a motion-who has the right to reply.
He rises to object or explain (with the permission of the Chair).
 5. The Mover of a Procedural Motion. – (Adjournment lay on the table, Motion to Postpone) to have no right to reply.
 6. No speeches to be made after the “Question” has been put and carried or negated.
 7. A member rising on a “Point of Order” to state the point clearly and concisely. (A “Point of Order” must have relevance to the “Standing Orders”).
 8. (a) member should not “Call” another member “To Order” but may draw the attention of the Chair to a “Breach of Order”).

(b) In no event shall a member call the Chair to order.
 9. A “Question” should not be put to the vote if a member desires to speak on it or move an amendment to it except, that a Procedural Motion, the “Previous Question” “Proceed to next Business” or the closure: “that the questions be now put” may be moved at anytime.
 10. “Proceed to the next Business” or the Closure: “That the Question be Now Put”, may be moved at any time.
 11. When a motion is withdrawn any amendment to it falls.
 12. The Chairman to have the right to a “Casting Vote”.
 13. If there is equality of voting on an amendment, and if the Chairman does not exercise his casting vote, the amendment is lost.
 14. Provision to be made for protection by the Chairman from vilification (Personal Abuse).
- No member shall impute improper motives against another member.

PRESIDENT'S MESSAGE



Bro. Philmore Isaacs
President

As I sit to write this President's Message for our 45th Annual General Meeting, I reflect on how routine things can become. We take as a given that there will be an AGM of our Credit Union, that there will be published a glossy magazine full of reports of facts, figures and photographs, pleasing to our individual and institutional eyes and ears; that there will be questions, discussions, debates on the reports, that there will be election of members to serve the institution for another period of time- until another Annual General Meeting; and the cycle will continue. But is this all there is to Credit Unionism, to your Credit Union?

I am challenging us to reflect on the events and circumstances which would have impacted and shaped our individual and collective lives and hence the reports which will be tabled. I further challenge us to think again on the reasons for our being a Credit Union member.

I am hoping that successes over the past decades have not caused us to lose focus on the core values and philosophy of Credit Unionism. It is so easy to drop the eyes to the bottom line and ignore the uniqueness and social responsibility of our Credit Union.

Lest we forget, let us just remind ourselves of three of these:

1. Access to Credit: As our name suggests we are a union of creditors. We came together because credits from other sources were either non-existent, or the rates of interest were extremely high.

As some of us graduate from the needing credit phase, let us not become insensitive to our members who are not yet where we are, such that we look at the returns on our deposits etc as the only evidence of success for our Credit Union. Let us remember that credit is a vital stimulus to individual and community growth.

2. Social responsibility: As modern, elaborate, sophisticated and technologically savvy as our system may become we must be reminded that the system will be relevant only as it remains member centred. All our services are therefore to be directed to improve the economic and social well-being of all members.
3. Democratic Control: Our ownership and governance of our Credit Union must go beyond attending this Annual General Meeting or perusing the booklet. Our Credit Union needs our input as volunteers on Committees. It needs our feedback and suggestions on how well it is meeting your needs. Be involved in your Credit Union.

In conclusion, as we move into another year with this year's theme ringing in our ears – **SECURITY, PROSPERITY- LIVING OUR COMMITMENT TO OUR COMMUNITY-** let us set about building bridges; financial bridges that will cause more of the economically disadvantaged to cross over to greater prosperity; education and training bridges that will improve the mental capacity and capabilities of all our members, that will move them from an attitude of dependency to inter-dependence; lending-hand bridges that will offer a supportive lift to those hit by the vicissitudes of life so that they will bounce back with confidence.

It is a great honour to serve you at this level. Let me thank you the members for giving the Board of Directors, this great privilege. Let me also thank Committee members and Staff who work to make all these things possible. May we have a great Annual General Meeting and another successful year.

A stylized, handwritten signature in black ink, appearing to read 'Philmore Isaacs'.

Bro. Philmore Isaacs
President

MINUTES OF THE 44th ANNUAL GENERAL MEETING OF GENERAL EMPLOYEES' COOPERATIVE CREDIT UNION LIMITED (GECCU), HELD AT THE KINGSTOWN METHODIST CHURCH HALL ON 10TH JUNE 2010 AT 4:30 PM.

OPENING SESSION

PRESENT:	Bro Kelvin Pompey	-	President
	Bro Philmore Isaacs	-	Vice President
	Sis Camilla Mandeville	-	Secretary
	Bro Aubrey Burgin	-	Treasurer
	Bro Clarence Harry	-	Director
	Sis Arlene Lewis	-	Director
	Sis Marva Cato	-	Director
	Bro Lennox Bowman	-	Chief Executive Officer

Bro. Kelvin Pompey chaired the meeting.

1. CALL TO ORDER

1.1 The meeting was called to order at 4:45 pm.

2. PRAYERS

2.1 Prayers were said by Bro. Richard Cumberbatch.

3. NATIONAL ANTHEM

3.1 The National Anthem was led by Sis Elsa Wynne, and the Credit Union prayer was said by all present.

4. SILENT TRIBUTE

4.1 The meeting observed one-minute's silence for members who passed away during the year.

5. APOLOGIES FOR ABSENCE

5.1 There were no apologies.

6. WELCOME

6.1 The President welcomed members to the 44th Annual General Meeting. He said that the reports presented would demonstrate that GECCU continued to perform well amidst the current challenging economic environment which is impacting the socio-cultural climate of the country, and that strategically the Board of Directors had continued to ensure that good governance remained a priority.

7. GREETINGS

7.1 Fraternal greetings were received from Kingstown Co-operative Credit Union Ltd, St Vincent Teachers Co-operative Credit Union Ltd., Marriaqua Co-operative Credit Union Ltd., Marriaqua Petroleum Co-operative Society Ltd., Barrouallie Co-operative Credit Union Ltd., Georgetown/Mt Coke Co-operative Credit Union Ltd., West St George Secondary School Co-operative, Eastern Caribbean Co-operative Central Ltd., St Vincent Automotive Co-operative Society Ltd., and the St. Vincent Girls High School Co-operative.

7.1.1 Bro. Junior Bacchus, President of the St Vincent Co-operative Credit Union League, commended GECCU for its focus on young people and its excellent work in achieving an increase in savings of

40%. He highlighted four initiatives of the League that would impact positively on GECCU and other co-operatives in St. Vincent and the Grenadines:

- (i) The proposal for self insurance which he hoped would replace the current external insurance arrangement with CUNA before GECCU's next AGM in 2011;
- (ii) The probable centralization of the death benefit fund;
- (iii) The establishment of a micro-financing institution that would provide lending for small business to members and the general public;
- (iv) The passage of the new Co-operative Societies Act possibly before the end of 2010.

7.1.2 Having apologized for the absence of Hon. Michael Browne - Minister with the responsibility for Co-operatives and Credit Unions, Bro. Cecil Jackson - Registrar of Co-operatives commented that the achieved growth in membership by 11.24%, share capital 8% and deposits 7% were significant indicators of financial growth and expansion. He warned, however, that as the CLICO/British American financial issue has shown, it was critically important that GECCU, as all other financial cooperatives, should examine and urgently seek to diversify its investment portfolio so as to reduce the risks of future financial exposure.

7.1.3 He also thanked GECCU for the leadership role it has taken in the development of the Schools Co-operatives and in the newly launched Agriculture-based Food Co-operative Programme, and hoped that other credit unions would emulate GECCU's sterling example.

CLOSED SESSION

1. ASCERTAINMENT OF QUORUM

1.1 There were approximately 250 members present.

2.0 MINUTES OF THE 43RD ANNUAL GENERAL MEETING

2.1 The minutes of 11th June 2009 having been circulated before were taken as read.

2.2 Amendments

- Page 7: Sis Arlene Lewis and Bro Clarence Harry were included in the list of Directors present.
- Page 13: Para 4.4.9 3rd sentence, Jacintha Pope was corrected to Jacintha Payne.
 - 6th sentence, Jacintha Layne was corrected to Jacintha Payne.
 - Para 4.5.3 2nd line, Susan Williams was corrected to Susan Samuel.

2.2.1 The minutes were confirmed with amendments on a motion moved by Sis Elsa Wynne and seconded by Bro Joel Poyer.

3.0 MATTERS ARISING FROM MINUTES

- (i) Bro. Cecil 'Pa' Jack requested an update on the suggestion of awarding a University Scholarship to a member (page 10: 4.14). The Chairman in response said that the Scholarship Committee was exploring the possibility and would present a report later in the meeting. He also said that while a breakdown of the number of persons awarded bursaries, and the amounts, were not given in the report of the Scholarship Committee the information could be obtained at GECCU's office. In

response to the suggestion that an amount be withdrawn from members towards a college fund, the Chairman said that an amount was normally budgeted for the scholarship fund and not withdrawn from members' accounts.

- (ii) In response to a request for an update on the 'focus of the elderly' initiative, the Chairman said the matter was being examined by the Social Development Committee.
- (iii) In response to a query on how suggestions and recommendations from AGMs were treated, the Chairman said that the Board of Directors would examine, weigh and adopt the more feasible ones into the annual work plan for the Year ahead. Based on the credit union's strategic priorities, recommendations are dealt with by the different committees.
- (iv) Regarding the Death Benefit (Page 12 Paragraph 4.2.2), it was suggested that the Death Benefit be shown in the accounts as a separate item to enable it to earn interest. The Chairman noted that while there was not a separate bank account for the Death Benefit Fund which was pooled, the surplus for the fund was bearing interest and could be ascertained at any time.

4.0 **REPORTS AND ELECTIONS**

4.1 **Board of Directors' Report**

The Chairman highlighted that:

- (i) There was a decline in growth which was influenced by the financial down turn internationally which negatively impacted the economic climate in Caribbean countries. There was also a significant corresponding decline in foreign direct investments due to the reduction of remittances from nationals in metropolitan countries. The collapse of British American, and CLICO also contributed to the decline in growth.
- (ii) In St Vincent and the Grenadines there was a decline in economic activity in most of the major sectors. Economic growth during 2009 was minus 0.15% as compared to minus .59% in 2008.
- (iii) In spite of reduced earnings, the Board of Directors recommended paying a dividend of 3% and a rebate of 1% for 2009.
- (iv) The Board of Directors was pleased to report that a resolution for the implementation of the permanent shares at GECCU was passed overwhelmingly at a very well attended AGM in 2009. This meant that GECCU was now compliant with the requirements of the International Financial Reporting Standards.
- (v) The Board had established 9 priority areas to be addressed throughout the year, and Management and staff had developed detailed work plans with clear targets, time frames and budgets to address the critical issues.
- (vi) Delinquent members were encouraged to pay their outstanding amounts and to encourage other members to honour their outstanding payments.
- (vii) The date in Table on Page 23: 4.1.7.11 was corrected to 2009.

- 4.1.1 Several questions were raised regarding the nature of Economic Experience mentioned in the report (page 16) and to what extent the financial crisis affected GECCU specifically. The Chairman said that the economic situation did not impact too negatively on GECCU. Most of the indicators had shown positive growth and increased deposits, shares and loans. Despite the economic situation, there was committed membership. Accordingly, GECCU was in a good position to withstand the

economic turmoil, although it had to be cautious and ensure that proper management and systems were in place. Members' investments were in a good position to withstand the economic storm.

- 4.1.2 In reference to the strategy employed to ensure all PEARLS Standards were met, the Chairman responded that some standards were designed with the large international credit unions in mind and needed to be tailored to fit the requirement of small credit unions in the small islands. While every effort was being made to keep in line with the PEARLS Ratios, sometimes it was not possible to do so in small credit unions. This concern was raised at the Caribbean Confederation of Credit Unions (CCCU).
- 4.1.3 Sis Angela Martin commended the Board of Directors for the presentation of a Social Development Report. She then sought an update on the Housing Project at Peter's Hope. The Chairman responded that the value of the land appreciated significantly, the Terms of Reference for a Project Manager was developed and that a plan was in place to divide the 30 acres into lots for development to its members. Bro. Cecil Ryan suggested that low income houses be built and made available to members.
- 4.1.4 The Board of Directors' Report was adopted and carried on a motion moved by Sis. Elizabeth A. Williams and seconded by Sis. Jane Farrell.

4.2 **Treasurer's Report**

The Treasurer's Report presented by Bro. Aubrey Burgin highlighted the following:

- (i) Total Assets grew by 3% from \$138 million to \$143 million. Loans increased by 7% from \$73.5 million to \$78.4 million. There was a decrease in Investment Securities of 21% or \$8,154,432.
- (ii) Mortgage and consumer loans increased by 12% and 5% respectively.
- (iii) There was no impairment in 2008, but in keeping with the IAS No. 39 standard, \$4,716,676 was provided for the impairment of financial investments in 2009. General and administration expenses had an increase of 1%.
- (iv) Interest expense increased by 10% in line with the corresponding increase in members' deposits. Interest expense, fuel insurance and personnel costs were the main expenditure for 2009.

4.3 **Auditors' Report**

- 4.3.1 An assessment on the impact of CL financial group on GECCU's results and financial position was carried out. This assessment was premised on certain assumptions and assurances including:
- (1) The undertaking given by Governments of the region that together with the Judicial Managers they were going to put in place a rescue plan for British American and CLICO International. The plan envisaged an independent investor and assumed that all interested parties or stakeholders would recover at least the nominal value of their investments.

However, while the plan proposed sought only to facilitate the recovery of GECCU's principal investment in both British American and CLICO, it was apparent that a Judicial Manager was appointed in respect to CLICO only. In the case of British American, the plan contemplated a recovery period of 5 years. It was also assumed that the five- year period was counted from December 2009.

- (2) Interest with respect to the interest accrued or earned but not received up to December 31, 2009 was also looked at. The Judicial Manager's report indicated no one was to receive interest accrued to date. Consequently, a provision was taken in the accounts of the interest that had accrued to December 31st 2008 and amounted to \$910,000 and to reverse that interest in 2009 accounts. Accordingly, the total charge to CL Financial groups in the 2009 financial statements would be \$5.6 million.

As the CL Financial situation was ongoing and remained relatively fluid the eventual outcome was difficult to predict. If, in 2010 the situation improved or the likelihood of recovery was optimistic, then there would be an add-back in the adjustment. In determining the time value of money, this may result in a gain or recovery of the 2009 provision. If on the other hand the situation became more cloudy, the provision will have to be one of the factors taken into consideration in determining the level of dividends and rebate proposed. This was the prudent approach that was endorsed by BDO.

Financial institutions' strengths were assessed by their financial position. Their capital base indicates their ability to absorb financial shocks. The ability of GECCU to draw on the accumulated reserves over the years to pay dividends and to absorb some of the shock that was experienced during the course of the year was indication that GECCU's financial position continued to be strong.

Nevertheless, it was recommended that the Board continue to monitor the situation and assess the effectiveness of the proposed restructuring or recovery plan for the British American Group of Companies and branches in the OECS and CLICO International.

- (3) Another factor used to assess the strength of a financial institution is its liquidity. At this time there was no fear as GECCU continues to be relatively strong from a liquidity perspective, and in its ability to continue. It was a strong credit union; members needed to support and rally around it.

4.3.2 The Chairman commented that GECCU as well as other financial institutions had outgrown the limited investment opportunities in St Vincent and the Grenadines. Therefore, external markets and other opportunities with safer environment must be sourced and considered for future investments. It was hoped that the Peter's Hope project and the new thrust towards small business financing with the other credit unions would provide very good but yet safer interest bearing investment opportunities.

4.3.3 The Treasurer and the Auditor's Reports were adopted and accepted on a motion moved by Bro. Renato Gumbs and seconded by Sis. Criselta Corridon.

4.4 Election of Board of Directors

4.4.1 The Elections was chaired by the Registrar of the Co-operative Department.

4.4.2 The retiring members from the Board of Directors were Bro. Kelvin Pompey and Sis. Marva Cato-Robinson. Both persons had served for two consecutive terms and would take a two-year break from serving on the Board of Directors. Sis Camilla Mandeville also retired but was eligible for re-election having served only one term.

4.4.3 The Nominating Committee comprising Sis. Angela Martin, Sis Verlene Saunders and Bro. Kelvin Pompey nominated Sis. Camilla Mandeville, Bro. Stanley Harris and Bro. Michael Da Silva for election. Bro Gary Matthias was nominated by Sis. Cecelia Williams, seconded by Colin Sam, and Sis. Angela Martin was nominated by Bro. Brian Alexander, and seconded by Sis Mineva Glasgow.

4.4.4 Nominations were closed on a motion moved by Bro. Harold Lewis, seconded by Bro. Renato Gumbs.

The Result:

- Stanley Harris 58 votes
- Camilla Mandeville 84 votes
- Angela Martin 53 votes
- Gary Matthias 78 votes
- Michael Da Silva 53 votes

4.4.5 The three members elected to serve as Directors were: Sis Camilla Mandeville, Bro Gary Matthias and Bro Stanley Harris.

4.5 **Credit Committee**

(i) **Credit Committee's Report**

- The Credit Committee's Report was presented by Bro. Stewart Haynes, Deputy Chairman, and having been previously circulated, was taken as read.
- In response to the reason for the small amount of funds disbursed for Agriculture and Business, and the suggestion that the Committee actively market those areas for increased applicants, Bro. Haynes said that the loans processed depended on demand and that the Credit Committee works closely with the Education/Marketing Committee to highlight the critical areas of the loan demand. Also that the Small Business Loan Committee set up had developed a terms of reference for the Board of Directors' approval of small business loans.
- The report of the Credit Committee was adopted and accepted on a motion moved by Sis Cecelia Williams and seconded by Bro Cecil "Pa" Jack.

(ii) **Election of Credit Committee**

- The two (2) retiring members Bro. Stewart Haynes and Sis. Elsa Wynne were eligible for re-election. The Nominating Committee nominated both members for re-election.
- There were no other nominations, and nomination was closed on a motion moved by Sis. Mineva Glasgow and seconded by Bro. Cecil "Pa" Jack.
- Bro. Stewart Haynes and Sis. Elsa Wynne were re-elected unopposed.

4.6 **Supervisory Committee**

(i) **Supervisory Committee's Report**

- The Supervisory Committee Report having been circulated before was taken as read. The report of the Supervisory Committee was adopted and accepted on a motion moved by Bro. Renato Gumbs and seconded by Bro. Colin Sam.

(ii) **Election of Supervisory Committee**

- The two (2) retiring members were Sis. Elizabeth A. Williams and Sis. Cecelia Williams; they were eligible for re-election. The Nominating Committee nominated these two members in addition to Sis. Sylvia Sutherland for election.
- Nominations were closed on a motion by Bro. Renato Gumbs and seconded by Bro. Colin Sam.

- The result of the election was as follows:

•	Sis. Elizabeth A. Williams	56	votes
•	Sis. Cecelia Williams	66	votes
•	Sis. Sylvia Sutherland	30	votes

- Sis. Cecelia Williams and Sis. Elizabeth A. Williams were duly elected to serve on the Supervisory Committee.
- Permission was granted to destroy all ballot papers.

4.7 **Education Committee**

(i) **Education Committee's Report**

- The Education Committee Report having been circulated before was taken as read. Sis. Camilla Mandeville in her presentation highlighted the major activities completed in 2009. These included Recruitment Drives, the Eastern Caribbean Central Bank Mentorship programme at the C. W Prescod Primary School, Training and various publications.
- The report of the Education Committee was adopted and accepted on a motion moved by Bro. Harold Lewis and seconded by Sis. Roslyn Richardson.

5.0 **ELECTION OF AUDITORS**

5.1 The auditing firm BDO was nominated by Bro. Stewart Haynes and seconded by Bro. Cornelius Browne. There being no other nominations, a motion for closed nominations was moved by Sis. Cecelia Williams and seconded by Bro. Gary Matthias.

5.1.1 BDO was elected unopposed.

6.0 **NEW BUSINESS**

6.1 Bro. Cecil 'Pa' Jack suggested that there be a memorial in honour of the late Bro. Calvin Nicholls for his stalwart contribution to GECCU.

6.1.1 Bro. Earl Bennett expressed sincere appreciation to the Board of Directors and Bro. Lennox Bowman, CEO for the immense contribution given to him and his family at the time of dire need when their family home was totally destroyed by fire, and wished GECCU continued success.

7.0 **CLOSING EXERCISE**

There being no other business the meeting ended at 8:45 pm on a motion by moved Bro. Gary Matthias, seconded by Bro. Renato Gumbs.

Read and signed as a record this day of.....

.....
Sis. Camilla Mandeville
Secretary

.....
Bro. Philmore Isaacs
President

BOARD OF DIRECTORS' REPORT TO THE 45TH ANNUAL GENERAL MEETING

Board of Directors 2010



Bro. Philmore Isaacs
President



Bro. Clarence Harry
Vice President



Sis Camilla Mandeville
Secretary



Bro. Aubrey Burgin
Treasurer



Bro. Richard Cumberbatch
Director



Bro. Gary Matthias
Director



Bro. Stanley Harris
Director



Sis. Gemma Mc Cree - Clarke
Director



Sis. Arlene Lewis
Director



Bro. Lennox Bowman
Chief Executive Officer

1.0 Introduction

Fellow Co-operators,

- 1.1 Shareholders, Members of All Committees, Staff, Brothers and Sisters, it is with a great sense of gratitude and appreciation that we the members of the Board of Directors present to you the Annual Report which encapsulates the activities, accomplishments, challenges and growth of our Credit Union for the year ended 2010.

Economic Experience

- 1.2 During the period under review the Credit Union continuously demonstrated its commitment to its members and the wider community while negotiating a very challenging economic and financial environment which showed few signs of recovery.
- 1.3 The global crisis started in the USA, which is our main trading partner and source of investment, tourist arrivals and remittances. Our economy consequently remained extremely open and vulnerable to external shocks and natural disasters. Our reality also includes the fact that we have limited human and financial resources and a very narrow natural resource base.
- 1.4 The uncertainty surrounding a resolution to the CL Financial Ltd looms large, though the Ministerial Sub-Committee on insurance, in collaboration with the technical staff from the member governments and the ECCB continue to address this issue of seeking a successful resolution.
- 1.5 The impact of Hurricane Tomas causing much damage to the agricultural sector and our infrastructure posed further challenges for the country.

2.0 Corporate Governance

- 2.1 During the year, the Board continued its policy of meeting with the various Committees jointly and severally. Special emphasis was placed on the monitoring and reporting system, thereby ensuring that communication flow in all directions within the organization, was achieved in a timely and effective manner.
- 2.2 All statutory obligations were observed and the close working relationships with the Co-operative Department and the SVG Credit Union League were maintained.

3.0 Board of Directors

- 3.1 At the 44th Annual General Meeting, three members were elected to the Board—Brothers Gary Matthias, Stanley Harris and Sister Camilla Mandeville.
- 3.2 At the first meeting, the Board of Directors elected Bro. Philmore Isaacs – President, Bro. Clarence Harry-Vice President, Bro. Aubrey Burgin – Treasurer, and Sis. Camilla Mandeville - Secretary.

The full Board of Directors comprises the following:

- Bro. Philmore Isaacs - President
- Bro. Clarence Harry - Vice President
- Sis. Camilla Mandeville - Secretary
- Bro. Aubrey Burgin - Treasurer
- Bro. Richard Cumberbatch - Director
- Bro. Stanley Harris - Director
- Sis. Arlene Lewis - Director
- Sis. Gemma Mc Cree-Clarke - Director
- Bro. Gary Matthias - Director

3.3 Meetings and Attendance

Meetings of the Board were held monthly. In addition, nine special meetings were convened. A summary of attendance is given in Table 1.

Table 1: Summary of Attendance of Board of Directors

Names	Regular	Special	GRAND
	TOTAL (11)	TOTAL (8)	TOTAL(19)
Bro. Philmore Isaacs	11	8	19
Bro. Clarence Harry	11	7	18
Sis. Camilla Mandeville	11	7	18
Bro. Aubrey Burgin	11	7	18
Bro. Richard Cumberbatch	10	7	17
Bro. Stanley Harris	10	7	17
Sis. Gemma Mc Cree-Clarke	10	8	18
Sis. Arlene Lewis	11	7	18
Bro. Gary Matthias	10	7	17

4.0 PERFORMANCE RELATED TO PRIORITY AREAS

- 4.0.1 The Board of Directors established nine (9) priority issues to be addressed during the year. The management team and staff then developed a detailed implementation workplan (with clear targets and time frames) as well as a budget to address the critical issues. This workplan and budget were approved by the Board.
- 4.0.2 The Board of Directors is pleased to report on its accomplishments over the year with respect to the priority issues for the period under review.

4.1.1 PRIORITY 1: REGISTRATION OF NEW MEMBERS

- 4.1.1.1 During the period under review 2,125 new members were registered, the targeted number for this period was 2,000.
- 4.1.1.2 In keeping with our thrust to focus on youth, we are pleased to report that 65% of our new members were under the age of 30. This clearly states that our marketing to our youth continues to be successful and that we remain an attractive alternative for our young people.
- 4.1.1.3 Total membership of the Credit Union now stands at 30,506. This figure represents a net increase in total membership of 8%.

Table 2: Breakdown of new membership by age

AGE	Number of Persons	Percentage
Junior Savers	653	31
16-30	715	34
31-40	343	16
41-50	253	12
51-60	127	6
60+	31	1
Organization	3	-
TOTAL	2,125	

4.1.2 PRIORITY 2: MEMBERS' SHARES AND DEPOSIT GROWTH

- 4.1.2.1 During the period under review we introduced our Permanent Shares effective 1st January, 2010 as per our Resolution passed at our 44th Annual General Meeting. These Shares continue to be well subscribed by our membership.
- 4.1.2.2 As was the case in 2009, the uncertainty of the financial environment, the static salaries, the unwillingness to borrow, compounded by the general decrease in overall economic activity, all contributed to the moderate growth in these categories of Savings.
- 4.1.2.3 The following table shows the results in these services.

Table 3

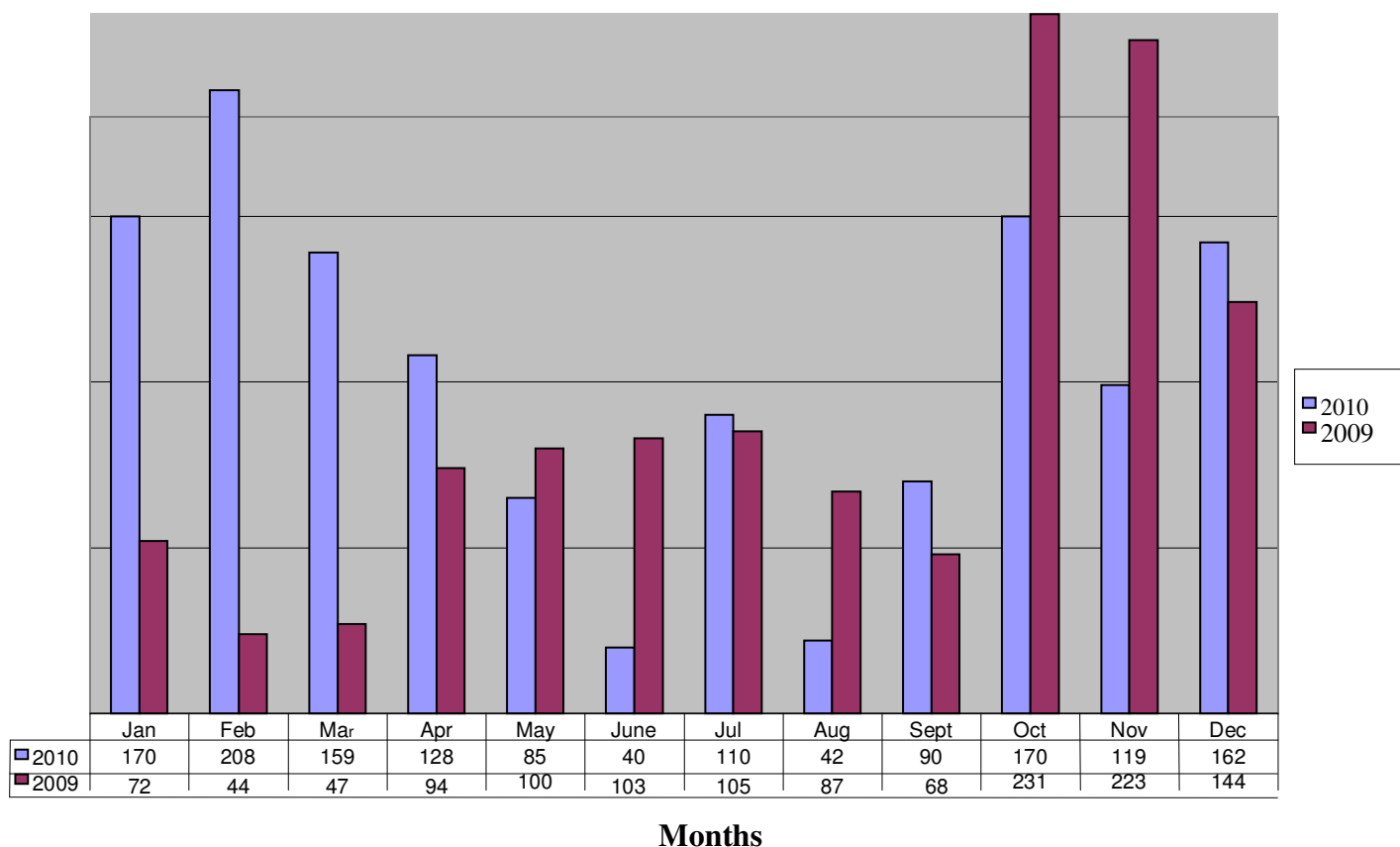
Categories	2010	2009	Increase	% Change
Permanent Shares	\$2,757,975	-	\$2,757,975	-
Members' Shares Savings	\$69,278,376	\$ 67,067,021	\$2,211,355	3%
Term Deposit	\$51,559,139	\$ 51,041,834	\$517,305	1%
Ordinary Deposit	\$13,662,840	\$ 11,036,001	\$2,626,839	24%
TOTALS	\$137,258,330	\$129,144,856	\$8,113,474	6.3%

4.1.3 PRIORITY 3: DORMANCY

4.1.3.1 Notwithstanding the financial realities experienced during the year, the sustained efforts at re-activating dormant accounts produced acceptable results. During our out-reach programmes and call centre activities, we continue to stress the benefits of membership, especially in challenging economic times.

4.1.3.2 During the year, 1,483 members were re-activated with total receipts of \$353,814.40. This compares favourably to the 1,318 members and receipts of \$356,079.35 in 2009.

Table 4: Comparison of 2010 & 2009 Re-activated Accounts



4.1.4 PRIORITY 4: ENHANCE SMALL BUSINESS CAPACITY

4.1.4.1 GECCU continues to demonstrate its support for small businesses in various ways directly and indirectly. We continue to provide funding for many types of small business, offer limited technical assistance, and work with other related agencies to assist with training and other support services.

4.1.4.2 We are also working along with the other Credit Unions under the leadership of the SVG Credit Union League towards the operationalisation of the SVG Co-operative Micro-Finance Institute Ltd (COMFI).

4.1.4.3 This initiative is seen as critical to the development of small and micro-finance business as it is intended to provide a complete range of services to this very important sector.

4.1.5 PRIORITY 5: HUMAN RESOURCE CAPACITY BUILDING

- 4.1.5.1 Developing the human resource capacity at all levels of the organization remains a priority for the Credit Union.
- 4.1.5.2 GECCU also realizes that it is the Credit Union philosophy which sets Credit Unions apart. It fuels loyalty and feeds the bottom line, thereby generating funds to execute our ever increasing and demanding programmes. As a consequence, we continue to develop training programmes and assist with education programmes targeting staff, volunteers and the general membership.
- 4.1.5.3 The following details the training undertaken during the year.

Table 5: Staff Training - In-house

TITLE	PARTICIPANTS	DATE	FACILITATOR
Overview of CUMIS Module	Supervisory Committee	March 9 th	Elias Francis, Data System Administrator GECCU
Sexual and Health Education	Staff	March 11 th	SVPPA: Mrs. Verlene Saunders Ms. Nzinga Sargeant
Securities Management	Loans Staff Credit Committee	April 14 th	Lyndon George, Solicitor
Conflict Resolution	Staff	April 21 st & May 20 th	Dr. Julian Ferdinand
Detecting Counterfeit Currency	Staff	September 15 th	Sgt. Jeffrey Laborde Sgt. Hesran Ballantyne (RSVGPF – Major Crime Unit)
Anti-Money Laundering/ Counter Financing of Terror-ism	Staff	September 15 th	Staff- Financial Intelligent Unit
Fire Safety Techniques	Staff	October 11 th	Asp. Isaiah Browne – RSVGPF Fire Department

Table 6: Workshops and Seminars 2010

Seminar Title	Participants	Location	Date	Resourced by
Quality Customer Service	Kathlyn Parsons Kyle Providence Noriesiah Shallow	SVG	Feb 8 th – 10 th	CED
Personal Finance & Investment Basics	Kathlyn Parsons Kyle Providence Noriesiah Shallow	SVG	Feb 26 th – May 20 th	ECIB & UWI
Anti-Money Laundering/Counter Financing of Terrorism	Damoris Alexander Keon Findlay	SVG	Mar 3 rd	SVGCIC
Effective Human Resource Management	Cornelia Moses	SVG	Mar 17 th – 19 th	CED Inc.
Basic English for Business	Theresa Douglas Prenella Holder	SVG	Mar 22 nd – 26 th	CED
Costing and Pricing Strategies for SMEs	Danny-lee Francis	SVG	Mar 24 th – 25 th	SVGCIC
Building Awareness on HIV/AIDS	Cornelia Moses	SVG	April 15 th	SVEF
Association Management Best Practices	Damoris Alexander Camilla Mandeville Harold Lewis	SVG	April 21 st – 22 nd	SVGCIC
Math Skills for Business	Theresa Douglas Prenella Holder	SVG	April 26 th – 30 th	CED
Strategic Elements of Productivity Management	Cornelia Moses	SVG	April 27 th	NLC, NIS & Social Partners
Microsoft Word & Excel	Theresa Douglas Cecile Fraser-Gibson Melissa Millington Frances Thompson	SVG	May 4 th – 6 th	SVGCIC
Mortgage Underwriter Programme	Julian Joslyn	SVG	May 10 th – 14 th	ECHMB
Credit Union Development Educators Programme (DE)	Lennox Bowman	SVG	May 12 th – 19 th	NCUF (USA)
Supervisory Management Techniques for the Private and Public Sector	Cecile Fraser-Gibson Baldwin Johnney	SVG	May 17 th & 18 th	CED
Record Keeping	Shawn Antoine (Member)	SVG	May 19 th – 21 st	NDF
Prevention and fight against terrorism and its financing	Damoris Alexander	SVG	May 25 th – 28 th	Govt' of SVG & UNODC
How investment savvy are you?	Damoris Alexander Julian Joslyn	SVG	June 22 nd	CMMB
Strategic approach to exporting your services	Danny-lee Francis	SVG	June 24 th	SVGCSI & OECS Sec'iat
Building Awareness at the Workplace	Cornelia Moses	SVG	Aug 12 th	SVEF/ILO
Business Security	Anton Jardine Leslie Joseph	SVG	Aug 18 th	SVGCIC
Leadership	Julian Joslyn	SVG	Sept 21 st	CED
Enterprise Risk Management	Lennox Bowman	Antigua	Oct 13 th	CCCU
Increase productivity through effective Performance Appraisal	Gertrude Jacobs	SVG	Nov 10 th	SVGCIC
Mortgage Underwriter Programme	Julian Joslyn	Anguilla	Nov 15 th -19 th	ECHM

4.1.5 PRIORITY 6: SATISFYING MEMBERS' HOUSING NEEDS

- 4.1.5.1 GECCU continues to place emphasis on helping members satisfy their housing needs. During our financial management and financial counselling sessions we encourage our members to focus on land and house acquisition.
- 4.1.5.2 Many members are taking advantage of our financial assistance and encouragement to get proper title to lands which they occupy either by squatting or as family gift. This practice has helped to unlock such capital to be then used as security for land purchase and house building purposes.
- 4.1.5.3 The much improved housing services by professionals for house construction have contributed both to the quality of our houses and to enhancing the technical knowledge of our staff and Credit Committee members.
- 4.1.5.4 With respect to the lands at Peters Hope, we will soon sign a joint Memorandum of Understanding with the National Insurance Services which details the joint venture to develop the infrastructure for the lands designated for a full housing and commercial community. These lands are expected to go on sale to our members before the end of 2011.

4.1.7 PRIORITY 7: OPERATIONS OF SUB-OFFICES

- 4.1.7.1 All three sub offices continue to contribute significantly to the provision of proper access and high quality services to our members and citizens, many of whom were underserved prior to the establishment of our sub-offices.
- 4.1.7.2 The decline in new member registration during 2010 at these offices, relative to that of 2009, can be easily explained by the sharp increase in student members we had in 2009 when many students opened accounts with their \$200.00 assistance received from Government.
- 4.1.7.3 Our Marketing Department, Education Committee, Supervisory Committee and Internal Auditor visit these offices regularly for marketing, education and administrative purposes.
- 4.1.7.4 We continue to demonstrate good corporate social responsibility to these areas and the Western Union Money Transfer Service we provide at these offices satisfies a much needed service to these Communities.
- 4.1.7.5 All offices continue to be well served with up-to-date information technology equipment and modern security systems.

Table 4: Sub-offices Operations

	New Members	Collections			Disbursement	
	2010	2009	2010	2009	2010	2009
Union Is. & Canouan	69	114	\$1,970,612	\$1,696,159	\$806,107	\$989,530
Bequia	68	99	\$650,164	\$639,482	\$162,712	\$377,225
Georgetown Office	438	639	\$8,536,231	\$4,510,191	\$6,679,158	\$5,594,646
TOTAL	575	852	\$11,157,007	\$ 6,845,832	\$7,647,976	\$6,961,401

4.1.8 PRIORITY 8: SERVICES EXPANSION AND IMPROVED TECHNOLOGY

4.1.8.1 GECCU remains committed to our members by providing products which meet their needs through sound and modern delivery mechanisms. During the period under review we achieved the following in this regard:

- A high performance generator was installed at our Kingstown Branch and we are currently sourcing generators for our sub-offices.
- We upgraded our IT system through improvements to hardware, netware and software. We are in the process of upgrading our Accounting software (CUMIS) to a new and improved version called EMORTELLE. This should further enhance our capabilities especially as they relate to document storage, processing and general management.
- Our new product called PERMANENT SHARES was introduced on January 1st, 2010.
- We have augmented our range of Loan Services with our Tank Loan Product. This product is well received and patronized by our membership.
- We are currently working on the final steps to the introduction of our point-of-sale service shared with the Bank of St. Vincent and the Grenadines.

4.1.9 PRIORITY 9: FINANCIAL SUSTAINABILITY AND PROFITABILITY

4.1.9.1 For the Year ended 31st December, 2010, the Credit Union demonstrated once again that it remains the first choice organization for its members. This confidence is founded in the loyal support and commitment of members.

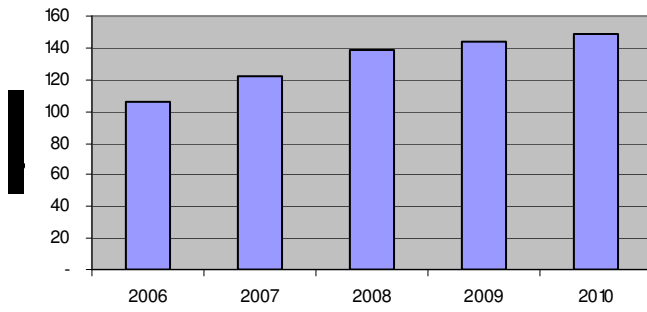
4.1.9.2 The Credit Union met and surpassed most of its targets set for this year. A notable exception is the investment portfolio which continues to be adversely affected by the uncertainty regarding our investments with CL Financial Ltd. Once again the Credit Union prudently made a significant provision for the impairment of these investments. While this provision had the effect of impacting negatively on our net surplus, our extremely strong liquidity position allows us to continue to provide an excellent service to our members in all areas of our operations.

4.1.9.3 Though a detailed analysis of the accounts is included in the Treasurer's report, the following table shows the performance highlights.

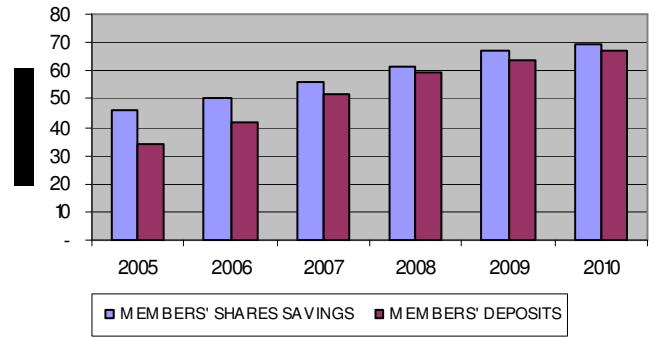
4.1.9.3 GECCU Performance Highlights 2006-2010

	2010	2009	2008	2007	2006
ASSET GROWTH	EC\$	EC\$	EC\$	EC\$	EC\$
Loans – net	85,126,942	80,226,045	73,568,116	67,021,905	60,155,702
Cash Resources	11,861,656	15,033,095	6,273,456	5,027,373	2,198,379
Fixed Assets	4,652,047	4,514,351	4,700,192	4,082,464	3,897,466
Investment Securities	33,522,933	29,871,037	38,025,468	31,173,991	25,299,744
Other Assets	499,698	539,600	2,913,392	2,492,835	2,056,990
Investment Properties	13,384,182	12,814,182	12,814,182	12,799,082	12,799,082
Total Assets	149,047,458	142,998,310	138,294,806	122,597,650	106,407,363
SAVINGS COMPONENTS					
Members’ Shares Savings	69,278,376	67,067,021	61,849,979	55,851,597	50,587,410
Members Deposit	67,129,569	63,683,705	59,420,468	51,400,085	41,777,553
Total Savings	136,407,945	130,750,726	121,270,447	107,251,682	92,364,963
INCOME					
Loan Interest	7,949,445	8,176,612	7,405,966	6,601,441	5,686,273
Investment Income	1,112,653	1,426,662	2,680,305	2,260,668	1,738,470
Non Interest Income	1,336,589	751,053	746,643	651,425	942,223
Total Income	10,398,687	10,354,327	10,832,914	9,513,534	8,366,966
EXPENSES					
General and Admin Expense	4,242,694	4,208,028	4,181,281	3,560,245	3,397,600
Interest Expense	4,661,485	5,376,688	3,191,816	2,744,689	2,185,618
Allowance for Loan Loss	267,179	294,159	756,176	395,899	234,658
Total Expense	12,671,358	15,504,779	8,129,273	6,700,833	5,817,876
PROFITABILITY					
Surplus	(3,163,371)	(5,151,804)	2,703,641	2,812,701	2,549,090
Other Reserves	7,901,727	9,301,741	14,329,593	13,266,760	12,423,990
Permanent Shares	2,757,975				
MEMBERSHIP	30,506	29,994	28,152	24,850	22,281

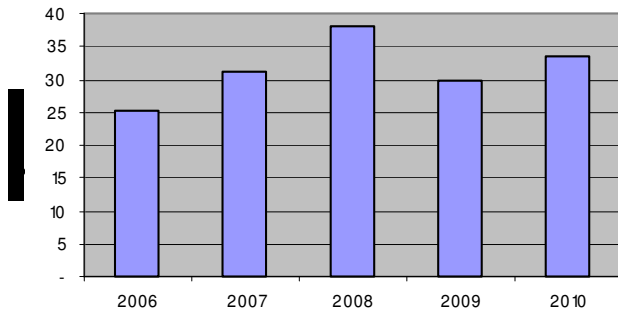
TOTAL ASSETS



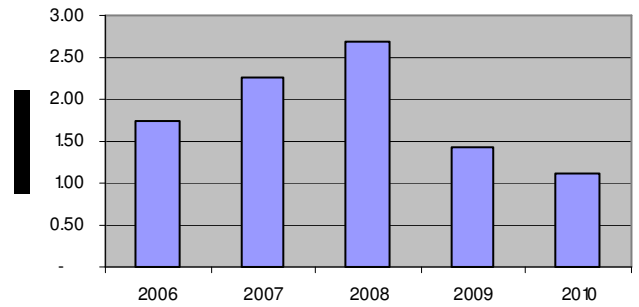
MEMBERS SHARES SAVINGS and MEMBERS' DEPOSITS



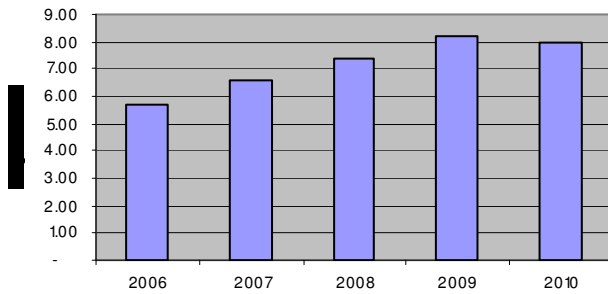
INVESTMENT SECURITIES



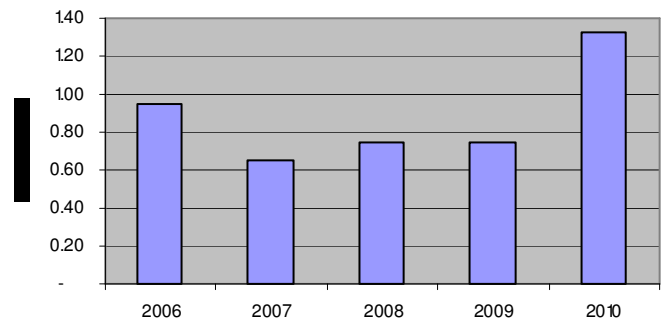
INVESTMENT INCOME



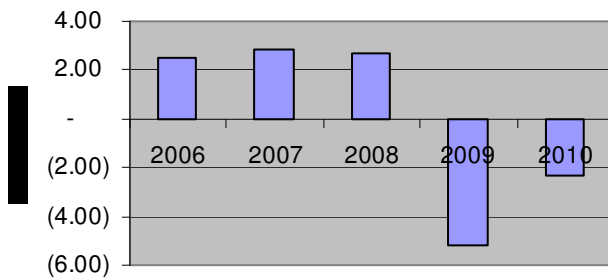
INTEREST INCOME



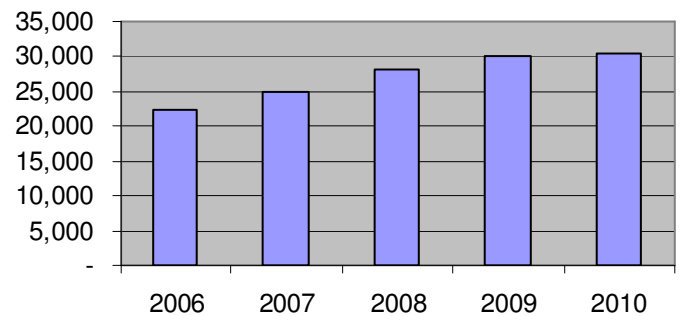
NON INTEREST INCOME



NET PROFIT



MEMBERSHIP



4.1.9.4 The PEARLS-M Monitoring Standard

This is the benchmark standard adopted for the monitoring and measurement of the operations of the Credit Union.

PEARLS Ratios	Goals	31 st Dec 2009	31 st Dec 2010
P – Protection			
Loan Loss Allowances / Delinquency >12mths <i>This measures the adequacy of the provision for loans delinquent over 12 months</i>	100%	100%	96.29%
Solvency <i>The degree of protection for members' shares & deposits in the event of liquidation.</i>	Min 100%	105.78%	102.39%
E – Effective Financial Structure			
Net Loans / Total Assets <i>Measures the %-age of total assets invested in Loans.</i>	Between 70 to 80%	54.85%	56.08%
Financial Investments / Total Assets <i>Measures the %-age of long-term Investment in Total Assets</i>	Max 10%	17.35%	12.99%
External Credit / Total Credit <i>Measures the %-age of Total Assets financed by external borrowings</i>	Max 5%	0.00%	0%
A – Asset Quality			
Total Delinquency / Gross Loan Portfolio <i>Measures the %-age of delinquency in the Loan Portfolio.</i>	Less than 5%	10.63%	10.78%
Non-Earning Assets / Total Assets <i>This measures the %-age of total assets not producing income.</i>	Less than 5%	7.22%	5.79%
R – Rates of Return and Cost			
Net Loan Income / Average Net Loan Portfolio <i>Measures the %-age yield on the Loan Portfolio</i>	Between 9 to 12%	10.15%	9.57%
Operating Expenses / Average Assets <i>Measures the cost associated with the management of the C.U assets.</i>	Less than 5%	2.61%	2.68%
L – Liquidity			
Liquid Assets – ST Payables / Total Deposits <i>Measures the adequacy of liquid cash management to response to Members' short-term requirements.</i>	Min 15%	30.06%	21.56%
Non-Earning Liquid Assets / Total Assets <i>Measures the %-age of cash invested in Non earning Assets</i>	Less than 1%	2.44%	1.32%
S – Signs of Growth			
Net Loans <i>Measures the %-age growth in Loan Portfolio</i>	More than 10%	6.62%	6.52%
Total Assets <i>To measure the %-age growth in Total Assets.</i>	More than 10%	3.40%	4.19%
Membership <i>Measures the %-age growth in Membership</i>	Min 5%	11.24%	8%

4.1.9.5 Interest

The interest paid on Members' "Shares" Savings is 2%.

5.0 Corporate Social Responsibility

5.1 Corporate Social Responsibility remains an integral part of GECCU's Philosophy. It goes beyond simply donations, sponsorship and volunteering time to worthy causes. Corporate Social responsibility is a core corporate principle and helps to define GECCU as a people- centered organization.

5.1.1 In striving to be a leader in corporate social responsibility, GECCU focuses on developing business practices, products and services that serve its members well, while contributing to the social, educational and environmental well-being of our communities.

5.1.2 The Credit Union continues to play leading roles in many national activities and celebrations such as National Heritage Month, Emancipation Day, Labour Day, Carnival, Independence, Gospel Festival, Easterval and Nine Mornings.

5.1.3 Individual needy cases worthy of assistance were also supported.

5.1.4 At most of the above mentioned events, Staff and Committee members assisted.

6.0 Social Development Fund

6.1 The Social Development Fund was established by resolution passed at the 38th Annual General Meeting of the General Employees Co-operative Credit Union Ltd held on 13th May 2004. Its purpose is to provide assistance to members who lack the financial resources to recover from an emergency such as storm damage, fire, earthquake, serious illness etc. The fund is managed by a Social Development Fund Committee which was appointed by the Board of Directors in accordance with the resolution.

6.1.2 The year 2010 was an eventful year for the Social Development Committee as it was called upon to respond to an increased number of requests by members for assistance from the Social Development fund. Requests were mainly for medical assistance and for repairs to properties that were damaged by Hurricane Tomas. In its approach to the hurricane assistance, the Social Development Fund Committee collaborated with the National Emergency Management Organisation (NEMO) and the Housing and Land Development Corporation (HLDC) to ensure that there was no duplication of effort and assistance. A team comprised of representatives from the SDFC, the Credit Committee and staff visited the sites in order to make a first hand assessment of each case.

6.1.3 Hurricane Tomas was the first natural disaster to affect St.Vincent and the Grenadines since the establishment of the Social Development Fund and was an event that caused many to appreciate GECCU's wisdom in establishing it. The members who received assistance were full of praise for GECCU and the Social Development Fund. "I felt good seeing that I didn't have the finances to do it myself.....I am grateful to see that GECCU reached out," were the comments of one elated member. Another member said, "I am very satisfied....GECCU has always been helpful from morning."

6.1.4 The provision of medical assistance and hurricane relief were not the only ways in which GECCU stood tall in meeting its corporate social responsibility. Listed below are other noteworthy accomplishments:

- Our Credit union partnered with the National Insurance Services in a National Senior Citizens Appreciation day
- Provided concessions on loans to farmers whose crops were damaged by hurricane Tomas
- Provided \$10,000 towards food for persons in hurricane shelters
- Processed fifty-three applications for assistance
- Visited the members who sustained loss as a result of the hurricane

6.1.5 The table below gives a breakdown of the applications that were received and processed in 2010

Category	No. received	No. Approved
Medical	31	25
Hurricane relief	17	12
Domestic	2	2
Rebuilding house	3	3

6.1.6 Six of the applications were rejected because the applicants did not qualify for assistance. The remainder are either pending or have not been followed through by the applicant.

6.1.7 The following is a statement of the Status of the Social Development Fund:

January 1st, 2010 Opening Balance	\$974,852.27
Add – Members Contribution	\$367,500.00
Less – Assistance to Members	\$112,258.88
December 31st, 2010 – Balance in Fund	\$1,230,093.39

6.1.8 The Social Development Committee's plans for the ensuing year include inter alia the following:

- Senior Citizens Day
- Visits and gift baskets to Shut-ins
- Skills Training for Members who may have lost jobs
- Home help for the Elderly members
- Health Programs including quarterly checks
- Disaster preparedness

6.0 Annual Scholarships to Secondary School

6.1 Seven (7) scholarships were awarded to students who were successful in the 2010 Common Entrance Examinations. This number included the fifth recipient of the annual Grenadines Scholarship award – a student from Union Island.

6.1.2 The 2010 awardees were as follows:

Girls: Abigail Scott	- St. Mary's Roman Catholic School
Andreka Samuel	- Rose Hall Government School
Thandi Myers	- Windsor Primary School

Boys: Addison Edwards	- Belmont Government School
Jaris Farrell	- St. Mary's Roman Catholic School
Jaylon Scott	- St. Mary's Roman Catholic School

Grenadines Scholarship: Faraji James – Stephanie Browne Primary School

6.1.3 The scholarship winners were presented with certificates of academic excellence at a ceremony held on Wednesday 11th August 2010 at the Methodist Church Hall, Kingstown.

6.1.4 One hundred and thirty-five (135) other successful candidates received monetary rewards of \$100.00 each, an increase from last year's figure of one hundred and twenty-eight (128) candidates.

6.1.5 In addition, GECCU awarded bursaries of ranging from \$250.00 to \$500.00 to eleven (11) students who needed assistance for the school year.

6.1.6 During the period under review, members of the Scholarship Committee held a counselling session with six scholarship holders. The performance of these students was not up to standard and they were counselled to ensure that an acceptable standard of performance was maintained.

6.1.7 The Board of Directors would like to extend its congratulations to all scholars who performed creditably in the 2010 Caribbean Secondary Education Certificate (CSEC) and Advanced level examinations.

7.0 STAFF RECOGNITION 2010

Years of Service

10 Years

Alicia Ashton-Doyle - Chief Executive Officer's Secretary
Elias Francis - Data Systems Administrator
Lydia Cain - Office Attendant

15 Years

Baldwin Johnney - Administrative Officer
Adinga Findlay - Disbursement Officer

20 Years

Cecile Fraser-Gibson - Senior Insurance Officer

25 Years

Damoris Alexander - Internal Auditor
Joan Morgan - Ancillary

Punctuality and Attendance

Julian Ivo Joslyn	- Senior Loans Officer	Charissa Pitt	- Junior Clerk
Kyle Providence	- Customer Service Clerk	Alison Guy	- Junior Securities Officer
Bernadette Culzac	- Junior Insurance Clerk	Lydia Cain	- Office Attendant
Kathlyn Parsons	- Cashier	Frances Thompson	- Senior Securities Officer
Baldwin Johnney	- Administrative Officer	Junelto James	- Junior Clerk
Sonya Johnney	- Junior Clerk	Joanne Stowe-Powers	- Recoveries Officer

Most Outstanding Department Performers

Bernadette Culzac - Junior Insurance Clerk, Accounts Department
Julian Ivo Joslyn - Senior Loans Officer, Loans Department
Noriesiah Shallow - Receptionist, Administration Department

Most Outstanding Senior Employee

Julian Ivo Joslyn - Senior Loans Officer

Most Outstanding Junior Employee

Bernadette Culzac - Junior Insurance Clerk

Most Outstanding Head of Department

Cornelia Moses - Operations Officer

Chief Executive Officer's Awards – Outstanding Contribution

Hassan Archibald - Junior Recoveries Officer
Kyle Providence - Customer Service Clerk
Frances Thompson - Senior Securities Officer
Charissa Pitt - Junior Clerk
Cecile Fraser-Gibson - Senior Insurance Officer
Julian Ivo Joslyn - Senior Loans Officer

Employee of the Year

Julian Ivo Joslyn - Senior Loans Officer, Loans Department



Staff Awards 2010

10 years

15 years

20 years

25 years



Alicia Doyle
CEO Secretary



Elias Francis
Data Systems
Administrator



Lydia Cain
Office Attendant



Adinga Findlay
Disbursement
Officer



Baldwin Johnney
Administrative
Officer



Cecile Gibson
Snr Insurance
Officer



Joan Morgan
Ancillary Staff



Damoris Alexander
Internal Auditor

Punctuality & Attendance

Lydia Cain - Office Attendant
Bernadette Culzac - Jr. Insurance Clerk
Alison Guy - Jr. Securities Officer
Junelto James - Jr. Clerk
Baldwin Johnney - Administrative Officer
Sonya Johnney - Jr. Clerk

Julian Ivo Joslyn - Sr. Loans Officer
Kathlyn Parsons - Cashier
Charissa Pitt - Jr. Clerk
Kyle Providence - Customer Service Clerk
Joanne Stowe-Powers - Recoveries Officer
Frances Thompson - Sr. Securities Officer

Most Outstanding Department Performers



Bernadette Culzac
Jr. Insurance Clerk
Accounts Dept



Noriesiah Shallow
Receptionist
Admin. Dept



Frances Thompson
Snr Securities
Officer



Hassan Archibald
Jnr Recoveries
Officer

CEO Awards



Kyle Providence
Customer Service
Clerk



Cecile Fraser-Gibson
Snr Insurance Officer



Cornelia Moses
Operations Officer



Charissa Pitt
Jnr Clerk

Julian Ivo Joslyn
Senior Loans Officer



Most Outstanding: Loans Dept
Most Outstanding Snr Employee
Punctuality and Attendance

Employee of the Year



STAFF PROFILE

Bro. Lennox Bowman– Chief Executive Officer

Sis. Alicia Ashton-Doyle– CEO’s Secretary

ACCOUNTS DEPARTMENT

Sis. Maxine Johnney -Accountant
Bro. Leslie Joseph- Senior Accounts Clerk
Bro. Ryan Hazell- Payroll Officer
Sis. Adinga Findlay- Disbursement Officer
Sis. Melissa Millington - Accounts Clerk
Sis. Itasha George -Accounts Clerk
Bro. Osbert Cunningham Jr.- Cashier
Bro. Ricardo Springer - Cashier
Sis. Kathlyn Parsons - Cashier

Insurance Department:

Sis. Cecile Fraser-Gibson
- Senior Insurance Clerk
Sis. Bernadette Culzac- John-
- Junior Insurance Clerk

INTERNAL AUDIT DEPARTMENT

Sis. Damoris Alexander - Internal Auditor

ADMINISTRATION DEPARTMENT

Sis. Cornelia Moses -Operations Officer
Sis. Prenella Holder- Customer Service Clerk
Sis. Theresa Douglas - Customer Service Clerk
Bro. Kyle Providence- Customer Service Clerk
Sis. Noriesiah Shallow- Receptionist
Sis. Lydia Cain - Office Attendant

MARKETING DEPARTMENT

Sis. Cheryl Bacchus - Senior Marketing Officer

LOANS DEPARTMENT

Sis. Gertrude Jacobs- Loans Supervisor
Sis. Sharlene Charles- Loans Receptionist/Typist
Bro. Julian Ivo Joslyn - Senior Loans Officer
Sis. Danny-Lee Francis - Loans Officer
Sis. Sarah Commissiong - Loans Officer
Bro. Keon Findlay- Loans Officer
Sis. Frances Thompson- Senior Securities Officer
Sis. Alison Guy- Junior Securities Officer

Recoveries Section

Sis. Joanne Stowe- Powers- Recoveries Officer
Bro. Hassan Archibald – Jr. Recoveries Officer

IT DEPARTMENT

Bro. Elias Francis- Data Systems Administrator
Bro. Anton Jardine
- Assist. Data Systems Administrator

NORTHERN GRENADINES OFFICE:

Sis. Blondia Hazell-Peters- Administrative Clerk
Bro. Danny George- Security Guard

SOUTHERN GRENADINES OFFICE:

Sis. Vennecia Ollivierre - Administrative Clerk
Bro. Junior Adams- Security Guard

GEORGETOWN OFFICE:

Bro. Baldwin Johnney - Administrative Officer
Sis. Sonya Johnney - Junior Clerk
Sis. Charissa Pitt- Junior Clerk
Bro. Junelto James - Junior Clerk
Sis. Ariann Neverson- Office Attendant

Activity Highlights



Credit Union Day Activities



Hurricane Tomas Relief



Inter Credit Union Sports Day



GECCU Family Fun day



Christmas Party at Chester Cottage



Teacher Guide Appreciation Luncheon



Permanent Shares Workshop



Scholarship Awards



Teacher Guide Training

8.0 Future Directions and Strategies

- 8.1.1 As a value based organization we embrace the fact that we exist for much more than the bottom line. At our core, we are a people-first co-operative, focused on helping our member-owners achieve their dreams. This is our foundation and the reason we continue to exist. We are member-owners joining together to help each other and our communities. The values that we have seen through our past successes are the ones that will sustain us in the future.
- 8.1.2 Our performance measures tell us we are doing many things right. However, they also highlight areas where we can be better. As member-owner expectations evolve and as employees' needs shift we must continuously improve the quality of service and performance of GECCU. Our objectives and strategies for 2011 are designed to help us in this regard. These strategies create opportunities to control costs, open new doors to growth and support our vision and values. Additionally, they will assist us with the continuance of business line diversification and further expansion into home ownership and Small and Micro-business development.
- 8.1.3 GECCU continues its focus on youth. Therefore we must remain challenged to provide them with appropriate products. Our emphasis on school co-op will continue as we take the fight against financial illiteracy to the schools.
- 8.1.4 We remain committed to creating a culture of innovation as it is recognized that our members want convenience, they want professionalism and they demand courtesy. GECCU will continue to put service before profit and put integrity behind that service. We will remain a strategic thinking organization underpinned by sound corporate governance practices.

9.0 Corporate Objectives 2011

- 1. To achieve Members' Deposits (Shares, Ordinary Deposits and Fixed Deposits) growth of 10%. And to reactivate 1,000 members.
- 2. To register a minimum of 2,000 new members with 60% of the new members below the age of thirty (30) and from select employee-groups.
- 3. To further enhance our programme of corporate social responsibility and members' well being.
- 4. To expand the range of services and to offer new ones including on-line transactions, point of sale, small business, centralized services with League and specially crafted services for Grenadines etc.
- 5. To enhance our capacity to administer loans generally.
- 6. To improve the quality of service to members through institutional restructuring, enhanced training and educational programmes for Staff, Committees and General Membership.
- 7. Pursue alternative investment opportunities.
- 8. To preserve and enhance the state of our buildings and our office accommodation.
- 9. To improve housing for our membership.
- 10. To ensure greater financial profitability/sustainability of GECCU and to adhere to the requirements of the Supervisory Manual of the Co-operative Division.

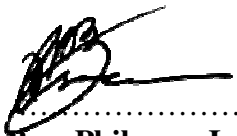
11. Enhance cost containment processes and practices.
12. To develop and operationalise a Risk Management and Disaster Management Policy.
13. To enhance the measurement of the effectiveness of our investment in marketing.
14. To enhance youth participation in the programmes of the Credit Union by identifying and addressing their needs.

10.0 Condolences

- 10.1 The Society extends sincere condolences to all bereaved members of the Credit Union family who lost loved ones during the year (*see Appendix 1*). May their souls rest in peace and may the good Lord provide comfort to their surviving relatives.

11.0 Acknowledgement

- 12.1 The Board wishes to express its gratitude and appreciation to Management and Staff who continue to demonstrate their support, loyalty and commitment to the Credit Union.
- 12.2 Deepest appreciation and heartfelt thanks to the members of the Education, Supervisory, Credit and other Committees for the valuable work they have rendered to the development of the Credit Union.
- 12.3 Special thanks to the Co-operative Department, the SVG Credit Union League, sister Credit Unions, the Solicitors, Baptiste and Company and Lyndon George; the Auditors BDO and other stakeholders for their support.
- 12.4 Most of all, the Board wishes to express sincere thanks to all valued members, for continuing to support the Credit Union and for affording us the opportunity to serve you during the year.



.....
Bro. Philmore Isaacs
President

Appendix 1

List of deceased members who passed on during the year:

- | | |
|---------------------------------------|-------------------------------|
| 1. Bro. Nathan Roberts | 33. Bro. Washington Lewis |
| 2. Sis. Virginia Ollivierre | 34. Bro. John Mc Lean |
| 3. Bro. Lenford Alexander | 35. Sis. Veronica Ragguette |
| 4. Sis. Emeris Parsons | 36. Bro. Lorenzo Gonsalves |
| 5. Sis. Elda Huggins | 37. Bro. Norrol Matthews |
| 6. Bro. Trevis Oliver | 38. Bro. Augustus Ellis |
| 7. Sis. Roslyn John | 39. Sis. Stella James |
| 8. Sis. Celina Francois | 40. Sis. Agnes Providence |
| 9. Sis. Onella Tyson | 41. Sis. Lucille Ryan |
| 10. Bro. Derald Thomas | 42. Bro. Frederick Providence |
| 11. Bro. Derrick Cox | 43. Bro. John Douglas |
| 12. Bro. Winston Shallow | 44. Sis. Anselma Bascombe |
| 13. Bro. Carl Spencer | 45. Sis. Desiree Blake |
| 14. Bro. David Mc Innis | 46. Bro. Sefrian Millar |
| 15. Bro. Grafton Stewart | 47. Sis. Adultha Sayers |
| 16. Bro. Melvin Cuffy | 48. Sis. Vennette Abbott-Byam |
| 17. Bro. Nigel Simmons | 49. Bro. Freetanerdo Turtin |
| 18. Sis. Wilma Franklyn | 50. Bro. Donovan St. John |
| 19. Sis. Prunella Richardson-Chandler | 51. Bro. Kenneth Jack |
| 20. Sis. Venus John | 52. Sis. Onika Gordon |
| 21. Sis. Nately Hull | 53. Sis. Carol King |
| 22. Bro. Charles Harry | 54. Bro. Winston Baptiste |
| 23. Bro. Richard Joseph | 55. Sis. Kaziah Hoyte |
| 24. Bro. Stephen Adams | 56. Sis. Kimesha Charles |
| 25. Bro. Winston Jack | 57. Bro. Jeffery Providence |
| 26. Sis. Evelyn Findlay | 58. Sis. Mary Lewis |
| 27. Sis. Velma Bynoe | 59. Bro. Winston Louison |
| 28. Bro. Alwyn Delpheche | 60. Bro. Frank Thomas |
| 29. Sis. Jeannette Joyles | 61. Sis. Juliette Matthews |
| 30. Bro. Delano David | 62. Bro. Alden Williams |
| 31. Bro. Charles Quashie | 63. Bro. Kasankie Frederick |
| 32. Sis. Ada Delgado | 64. Bro. Orden James |

**THE TREASURER'S REPORT
TO THE 45TH ANNUAL GENERAL MEETING**

1.0 INTRODUCTION

Brothers and Sisters, it is my pleasure once again to present the Treasurer's report, which highlights the financial performance of the General Employees Co-operative Credit Union Ltd for the year ended December 31, 2010.

- 1.1 The year 2010 proved to be a very difficult year for many financial institutions in St. Vincent and the Grenadines and around the world and our Credit Union was no exception. I am pleased to report that inspite of the prevailing challenges, we achieved most of our financial targets and realized growth in the major areas of operation.

2.0 FINANCIAL PERFORMANCE

- 2.1 The following is a synopsis of performance for the financial year ended December 31, 2010 with comparison to the 2009 financial year.

2.2.1 Assets

	2010 \$	2009 \$	I n c r e a s e / (Decrease)	Increase/(Decrease) (% age)
Total Assets	149,047,458	142,998,310	6,049,148	4%
Loans	85,126,942	80,226,045	4,900,897	6%
Investment Securities	33,522,933	29,871,037	3,651,896	12%
Cash Resources	11,861,656	15,033,095	(3,171,439)	(21%)

- 2.3 During the year total assets increased by 4% over 2009. This was attributed to growth in Loans to members and Investment Securities.
- 2.4 Loans to members recorded an overall growth of 6% when compared to 2009. The Mortgage portfolio increased net by 14% and consumer loans decreased net by 1%. The moderate decrease in consumer loans is due to the decision taken to write off some of the delinquent loans 10 years and over.
- 2.5 The situation regarding the investments with CL Financial group remains challenging. The institution has written-off a further 20% or \$2,223,927 from BAICO and 23% or \$1,276,073 from CLICO making a total of 44% or \$6,825,235 on BAICO and 23% or \$1,276,073 on CLICO. GECCU continues to spare no effort and is working with all relevant stakeholders towards a positive resolution.

In spite of the amounts written off, investment Securities experienced a growth of 12% over 2009. The financial investments undertaken during the year were the purchase of Government Treasury Bills, fixed deposit with the National Commercial Bank and the recapitalization of the interest earned on existing deposits.

- 2.6 Investment opportunity continues to be limited, however, during the period we were able to shift resources from non-interest to short-term investments. Our liquidity position continues to be very strong and well above the required level as set out by WOCCU in the PEARLS M Standards.

2.6.1 Share Capital & Members deposits

	2010 \$	2009 \$	Increase/ (Decrease)	Increase/ (Decrease) (% age)
Permanent Shares	2,757,975	-	2,757,975	
Members' Shares Savings	69,278,376	67,067,021	2,211,355	3%
Term Deposits	51,559,139	51,041,834	517,305	1%
Ordinary Deposits	13,662,840	11,036,001	2,626,839	24%
Junior Savers	1,899,334	1,593,504	305,830	19%

2.6.2 Members' Shares Savings and Members' deposits continue to be a crucial element in the growth of the credit union since they are the main sources of funding for our loan portfolio and investments. They have increased by \$2,211,355 or 3% and \$3,445,864 or 5% respectively.

2.6.3 Permanent Shares were implemented January 1st 2010, through a resolution passed at the last AGM. One hundred (\$100.00) was transferred from the Members' Shares Savings to set up the Permanent shares. At the end of the financial year there were 22,792 members with permanent shares of \$2,757,975. We take this opportunity to encourage members to contribute to their Permanent shares.

2.7 INCOME

	2010 \$	2009 \$	Increase/ (Decrease)	Increase/ (Decrease) (% age)
Loan Interest Income	7,949,445	8,176,612	(227,167)	(3%)
Investment Income	1,125,372	1,433,995	(308,623)	(22%)
Rental Income	433,170	374,271	58,899	16%
Death Benefit Contributions	491,060	475,900	15,160	3%
Death Benefit Payments	267,333	185,000	82,333	45%

2.8.1 Loan interest income and investment income decreased by 3% and 22% respectively compared to 2009. The decrease in Investment income is mainly due to the non-accrual of interest on our Investment with CLICO during the year.

2.8 EXPENSES

	2010 \$	2009 \$	Increase/ (Decrease)	Increase/ (Decrease) (% age)
Interest Expenses	4,661,485	5,376,688	(715,203)	(13%)
Marketing Expenses	224,809	268,611	(43,802)	(16%)
Personnel Costs	1,629,445	1,674,482	(45,037)	(3%)
CUNA Insurance	638,476	609,314	29,162	5%
Impairment on Investment	3,500,000	4,716,676	(1,216,676)	(26%)
General and Administrative Expenses	3,379,409	3,328,751	50,658	2%

- 2.8.1 Total expense has decreased by 18% or \$2,833,421 compared to 2009. Interest expenses decreased by 13% since the return on the Members' Shares Savings, is now classified as an expense. The major expenditure items in 2010 were personnel cost, CUNA insurance, the amount written off on investment and the interest paid on deposits and Members' Shares Savings.

2.9 NET SURPLUS/(LOSS)

- 2.9.1 A net loss of \$2,272,671 was realized for 2010, mainly as a result of the interest on Members' Shares Savings now being classified as an expense in conformity with the International Accounting Standards and the \$3,500,000 that was written off on our financial investments with CLICO and BAICO.

3.0 CONCLUSION

- 3.1 It has been a challenging year for the credit union; the turmoil that exists in the financial sector continued to plague us in 2010. There are still uncertainties regarding the financial resolution of BAICO and CLICO.
- 3.1.1 Through these difficult period the strength and resilience of the credit union is manifested. Growth was experienced in key areas of our Balance Sheet and our liquidity remains strong. We are very optimistic about our future and we are of the opinion that challenges also bring opportunities, therefore, we continue to position our Credit Union to take advantage of the opportunities that exist.
- 3.1.2 The confidence and support of our members remain vital to the success and continuity of the credit union; therefore, it is our intention to ensure that the members receive the best possible service and a return on their investment with us.
- 3.1.2 I would like to thank the members, the Board, staff and committees for their support during 2010. I encourage the members to remain confident and committed to our Credit Union as we approach the 2011 financial year.


.....
Bro. Aubrey Burgin
Treasurer

**General Employees’
Co-Operative Credit Union Limited**
Financial Statements
Year Ended December 31, 2010



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Page 1	Corporate Information
Pages 2 - 3	Independent Auditors' Report
Page 4	Statement of Financial Position
Page 5	Statement of Changes in Members' Equity
Page 6	Statement of Comprehensive Income
Page 7	Statement of Cash Flows
Pages 9 - 31	Notes to the Financial Statements

REGISTERED OFFICE

Halifax Street
Kingstown
St. Vincent and the Grenadines

DIRECTORS

Mr. Philmore Isaacs - President
Mr. Clarence Harry - Vice President
Mr. Aubrey Burgin - Treasurer
Mr. Richard Cumberbatch
Mr. Stanley Harris
Mr. Gary Matthias
Miss Arlene Lewis
Miss Gemma Mc Cree-Clarke

SECRETARY

Ms. Camilla Mandeville

SOLICITORS

Baptiste & Co
Mr. Lyndon George

BANKER

National Commercial Bank (SVG) Limited

AUDITORS

BDO
Chartered Accountants
Sergeant-Jack Drive
Arnos Vale
St. Vincent



Tel: 784-456-2300
Fax: 784-456-2184
www.bdo.vc

Sergeant-Jack Drive
Arnos Vale
P.O. Box 35
Kingstown VC0100
St. Vincent

INDEPENDENT AUDITORS' REPORT

To the Members of
General Employees' Co-operative Credit Union Limited

Report on the Financial Statements

We have audited the accompanying financial statements of General Employees Co-operative Credit Union Limited which comprise the statement of financial position as of December 31, 2010, and the statements of changes in equity, comprehensive income and cash flows 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 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 misstatements, 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 auditor's judgement, 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 auditor considers internal control relevant to the entities 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 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 qualified audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Credit Union as of December 31, 2010, and the results of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

The Credit Union holds various held-to-maturity financial assets in British American Insurance Company Limited and Colonial Life Insurance Company International Limited, who have defaulted on those instruments. Because of assurance given by regional governments, and the unavailability of information on the affairs of both companies, we are unable to obtain sufficient appropriate evidence to objectively assess the carrying value of the Credit Union's investments thereon.

Report on Other Legal and Regulatory Requirements

Further, we draw attention to the deficiency in Credit Union's reserve as required by section 119 of the Co-operative Societies Act 1999.

May 27, 2011

General Employees' Co-operative Credit Union Limited

Statement of Financial Position

As of December 31, 2010

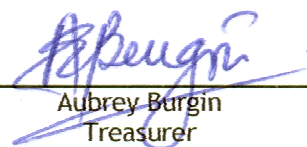
	Notes	2010 \$	2009 \$
ASSETS			
Cash resources	7	11,861,656	15,033,095
Investment securities	8	33,522,933	29,871,037
Loans to members	9	85,126,942	80,226,045
Other assets	10	499,698	539,600
Investment properties	11	13,384,182	12,814,182
Property, plant and equipment	12	4,652,047	4,514,351
		<u>149,047,458</u>	<u>142,998,310</u>
LIABILITIES AND MEMBERS' EQUITY			
Liabilities			
Other payables	13	4,181,815	4,811,557
Members' deposits	14	67,129,569	63,683,705
Members' shares savings	15 (a)	69,278,376	67,067,021
		<u>140,589,760</u>	<u>135,562,283</u>
Members' Equity			
Permanent share capital	15 (b)	2,757,975	0
Statutory reserve	16	5,752,340	5,750,978
Revaluation reserve		463,728	200,000
Social development fund	17	1,230,093	974,852
Statutory development fund	18	30,000	50,000
Unrealised gain on investments		425,566	389,530
Retained earnings		<u>(2,202,004)</u>	<u>70,667</u>
		<u>8,457,698</u>	<u>7,436,027</u>
		<u>149,047,458</u>	<u>142,998,310</u>

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

APPROVED ON BEHALF OF THE BOARD: -



Philmore Isaacs
President



Aubrey Burgin
Treasurer



Camilla Mandeville
Secretary

General Employees' Co-operative Credit Union Limited

Statement of Changes in Members' Equity
For the Year Ended December 31, 2010

	Notes	Share Capital	Statutory Reserve	Revaluation Reserve	Social Development Fund	Statutory Development Fund	Unrealised Gain on Investments	Retained Earnings	Total
		\$	\$	\$	\$	\$	\$	\$	\$
Balance as of December 31, 2008									
As previously reported		0	7,148,907	200,000	652,690	20,000	437,929	5,870,067	14,329,593
Accounting change	24	0	0	0	0	0	0	(2,047,596)	(2,047,596)
As restated		0	7,148,907	200,000	652,690	20,000	437,929	3,822,471	12,281,997
Net loss for the year		0	0	0	0	0	0	(5,151,804)	(5,151,804)
Statutory development fund net		0	0	0	322,162	0	0	0	322,162
Release of statutory reserve		0	(1,400,000)	0	0	0	0	1,400,000	0
Entrance fees		0	2,071	0	0	0	0	0	2,071
Unrealised loss on investments		0	0	0	0	0	(48,399)	0	(48,399)
Development fund	16	0	0	0	0	30,000	0	0	30,000
Balance as of December 31, 2009									
As previously reported		0	5,750,978	200,000	974,852	50,000	389,530	70,667	7,436,027
Accounting change		0	5,750,978	200,000	974,852	50,000	389,530	1,936,381	9,301,741
As restated	24	0	0	0	0	0	0	(1,865,714)	(1,865,714)
Net loss for the year		0	0	0	0	0	0	(2,272,671)	(2,272,671)
Net increase in permanent shares	2,757,975	0	0	0	0	0	0	0	2,757,975
Statutory development fund net		0	0	0	255,241	0	0	0	255,241
Entrance fees		0	1,362	0	0	0	0	0	1,362
Unrealised gain on investments		0	0	0	0	0	36,036	0	36,036
Revaluation surplus		0	0	263,728	0	0	0	0	263,728
Development fund		0	0	0	0	(20,000)	0	0	(20,000)
Balance as of December 31, 2010									
		2,757,975	5,752,340	463,728	1,230,093	30,000	425,566	(2,202,004)	8,457,698

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

General Employees' Co-operative Credit Union Limited

Statement of Comprehensive Income For the Year Ended December 31, 2010

	Notes	2010 \$	2009 \$
Income			
Dividend income		12,719	7,333
Loan interest		7,949,445	8,176,612
Investment income		1,112,653	1,426,662
		<u>9,074,817</u>	<u>9,610,607</u>
Interest Expense		3,351,650	3,510,974
Dividend on Members Shares Savings		1,309,835	1,865,714
Net Interest Income		<u>4,413,332</u>	<u>4,233,919</u>
Increase in allowance for loan loss, less recoveries	9.3	267,179	294,159
Write-off of interest on investments		0	910,580
Impairment of available-for-sale financial investment		3,500,000	4,716,676
		<u>646,153</u>	<u>(1,687,496)</u>
Rental Income	11	433,170	374,271
		<u>1,079,323</u>	<u>(1,313,225)</u>
Selling Expenses		224,809	268,611
General and Administrative Expenses		4,017,885	3,938,065
		<u>(3,163,371)</u>	<u>(5,519,901)</u>
Other Income (Expenses)			
Commission income		56,775	51,001
Income on death benefit plan - net	20	223,727	290,900
Miscellaneous income		42,292	27,548
Loss on disposal of property, plant and equipment		(2,094)	(1,352)
Appreciation of investment properties	11	570,000	0
		<u>890,700</u>	<u>368,097</u>
Net Loss for the Year		<u>(2,272,671)</u>	<u>(5,151,804)</u>
Other Comprehensive Income			
Gain (loss) on remeasuring available-for-sale financial investments		36,036	(48,399)
Revaluation surplus on property plant and equipment		263,278	0
Comprehensive Loss for Year		<u>(1,973,357)</u>	<u>(5,200,203)</u>
The following expense is included in the foregoing:-			
Depreciation	12	271,805	267,297
Staff cost	23	1,674,482	1,629,445

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

General Employees' Co-operative Credit Union Limited

Statement of Cash Flows

For the Year Ended December 31, 2010

	2010 \$	2009 \$
Cash Flows from Operating Activities		
Net loss for the year	(2,272,671)	(5,151,804)
Adjustments for		
Depreciation	271,805	267,297
Loss on disposal of equipment	2,094	1,352
Impairment of held-to-maturity financial investment	3,500,000	4,716,676
Appreciation of investment property	(570,000)	0
Dividends	0	1,865,714
Operating Profit before Changes in Operating Assets and Liabilities	931,228	1,699,235
(Increase) Decrease in Operating Assets		
Increase in loans to members	(4,900,897)	(4,872,784)
Decrease in other assets	39,902	588,647
Increase (Decrease) in Operating Liabilities		
Increase in members' deposits	3,445,864	4,263,237
Increase in accounts payable and accrued liabilities	1,232,241	225,396
Net Cash Generated from (Used in) Operating Activities	748,338	1,903,731
Cash Flows from Financing Activities		
Net increase in social development fund	255,241	322,162
Increase in permanent share capital	2,757,975	0
Increase in members' shares savings	2,211,355	5,217,042
Net decrease in statutory development fund	(20,000)	30,000
Entrance fees	1,362	2,071
Dividends paid	(1,861,982)	(2,021,915)
Net Cash Generated from Financing Activities	3,343,951	3,549,360
Cash Flows from Investing Activities		
Purchase of plant and equipment	(147,867)	(82,808)
Net movement in investment securities	(7,115,861)	3,389,356
Net Cash Used in Investing Activities	(7,263,728)	3,306,548
Increase in Cash and Cash Equivalents	(3,171,439)	8,759,639
Cash and Cash Equivalents - Beginning of Year	15,033,095	6,273,456
Cash and Cash Equivalents - End of Year	11,861,656	15,033,095
Represented by: -		
Cash resources	11,861,656	15,033,095

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

General Employees' Co-operative Credit Union Limited

Index to Notes to the Financial Statements

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General Employees' Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2010

1. Incorporation

The General Employees' Co-operative Credit Union Limited was registered as Government Employees' Co-operative Credit Union Limited on July 14, 1964. Its activities are governed by the Co-operative Societies Act, 1999.

2. Principal Objective and Activities

The principal objective of the Credit Union is to promote thrift among its members. It receives the savings of its members and makes loans to members exclusively for provident and productive purposes.

3. Date of Authorisation of Issue

These financial statements were authorised for issue by the Board of Directors on May 27, 2011.

4. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a Basis of Preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and have been prepared under the historical cost convention, as modified by the revaluation of land and buildings and investment property, as disclosed in Notes 11 and 12.

The preparation in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies. Although these estimates are based on management's best knowledge of current events and conditions, actual results could differ from these estimates. The areas involving a higher degree of judgment and or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 6.

Standards, amendments and interpretations effective on or after 1 January 2010

The following standards, amendments and interpretations, which became effective in 2010, are relevant to the Credit Union:

Standard /interpretation	Content	Applicable for financial years beginning on/after
IFRS 7	Improving disclosures about financial Instruments	1 January 2009
IAS 1	Presentation of financial statements	1 January 2009
IAS 32 and IAS 1	Puttable financial instruments and obligations arising on liquidation	1 January 2009
IAS 39	Financial instruments: Recognition and measurement - eligible hedged items	1 July 2009
IFRIC 18	Transfers of assets from customers	1 July 2009

General Employees' Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2010

4. Summary of Significant Accounting Policies (Cont'd)

a Basis of Presentation (Cont'd)

Standards, amendments and interpretations effective on or after 1 January 2010 (Cont'd)

- **Amendments to IFRS 7, 'Financial instruments: Disclosures'**

The IASB published amendments to IFRS 7 in March 2009. The amendment requires enhanced disclosures about fair value measurements and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. The adoption of the amendment results in additional disclosures but does not have an impact on the financial position or the comprehensive income of the Credit Union.

- **IAS 1 (revised), 'Presentation of financial statements'**

A revised version of IAS 1 was issued in September 2007. It prohibits the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity in a statement of comprehensive income. As a result, the Credit Union presents in the statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the statement of comprehensive income. Comparative information has been re-presented so that it also conforms with the revised standard. According to the amendment of IAS 1 in January 2008, each component of equity, including each item of other comprehensive income, should be reconciled between carrying amount at the beginning and the end of the period. Since the change in accounting policy only impacts presentation aspects, there is no impact on retained earnings.

- **IAS 32 and IAS 1, 'Puttable financial instruments and obligations arising on liquidation'**

The IASB amended IAS 32 in February 2008. It now requires some financial instruments that meet the definition of a financial liability to be classified as equity. Puttable financial instruments that represent a residual interest in the net assets of the entity are now classified as equity provided that specified conditions are met. Similar to those requirements is the exception to the definition of a financial liability for instruments that entitle the holder to a pro rata share of the net assets of an entity only on liquidation. The adoption of the IAS 32 amendment does not have any material effects for the Credit Union.

- **IAS 39, 'Financial instruments: Recognition and measurement - Eligible hedged items'**

The amendment 'Eligible hedged items' was issued in July 2008. It provides guidance for two situations. On the designation of a one-sided risk in a hedged item, IAS 39 concludes that a purchased option designated in its entirety as the hedging instrument of a one-sided risk will not be perfectly effective. The designation of inflation as a hedged risk or portion is not permitted unless in particular situations. This will not give rise to any changes to the Credit Union's financial statements.

General Employees' Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2010

4. Summary of Significant Accounting Policies (Cont'd)

a Basis of Presentation (Cont'd)

Standards, amendments and interpretations effective on or after 1 January 2010 (Cont'd)

- **IFRIC 18, 'Transfers of assets from customers'**

IFRIC 18, which was issued in January 2009, clarifies how to account for transfers of items of property, plant and equipment by entities that receive such transfers from their customers.

This interpretation also applies to agreements in which an entity receives cash from a customer when that amount of cash must be used only to construct or acquire an item of property, plant and equipment, and the entity must then use that item to provide the customer with ongoing access to supply of goods and/or services. The Credit Union is not impacted by applying IFRIC 18.

- **Improvements to IFRS**

'Improvements to IFRS' were issued in May 2008 (endorsed by the EU on 23 January 2009) and April 2009 (not yet endorsed). They contain numerous amendments to IFRS that the IASB considers non-urgent but necessary. 'Improvements to IFRS' comprise amendments that result in accounting changes for presentation, recognition or measurement purposes, as well as terminology or editorial amendments related to a variety of individual IFRS standards. Most of the amendments are effective for annual periods beginning on or after 1 January 2009 and 1 January 2010 respectively, with earlier application permitted. No material changes to accounting policies are expected as a result of these amendments.

The following interpretations became effective in 2010, but are not relevant for the Credit Union's operations:

Standard /interpretation	Content	Applicable for financial years beginning on/after
IFRIC 9	Reassessment of embedded derivatives	1 July 2009
IFRIC 13	Customer loyalty programmes	1 July 2008
IFRIC 16	Hedges of a net investment in a foreign operation	1 October 2008
IFRS 1 and IAS 27	Cost of an investment in a subsidiary, jointly controlled entity or associate	1 July 2009
IFRS 3	Business combinations	1 July 2009
IAS 27	Consolidated and separate financial statements	1 July 2009
IFRS 2	Share-based payment: Vesting conditions and cancellations	1 January 2009
IFRS 8	Operating segments	1 January 2009
IAS 23	Borrowing costs	1 January 2009
IFRIC 17	Distribution of non-cash assets to owners	1 July 2009

General Employees' Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2010

4. Summary of Significant Accounting Policies (Cont'd)

a Basis of Presentation (Cont'd)

Standards, amendments and interpretations effective on or after 1 January 2010 (Cont'd)

- **IFRIC 9, 'Reassessment of embedded derivatives'**

This amendment to IFRIC 9 requires an entity to assess whether embedded derivatives should be separated from a host contract when the entity reclassifies a hybrid financial asset out of the 'fair value through profit or loss' category. This assessment is to be made based on circumstances that existed on the later of the date the entity first became a party to the contract and the date of any contract amendments that significantly change the cash flows of the contract. If the entity is unable to make this assessment, the hybrid instrument remain classified as at fair value through profit or loss entirely.

- **IFRIC 13, 'Customer loyalty programmes'**

IFRIC 13 clarifies that where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple element arrangement. The consideration receivable from the customer is allocated between the components of the arrangement using fair values. IFRIC 13 is not relevant to the Credit Union's operations because the Credit Union does not operate any loyalty programmes.

- **IFRIC 16, 'Hedges of a net investment in a foreign operation'**

This interpretation clarifies the accounting treatment in respect of net investment hedging. This includes the fact that net investment hedging relates to differences in functional currency not presentation currency, and hedging instruments may be held anywhere by the Credit Union. This interpretation does not have a material impact on the Credit Union's financial statements.

- **IFRS 1 and IAS 27, 'Cost of an investment in a subsidiary, jointly-controlled entity or associate'**

The amended standard allows first-time adopters to use a deemed cost of either fair value or the carrying amount under previous accounting practice to measure the initial cost of investments in subsidiaries, jointly controlled entities and associates in the separate financial statements. The amendment also removes the definition of the cost method from IAS 27 and requires an entity to present dividends from investments in subsidiaries, jointly controlled entities and associates as income in the separate financial statements of the investor.

- **IFRS 3, 'Business combinations'**

The revised standard continues to apply the acquisition method to business combinations, with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the income statement. There is a choice, on an acquisition-by-acquisition basis, to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs should be expensed. The Credit Union will apply IFRS 3 (revised) prospectively to all business combinations from 1 January 2011.

General Employees' Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2010

4 Summary of Significant Accounting Policies (Cont'd)

a Basis of Presentation (Cont'd)

Standards, amendments and interpretations effective on or after 1 January 2010 (Cont'd)

- **IAS 27, 'Consolidated and separate financial statements'**

The revised standard requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost; any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognized in profit or loss. The Credit Union will apply IAS 27 (revised) prospectively to transactions with non-controlling interests from 1 January 2011. In the future, this guidance will also tend to produce higher volatility in equity and/or earnings in connection with the acquisition of interests by the Credit Union.

- **IFRS 2, 'Share-based payment' - Vesting conditions and cancellations**

The IASB published an amendment to IFRS 2, 'Share-based payment', in January 2008. The changes pertain mainly to the definition of vesting conditions and the regulations for the cancellation of a plan by a party other than the company. These changes clarify that vesting conditions are solely service and performance conditions. As a result of the amended definition of vesting conditions, non-vesting conditions should now be considered when estimating the fair value of the equity instrument granted. In addition, the standard describes the posting type if the vesting conditions and non-vesting conditions are not fulfilled. There is no material impact on the financial statements by applying the amendment of IFRS 2 at the date of the statement of financial position. These amendments are applied retrospectively.

- **IFRS 8, 'Operating segments'**

IFRS 8 was issued in November 2006 and excluding early adoption would first be required to be applied to the Credit Union's accounting period beginning on 1 July 2009. The standard replaces IAS 14, 'Segment reporting', with its requirement to determine primary and secondary reporting segments. Under the requirements of the revised standard, the Credit Union's external segment reporting will be based on the internal reporting to the group executive board (in its function as the chief operating decision-maker), which makes decisions on the allocation of resources and assess the performance of the reportable segments. The application of IFRS 8 does not have any material effect for the Credit Union.

- **IAS 23, 'Borrowing costs'**

A revised version of IAS 23 was issued in March 2007. It eliminates the option of immediate recognition of borrowing costs as an expense for assets that require a substantial period of time to get ready for their intended use. The application of the IAS 23 amendment does not have a material impact on the result or items of the statement of financial position.

- **IFRIC 17, 'Distribution to non-cash assets to owners'**

IFRIC 17 was issued in November 2008. It addresses how the non-cash dividends distributed to the shareholders should be measured. A dividend obligation is recognized when the dividend was authorized by the appropriate entity and is no longer at the discretion of the entity. This dividend obligation should be recognized at the fair value of the net assets to be distributed. The difference between the dividend paid and the amount carried forward of the net assets distributed should be recognized in profit and loss. Additional disclosures are to be made if the net assets being held for distribution to owners meet the definition of a discontinued operation. The application of IFRIC 17 has no impact on the financial statements of the Credit Union.

General Employees' Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2010

4. Summary of Significant Accounting Policies (Cont'd)

a Basis of Presentation (Cont'd)

Standards and interpretations issued but not yet effective

The following standard and interpretation has been issued and is expected to be relevant to the Credit Union:

Standard /interpretation	Content	Applicable for financial years beginning on/after
IFRS 9	Financial instruments part 1: Classification and measurement	1 January 2013

- **IFRS 9, 'Financial instruments part 1: Classification and measurement'**

IFRS 9 was issued in November 2009 and replaces those parts of IAS 39 relating to the classification and measurement of financial assets. Key features are as follows:

- Financial assets are required to be classified into two measurement categories: those to be measured subsequently at fair value, and those to be measured subsequently at amortized cost. The decision is to be made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument.
- An instrument is subsequently measured at amortized cost only if it is a debt instrument and both the objective of the entity's business model is to hold the asset to collect the contractual cash flows, and the asset's contractual cash flows represent only payments of principal and interest (that is, it has only 'basic loan features'). All other debt instruments are to be measured at fair value through profit or loss.
- All equity instruments are to be measured subsequently at fair value. Equity instruments that are held for trading will be measured at fair value through profit or loss. For all other equity investments, an irrevocable election can be made at initial recognition, to recognize unrealized and realized fair value gains and losses through other comprehensive income rather than profit or loss. There is to be no recycling of fair value gains and losses to profit or loss. This election may be made on an instrument-by-instrument basis. Dividends are to be presented in profit or loss, as long as they represent a return on investment.
- While adoption of IFRS 9 is mandatory from 1 January 2013, earlier adoption is permitted. The Credit Union is considering the implications of the standard, the impact on the Credit Union and the timing of its adoption.

b Cash, Cash Equivalents and Short-term Investment Securities

Cash equivalents include highly liquid investments with insignificant interest rate risk and original maturities of ninety (90) days or less at the date of purchase. Investments with maturities between ninety (90) days and one year at the date of purchase are considered to be short-term investment securities. Short-term investment securities consist primarily of investment grade commercial paper, bankers acceptances, and certificates of deposit.

General Employees' Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2010

4 Summary of Significant Accounting Policies (Cont'd)

c Property, Plant and Equipment

Land and buildings are stated at the most recent valuation less subsequent depreciation for buildings. Valuations are performed every five years by independent professional valuers. Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment is stated at historic cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Increases in the carrying amount arising on revaluation of land and buildings are credited to revaluation surplus in equity. Decreases that offset previous increases of the same asset are charged against the surplus directly in equity; all other decreases are charged to the statement of income.

Land is not depreciated. Depreciation of other assets is calculated using the straight line method, at rates which are expected to write-off the cost or valuation of the assets over their estimated useful lives at the following annual rates:-

Freehold building	2%
Furniture and equipment	20%
Motor vehicle	20%

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down to its recoverable amount.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining the operating profit. When revalued assets are sold, the amounts included in revaluation surplus are transferred to retained earnings.

Repairs and maintenance are charged to the profit and loss account when the expenditure is incurred.

d Investment Properties

Investment properties are accounted for by the fair value model. Accordingly, gains or losses arising from changes in the fair value of investment properties are included in operations.

e Foreign Currency Translation

These financial statements are expressed in Eastern Caribbean dollars. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of earnings.

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in the amortised cost are recognised in profit and loss, and other changes in the carrying amount are recognised in equity.

Translation differences on non-monetary items, such as equities held at fair value are recognised through profit or loss, and are reported as part of the fair value gain or loss. Translation differences on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity..

General Employees' Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2010

4 Summary of Significant Accounting Policies (Cont'd)

f Impairment of Non-Financial Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

g Financial Assets

- i. The Credit Union classified its financial assets in the following categories:
- ii. financial assets at fair value through profit or loss;
- iii. loans and receivables;
- iv. held-to-maturity investments; and
- v. available-for-sale financial assets.
- vi.
- vii. Management determines the classification of its investments at initial recognition.

i) *Financial Assets at Fair Value through Profit or Loss*

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception.

A financial asset is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing in the near term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking.

Financial assets and financial liabilities are designated at fair value through profit or loss when:

- Doing so significantly reduces measurement inconsistencies that would arise if the related derivatives were treated as held for trading and the underlying financial instruments were carried at amortised cost, such as loans and advances to customers or banks, and debt securities in issue;
- Certain investments, such as equity investments, that are managed and evaluated on a fair value basis in accordance with a documented risk management or investment strategy and reported to key management personnel on that basis, are designated at fair value through profit and loss; and
- Financial instruments, such as debt securities held, containing one or more embedded derivatives that significantly modify the cash flows, are designated at fair value through profit and loss.

Gains and losses arising from changes in the fair value of derivatives that are managed in conjunction with designated financial assets or financial liabilities are included in 'net income from financial instruments designated at fair value.'

General Employees' Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2010

4 Summary of Significant Accounting Policies (Cont'd)

Financial Assets (Cont'd)

ii) *Loans and Receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than: (a) those that the entity intends to sell immediately or in the short-term, which are classified as held for trading, and those that the entity upon initial recognition designates as at fair value through profit or loss; (b) those that the entity upon recognition designates as available for sale; or (c) those for which the holder may not recover substantially all of its initial investment, other than because of credit deterioration.

iii) *Held-to-Maturity Investments*

Held-to-maturity investments are non-derivative financial assets with fixed or determined payments and fixed maturities that the Credit Union's management has positive intention and ability to hold to maturity. If the Credit Union were to sell other than significant amount of held-to-maturity assets, the entire category would be reclassified as available for sale.

iv) *Available-for-Sale Financial Assets*

Available-for-sale investments are those intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices.

Regular-way purchases and sales of financial assets at fair value through profit or loss, held to maturity and available for sale are recognised on trade-date - the date on which the Credit Union commits to purchase or sell the asset.

Financial assets are initially recognised at fair value plus transactions costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit and loss are initially recognised at fair value, and transactions costs are expensed in the statement of earnings. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the Credit Union has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognised when they are extinguished - that is, when the obligation is discharged, cancelled or expires.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement in the period in which they arise. Gains and losses arising from changes in the fair value of available-for-sale financial assets are recognised directly in equity, until the financial asset is derecognised or impaired. At this time, the cumulative gain or loss previously recognised in equity is recognised in profit or loss. However, interest calculated using the effective interest method and foreign currency gains and losses on monetary assets classified as available for sale are recognised in the income statement. Dividends on available-for-sale equity instruments are recognised in the income statement when the entity's right to receive payment is established.

The fair value of quoted investments in active markets are based on current bid prices. If there is no active market for a financial asset, the Bank establishes fair value using valuation techniques. These include the use of recent arm's length transactions, discounted cash flow analysis, option pricing models and other valuation commonly used by market participants.

General Employees' Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2010

4 Summary of Significant Accounting Policies (Cont'd)

h Impairment of Financial Assets

Assets Carried at Amortised Cost

The Credit Union assesses at each statement of financial position date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The criteria that the Credit Union uses to determine that there is objective evidence of an impairment loss include:

- Delinquency in contractual payments of principal or interest
- Cash flow difficulties experienced by the borrower (for example, equity ratio, net income percentage of sales)
- Breach of loan covenants or conditions
- Initiation of bankruptcy proceedings
- Deterioration of the borrower's competitive position
- Deterioration in the value of collateral
- Downgrading below investment grade level

The estimated period between a loss occurring and its identification is determined by management for each identified portfolio. In general, the periods used vary between three months and twelve months; in exceptional cases, longer periods are warranted.

The Credit Union first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If the Credit Union determines that no objective evidence of impairment exist for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are included in a collective assessment for impairment.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the income statement. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Credit Union may measure impairment on the basis of an instrument's fair value using an observable market price.

The calculation of the present value of the estimated future cash flows of a collateralised financial asset reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

General Employees' Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2010

4 Summary of Significant Accounting Policies (Cont'd)

h Impairment of Financial Assets (Cont'd)

Assets Carried at Amortised Cost (Cont'd)

For the purposes of a collective evaluation of impairment, financial assets are grouped on the basis of similar credit risk characteristics (i.e., on the basis of the Credit Union's grading process that considers asset type, industry, geographical location, collateral type, past-due status and other relevant factors). Those characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated.

Future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of the contractual cash flows of the assets in the Credit Union and historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not currently exist.

Estimates of changes in future cash flows for groups of assets should reflect and be directionally consistent with changes in related observable data from period to period (for example, changes in unemployment rates, property prices, payment status, or other factors indicative of changes in the probability of losses to the Credit Union and their magnitude). The methodology and assumptions used for estimating future cash flows are reviewed regularly by the Credit Union to reduce any differences between loss estimates and actual loss experience.

When a loan is uncollectible, it is written off against the related provision for loan impairment. Such loans are written off after all the necessary procedures have been completed and the amount of the loss has been determined.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in the income statement in impairment charge for credit losses.

The Credit Union assesses at each statement of financial position date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the assets are impaired. If any such evidence exists for available for sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement. If, in a subsequent period, the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the income statement.

Renegotiated Loans

Loans that are either subject to collective impairment assessment or individually significant and whose terms have been renegotiated are no longer considered to be past due but are treated as new loans. In subsequent years, the asset is considered to be past due on basis of the renegotiated terms and conditions.

General Employees' Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2010

4 Summary of Significant Accounting Policies (Cont'd)

i Interest Income and Expense

Interest income and expense are recognised in the income statement for all interest bearing instruments on accrual basis using the effective interest yield method based on the actual purchase price or estimated recoverable amount. Interest income includes coupons earned on fixed income investment and trading securities and accrued discount and premium on treasury bills and other discounted instruments.

j Interest Income and Expense

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring impairment loss.

k Loans to Customers and Allowance for Loan Losses

Loans are stated net of unearned interest and allowance for loan losses.

The allowance for losses is based on an annual appraisal of loans. Specific and general provision for loan losses is based on the year-end appraisal of loans. The specific element relates to identified loans whereas the general element relates to latent bad and doubtful loans which are present in any loan portfolio but have not been specifically identified. Loans are written down to estimated realisable value when the normal banking relationship with the customer has ceased; interest on the loan up to that time is credited to operations and provision is made where appropriate.

l Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously

5 Financial Risk Management

- a The Credit Union's activities expose it to a variety of financial risks: market risk, credit risk, liquidity risk and cash flow interest rate risk. The Credit Union's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Credit Union's financial performance. The company has not entered into forward contracts to reduce its risk exposure.

i) Credit Risk

The exposure to credit risk is dependent on the degree of failure of counter-parties, including its customers, banks and other debtors, to honour their obligations to the Credit Union. The Credit Union's credit risk is spread primarily over a diversity of private customers, commercial entities, and government securities.

The following summarises the maximum credit risk:

	2010 \$	2009 \$
Deposits with commercial banks	11,424,853	14,484,935
Investment securities	33,522,933	29,871,037
Loans to members	85,126,942	80,226,045
Other assets	499,698	539,600
	<u>130,574,426</u>	<u>125,121,617</u>

General Employees' Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2010

5 Financial Risk Management (Cont'd)

ii) Liquidity Risk

In order to manage liquidity risks, management seeks to maintain levels of cash in each operating currencies, which are sufficient to meet reasonable expectations of its short-term obligations.

iii) Currency Risk

The company is subject to foreign currency risk to the extent that it trades in currencies other than Eastern Caribbean currency. The company does not use interest rate swaps or foreign currency options, or other derivative instruments to hedge any foreign currency risk exposure. At statement of financial position date, all of the company's assets and liabilities were dominated in Eastern Caribbean currency, except as otherwise stated.

b Fair Value of Financial Assets and Liabilities

Fair value amounts represent estimates of the consideration that would currently be agreed upon between knowledgeable, willing parties who are under no compulsion to act and is best evidenced by quoted market value, if one exists.

The Credit Union's financial assets and financial liabilities as disclosed in the statement of financial position approximate their fair value.

6 Critical Accounting Estimates and Judgments

Judgments and estimates 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 company makes estimates and assumptions concerning the future. 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.

a Estimated Impairment of Assets

The company tests annually whether assets have suffered any impairment in accordance with the accounting policy stated in significant accounting policies section. The recoverable amounts of some assets have been determined based on value-in-use calculations. These calculations require the use of estimates.

b Valuation of Property

The Credit Union utilizes professional valuers to determine the fair value of its properties. Valuations are determined through the application of a variety of different valuation methods which are all sensitive to the underlying assumption chosen.

General Employees' Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2010

7 Cash Resources

	2010 \$	2009 \$
Cash on hand	436,803	548,160
Current account	1,536,084	2,942,916
Special savings	9,888,769	11,542,019
	<u>11,861,656</u>	<u>15,033,095</u>

The effective interest rate on special savings is 3.04% (2009: 3.04%)

All cash balances are denominated Eastern Caribbean Currency.

8 Investment Securities

	2010 \$	2009 \$
SECURITIES HELD-FOR-TRADING		
Government of St. Lucia Eurobond, maturity December 27, 2011	1,060,000	1,000,000
Government of St. Lucia fixed rate bond, maturity December 28, 2011	1,000,000	0
6.5% treasury bills, maturity March 24, 2010	0	983,795
NCB 5.5% 90 days short term deposit, maturity February 3, 2011	2,110,720	2,000,000
6% Government of Grenada treasury bills, maturity July 20, 2011	942,000	0
4.25% Government of St. Lucia treasury bills, maturity March 30, 2011	991,404	0
4.749% Government of St. Vincent and the Grenadines treasury bills, maturity January 24, 2011	988,160	0
4.75% Government of St. Vincent and the Grenadines treasury bills, maturity February 18, 2011	988,158	0
5.82% Government of St. Vincent and the Grenadines, treasury bills, maturity March 24, 2011	985,490	0
Total Securities Held-for-Trading	<u>9,065,932</u>	<u>3,983,795</u>
SECURITIES AVAILABLE-FOR-SALE		
St. Vincent Brewery Limited - 4,666 ordinary shares - at FMV	90,405	93,933
First Caribbean International Bank (Barbados) Limited - 71,222 common shares-at FMV		
East Caribbean Home Mortgage Bank - 404 Class D shares - at FMV	97,600	81,873
St. Vincent Co-operative Credit Union League - at FMV	272,711	272,711
Eastern Caribbean Co-operative Central Limited- at cost	15,000	15,000
Total Securities Available-for-Sale	<u>761,748</u>	<u>725,713</u>
SECURITIES HELD-TO-MATURITY		
Government of St. Vincent		
7.5% 10 years fixed rate bond, repayable in semi-annual instalments of \$10,000, maturity August 17, 2016	120,000	140,000
7.5% 10 years fixed rate bond, repayable in semi-annual instalments of \$15,000, maturity September 26, 2017	210,000	240,000
8.5% 10 years fixed rate bond, maturity May 29, 2018	408,109	461,873
8% 7 years fixed rate bond, maturity March 12, 2016	1,178,571	1,392,857
	<u>1,916,680</u>	<u>2,234,730</u>
Colonial Life Insurance Company Limited		
7% flexible premium annuity, maturity August 8, 2009	918,717	1,851,380
8% flexible premium annuity, maturity April 12, 2010	3,176,300	3,980,690
8% flexible premium annuity, maturity May 13, 2011	434,228	544,196
8.5% flexible premium annuity, maturity October 16, 2011	509,592	638,644
	<u>5,038,837</u>	<u>7,014,910</u>

General Employees' Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2010

8 Investment Securities (Cont'd)

Securities held-to-maturity

	2010 \$	2009 \$
British American Insurance Company Limited		
8.25% flexible premium annuity, maturity March 9, 2009	327,255	410,132
8.25% flexible premium annuity, maturity March 10, 2009	327,255	410,132
8.25% flexible premium annuity, maturity June 8, 2009	476,345	596,978
8.25% flexible premium annuity, maturity October 13, 2009	327,255	410,132
8% flexible premium annuity, maturity January 27, 2010	207,191	259,662
8.25% flexible premium annuity, maturity March 14, 2010	419,168	525,321
8.5% flexible premium annuity, maturity December 6, 2010	763,418	956,751
8% flexible premium annuity, maturity January 27, 2011	211,083	264,539
8% flexible premium annuity, maturity May 5, 2011	105,541	132,269
8% flexible premium annuity, maturity May 11, 2011	105,541	132,269
8% flexible premium annuity, maturity May 13, 2011	105,541	132,269
8% flexible premium annuity, maturity May 16, 2011	167,565	210,000
8.75% flexible premium annuity, maturity November 10, 2011	330,286	413,930
8.25% flexible premium annuity, maturity December 13, 2011	354,254	443,968
9% flexible premium annuity, maturity March 31, 2012	788,437	988,107
9% flexible premium annuity, maturity May 30, 2012	843,628	1,057,274
9% flexible premium annuity, maturity June 5, 2012	915,342	1,147,150
9% flexible premium annuity, maturity June 8, 2012	611,490	766,348
9.5% flexible premium annuity, maturity August 7, 2013	572,513	717,500
8.5% flexible premium annuity, maturity January 29, 2012	822,530	1,030,834
	<u>8,781,638</u>	<u>11,005,565</u>
Credit Union Central Finance Facility		
4% Certificate of deposit, maturity December 31, 2011	1,002,894	964,321
	<u>1,002,894</u>	<u>964,321</u>
National Commercial Bank (SVG) Limited		
5% fixed deposit, maturity April 1, 2011	4,000,000	0
	<u>4,000,000</u>	<u>0</u>
Kingstown Co-operative Credit Union Limited		
7% Special deposit, maturity March 30, 2010	0	1,144,900
7.25% Special deposit, maturity July 19, 2012	1,850,475	1,725,384
	<u>1,850,475</u>	<u>2,870,284</u>
St. Vincent Co-operative Bank Limited		
4% Certificate of deposit, maturity December 31, 2011	74,587	71,719
	<u>74,587</u>	<u>71,719</u>
Firs Caribbean International Bank Limited		
3% Certificate of Deposit, maturity October 2, 2010	0	1,000,000
3% Certificate of Deposit, maturity September 30, 2011	1,030,142	0
	<u>1,030,142</u>	<u>1,000,000</u>
Total Securities Held-to-Maturity	<u>23,695,253</u>	<u>25,161,529</u>
	<u>33,522,933</u>	<u>29,871,037</u>

General Employees' Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2010

8 Investment Securities (Cont'd)

The government of St. Lucia bonds held for trading are held under a repurchase agreement with First Citizens Investment Services Limited. Under the repurchase agreement, the Credit Union earns a return of 5.75% per annum.

The effective interest rate on held-to-maturity securities are as follows:-

	2010	2009
	%	%
Government of St. Vincent & the Grenadines 10 years fixed rate bond	8.05	7.76
Government of St. Vincent & the Grenadines 7 years fixed rate bond	8.30	8.30
Colonial Life Insurance Company Ltd.	0.00	8.07
St. Vincent Building & Loan Association	0.00	6.16
St. Vincent Co-operative Credit Union League	4.00	4.00
St. Vincent Co-operative Bank Limited	4.07	4.07
Kingstown Co-operative Credit Union Limited	7.50	7.39
First Caribbean International Bank Limited	3.04	3.04
National Commercial Bank (SVG) Limited	5.12	0.00

The maturity distribution of held-to-maturity investment securities are as follows:-

	2010	2009
	\$	\$
One year	15,374,158	12,582,118
From 1 - 5 years	6,404,415	10,344,681
Over 5 years	1,916,680	2,234,730
	<u>23,695,253</u>	<u>25,161,529</u>

Investment securities are denominated in the following currencies:-

	2010	2009
	\$	\$
ECD	32,828,792	29,146,968
BDS	286,032	262,196
USD	408,109	461,873
	<u>33,522,933</u>	<u>29,871,037</u>

During the year, the fair value of securities available for sale increased by \$36,036 (2009 decreased by \$48,399). The aforementioned increase in fair value of securities available was credited unrealised gains on investments and is reflected in members' equity.

General Employees' Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2010

8 Investment Securities (Cont'd)

The following summarise the early redemption penalties on held to maturity investment securities:

	2010 %	2009 %
Principal:		
British American Insurance Company Limited		
Three Year Investments		
Year 1	25	25
Year 2	15	15
Year 3	5	5
Five Year Investments		
Year 1	25	25
Year 2	20	20
Year 3	15	15
Year 4	10	10
Year 5	5	5
Colonial Life Insurance Company Limited	2.5	2.5
Interest:		
British American Insurance Company Limited		
Three Year Investments		
Year 1	25	25
Year 2	15	15
Year 3	5	5
Five Year Investments		
Year 1	25	25
Year 2	20	20
Year 3	15	15
Year 4	10	10
Year 5	5	5
Colonial Life Insurance Company Limited	2.5	2.5

The Credit Union in the absence of details of the status of any restructuring plan or assurances by regional governments, is unable to assess, its holdings in Colonial Life Insurance Company International Limited.

Because of financial problems experienced by both British American Insurance Company Limited, a company incorporated in the Bahamas, and Colonial Life Insurance Company International Limited, a company incorporated under the laws of Barbados, the Government of St. Vincent and the Grenadines and the Government of Barbados together with other regional governments have appointed judicial managers to manage the affairs of both company as their respective branches in the territories in which they operate. Further, the activities of both companies and their branch operations have been subject to the oversight of the regulators in the territories in which they operate.

The Government with the guidance of the judicial manager of British American Insurance Company Limited, have set out a plan for the restructuring of the company. The plan contemplates the participation of an international investor in the restructuring process. Further, the plan contemplates a five year horizon, commencing from 2010, for the settlement, with a possible hair-cut, of obligations carried on the company's books as flexible annuities. Pursuant to the proposed restructuring plan of the Government and the judicial manager, the Credit Union made a provision for impairment of \$1,802,047 (2009: \$4,716,676) on its flexible annuity investment securities held with British American Insurance Company Limited.

Since the presentation of the proposal summarised above, the Credit Union has not been privy to any further developments on the status of the financial position of British American Insurance Company Limited or the progress or lack thereof of the restructuring plans.

General Employees' Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2010

9 Loans to Members

	2010	2009
	\$	\$
Consumer loans	52,709,202	53,505,032
Computer loans	124,600	129,174
Mortgage loans	30,150,578	26,470,304
Student loans	3,279,404	3,360,563
Interest receivable thereon, net	1,570,311	1,785,145
	87,834,095	85,250,218
Allowance for loan losses	(2,707,153)	(5,024,173)
	85,126,942	80,226,045

The effective interest yield during the year on loans to members was 9% (2009: 9%).

9.1 Loans to Members Impairment Analysis

Loans and advances are summarised as follows: -

	2010	2009
	\$	\$
Neither past due nor impaired	74,411,977	69,673,928
Past due but not impaired	7,760,312	9,181,505
Impaired	5,661,806	6,394,785
Gross	87,834,095	85,250,218
Less: allowance for impairment	(2,707,153)	(5,024,173)
Net	85,126,942	80,226,045

9.2 Allowance for Loan Losses

	2010	2009
	\$	\$
Balance - Beginning of Year	5,024,173	4,721,545
Provision for loan impairment	272,179	302,628
Loans written off during the year as uncollectible	(2,589,199)	0
Balance - End of Year	2,707,153	5,024,173

9.3 Allowance for Impairment on Loans

	2010	2009
	\$	\$
Increase in allowance for losses (Note 9.2)	272,179	302,628
Direct write-offs	0	0
Recoveries	(5,000)	(8,469)
	267,179	294,159

As of statement of financial position date, interest of \$1,010,944 (2009: \$1,116,626) has been suspended on loans amounting to \$4,574,281 (2009: \$6,673,243).

General Employees' Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2010

10 Other Assets

	2010	2009
	\$	\$
ATM receivables	142,621	129,169
Interest receivable on investments securities, net	214,890	113,623
Rent receivable	46,442	129,270
Prepaid expenses	20,729	20,842
Staff receivables	916	1,202
Western Union receivables	13,067	162,943
Other	73,265	48,927
	511,930	605,976
Allowance impairment of rent and other receivable	(12,232)	(66,376)
	499,698	539,600

All other assets are denominated in Eastern Caribbean Currency.

11 Investment Properties

	2010	2009
	\$	\$
Carrying value at beginning of year	12,814,182	12,814,182
Revaluation	570,000	0
Carrying value at end of year	13,384,182	12,814,182

In December 2010, the credit union's investment properties were revalued, on an open market basis, by Sebastian Alexander, an independent real estate valuator, giving rise to an increase of \$570,000 in the carrying value of the investment properties which was credited to operations in the statement of comprehensive income.

Rental income from investment properties amounted to \$433,170 (2009: \$374,271) and direct operating expenses amounted to \$54,238 (2009: \$1,874).

General Employees' Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2010

12 Property, Plant and Equipment

	Land \$	Building \$	Furniture & Equipment \$	Motor Vehicle \$	Total \$
At December 31, 2008					
Cost or valuation	1,280,000	3,160,823	1,348,974	130,110	5,919,907
Accumulated depreciation	0	378,119	719,488	122,108	1,219,715
Net book amount	1,280,000	2,782,704	629,486	8,002	4,700,192
Year Ended December 31, 2009					
Opening net book amount	1,280,000	2,782,704	629,486	8,002	4,700,192
Additions	0	0	82,808	0	82,808
Disposal	0	0	(1,352)	0	(1,352)
Depreciation charge	0	(63,216)	(196,081)	(8,000)	(267,297)
Closing net book amount	1,280,000	2,719,488	514,861	2	4,514,351
At December 31, 2009					
Cost or valuation	1,280,000	3,160,823	1,424,021	130,110	5,994,954
Accumulated depreciation	0	441,335	909,160	130,108	1,480,603
Net book amount	1,280,000	2,719,488	514,861	2	4,514,351
Year Ended December 31, 2010					
Opening net book amount	1,280,000	2,719,488	514,861	2	4,514,351
Additions	0	0	147,867	0	147,867
Disposal	0	0	(2,094)	0	(2,094)
Revaluation	(80,000)	343,728	0	0	263,728
Depreciation charge	0	(63,216)	(208,589)	0	(271,805)
Closing net book amount	1,200,000	3,000,000	452,045	2	4,652,047
At December 31, 2010					
Cost or valuation	1,200,000	3,000,000	1,462,353	130,110	5,792,463
Accumulated depreciation	0	0	1,010,308	130,108	1,140,416
Net book amount	1,200,000	3,000,000	452,045	2	4,652,047

In December 2010, the Credit Union's free hold land and buildings were independently revalued, on an open market basis, by Alexander and Alexander, independent real estate valuers. The increase of \$263,728 appraisal excess over carrying value has been credited to the other comprehensive income and is shown in revaluation reserve in the members' equity.

Depreciation expense of \$271,805 (2009: \$267,297) has been charged to administrative expenses.

13 Other Payables

	2010 \$	2009 \$
Accounts payable and accrued liabilities	952,026	860,586
Dividends payable	1,484,327	2,036,475
Interest payable on deposits	1,745,462	1,914,496
	<u>4,181,815</u>	<u>4,811,557</u>

Other payables are denominated in the following currencies:-

2010 \$	2009 \$
<u>4,181,815</u>	<u>4,811,557</u>

General Employees' Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2010

14 Members' Deposits

	2010 \$	2009 \$
Term deposits	51,559,139	51,041,834
Saving deposits	15,570,430	12,641,871
	<u>67,129,569</u>	<u>63,683,705</u>

The effective interest rates on members' deposits are as follows:-

	2010 %	2009 %
Term deposits	6.49	6.57
Saving deposits	3.17	3.16

All members' deposits are denominated in Eastern Caribbean Currency.

15 Share Capital

Authorised Capital

	No. of Shares	Value
Redeemable common shares of \$5 par value	Unlimited	Unlimited
Permanent common shares of \$5 par value	Unlimited	Unlimited

The redeemable common shares of \$5 par value are redeemable at the option of the member, subject to a sixty (60) day written notice to the Board and any encumbrance thereon. Both classes of shares are subject to the provisions of section 123 of the Co-operative Societies Act 1999.

16 Members' Shares Savings

The Credit Union is authorised to issue an unlimited number of shares which are redeemable upon notice subject to the approval of the Board of Directors.

	2010 \$	2009 \$
Members' shares savings	<u>69,278,376</u>	<u>67,067,021</u>
	Share Capital	
As at December 31, 2008		61,849,979
Proceeds from issuance of members' shares savings		5,217,042
As at December 31, 2009		<u>67,067,021</u>
Proceeds from issuance of members' shares savings		4,278,655
Conversion to permanent shares		<u>(2,067,300)</u>
As at December 31, 2010		<u>69,278,376</u>

Pursuant to the resolution of the general membership on November 18, 2009, 20 redeemable member shares, herein referred to as members share savings, of each member were converted, effective January 1, 2010, to members' permanent common shares having a \$5 nominal value. In accordance with International Accounting Standard No. 32, the redeemable members share savings and their related dividends have been reported as liabilities and charges to profit and loss respectively. The effects of the accounting change have been applied retrospectively. Accordingly, the loss for the year increased by \$1,309,835 (2009: \$1,865,714). Further, retained earnings as of January 1, 2009 reduced by \$2,047,596.

General Employees' Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2010

15 Share Capital (Cont'd)

b Permanent Common Share Capital

Effective January 1, 2010, \$2,067,300 was transferred from the members share savings account for the allotment of 413,460 to members of that date. Accordingly, each member was allotted 20 permanent shares.

	2010	2009	2010	2009
	Share Nos.		\$	\$
Transfer arising on conversion	413,460	0	2,067,300	0
Issuance of shares	138,135	0	690,675	0
	551,595	0	2,757,975	0

16 Statutory Reserve

Article XIV (66) of the Credit Union's By-Laws provides that the Credit Union shall credit all entrance fees and fines collected, directly to this reserve. In addition, at least 25% of net income before dividends must be credited to a reserve account. The reserve may be applied, with the sanction of the Registrar of Co-operatives, to meet bad debts or extraordinary losses.

	2010	2009
	\$	\$
Balance - Beginning of Year	5,750,978	7,148,907
Entrance fees received in current year	1,362	2,071
Release of statutory reserve	0	(1,400,000)
Balance - End of Year	5,752,340	5,750,978

17 Social Development Fund

The Social Development Fund is to assist needy members to recover from severe illness/emergencies/ natural disasters. Each member is required to make an annual contribution thereto of \$20.00.

	2010	2009
	\$	\$
Balance - beginning of year	974,852	652,690
Contribution received	367,500	378,000
Benefits paid	(112,259)	(55,838)
Balance - end of year	1,230,093	974,852

18 Statutory Development Fund

	2010	2009
	\$	\$
Opening balance	50,000	20,000
Appropriations	0	30,000
Disbursement	(20,000)	0
Closing balance	30,000	50,000

Article 120 of the Co-operative Societies Act No 24 of 1999 provides that the Credit Union shall maintain a Development Fund which shall be administered by the National League. The Credit Union shall appropriate such sums, not exceeding 10% of each year's current surplus, to the fund.

General Employees' Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2010

19 Income on Death Benefit Plan - Net

	2010	2009
	\$	\$
Members' death benefit contributions during the year	491,060	475,900
Death benefit claims paid during the year	267,333	185,000
	<u>223,727</u>	<u>290,900</u>

20 Income Tax

The Credit Union, in accordance with Section 235 of the Co-operative Societies Act, 1999, is exempt from income tax.

21 Staff Retirement Benefit Plan

Effective March 1, 2000, the Credit Union introduced a defined contribution retirement plan for eligible full-time employees. The plan is administered by Colonial Life Insurance Company (Trinidad) Limited, CLICO. Pursuant to the provisions of the plan, the Credit Union contributes four per cent (4%) of each qualifying employee's salary to the plan. The Credit Union recognises the expense in respect of the plan at the time the payments become due.

22 Staff Cost

	2010	2009
	\$	\$
Group insurance	51,377	46,719
Pension	69,262	69,051
National Insurance contributions	55,598	54,665
Salaries, wages and bonus	1,440,017	1,419,216
Staff training	27,073	22,461
Uniforms	31,155	17,333
	<u>1,674,482</u>	<u>1,629,445</u>
Number of employees at statement of financial position date	<u>43</u>	<u>42</u>

23 Accounting Change

Effective January 1, 2010, the Credit Union adopted International Financial Reporting Standard No. 32 to account for its members redeemable shares, which were previously reported as equity, as financial liabilities. Further, dividends on redeemable shares are reported as an expense in the statement of comprehensive income. As a result, the effect of the accounting change has been applied retrospectively. Accordingly, liabilities and retained earnings as of January 1, 2010, were increased and decreased by \$67,067,021 and \$1,865,714 (2009: \$2,047,596) respectively and comprehensive income for the year ended December 31, 2009 was reduced by \$1,865,714, as disclosed in note 15.

24 Comparative Figures

Where necessary, comparative figures have been reclassified to conform with changes in presentation in the current year. In particular, the comparative figures have been adjusted or extended to reflect the requirements of new IFRS, as well as amendments to and interpretations of existing IFRS.

General Employees' Co-Operative Credit Union Limited

Additional Information
Financial Statements
Year Ended December 31, 2010



Contents

Page 1	Additional Comments of Auditors
Page 2	Schedule of Selling Expenses
Page 3	Schedule of General and Administrative Expenses

ADDITIONAL COMMENTS OF AUDITORS

To the Directors of
General Employees' Co-operative Credit Union Limited

The accompanying pages are presented as additional information only. In this respect, they do not form part of the financial statements of General Employees' Co-operative Credit Union Limited for the year ended December 31, 2010, and hence are excluded from the opinion expressed in our report dated May 27, 2011, to the members on such financial statements. The information on these pages has been subject to audit procedures only to the extent necessary to express an opinion on the financial statements of the Credit Union and, in our opinion, is fairly presented in all respects material to those financial statements.



May 27, 2011

General Employees' Co-operative Credit Union Limited

Schedule of Selling Expenses

For the Year Ended December 31, 2010

	2010 \$	2009 \$
Advertising	69,793	116,943
Donations	49,369	42,305
Heritage month expenses	8,084	1,050
Scholarships	80,610	81,240
School co-operation expense	16,953	27,073
	<u>224,809</u>	<u>268,611</u>

General Employees' Co-operative Credit Union Limited

Schedule of General and Administrative Expenses

For the Year Ended December 31, 2010

	2010 \$	2009 \$
Annual mid-year retreat	12,845	5,190
ATM card embossing cost	2,422	2,880
Audit fee	54,822	37,000
Bad debts - rent and other	(54,144)	56,873
Bank charges	5,167	7,363
Cash written off	0	2,325
Credit Union week	18,041	15,856
Depreciation expense	271,805	267,297
Education and training	27,073	22,461
Electricity	139,864	139,849
End of year social	36,435	25,782
General insurance	47,172	47,570
Georgetown branch expenses	68,784	68,606
Grenadines expenses	81,347	84,597
Honorarium	9,600	9,600
Insurance on loans to members	638,476	609,314
League dues	106,128	100,609
Licensing fees	42,079	17,197
Meeting expenses	121,126	128,439
Miscellaneous expenses	22,124	13,041
Motor vehicle expense	23,208	24,585
National Insurance contributions	55,597	54,665
Pension	69,262	69,051
Professional fees	10,146	8,298
Property tax	4,775	4,775
Repairs and maintenance	122,242	82,841
Salaries and wages	1,440,017	1,419,216
Security	108,404	106,736
Staff medical insurance	51,377	46,719
Staff uniforms	31,154	17,333
Stationery and office supplies	175,408	156,641
Subscriptions and membership dues	7,033	4,738
Telephone	103,559	108,965
Travel and subsistence	68,355	73,725
Travel and entertainment allowances	46,200	45,810
Water and sewerage	21,151	21,797
WOCCU convention	28,831	30,321
	<u>4,017,885</u>	<u>3,938,065</u>

THE CREDIT COMMITTEE'S REPORT TO THE 45TH ANNUAL GENERAL MEETING

1.0 Introduction

1.1 The Credit Committee to serve for the year 2010 was comprised of the following members:

- | | |
|-----------------------|-----------------|
| • Bro. Renato Gumbs | Chairman |
| • Bro. Stewart Haynes | Deputy Chairman |
| • Bro. Harold Lewis | Secretary |
| • Bro. Colin Sam | Member |
| • Sis. Elsa K. Wynne | Member |

1.2 Bro. Stewart Haynes and Sis. Elsa K. Wynne were elected to serve for a second three year term.

1.3 Meetings and Attendance

2.1 For the calendar year 2010, a total of forty-seven (47) regular meetings were convened and twenty-nine (29) site visits were made.

2.2 The Committee Attendance Breakdown was as follows:

- | | |
|-----------------------|----|
| • Bro. Renato Gumbs | 46 |
| • Bro. Stewart Haynes | 32 |
| • Bro. Harold Lewis | 43 |
| • Sis. Elsa Wynne | 35 |
| • Bro. Colin Sam | 41 |

3.0 Work Plan

- Administer and adhere to GECCU's loan policy in the processing of loans.
- Develop and utilize a standard form for reporting site visits.
- Provide financial advice and counseling where necessary.
- Participate in relevant training sessions.
- Submit monthly reports to the Board of Directors.
- Conduct site visits.
- Conduct interviews where necessary.
- Work closely with the Loans Division.

3.1 The Credit Committee noted the impact of the economic and financial challenges on existing and prospective borrowers in the period under review. In particular, the following activities stood out:-

- Members sought financial advice from the Credit Committee on a more regular basis compared to previous periods.
- In many cases members had to scale down the number of loan requests, particularly under the Mortgage Programme, in accordance with their financial conditions.
- The Committee re-structured loans to members to ensure that members can afford payments on loans.
- Members who lost jobs had to defer their loan requests pending improvement of their financial position.

4.0 Loan Review and Disbursement

4.1 The following table is a summary of the loan activities for the period under review.

Table 1: Loan Activity for the financial year 2010

Particulars	2010		2009	
	No	Value	No	Value
Total loans processed	6067	\$35,533,661	5447	\$31,807,778
Total loans approved	6021	\$29,980,164	5,415	\$27,878,891
Total loans disbursed	6012	\$28,768,404	5401	\$26,346,628
Total loans undisbursed	9	\$1,211,760	14	\$1,532,263
Total loans deferred	17	\$2,491,089	9	\$700,590
Total loans not approved	29	\$3,062,408	23	\$3,228,297

4.1.1 Table 1 reveals an increase in the number and value of loan applications processed, approved and disbursed.

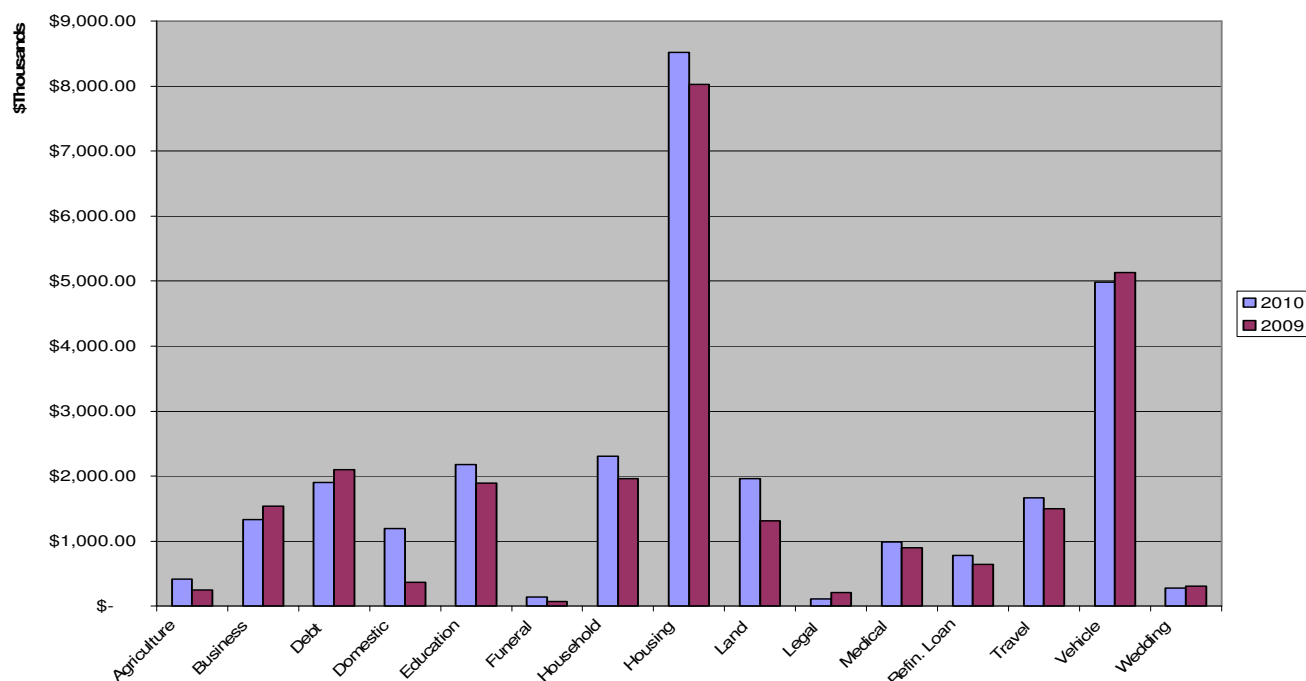
4.2 The table below shows loans disbursed by sector.

Table 2: Loans Disbursed by Sector

Category	Jan-Dec 2010			Jan-Dec2009		
	No of	Amount	% of	No of	Amount	% of
	Loans	(\$)	Loan Value	Loans	(\$)	Loan Value
Agriculture	133	420,648	1.5	121	248,271	1.0
Business	199	1,334,613	4.6	244	1,536,352	5.0
Debt	837	1,898,738	6.6	836	2,100,439	11.0
Domestic	846	1,190,839	4.2	456	365,535	1.0
Education	563	2,183,994	7.6	480	1,894,281	7.0
Funeral	38	145,800	0.5	28	70,900	1.0
Household	843	2,307,064	8.0	750	1,965,545	11.0
Housing	775	8,520,478	29.6	707	8,023,031	23.0
Land	61	1,962,097	6.8	42	1,315,164	6.0
Legal	43	109,241	0.4	62	209,355	2.0
Medical	435	987,251	3.4	395	898,083	3.0
Refin. Loan	43	778,618	2.7	22	646,860	6.0
Travel	484	1,669,114	5.8	450	1,500,910	5.0
Vehicle	647	4,983,509	17.3	660	5,128,993	17.0
Wedding	65	276,400	1.0	72	313,732	1.0
Total	6012	28,768,404	100	5401	26,346,628	100

- 4.2.1 During the period under review the amount of loans disbursed increased from \$26,346,628 to \$28,768,402, representing an increase of 8.3 percent.

Chart 1: Analysis of Loans 2009-2010 by Sector



5.0. Mortgage Financing Programme (MFP)

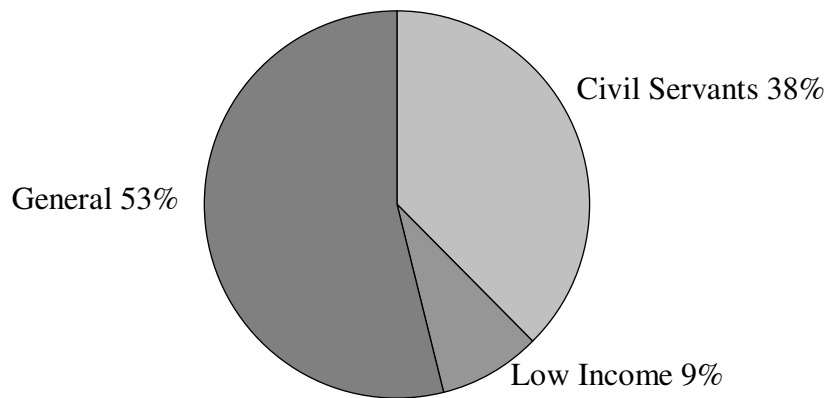
- 5.1 The Mortgage Finance Programme continues to be a major part of the loan portfolio. In the period under review, the number of mortgages approved totaled 50 and amounted to \$8.5 million dollars. This represented approximately 28% of the total loans approved during the fiscal year 2010.
- 5.2 The committee will continue to place emphasis on the monitoring of mortgages with the aim of ensuring compliance and providing guidance to applicants.
- 5.3 The table below shows that the number and the value of mortgages disbursed increased in 2010 compared to 2009.

Table 3: Housing Loans by Category

Category	2010			2009		
	No of loans	Value(\$)	Percentage	No of loans	Value(\$)	Percentage
Civil Servants	75	11,334,427	37.6	65	9,374,124	35
Low Income	33	2,556,486	8.5	33	2,581,106	10
General	123	16,259,668	53.9	113	\$14,494,876	55
TOTAL	232	30,150,581	100	211	\$26,470,306	100

5.3.1 The distribution of mortgages disbursed for the fiscal year 2010 is presented in the pie chart below.

Chart 2: Housing Loans by Category



6.0 Conclusion

- 6.1 Notwithstanding the ongoing economic meltdown and the corresponding financial challenges, the Credit Committee has been able to achieve its performance targets.
- 6.2 The committee is grateful for the unwavering support of the Board of Directors, other Committees, Management and staff.
- 6.3 The Committee wishes to thank the general membership for the opportunity to serve and would continue to seek ways of improving service to members.


.....
Bro. Renato Gumbs
Chairperson


.....
Bro. Harold Lewis
Secretary

REPORT OF THE SUPERVISORY COMMITTEE TO THE 45TH ANNUAL GENERAL MEETING

1.0 Introduction

The Supervisory Committee is pleased to present its report to this 45th Annual General Meeting of the General Employees Co-operative Credit Union Ltd. and is pleased to report that GECCU operates within a strong internal control environment that also ensures compliance with applicable laws and regulations.

1.1 At the 44th Annual General Meeting, the following persons were elected to serve for a period of three years:

- Sis. Cecelia Williams
- Sis. Elizabeth A. Williams

The other members of the committee are:

- Bro. Joel Poyer
- Bro. Jerold Jackson
- Sis. Mineva Glasgow

1.2 Sis. Damoris Alexander, the Internal Auditor, assisted the committee in the execution of its duties.

1.3 Sis. Cecelia Williams and Sis. Elizabeth A. Williams were elected as Chairperson and Secretary respectively. Regular meetings were set for the second and fourth Tuesday of each month.

2.0 Attendance at Meetings

Twenty-One (21) meetings were called with attendance as follows:

- | | |
|------------------------------|------|
| • Bro. Joel Poyer | - 19 |
| • Bro. Jerold Jackson | - 11 |
| • Sis. Mineva Glasgow | - 15 |
| • Sis. Cecelia Williams | - 21 |
| • Sis. Elizabeth A. Williams | - 18 |

2.1 The duties and responsibilities of the Supervisory Committee are enshrined in the Co-operative Societies Act and By-Laws and include, inter alia, reviewing, examining and evaluating all aspects of the Co-operative's activities/operations.

3.0 Scope of Work

During the year 2010, the Committee endeavoured to examine on a routine basis all the areas of the Credit Union activities. More specifically, greater attention was paid to the following:-

- **Human Resource**
- **Loans Management**
- **Investment Management**
- **Sub-Offices Operations**
- **Board of Directors and Committees Reports**
- **Financial statement and Accounting procedures**

Documents were made available upon request by the Committee for review, examination, possible recommendations and implementation where required.

- **Human Resource:** A sampling of Staff's personnel files was requested for examination to ensure that all appropriate documentation was present on the files and in order. These files were found to be in generally good order. Wherever there were discrepancies, these were brought to the attention of Management and were subsequently rectified.
- **Loans Management:** The Credit Committee and Loans Department reports were reviewed on a regular basis. These reports gave an indication as to the amount of loans in the various categories, which were approved. Loans were also reviewed and discussed and were found to be properly executed in accordance with the documented established procedures.

Delinquent loans were reviewed and the Committee was satisfied that great efforts were being made to collect such loans through discussions with the related members. The Supervisory Committee has however suggested that very specific training in recoveries be provided for members of the Loans Department.

- **Sub-Offices Operations:** The operations in the sub-offices were found to be in keeping with the documented procedures, rules and guidelines. The growth in membership and business generally is commendable given the challenging economic environment during this period.

The Committee recommends that a specific marketing strategy be developed for the Grenadines.

- **Investment Managements:** The Investment Portfolio was reviewed and found to be in good order with the exception of the Investments in CL Financial Ltd which remain past due. The Committee recognizes the efforts being made by the Credit Union to work with the appropriate agencies towards a resolution of the challenge and urges the continuance of these efforts. The Committee also encourages Management to seek alternative investment opportunities which are safe, sound and beneficial to our membership.
- **Board of Directors and Committees Minutes/Reports:** Meetings of the Board of Directors and Committees were held regularly in accordance with the Credit Union guidelines. Minutes are taken to capture the decisions made at these meetings. These minutes were reviewed and found to be up-to-date and properly documented. However a few recommendations were made which would ensure follow up items from previous meetings were appropriately reflected in the minutes.
- **Financial Statements and Accounting Procedures:** On a monthly basis, financial statements are prepared and presented to management and the Board of Directors for analysis, comments and recommendations.

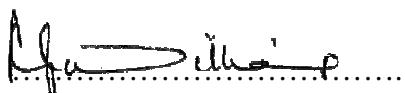
In perusing these accounts, where anomalies were discovered, they were discussed and recommendations were made and implemented for the advancement of the institution.

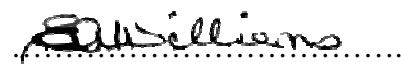
Accounting procedures were generally adhered to and recommendations by the Supervisory Committee to enhance procedures were implemented by Management.

4.0 Acknowledgement

The Supervisory Committee extends its gratitude to the members, management, staff and elected officials of GECCU for the opportunity to serve. It was a pleasure to have been of service to our noble institution.

GECCU continues to provide a safe and sound financial environment.


Sis. Cecelia Williams
Chairperson


Sis. Elizabeth A. Williams
Secretary

REPORT OF THE EDUCATION COMMITTEE TO THE 45th ANNUAL GENERAL MEETING

1.0 Introduction

1.1 The Board of Directors and the general membership identified several strategic objectives for the organisation. The Education Committee was entrusted with the responsibility for achieving some of these objectives; hence, the committee, in conjunction with the Marketing Department, pursued the following objectives in 2010:

- a. To operationalise a new category of shares called Permanent Shares in keeping with IAS 32.
- b. To register a minimum of 2,000 new members, 60% of whom are below the age of thirty (30) years and are from select employee groups.
- c. To reactivate 1000 dormant accounts.
- d. To improve the School Cooperative Programme .
- e. To expand the range of services and to offer new ones including on-line transactions, point of sale (international debit cards), small business loans, etc.
- f. To enhance the efficiency and effectiveness of our operations in the Grenadines.
- g. To achieve at least 10% growth on members' deposits (Permanent Shares, Member Share Savings, Ordinary Deposits and Fixed Deposits).

1.2.1 The Committee comprised of the following persons:

- | | |
|----------------------------|----------------------|
| • Sis. Camilla Mandeville | - Chairperson |
| • Bro. Claude Cambridge | - Deputy Chairperson |
| • Sis. Velda Gumbs | - Secretary |
| • Bro. Ezekiel Richards | |
| • Bro. Sylvester King | |
| • Bro. Richard Cumberbatch | |
| • Sis. Janice King | |
| • Bro. Kenneth Douglas | |
| • Sis. Dionne John | |
| • Sis. Jacqueline Howe | |

Staff:

- Sis. Cheryl Bacchus
- Bro. Anton Jardine
- Sis. Karina Williams

2.0 Meetings

2.1 Scheduled committee meetings were convened on the 2nd Monday of each month with additional meetings held as necessary to plan varying activities. Sub-committee meetings were also organised throughout the year.

3.0 Activities

3.1 The committee embarked on several activities for the period under review. The major activities undertaken included:

- ***Workshops/Training***

A workshop for Teacher Guides and a Permanent Shares awareness workshop for members were held in the first quarter of the year as well as a training session for Liaison Officers. GECCU embarked on a new programme called the 'Liaison Officers Programme' which involves the use of members within the workplace to act as volunteers in the selling of the institution's products and services to new and existing members. These officers also keep their colleagues informed on activities embarked upon by GECCU.

- ***Recruitment Drives***

Keeping in mind the objective ‘*To register a minimum of 2,000 new members with 60% below the age of thirty (30) years selected from targeted employee groups*’, Recruitment Drives were focused on educational institutions and business entities where persons would be more easily found in this age category.

- ***School Co-operatives***

An Agri-business Pilot Programme was launched at the St. Clair Dacon Secondary School, a GECCU-sponsored school. There are three other GECCU-sponsored schools participating in this programme which is a Ministry of National Mobilisation initiative, spearheaded by the Co-operative Department.

Ongoing visits were made to GECCU-sponsored schools to deliver motivational talks on various topics such as money management and career opportunities.

- ***Heritage Month Celebration***

The major activity staged during Heritage Month was a GECCU Family Fun Day at Rawacou Beach on March 14th.

- ***Grenadines***

The dormant Southern Grenadines Education sub-committee was reactivated and an executive committee was elected to plan and execute activities. The sub-committee works closely with the Marketing Department and the Education Committee and shares a similar workplan.

- ***Credit Union Week***

Credit Union Week generated activities which touched a wide cross section of membership. Activities participated in included: (a) Customer Appreciation Day; (b) Inter-Credit Union Sports Day (GECCU initiative); (c) Credit Union Market Place (Exhibition); (d) Union Island Education sub-committee Moonlight Activity (games evening).

- ***Publication***

The committee produced one edition of the *In-Touch Newsletter* in early June, prior to the AGM.

- ***Promotion***

The committee continued with its programme of rebranding and promotion of gift certificates.

Tank Loans promotion continued throughout the year particularly during the “Weathering the Storm” Loan Period (June to December).

- ***Other***

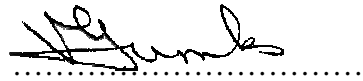
GECCU continues to support other organisations in activities that impact on membership. The institution participated in (1) National Insurance Services’ (NIS) Senior Citizens Day and (2) a Presentation on NBC Radio Live ‘Community View’ at NIS Golden Years Centre at Black Point.

4.0 Conclusion

- 4.1 The universal need for education to be used as a means to effectively fight and alleviate poverty has been recognized by GECCU. Consequently, the ongoing education of members has always been central to the growth of the organisation. The Education Committee, along with the Marketing Department, continues to work diligently to execute the organisation's mandate and is pleased to report that it has achieved another successful year in meeting and exceeding most of the organisation's objectives.
- 4.2 The Education Committee and the Marketing Department wish to convey their gratitude and appreciation for the continued support and guidance received from all members, the Board of Directors, other committees and staff throughout 2010.



Sis. Camilla Mandeville
Chairperson



Sis. Velda Gumbs
Secretary

Serving Officers 2010/2011

Board of Directors

Bro. Philmore Isaacs	- President
* Bro. Clarence Harry	- Vice President
* Bro. Aubrey Burgin	- Treasurer
Sis. Camilla Mandeville	- Secretary
Bro. Richard Cumberbatch	- Director
* Sis. Arlene Lewis	- Director
Sis. Gemma Mc Cree	- Director
Bro. Gary Matthias	- Director
Bro. Stanley Harris	- Director

Credit Committee

Bro. Renato Gumbs	- Chairman
Bro. Stewart Haynes	- Deputy Chairman
* Bro. Harold Lewis	- Secretary
Sis. Elsa Wynne	- Member
Bro. Colin Sam	- Member

Supervisory Committee

Sis. Cecelia Williams	- Chairperson
Sis. Elizabeth A. Williams	- Secretary
* Sis. Mineva Glasgow	- Member
Bro. Jerold Jackson	- Member
* Bro. Joel Poyer	- Member

*Indicates members due to retire at this meeting.



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