

GECCU LTD

General Employees' Co-operative Credit Union Limited

49th Annual General Meeting

REPORTS & ACCOUNTS 2014



“GECCU...Together We Are Stronger!”

Tuesday 31st March, 2015, 4:30 pm
Methodist Church Hall

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 Saint Vincent and the Grenadines

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

Refrain:

What e'er 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 fair 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 49th ANNUAL GENERAL MEETING

Dear Members,

Notice is hereby given that the 49th Annual General Meeting of the General Employees' Co-operative Credit Union Limited is scheduled to take place on Tuesday 31st March, 2015 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. Remarks– Minister of Co-operatives
8. Greetings – Guest Societies

CLOSED SESSION

1. Ascertainment of Quorum
2. Minutes of the 48th Annual General Meeting
3. Minutes of Special General Meeting
4. Matters arising from Minutes
5. 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 and Compliance Committee
 - (i) Supervisory and Compliance Committee's Report
 - (ii) Election of Supervisory and Compliance Committee
 - (d) Education Committee
 - (i) Education Committee's Report
5. Election of Auditors
6. New Business
8. Closing Exercise

Co-operatively yours,



.....
Sis. Gemma Mc Cree-Clarke
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.
 - (b) 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) 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 question be now put” may be moved at anytime.
10. Only one amendment should be done before the meeting at one and the same 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).
15. No member shall impute improper motives against another member.



PRESIDENT'S MESSAGE

to the 49th Annual General Meeting

“Fifty + ... And the journey now start”

Brothers and Sisters, fellow co-operators, some fifty years ago a small group of visionaries with just a few dollars embarked on a journey to establish the Government Employees’ Co-operative Credit Union Limited now rebranded as the General Employees’ Co-operative Credit Union Limited. Today as we meet for our 49th Annual General Meeting, we look back with pride on our accomplishments and achievements and say *“Hitherto hath the Lord brought us”*.

As President, I am both pleased and humbled to be at the helm of this institution that continues to positively impact the lives of its members and the wider Vincentian society, including those in the Diaspora.

The Year 2014 was a successful year for our credit union. Our gala 50th anniversary activities provided an opportunity for us to celebrate, give thanks and reflect on our past. Through our diligence, hard work and prudent management, we have been able to achieve a surplus of \$1,366,105.00 from our operations. However, our greatest achievement for 2014 was our ability through our collective efforts to bring our credit union, GECCU, into compliance with the requirements of the Co-operative Societies Act No. 12 of 2012 with regards to net institutional capital requirements. Brothers and Sisters, this significant achievement not only places our credit union in a much stronger and secure financial position, but more importantly, it allows us to be better positioned to expand and offer a range of new and improved products and services to you.

I take this opportunity to thank all of you for your invaluable contributions and commitment in achieving this milestone of 15% net institutional capital. Our combined efforts have made this possible; together we will enjoy the rewards.

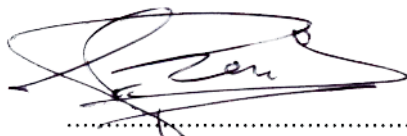
- I. Brothers and Sisters, as we approach yet another significant milestone of attaining two hundred million (\$200,000,000.00) dollars in assets, we must become cognizant of the fact that we are increasingly challenged to maintain our phenomenal rate of growth and expansion. The main contributory factors influencing this are as follows:
- II. Membership Size - We are slowly approaching our optimum/maximum membership size given the population of St. Vincent and the Grenadines
- III. Interest Rate Margins - The increasingly shrinking margin between what we pay out as interest expense and what we receive as interest income.

- iv. Lack of opportunities to invest excess liquidity locally.
- v. Limited local effective demand for loan products generally.
- vi. Competition from other institutions in the market.

While we continue to pursue the expansion and development of our credit union, continued strategic thinking at all levels of the organization, underpinned by a culture of good governance practices remains the focus to ensure further success of this strong and viable institution. Skilled human resources, modern management systems, new products and services, effective marketing strategies, an unwavering commitment to the membership, and an unrelenting focus on youth, will be central to our efforts to enhance the quality of life of all members.

Brothers and Sisters, we have achieved much over the past 50 years, but as I captioned this address “*the journey now start*”, our challenge as we proceed into another 50 years as a credit union, is to maintain and remain true to our core principles amidst an increasingly hostile economic environment. I am however confident that our credit union – GECCU, with its strong asset and liquidity base, proven and tested systems and structures, vibrant and knowledgeable membership and committed, hardworking volunteers and staff can and will weather the storm.

I wish to thank the general membership, members of the Board of Directors, Committees, Management and Staff for the support extended to me during my year as President. I encourage you to continue to serve others by giving of your time and efforts to this noble institution.



.....
Bro. Kelvin Pompey
President

MINUTES OF THE 48TH ANNUAL GENERAL MEETING OF THE GENERAL EMPLOYEES' CO-OPERATIVE CREDIT UNION LIMITED (GECCU) HELD AT THE KINGSTOWN METHODIST CHURCH HALL ON 29TH APRIL 2014 AT 4:30 PM

OPENING SESSION

PRESENT:	Bro Clarence Harry	-	President
	Bro Kelvin Pompey	-	Vice-President
	Sis Mineva Glasgow	-	Secretary
	Bro Aubrey Burgin	-	Treasurer
	Sis Cecelia Williams	-	Director
	Sis Gemma Mc Cree-Clarke	-	Director
	Bro Ronnie Daniel	-	Director
	Bro Jerold Jackson	-	Director
	Bro Cecil Ryan	-	Director
	Bro Lennox Bowman	-	Chief Executive Officer

1.0 CALL TO ORDER

Bro Clarence Harry, Chairman, called the meeting to order at 4:45 p.m.

2.0 PRAYER

Bro Ronnie Daniel led the meeting in prayer.

3.0 NATIONAL ANTHEM

The National Anthem was played.

4.0 SILENT TRIBUTE

A one minute silence was observed for members who passed away during the year.

5.0 APOLOGIES FOR ABSENCE

Apologies were made on behalf of Honourable Frederick Stephenson and Sis. Beryl Baptiste M.B.E.

6.0 WELCOME

The President welcomed members to the 48th Annual General Meeting and emphasized the theme: *"Proud of the Past....Prepared for the future"*.

A special welcome was given to the newest members of the GECCU family: the Georgetown/Mount Coke Circuit Methodist Co-operative Credit Union Limited and the Unity Labour Party Co-operative Credit Union Limited.

The past presidents of GECCU were acknowledged.

The theme of the message was *"The Journey to 50 and the Road Ahead"*. The Chairman elaborated that the journey had not been easy as it had many challenges and struggles. GECCU continued to build on its strengths, capitalized on the opportunities, worked on its weaknesses and converted its threats into opportunities.

He commended the stalwarts, volunteers, management, staff and membership on the sacrifices and hard work put in to make the credit union the first choice financial institution by members and the general public.

The following points were highlighted as achievements by GECCU as at December 31, 2013:

- Total Assets- \$166.8 million
- Loans -\$96.6 million
- Investment Securities - \$29.4 million
- Cash Resources - \$20.1 million
- Permanent Shares - \$5.3 million
- Members' Share Savings - \$79.5 million
- Term Deposits - \$50.5 million
- Ordinary Deposits - \$20.0 million
- Junior Savers - \$2.5 million
- Membership inclusive of depositors in excess of 38,000
- The assets and liabilities of two (2) more credit unions - Georgetown/Mount Coke Methodist and the Unity Labour Party Co-operative Credit Unions.

The chairman indicated that GECCU developed and operationalized a three (3) year strategic business plan for the period 2014 to 2016, developed a recapitalization plan for the similar period and employed strategies to maintain and enhance financial sustainability, soundness and greater operational efficiencies.

He then drew attention to some of the advancements that GECCU made as follows:

- Increased focus on young people;
- Developed a Disaster Management and Recovery Plan (DMRP) for the organization;
- Developed education and training programmes for staff, volunteers and general membership;
- Provided strong leadership to the movement locally and regionally;
- Responded to housing needs of members;
- Developed an HIV/AIDS policy for the organization;
- Launched online services and mobile App as part of GECCU Link -24 suite of services which included the ATM.

He thanked members of the Board, other volunteers, management and staff and the membership for their support, dedication and invaluable contributions.

7.0 REMARKS- REGISTRAR OF CO-OPERATIVES BRO. CECIL JACKSON

Bro. Cecil Jackson apologized for the absence of the Minister with responsibility for Co-operatives, Honourable Frederick Stephenson who was out of state.

He highlighted that the General Employees' Co-operative Credit Union's (GECCU) celebration of its 50th Anniversary under the theme: "Proud of the Past.....Prepared for the Future" provided an excellent opportunity to evaluate its performance, plan new strides and focus on new and innovative interventions.

He referred to GECCU's 2013 audited financial report and said that the achievements were remarkable, something for which GECCU must be proud.

He then encouraged co-operators to continue to support their credit union and to be prepared as members to participate fully in the organization's on-going programs and projects.

8.0 GREETINGS- GUEST SOCIETIES

Kind greetings were received from fraternity societies:

- SVG Co-operative League Limited
- SVG Small Business and Microfinance Co-operative Limited (COMFI)
- Financial Services Authority (FSA)
- St Vincent and the Grenadines Teachers' Co-operative Credit Union Limited
- St Vincent and the Grenadines Police Co-operative Credit Union Limited
- Kingstown Co-operative Credit Union Limited
- Marriaqua Co-operative Credit Union Limited
- Barrouallie Co-operative Credit Union Limited
- St Vincent Automotive Co-operative Society Limited
- National Labour Congress
- Commercial Technical and Allied Workers Union
- Baptiste & Company Chambers
- Lyndon George Chambers

The representatives from the above organizations commended GECCU on its achievements recorded in the report and on reaching the milestone of 50 years.

CLOSED SESSION

1.0 ASCERTAINMENT OF QUORUM

There were approximately 293 persons present.

Amendment to the Agenda

The Chairman proposed that the Agenda be amended as follows:

- Agenda Item 7- "Resolutions", be brought up to Agenda item 2.
- Bro. Cecil 'Pa' Jack counter proposed that the Resolutions be taken after the Board report.
- Sis. Marcelle Burgin proposed that the Resolutions be taken before the minutes since most persons would leave early. She added that this was an opportunity to educate the members.
- Sis. Marcelle Burgin then moved the motion to transpose agenda Item 7 to Item 2. This was seconded by Sis Viola Jacobs. The amendment was voted.

2.0 RESOLUTIONS

Bro Ronnie Daniel presented the resolutions as follows:

RESOLUTION 1

WHEREAS consequent upon the coming into effect of the Co-operative Societies Act No. 12 of 2012 on 4th September, 2012;

WHEREAS the Capital Structure of the General Employees Co-operative Credit Union Ltd (GECCU) is required to be further restructured;

AND WHEREAS the Financial Services Authority has now directed that the new Capital structuring of GECCU must be made to comply with the relevant provision of the said Co-operative Societies Act;

AND WHEREAS by virtue of the provisions of Part V of the said Act, it is now imperative to clearly designate at least 2 classes of shares viz Qualifying shares and Equity Shares;

AND WHEREAS qualification for membership shall be satisfied by holding 100 fully paid up \$1.00 par value Qualifying shares by/of each member;

AND WHEREAS every member of GECCU is entitled to purchase Equity Shares of the amount limited by the By-laws or the Board from time to time;

BE IT RESOLVED that the amount in each member's permanent share account be now converted into \$1.00 par value Qualifying Shares for every dollar in their respective accounts;

BE IT ALSO RESOLVED that the following relevant and respective by-laws be amended as follows:

ARTICLE 2- MEMBERSHIP

(a) Admission

By deleting by-law (b) (v)- viz "Every member shall contribute at least 48 additional shares by the end of the financial year. This provision does not apply to depositors under the age of 16 years"

and replacing the same as follows:

"Every member shall purchase at least 50 Equity Shares by end of each financial year....."

(b) Termination

By changing by-law (2) (c) viz "ceases to hold *a share* in the Society, or"

to read as follows

ceases to hold *qualifying shares* in the Society"

ARTICLE 3 – CAPITAL AND FUNDS

- a) By amending by-law (a) (i) viz "the savings of its members received as payments or subscriptions on shares;"

to read as follows:

"the savings of its members received as payments or purchase of additional Equity Shares....."

- b) By amending by-law (b) viz "Each share of the Society shall be par value of \$5.00 and maximum number of Shares which may be held by each member shall, subject to the provisions of the Act, be prescribed from time to time by the Board. The minimum value of shares, which may be contributed monthly, is \$20.00 or 4 shares."

to read as follows:

"Each Share of the Society shall be of par value \$1.00.....the minimum value of Equity Shares which may be purchased monthly shall be \$20.00 or 20 shares of \$1.00 par value each....."

ARTICLE 4- SHARES

a) Value

By amending by-law (a) (i) viz “Shares shall be valued at \$5.00 each and shall be paid for by payroll deduction or directly to the Society.”

to read as follows:

“Shares shall be valued at \$1.00 each.....”

b) Class of Shares

By amending by-law (b) (i) viz “There shall be at least one (1) class of shares held by the society, namely, Common Shares”

to read as follows:

“There shall be at least (2) classes of shares in the Co-operative Society, namely Qualifying Shares and Equity Shares.”

c) Transfer of Shares

By deleting by law (c) (1) viz “Shares may be transferred in accordance with Sections 95-98 of the Act and by written instrument in such form as may be prescribed and upon payment of a fee as determined by the Board from time to time”

replacing it to read as follows:

“Shares may be transferred in accordance with provisions of Sections 100-104 of the Co-operative Societies Act,”

(d) Withdrawal of Shares

- By deleting by-law (d) namely “A Member may withdraw all or part of his unencumbered shares from the Society. The Board may require a member to give written notice of sixty (60) days of his intention to withdraw his shares”
- as the same now becomes irrelevant in light of the provisions of Section 95 of the aforementioned Act.

The motion was moved by Bro. Ronnie Daniel and seconded by Bro. Philbert John. The discussion then ensued:

- Sis. Marcelle Burgin explained that ‘permanent shares’ no longer existed and were replaced with ‘*qualifying and equity shares*’.
- Bro. Cecil ‘Pa’ Jack expressed that a special meeting should have been held to deal with the resolutions.
- Sis. Patricia Israel stated that it was correct to bring the resolutions to the AGM. She however felt that it was important for someone to explain the resolution and the implications of the resolutions for members’ savings and shares accounts.
- Sis. René Baptiste explained that permanent shares were the past type of shares under the previous Co-operatives Act No. 24 of 1999. The new Co-operative Societies Act was passed on the 30th May, 2012 and came into effect subsequently.

- It was advised that capital restructuring was necessary to comply with the new provisions of the Co-operative Societies Act. The new act required two classes of shares, qualifying shares and equity shares.
- To be a member, an individual would qualify by holding 100 fully paid up \$1.00 shares. This enabled him/her to become an approved member of the credit union under the new Act (regulations).
- Under the old regulations, shares were valued at \$5.00 each. Under the new regulations, shares are valued at \$1.00 each. Under the new law, one must have qualifying shares and equity shares. The new arrangement will not change a member's regular share savings; members can continue to put any amount of money in their regular share savings and use this as collateral to access loans. Qualifying shares enabled an individual to become a member. Equity shares can be bought every month but cannot be used as collateral for a loan. A member can ask the credit union to buy his/her equity shares.
- Bro. Philbert John thanked Sis René Baptiste for the explanation provided. He then asked if a person who had \$1,100 in shares and used \$1,000 as collateral for a loan, can still use the remaining \$100.00 as qualifying shares.
- Sis René Baptiste responded that qualifying shares could not be withdrawn because these were the qualification for membership. However if a member had \$1,100 in his/her regular shares savings account and wished to obtain a loan of \$1,000, the credit union cannot turn that member away because the purpose/core principle of the credit union was to help its members.
- In response to the question on the difference between the qualifying shares, equity shares and regular share savings, Sis René Baptiste responded that qualifying shares were the mandatory, non-withdrawable, minimum 100 shares to be purchased by an approved applicant for admission to membership. Equity shares were common stock or capital purchased by the members as their ownership stake in the safety, soundness and competitiveness of the co-operative society. Regular Shares Savings determines a member's eligibility to obtain a loan and can be used as security for a loan.
- Bro. Philmore Isaacs questioned how would a member's regular payment to GECCU be divided under the new regulations and if he/she had to give permission to GECCU to allocate payment on his/her qualifying shares, equity shares or regular share savings.
- Sis. René Baptiste responded that the member would have to say where he/she would like the payment to be placed.
- In response to the question from Sis. Angela Martin regarding how much money a member should have at the end of the year to be classified as a full member and to receive all the benefits, Sis. Baptiste stated that a member should acquire approximately \$170.00: \$100 in qualifying shares, \$20 for the death benefit and \$50 as additional shares for the year.
- In response to the question regarding the adjustment to ensure that a member has the required number of shares and if each member would have to visit the office to have his or her account adjusted, Sis. Baptiste said that members were not required to visit GECCU's office to have their accounts adjusted. The resolution authorized GECCU to make the necessary adjustments and the law established that each member must be issued a statement at the end of the financial year showing all accounts held with GECCU. At the end of the year the auditor and the FSA will examine the books. She advised that the Board as the governing entity has a fiduciary responsibility to manage its members' money. There must be accountability and transparency in this regard. Transparency means ensuring that members receive a statement at the end of the financial year showing the status of their accounts. The FSA will ensure that the Board adheres to the accountability threshold by ensuring that the accounting programme conforms to strict accounting principles as stipulated by the IFRS.

- Sis. René Baptiste further explained that a member's beneficiaries will receive his or her qualifying shares and equity shares upon death.
- It was further explained that the resolution was passed to allow GECCU to become compliant with the new Co-operative Societies Act No.12 of 2012. The new Act did not refer to permanent shares but rather to qualifying shares of \$100.00, which formerly comprised 20 shares at \$5.00. The new Act now referred to 100 shares at \$1.00. The intent of the resolution was to bring the operations in line with the regulations.
- In response to the question if a member can sell their equity shares, Sis. René Baptiste stated that a member can sell his/her equity shares to the credit union or to another member and still be a member once he/she has qualifying shares. However, that member would not receive any dividends since he/she would have sold their equity shares.
- Bro. Philbert John announced his support for the resolution. He emphasized the need for members' education especially in relation to the new Act of 2012, the Money Laundering Act and other legislation which applied to the credit unions.
- Bro. Philbert John moved that the motion for the resolution be put to a vote. This was seconded by Bro Philmore Isaacs. Resolution 1 was put to a vote by a show of hands.

Results

One hundred and thirty (130) members voted in favour of Resolution 1 and five (5) members voted against it. There was one (1) abstention. The resolution was passed.

RESOLUTION 2

WHEREAS consequent upon the coming into effect of the Co-operative Societies Act No: 12 of 2012 on 4th September, 2012;

WHEREAS in light of the provisions of Section 124, sub-section 3 of the said Co-operative Societies Act which states inter alia that "a Co-operative Society shall ensure that its statutory reserves and other institutional capital reserves are, at no stage, less than ten percent of its total assets;"

AND WHEREAS in order to maintain the safety and soundness of the General Employees Co-operative Credit Union (GECCU), the Financial Services Authority has recommended earliest compliance with the said provisions;

AND WHEREAS to achieve this objective it is now incumbent upon GECCU to transfer the sum of \$20,000,000.00 previously held by Statutory Reserve as authorized by resolution stated 30th May, 2012 and certified by the Registrar of Co-operatives to Members' Equity Shares.

BE IT RESOLVED THAT for each dollar which was to the credit of member reserve account shall now be converted to one Equity Share having the value of \$1.00 thus creating \$20,000,000 Equity Shares.

- Bro. Philbert John moved that the resolution be taken as read. This was seconded by Bro. Harold Lewis.
- Bro. Philbert John moved the motion to put Resolution 2 to a vote. This was seconded by Sis. Patricia Israel.
- Resolution 2 was put to a vote by show of hands.

Results

- One hundred and nineteen (119) members voted in favour of Resolution 2 and none voted against it. There was one (1) abstention.
- Sis. René Baptiste thanked the members for their attention and their strong engagement in the process. She said that the Education Committee will hold education sessions on the legislation for the benefit of members.
- The FSA will organize training across the financial institutions in relation to the new legislations and the Bar Association will co-ordinate similar training. Members were encouraged to attend these training sessions.

3. MINUTES OF THE 47TH ANNUAL GENERAL MEETING

The minutes were taken as read on a motion moved by Sis. Ena Walters, seconded by Bro. Harold Lewis.

Amendments

- There were no amendments to the minutes.
- Bro. Philbert John commended the individuals who prepared the minutes. He added that they were generally error free and very detailed. He urged those persons to keep up the good work.
- The minutes were confirmed on a motion moved by Bro. Philbert John, seconded by Sis Camilla Mandeville.

4. MATTERS ARISING

- Bro. Cecil 'Pa' Jack requested an update on the five buildings that were in need of repairs.
- The Chairman responded that the buildings were not in sound condition and plans were in place to develop GECCU's headquarters. The consultant's report will be used to develop GECCU's modern office complex.
-
- Bro. Philbert John made reference to the question about the appropriate manner in which to honour the late Bro. Calvin Nicholls and requested an update on the matter.
- The Chairman responded that GECCU had plans to recognize the contribution of Bro. Calvin Nicholls and other stalwarts.
- Sis. Patricia Nicholls asked if there were any posthumous acknowledgements for foundation members of the credit union as she thought it was important to recognize the stalwarts and those who died.
- Bro Lennox Bowman responded that the next lecture will be in honour of Bro. Bertram Neehall, first President of GECCU. He continued that one of the objectives of the 50th anniversary was to recognize the contribution of past foundation members.

5. REPORTS

(a) Board of Directors

i. Board of Directors' Report

The Board of Directors' Report was taken as read on a motion moved by Bro. Philbert John, seconded by Sis. Rosemarie Richardson.

Discussion

- Bro. Philbert John commended the members of the Board for their commitment to the credit union as evidenced by the attendance record which showed attendance between 88% -100%.
- In response to Bro. Cecil 'Pa' Jack's question about the rationale for the 15 special meetings that were held, Bro. Lennox Bowman said that the meetings dealt with a number of projects GECCU had planned, including the Information Technology project, Peter's Hope project, office at South Rivers, amalgamation with credit unions and the Marriaqua United Friendly Society initiative.
- Bro. Philbert John made reference to the nine organisations that joined GECCU as depositors and asked if these organisations could be disclosed to the members. He also made reference to the re-activation of delinquent/dormant accounts and asked how many more delinquent accounts existed.
- Bro. Lennox Bowman said that the organisations were mainly kindred organisations such as churches. In relation to the re-activation of accounts, Bro. Bowman said that there was a huge potential to reactivate dormant accounts and that the office was working diligently in that area.
- Bro. Philbert John said that he had not seen any mention of seminars or training covering the new act and regulations. He suggested that this be looked at in the way forward.
- The chairman indicated that a slate of training and seminars was planned for the general membership.
- Sis Rene Baptiste highlighted the following points on the Co-operatives Act No. 12 of 2012:
 - 1) Section 3 of the law sets out in detail co-operative principles. The FSA is the Regulator of co-operatives. If for any reason the FSA was to go outside of what the scope of the law required them to do, one therefore had the right to take the FSA to court as long as their case fell within the law.
 - 2) FSA was the supervisory authority.
 - 3) The co-operative principles - Each member had no more than one vote; no member or delegate was entitled to vote by proxy. Its membership was open, voluntary and available without any restriction or any unlawful basis of discrimination to any person who could use its services and was willing to accept its membership. Its business was carried on primarily as an economic activity for the benefit of its members. Its primary concerns were its institutional capacity and financial strength, adequate reserves, retained earnings to ensure the continuous growth of its members; utilizing the surplus or savings out of operation to strengthen the business; to provide and improve common services to its members; payment of dividends- a portion to members in the co-operative society; educate members, employees, directors, committee members and the general public in the principles and techniques of economic and democratic co-operation.
 - 4) No one island can change the Act because every country in the OECS was under the governance of the Eastern Caribbean Currency Authority- the Central Bank (ECCB) and recommended changes had to pass through that institution first.

- In response to the question on the date of the commencement of the South Rivers office, Bro Lennox Bowman said that the building had to be demolished and rebuilt. There were plans in place for the finalisation of the design. Work was expected to begin by 1st July, and should be completed early 2015, everything being equal.
- Bro. Philbert John commended GECCU's staff on the introduction of GECCU Link-24.
- Sis. Marcelle Burgin referred to the marginal move in the delinquency reduction from 8.94% to 9.23% and inquired how the Recoveries Department was strengthened since it was not reflected in the delinquency reduction rate. She also suggested that each election be taken after the related report was presented.
- Bro. Lennox Bowman said that the pressure on delinquency was very tremendous especially with the economic challenges in St Vincent and the Grenadines and the Caribbean in general. He added that the marginal move was realized, notwithstanding the efforts made. The number of staff members in the Recoveries Department had increased. GECCU also improved its processes with the credit committee getting involved. Members were encouraged to inform the credit union when they encountered difficulties in meeting their financial commitments as the staff may be able to offer them guidance.
- Bro. Daniel Mc Millan made reference to cash valuing \$106,967, which was lost at the Georgetown branch due to theft and inquired if there was insurance on the cash.
- Bro. Lennox Bowman stated that credit unions were becoming a target. He said that the cash in transit was insured but the actual cash on the premises was not insured. The matter was addressed swiftly and insurance was put in place. He added that the case itself was lengthy but management was hopeful that some of the funds would be recovered. The relevant insurances and enhanced security measures were put in place.

A correction was made on page 30. The dates in the top of the table should read '31st December 2012' and '31st December 2013' instead of '31st December 2011' and '31st December 2012' respectively.

- Sis. Elsa Wynne referred to the Social Development Fund. The fundamental issue was that going forward, it would be fair to say how much was disbursed and who were the recipients since all members were contributing to the fund.
- The Chairman assured Sis. Wynne that her concern was noted and that it will be reflected in the next Board Report.
- Bro. Earl Bennett made reference to his recommendation to the Board regarding an increase in the number of scholarships. He observed that the Board increased the number of scholarships by four and further recommended that GECCU should increase the number of scholarships in keeping with its 50th anniversary celebrations.
- The Chairman acknowledged and recognized Bro. Bennett's observations.
- Regarding the roles and functions of GECCU's youth arm, Bro. Lennox Bowman reported that the current thrust was to make GECCU more relevant to young people. He stated that increased television advertisements have more of a youth focus; in many areas GECCU was trying to harness the youth's ideas.
- He continued that over the past 15-20 years about 60 percent of members recruited were under the age of 30. It was also recognized that GECCU had an ageing population, so balancing efforts were being made. Some of the work will include: working with the marketing department/education committee to develop programmes for schools and to identify products and services which will appeal to young people.
- Bro. Philbert John moved the motion for the acceptance of the Board's Report. The motion was seconded by Bro Randolph Clarke.

(ii) Treasurer's Report & Auditor's Report

- The Treasurer's Report was taken as read on a motion moved by Bro Harold Lewis and seconded by Bro Earl Bennett.
- The Treasurer's Report was presented by Bro. Aubrey Burgin.

Discussion

- Bro. Cecil 'Pa' Jack asked what was the nature of the investment with COMFI?
- Bro. Aubrey Burgin explained that members can obtain small business loans through their credit unions. However, it was realized that sometimes the credit unions did not have the adequate personnel to deal with small business loans. COMFI was therefore established and equipped with the requisite professional and trained staff in small business matters.
- Bro. Daniel Mc Millan suggested that given the amount of money invested into COMFI there must be increased supervision. He was impressed with the excellent report presented. He referred to the large investment at CIBC First Caribbean and said that he was surprised that such a large amount was only getting 1% at that institution in comparison to COMFI's 4.5%.
- Bro. Aubrey Burgin responded that there must be diversity in the investment portfolio. He continued that the commercial banks were not prepared to offer higher rates of returns on such accounts owing to their own liquidity.
- Bro. Mc Millan further added that he was pleased to see the "related party transactions" being reported in compliance with the regulations. He further queried the amount of money transferred from the Social Development Fund to the statutory reserve and asked if this was part of being compliant with the Act.
- The auditor responded that the move to transfer a portion of the Social Development Fund into Reserve was part of the process of strengthening the institutional capital and strengthening the solvency of the credit union. The resolutions that were passed earlier will also strengthen the institution's capital base. The first priority was to ensure that the depositors' interests were safeguarded and that there was the correct ratio between the institutional capital relative to the deposits. A mechanism must be put in place to consistently strengthen the capital base to allow for the natural growth of GECCU. Therefore, there had to be a direct relationship between the growth of the organisation and the capital base which included the statutory reserve.
- **Correction to page 63: 'Colonial Life Insurance Credit Union Limited' should read 'Colonial Life Insurance International Company' and 'British American Credit Union Limited' should read 'British American Insurance Company Limited'.**
- Bro. Ronald Browne suggested that the investment of over \$1,000,000 in CIBC First Caribbean be transferred to the Bank of St Vincent & the Grenadines upon maturity. He felt that GECCU was undervaluing itself by accepting 1% from CIBC First Caribbean when it can receive 5% from the Bank of St Vincent and the Grenadines.
- The Treasurer's and Auditor's Reports were adopted on a motion moved by Bro. Philbert John, seconded by Bro Daniel Mc Millan.

(iii) Election of the Board of Directors

It was reported that the Financial Services Authority (FSA) was responsible for conducting the elections. FSA's representative, Ms. Neva Cordice conducted the elections.

- Retiring from the Board of Directors were: Bros. Clarence Harry and Aubrey Burgin and Sis. Mineva Glasgow.
- The Nominating Committee comprising Sis. Verlene Saunders, Bro. Clarence Harry and Bro. Richard Cumberbatch nominated Bro. Philmore Isaacs, Sis. Mineva Glasgow and Bro. Sylvester King.
- From the floor, Bro. Harold Lewis was nominated by Bro. Philbert John and seconded by Bro. Linus Goodluck. Bro. Michael Da Silva was nominated by Sis. Audrey Dennie and seconded by Sis. Kari Da Silva.
- Nominations were closed on a motion moved by Bro. Philbert John and seconded by Bro. Earl Bennett.

The results of the election were:

Bro. Philmore Isaacs	- 72 votes
Bro. Sylvester King	- 45 votes
Sis. Mineva Glasgow	- 99 votes
Bro. Harold Lewis	- 70 votes
Bro. Michael Da Silva	- 42 votes

Bro. Philmore Isaacs, Sis. Mineva Glasgow and Bro. Harold Lewis were elected to serve on the Board of Directors.

(b) Credit Committee

(i) Credit Committee's Report

- The Credit Committee's report was taken as read on a motion moved by Bro. Earl Bennett and seconded by Bro. Randolph Clarke.
- Bro Philbert John commended the Credit Committee on a year of excellent work.
- The Credit Committee's report was adopted on a motion moved by Bro. Philbert John and seconded by Sis. Marcelle Burgin.
- Bro. Harold Lewis thanked the members of the credit committee, the Board of Directors, management, staff and the general membership for their support. He felt that the Credit Committee did an excellent job given the new framework required by the FSA.

(ii) Election of the Credit Committee

- Retiring from the Credit Committee was Bro. Harold Lewis.
- The Nominating Committee nominated Sis. Janice King.
- Nominations were closed on a motion moved by Bro. Philbert John and seconded by Sis. Myrna Bramble.
- Sis Janice King will now serve on the Credit Committee for a period of 3 years.

(c) Supervisory and Compliance Committee

(i) Supervisory and Compliance Committee's Report

- The report of the Supervisory and Compliance Committee was presented by Bro Joel Poyer.
- The report was taken as read on a motion moved by Sis. Marcelle Burgin and seconded by Sis. Myrna Bramble.
- The Supervisory and Compliance Committee's report was adopted on a motion moved by Sis Marcelle Burgin and seconded by Bro Philbert John.
- On behalf of the Supervisory and Compliance Committee, Bro. Joel Poyer thanked the members for their support. He then announced his retirement after 18 consecutive years of service to GECCU.
- The chairman thanked Bro. Joel Poyer for his contribution over the past 18 years.

(ii) Elections for the Supervisory and Compliance Committee

- Retiring from the Supervisory and Compliance Committee were Bro. Joel Poyer and Sis. Arlene Lewis.
- The Nominating Committee nominated Sis. Arlene Lewis and Sis. Devon Wright.
- From the floor, Sis. Marva Cato-Robinson was nominated by Sis. Mineva Glasgow, seconded by Bro. Sylvester King. Sis. Elsa Wynne was nominated by Bro. Earl Bennett, seconded by Bro. Harold Lewis.

Nominations were closed on a motion moved by Bro. Earl Bennett and seconded by Sis. Dionne John.

Results

Sis. Arlene Lewis	- 48 votes
Sis. Devon Wright	- 23 votes
Sis. Marva Cato-Robinson	- 61 votes
Sis. Elsa Wynne	- 51 votes

Sis. Marva Cato-Robinson and Sis. Elsa Wynne were elected to serve on the Supervisory and Compliance Committee.

(d) Education Committee's Report

- The Education Committee's Report was presented by Sis. Dionne John.
- The report was taken as read on a motion moved by Sis. Harriet Bushay and seconded by Bro. Kelmor Hadaway.
- The Education Committee's Report was adopted on a motion moved by Sis. Angela Martin, seconded by Bro. Earl Bennett.

6. ELECTION OF AUDITOR

- BDO was nominated as auditor for another year on a motion moved by Bro. Philbert John and seconded by Sis. Marcelle Burgin.
- Nominations were closed on a motion moved by Bro. Earl Bennett and seconded by Sis. Hyacinth Harry.
- BDO will be the auditor for the next financial year.

7. NEW BUSINESS

- The Chairman thanked all of the members who served in various capacities over the years.
- There being no other business, the meeting ended at 9:07 pm on a motion moved by Sis. René Baptiste, seconded by Bro. Earl Bennett.

Read and signed as a true record this day of 2015

Secretary

Chairman

MINUTES OF A SPECIAL GENERAL MEETING OF THE GENERAL EMPLOYEES' CO-OPERATIVE CREDIT UNION LIMITED (GECCU) HELD AT THE KINGSTOWN METHODIST CHURCH HALL ON 11TH DECEMBER 2014

IN ATTENDANCE

BOARD MEMBERS

Bro. Kelvin Pompey	President [Chair]
Bro. Philmore Isaacs	Vice-President
Bro. Ronnie Daniel	Director
Sis. Mineva Glasgow	Director
Bro. Jerold Jackson	Director
Bro. Harold Lewis	Director
Sis. Gemma Mc Cree-Clarke	Director
Sis. Cecelia Williams	Director
Management	
Bro. Lennox Bowman	Chief Executive Officer

ABSENT

Bro. Cecil Ryan	Director (with apology)
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1 CALL TO ORDER

The meeting convened at 4:50 p.m.

2 PRAYERS

Prayers were offered by Bro. Ronnie Daniel, after which one minute of silence was observed as a tribute to deceased members.

3 APOLOGIES

An apology was made on behalf of Bro. Cecil Ryan who was unable to attend the meeting.

4 WELCOME AND INTRODUCTION

- In his welcoming remarks, the President of the General Employees' Co-operative Credit Union Limited (GECCU), Bro. Kelvin Pompey thanked everyone present for attending the Special General Meeting. He indicated that the purpose of the meeting was to update members on GECCU's progress in terms of its vision and mission, and apprise them of the reclassification of GECCU's Share Capital.
- He explored GECCU's historical development, and identified its achievements over the past fifty (50) years. He reflected on GECCU's humble beginning of nine (9) members with total assets of six dollars (\$6.00), to its present state of approximately thirty-four thousand (34,000) members representing approximately 37 % of the national population; and an asset base of one hundred and eighty-three million dollars (\$183,000,000.00). He applauded the success of GECCU, and attributed it to the consistent hard work and vision of its founding fathers, Board of Directors, volunteers, staff and faithful membership over the years.
- He remarked that the Annual General Meeting does not sufficiently address all of the issues and concerns of the credit union and its members because of the nature of the meeting. He further stated that there is a need for special meetings, which should be convened on a regular basis so that members could be kept abreast of what is happening and give their feedback/input on issues of concern.
- The Chairman applauded members for their full attendance at the special meeting and expressed thanks and appreciation on behalf of the Board of Directors for their commitment towards GECCU. He sought members' co-operation, collective wisdom, knowledge, and frank but respectful opinions on the items on the agenda, which would guide the meeting to a successful conclusion. He concluded by stating his anticipation of a fruitful, engaging and successful meeting.

5.0 PRESENTATIONS

1. THE ESTABLISHMENT OF OFFICES AT SOUTH RIVERS AND TROUMACA

- The presentation was done by Bro. Ronnie Daniel who gave an overview of the plans regarding the establishment of the offices at South Rivers and Troumaca and outlined the reasons for expansion into the targeted areas. The presentation included the justification for choosing the areas, snap shots of the proposed sites and the architectural designs.
- **Justification for New Branches History:**
GECCU has a history of meeting its members where they are, e.g. Bequia, Union Island and Georgetown. The opening of the new offices would have a positive impact on present and potential members in accessing its services.
- **Economic:**
It is less costly for someone who lives at Fitz Hughes in North Leeward area to travel to Troumaca rather than to Kingstown.
- **Corporate Prudence:**
The move makes good corporate sense. While expansion would increase GECCU's operational cost (wages for new staff, equipment etc.), it would benefit members in those areas economically, as it would be easier and less expensive to conduct business in Troumaca and South Rivers, rather than travelling to Kingstown. This would also ease the financial burden of members and GECCU would be effective in accommodating its members by meeting their needs.
- **Contracting Banking Sector:**
The contraction of the banks' branch networks provides a void which GECCU can try to fill. Service to the un-served and under-served is a current objective of GECCU. The expansion of GECCU's sub-office network is the preferred strategy to achieve this objective.
- **Enhanced Public Image:**
The new sub-offices in rural areas would aid in entrenching the idea of GECCU as the institution of first choice in St. Vincent and the Grenadines. The offices would not only be used as a marketing strategy but as a marketing tool to aid in the branding of GECCU.
- Bro. Ronnie Daniel concluded the presentation by showing photographs of the site and the architectural designs for both buildings.

DISCUSSIONS

- In the ensuing discussion a number of questions were posed regarding the size of the lands for the proposed offices, the plans for protection from river erosion for the South Rivers' sub-office, the logic for establishing branches in the chosen areas, the costs of construction versus the expected revenue from both ventures, and the profitability of running the sub-offices.
- Bro. Lennox Bowman responded that the land size for the Troumaca site was approximately 3000-4000 square ft. while the property in South Rivers was approximately 4000-4500 square ft. Owing to the size and shape of the land - a triangle, an application was made to Planning Division for a waiver to build on the land. During the December 2014 floods, there was some erosion along the banks of the river at South Rivers. The Ministry of Transport and Works installed rock armour, in the form of a river defence, to protect the land. A mandatory ten feet (10 ft.) space from the rock armour was included in the architectural design of the building by GECCU.
- Bro. Bowman pointed out that other forms of river defence to prevent landslides and the destruction of the property during a storm were under review by GECCU. The general costs of construction would be approximately four hundred thousand dollars (\$400,000.00) per sub-office.

- In presenting further rationale for the location of the new sub-offices, Bro. Bowman explained that GECCU's membership increased from six (6) in 1964 to approximately forty thousand (40,000). He emphasized that one principal issue that GECCU looks at is its purpose as a credit union, and its main principle is to serve its community. He reiterated that GECCU's vision is to give all members, particularly those who live within various rural communities, access to its services. He pointed out that the South Rivers- Park Hill- Colonaire area is one of the most densely populated and depressed areas which needed to be served. The same was said for North Leeward.
- He reminded members that when GECCU took over the South Rivers Co-operative Credit Union Limited, one of the commitments made was to re-establish an office there. Additionally, the move would be used as a marketing and advertising strategy with the establishment and presence of GECCU in the area. Hence, the reason for providing and accommodating members with the best, easiest and most efficient of services, which would lead to greater access, greater penetration, higher levels of loans and increased profitability.
- He noted that at the end of each month, the Kingstown office struggles to meet the capacity of members wanting to do business, and indicated that the rationale used to penetrate North Leeward, was the same rationale used for the South Rivers-Park Hill area; hence the reason why the office was not placed specifically on the main road, but in South Rivers where it was originally located. He opined that the location for the sub-office allows residents to have easy access to the credit union's services because of its proximity.
- In terms of the profitability of running the new sub-offices, Bro. Bowman explained that the notion behind the South Rivers-Park Hill sub-office was not necessarily profit driven, but to accommodate the community by taking financial services to them. The establishment of the offices would also encourage enterprise and aid in the economic development in the community, in the form of the business creation such as mini-marts, pharmacies etc. Regarding the costs, he noted that the overhead cost of the proposed offices in terms of systems and management structures were already in place and covered by GECCU, thus eliminating some costs. He noted also that the cost incurred would be the cost for additional staff.
- In terms of the profitability of the other established sub-offices, the Chief Executive Officer reiterated that as a credit union, GECCU maximizes on service to its community. He reported that the offices in Bequia and Union Island were fairly small branches which were not expected to grow exponentially because of the size of the population. However, he noted that because of the constant traffic between members on the main land and the Grenadines, GECCU is duty bound to provide access to financial services for its members particularly in the localities where the banks were contracting their services. Bro. Bowman emphasized that the benefits to the communities are tremendous because members do not have to travel to the Kingstown office to conduct their business. He expressed GECCU's expectations of the same benefits to the communities of proposed new offices.

2. **THE PROPOSED JOINT FUNERAL HOME PROJECT BETWEEN GECCU AND THE MARRIAQUA UNITED FRIENDLY SOCIETY (BUNPAN)**

- The presenter, Sis. Mineva Glasgow summarized the proposed jointed funeral home project between GECCU and the Marriaqua United Friendly Society [BUNPAN]. She cautioned that the proposed project was not a merger but a collaborative effort between both parties. She gave an overview of the rationale behind the joint venture and the proposed benefits to be derived.
- **Rationale for the Proposed Project Common Ground:**
- Death is a fact of life therefore, any investment in a funeral home would be a prudent one. There is also a shared understanding, commitment and commonality of members of both organizations. Many of GECCU members are also members of BUNPAN.
- **Well Placed to Collaborate:**
- Both organizations are well established and already offer funeral grants/death benefits. This is in keeping with GECCU's mission and vision to be responsive to the needs of its members in every possible area of service it can provide.
- **Principles of GECCU:**
- GECCU is a co-operative that follows the seven (7) international principles of co-operatives. One of the seven principles is concern for the community, which is the catalyst of the joint venture.
- **Benefits of the Proposed Projects:**
 - * Synergies to be achieved.
 - * Sales of caskets and coffins at affordable rates.
 - * Arrangements for the disposing of flowers used in funerals or funeral services.
 - * Arrangements for obituaries and death notices in printed and electronic media.
 - * Arrangements for cemetery burial or cremation. Arrangement for services and those who officiate at the internment.
 - * Provision of hearses and flowers.
 - * The cost benefits to be derived in having the total funeral arrangements done simultaneously.
 - * Economies of scale – joint marketing
- She concluded the presentation by reporting that GECCU held several meetings with the executive of BUNPAN and also contracted the services of Alexander & Company Squared who visited Trinidad to review the funeral home operations of the City of Port of Spain Credit Union [COPOS].
- Alexander & Company Squared submitted a report and commenced financial modeling of the project.
- Sis. Glasgow reiterated that there would be economies of scale to be realized in the joint venture by both parties.

DISCUSSIONS

- From the presentation, a number of questions were raised regarding training of personnel to build coffins and caskets, preparation of corpses, types of services that would be offered included cremation, feasibility of the venture, choice of members to utilize other services, benefits of dual membership and annual death benefit paid out.
- In response to these questions, Sis. Mineva Glasgow explained that there are three (3) established funeral homes in St. Vincent and the Grenadines: Ever Ready Funeral Home, New Haven Funeral Home and Wyllie's Funeral Home. From these funeral homes, some caskets are imported while others are built locally by competent carpenters, which are often cheaper. In addition, there are persons who are already trained to prepare the dead bodies. She opined that cremation is not a part of the Vincentian culture and is more prevalent in Trinidad and Guyana arrangements. While COPOS Credit Union does not have the facilities for cremation, arrangements can be made through that credit Union for cremation if so required.
- In terms of the joint venture with other credit unions, she noted that the project was still at the proposal stage, after which the Co-operative League and other credit unions would be engaged. In the event that other credit unions would like to be a part of the venture, they are free to indicate their interest. She also encouraged members to offer any suggestions or proposals that would aid in carrying the project forward.
- In her response to the question regarding choice of funeral service and benefits, Sis. Glasgow pointed that with the combined synergies of GECCU and BUNPAN, a higher quality service at a much cheaper price is ensured; however, the option for members to seek the service of another funeral home remains. Also, if a deceased member has membership in both BUNPAN and GECCU, the beneficiary/ies would receive benefits from both institutions.

3. THE LONG-TERM DEVELOPMENT PLANS FOR GECCU BUILDINGS AND RELOCATION OF GECCU HEADQUARTERS

- Bro. Kelvin Pompey, in introducing the presentation to be done by Bro. Harold Lewis, reminded members that while GECCU was the largest credit union in St. Vincent and the Grenadines, its headquarters needs to be enhanced. He also advised members that GECCU was at the point where it was ready to upgrade its headquarters and construct a building on Halifax Street. He encouraged suggestions and comments from members re: the proposal.
- Bro. Harold Lewis gave a synopsis of the proposed plans for the five (5) buildings, adjoining each other on Halifax Street, which are owned by GECCU. He indicated that in the past GECCU members indicated their dissatisfaction with the present headquarters and stressed the need for a new and modern one. He pointed out that although renovations were done on the present headquarters, with a staff of forty-seven (47) and a membership of approximately forty thousand (40,000), GECCU has outgrown the present building which is almost fifty (50) years old.

- **Rationale for Relocation and Upgrade of Existing Buildings:**
- Along with its present headquarters, GECCU has four (4) other buildings, all of which have cumulative ages of 260 years as follows:
 - I. The Bounty Building - 60 years
 - II. The Coombs Building - 40 years
 - III. The Reliance Building - 50 years
 - IV. The Connell Building - 60 years
- He disclosed that there was a plan to renovate four (4) of the buildings stated above in order to obtain greater commercial viability. In outlining the way forward the following propositions were made:
- Relocate the existing staff to one of the other buildings before the 1st quarter in 2015.
- Build a new headquarters that will be the envy of all financial institutions in St. Vincent and the Grenadines.
- He stressed that the expected outcome of the building projects is to:
 - i. Serve members in keeping with the vision and mission of GECCU.
 - ii. Increase staff morale and productivity in order to increase profits.
 - iii. Maintain GECCU as the financial institution of first choice.
 - iv. Ensure GECCU remains stable for its members.
- He concluded by echoing the sentiments of the general membership that the new headquarters was long overdue and expressed his sincere desire to see all the plans for the buildings realized.
- **DISCUSSION**
- Subsequent to the presentation, the questions of the costs of the buildings (new/renovations), date of completion, and the architectural designs formed the basis for the discussions.
- In addressing the questions posed, Bro. Lennox Bowman informed members that the estimated costs for the new building could not yet be determined. He outlined the plan to renovate the building that formerly housed the Agency for Public Information (API) at an estimated cost of \$1.3 million which includes the relocation of the headquarters to that building upon completion of the renovations.
- Bro. Bowman further indicated that operations would be housed in the former API building until the new headquarters is completed.
- Responding to the comment that there was not a need to renovate the former API building, nor was there a need to relocate the office, thus saving the proposed expenditure on those projects, Bro. Bowman indicated that when the new building is completed, income would be generated through rentals from the renovated building and the other buildings as well.

4. THE RECLASSIFICATION OF SHARES - [RESOLUTIONS 1 & 2 PASSED AT THE 48th ANNUAL GENERAL MEETING

- Bro. Kelvin Pompey, the presenter, traced the origins of the new financial regulations to the financial turbulence that began in 2008 which resulted in a negative impact on the financial sector. As a consequence, there was an emergence of new rules and regulations for financial institutions regarding their mode of operations, to mitigate and lessen the impact on their members if such an event should occur again. He noted that in order to enhance accountability and transparency a new act was passed in St. Vincent and the Grenadines and a number of financial regulations and standards were implemented to protect the investments of members.
- Consequently, in order to adhere to the new regulations, GECCU must have a Net Institutional Capital Ratio of 10% of its Asset Base set aside as a Net Institutional Capital. This requires eighteen million, three hundred thousand dollars (\$18,300,000.00) which was ten percent (10%) of its one hundred and eighty-three million dollars (\$183,000,000.00) in assets. He explained that the Net Institutional Capital consists of Equity Shares, Statutory Reserves and Retain Earnings and those are amounts that the credit union owns. This amount would be transferred from members' shares and cannot be taken or removed at the whims and fancies of members.
- **Justification for the Reclassification of shares**
- The Chairman disclosed that while shares in the credit union are essentially known as 'shares', according to the International Financial Reporting Standard Board (IFRSB), shares cannot be considered as capital because they can be withdrawn. Therefore, a certain percentage must be made permanent shares which cannot be withdrawn. He reminded the meeting that this was done about three years ago when members were asked to contribute one hundred dollars (\$100.00) towards permanent shares, and some members contributed more than that required amount. These contributions amounted to almost two million dollars (\$2,000,000.00) in permanent shares but were still far below the required ten percent (10%) to be held as Institutional Capital. According to the regulations, one of the restrictions that have been placed on credit unions is that dividends cannot be paid until the ten percent (10%) Net Institutional Capital is in place.
- He referred to the last general meeting where there was a discussion on the ways and means to raise the Institutional Capital. From that discussion a mandate was given by the membership to transfer twenty million dollars (\$20,000,000.00) from ordinary/ regular shares savings to members' equity shares. He informed the meeting that this mandate was implemented on December 4, 2014, to ensure that all stipulated mechanisms were in place. He explained that before December 4, 2014, the Institutional Capital was just about 6.7 %, but since the transfer it increased to 16.7%, which was in compliance with the regulations. This gives GECCU the space to grow because it could now increase its asset base and pay dividends.
- **Implications**
- In his effort to ensure clarity, the Chairman asked the question - What is the effect of this transfer on members' regular shares savings? He responded that as of December 4th 2014, twenty-two percent (22%) of each member's regular share savings were reclassified as equity shares. He pointed out that these new measures enabled GECCU to cushion and withstand any financial shocks (which presently appears to be inevitable), while creating the ability to expand and increase its asset base.
- He assured the meeting that nothing would change regarding members' ability to gain access to loans, since GECCU has been utilizing a risk-based lending policy (based on one's ability to pay), and lends beyond the maximum of five times. This fact was reiterated and substantiated by the Registrar of Co-operatives, Bro. Cecil Jackson who underscored that the new classification of shares in terms of equity shares would result in a sounder and firmer financial base, increased investments for credit unions, and consequently, greater protection and benefits to members.

- **DISCUSSION**

- The discussion which followed the presentation was based on questions regarding interest rate on fixed deposits, US Government's new tax policy, equity/permanent shares and GECCU's loan policy.
- In response to the question regarding the current interest on fixed deposits, GECCU's Accountant, Sis. Maxine Johnney indicated that the interest rate on fixed deposits changed from 4% to 3.5% in August 2014. She explained that members/depositors received 4% interest up to August 2014. Deposits which matured after August 2014 were given the new interest rate of 3.5%.
- As regards the question of the US Government's new tax policy, the Chairman noted that the United States' law states that the US Internal Revenue Service (IRS) should be informed whenever financial institutions/entities or individuals outside of the US with US residency, addresses and or post boxes have accounts in excess of fifty thousand US dollars (USD \$50,000.00).
- The Chairman explained that while St. Vincent and the Grenadines does not impose a tax on savings, in the USA, taxes on savings is a major source of income for the US Government. Therefore, non-compliance with those regulations meant that financial institutions involved could be barred and therefore would not be able to transact business using the US currency, which is the standard currency to conduct business. He advised that if such a case should arise, GECCU would notify the individual(s) or institution (s) concerned of the request made by the US Government.
- Sis. Rene Baptiste stated that the law was passed by the US Government to primarily catch off-shore bankers, whose money could not be traced by the US Government. She explained that the US Government cautioned the banks and other financial institutions outside of the USA, that if they refuse to divulge the information, they would not be allowed to trade in its currency.
- In clarifying the change from 'permanent shares' to 'equity shares' the Chairman reminded the meeting that two meetings were convened to discuss the reclassification of shares and the requirements as outlined by law. He recalled that the first meeting discussed the movement towards establishing permanent shares, and the second (present) meeting was called to discuss the implementation of equity shares. He noted that the reclassification measures were required to strengthen the capital base, adhere to and be in compliance with the new Co-operative Societies Act and Regulations.

5. THE PETERS HOPE LAND DEVELOPMENT PROJECT

- Bro. Philmore Isaacs began his presentation on the Peters Hope Land Development Project by posing the question - Why a Peters Hope Project? He responded by stating that GECCU had excess funds at the time that the land became available for sale. Consequently, GECCU used the opportunity to invest in the purchase of thirty (30) acres to be made available to its members for housing.
- He reported that there was an access road from the Leeward Highway leading to the project. A retaining wall, drains and a spine road were also constructed. He advised that GECCU and the National Insurance Services [NIS] are joint partners. The NIS owns twenty-five (25) acres of land, situated at the front, while GECCU owns thirty (30) acres located in the back. He advised that the joint venture was necessary in order to install infrastructure such as roads and utilities. He explained that this was done through a Memorandum of Understanding (MOU) between the two parties. He concluded by emphasizing that GECCU would ensure that the entire infrastructure is in place before the plots are sold, and reminded the meeting that one of the objectives of the project is that prospective home owners would return to GECCU for their mortgages.

- **DISCUSSION**

- The discussion was based on questions relating to the cost per square foot for the building lots, estimated time of sale of the building lots and the proposed use of the lands.
- In his response to the questions, Bro. Philmore Isaacs indicated that the lands at Peters Hope were still being surveyed and the project was still in the preliminary stages. He stated that a decision on the cost per square foot was not reached as a consequence of the foregoing.
- Bro. Isaacs further stated that the lands should be ready for purchase by the end of 2015, all things being equal. With regard to the question about the use of the land, he indicated that approval was granted from the Physical Planning for residential homes, but noted that the first section would be apportioned for commercial use. He advised that the project presents business opportunities and encouraged members to maximize the benefits to be gained from the project.

6 CONCLUSION

- The meeting concluded with the Chairman's expression of thanks and appreciation to the presenters, Board of Directors, volunteers, staff and general membership for their active participation in the discussions. The Chairman commended members for their full attendance to the end, which he affirmed was a testament of their love and commitment to their credit union – GECCU. He ended with the pronouncement of God's blessing on everyone for a blessed and peaceful Christmas and a prosperous 2015, and with the reminder that the GECCU's Christmas loan was still on and available to all members.

7

ADJOURNMENT

- There being no other business the meeting was adjourned at 7:20 p.m.

Confirmed on this.....day of.....2015

.....

Secretary

.....

Chairman

**BOARD OF DIRECTORS' REPORT
TO THE 49TH ANNUAL GENERAL MEETING**

BOARD OF DIRECTORS 2014



Sis Gemma McCree
Secretary



Bro. Kelvin Pompey
President



Bro. Philmore Isaacs
Vice President



Bro. Jerold Jackson
Treasurer



Bro. Harold Lewis
Director



Bro. Ronnie Daniel
Director



Bro. Cecil Ryan
Director



Sis. Cecelia Williams
Director



Sis. Mineva Glasgow
Director



Bro. Lennox Bowman
CEO

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 its annual report which encapsulates the activities, accomplishments, challenges and growth in our Credit Union for the year ended December 31st, 2014.

The year 2014 was especially significant since GECCU Ltd celebrated its 50th Anniversary with the successful execution of a full program of activities which reinforced and validated the GECCU brand. Additionally this was the first year of our new 3 year strategic plan 2014-2016 which included the designed strategies to ensure growth and sustainability in all critical areas, augmented by the continuing efforts to balance prudence with enterprise.

Economic Experience

- 1.2 During the period under review, the Credit Union continued its journey of development to improve the quality of life for its members amidst great uncertainty in the economic and financial movement.
- 1.3 Even where money conditions were assessed by the ECCB to have eased, there was the tightening of credit conditions by many players in the financial sector.
- 1.4 The OECS Economic results of 2014 showed a domestic credit contraction of 4.5% and overall credit to the private sector decreased by 1.8% in contrast to an increase of 2.0% in 2013. St. Vincent and the Grenadines was expected to grow its GDP by 1.1%
- 1.5 During the year there was constant review of our strategies, tasks and operations to keep pace with the changes taking place in the environment.
- 1.6 Constant monitoring of these issues enabled GECCU to maintain its competitive advantage and quality of services throughout the year. This was done without compromising the core philosophy and principles of being a financial institution with a human face and heart.
- 1.7 We are therefore very pleased to report that GECCU achieved positive growth in most areas of our operations.

3.0 Board of Directors

- 3.1 At the 48th Annual General Meeting, two new members, Brothers Philmore Isaacs and Harold Lewis were elected to the Board.
- 3.2 At its first meeting, the Board of Directors elected Bro. Kelvin Pompey – President, Bro. Philmore Isaacs-Vice President, Bro. Jerold Jackson – Treasurer, and Sis. Gemma McCree - Secretary.

The full Board of Directors comprises the following:

Bro. Kelvin Pompey	-	President
Bro. Philmore Isaacs	-	Vice President
Sis. Gemma Mc Cree	-	Secretary
Bro. Jerold Jackson	-	Treasurer
Sis. Cecelia Williams	-	Director
Sis. Mineva Glasgow	-	Director
Bro. Ronnie Daniel	-	Director
Bro. Cecil Ryan	-	Director
Bro. Harold Lewis	-	Director

3.3 Meetings and Attendance

Meetings of the Board were held monthly. In addition, ten 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 (10)	TOTAL (10)	TOTAL(20)
Bro. Clarence Harry	10	10	20
Bro. Kelvin Pompey	9	10	19
Sis. Mineva Glasgow	10	10	20
Bro. Aubrey Burgin	9	8	17
Sis. Cecelia Williams	9	8	17
Sis. Gemma Mc Cree-Clarke	10	10	20
Bro. Ronnie Daniel	9	9	18
Bro. Jerold Jackson	9	9	18
Bro. Cecil Ryan	10	10	20

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 work plan (with clear targets and time frames) as well as a budget to address the critical issues. This work plan 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: CORPORATE GOVERNANCE

- 2.1 During the year the Board of Directors continued its recognition and focus on governance as a strategic priority. GECCU is committed to building a strong culture of compliance. To this end through education and training GECCU will endeavor to ensure that every worker or volunteer in the Credit Union knows that they have individual compliance responsibility and that everyone understands what is expected of them. The elements of communication, confirmation and correction are being continually practised. Additionally best practices of external, internal and individual governance, as outlined in the WOCCU's governance charter are of priority to the Board of Directors.
- 2.2 Special emphasis continued to be placed on the monitoring and reporting systems, thereby ensuring that the communication flow in all directions within the organization was achieved in a timely and effective manner.
- 2.3 Frequent meetings at the levels of Board, Committees, Management and Departments continued.
- 2.4 All statutory obligations were observed and the close working relationships with the SVG Co-operative League, the Co-operative Department and Financial Services Authority were maintained.

4.2.1 PRIORITY 2: REGISTRATION OF NEW MEMBERS

- 4.2.1.1 During the period under review, **2,235** new members/depositors were registered; the targeted number for this period was 2,000.

These figures indicate that GECCU Ltd continues to remain an institution of preferred choice for the citizens of St. Vincent and the Grenadines. This reflects the continued need for our products and services, as well as the sustained confidence in our Credit Union.

Strategies implemented to grow membership include

- a) Enlisting the help of volunteers/liaison officers.
 - b) Increased use of social networks, our website and Mobile app
 - c) Intensifying the school's outreach programme
 - d) Greater segmentation of markets
- 4.2.1.2 Our focus on the recruitment of youth continues. We are pleased to report that **62%** of our new members are under the age of 30. The target set for the year was 60%. This clearly demonstrates that marketing to our youth continues to be successful and that we remain an attractive alternative for our young people.
- 4.2.1.3 Total membership/depositors of the credit union now stands at **38,953**. This figure represents a net increase in total membership of **1.18%**.

Table 2: Breakdown of new membership/depositors by age

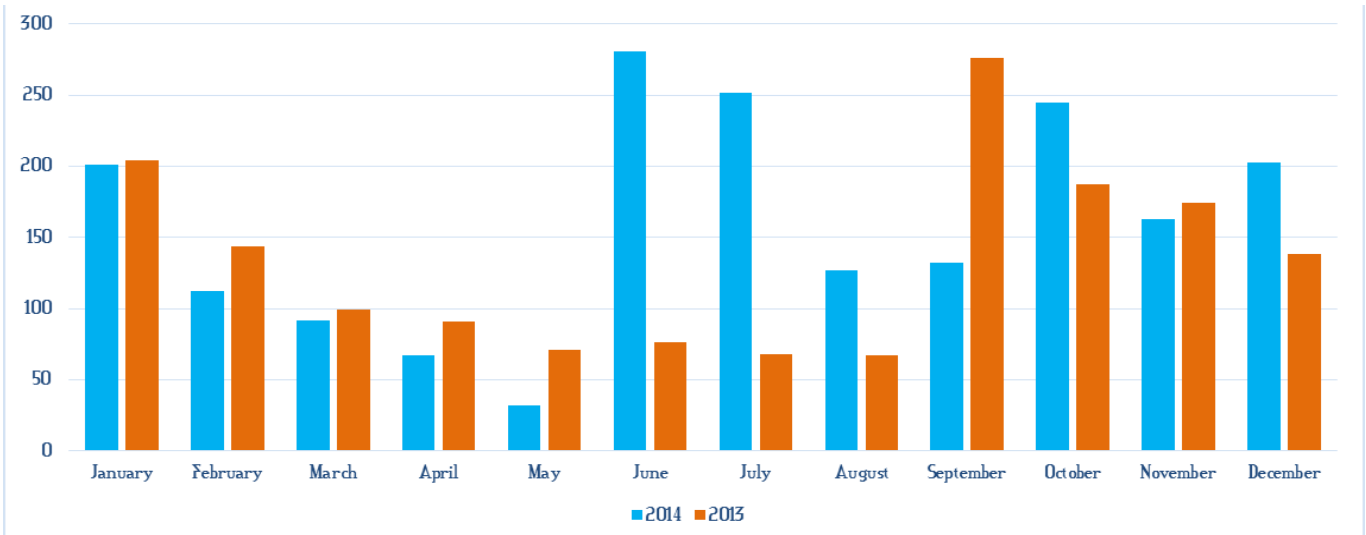
AGE	Number of Persons	Percentage
Junior Savers	618	28
16-30	761	34
31-40	366	14
41-50	298	13
51-60	159	9
60+	33	2
TOTAL	2,235	100

During the period three (3) organizations also joined GECCU as depositors.

4.1.3 PRIORITY 3: DORMANCY

- 4.1.3.1 Notwithstanding the depressed economic climate, our focus on rehabilitation of dormant accounts was quite successful.
- 4.1.3.2 During the year, **1,907** members were re-activated with total receipts of **\$428,664.76**. This compares with **1,595** members and receipts of **\$472,305.80** in 2013. The targeted number of reactivated accounts set for the year was 1,000.

Table 3: Comparison of 2014 & 2013 Re-activated Accounts



4.1.4 PRIORITY 4: ENHANCEMENT OF RECOVERIES PROGRAMME

- 4.1.4.1 During the year, the challenging economic and financial environment continued to exert pressure on some of our members' ability to comfortably meet their loan repayment obligations.
- 4.1.4.2 GECCU was challenged not only to keep delinquency under control, but more so to work with our members to assist them through these difficult times.
- 4.1.4.3 The Loans Department, the Credit Committee and the Recoveries Committee work very well together and we are pleased to report that our delinquency rate fell from 9.23% in 2013 to 6.99% at the end of this reporting period.
- 4.1.4.4 GECCU will continue to pursue proactive and responsive strategies to manage this all important portfolio.

4.1.5 PRIORITY 5: HUMAN RESOURCE CAPACITY BUILDING

- 4.1.5.1 GECCU continues to invest in the development of its human resource at all levels of the organization. These initiatives have been impacting positively on our efforts to deliver on our strategic objectives and our mission of enhancing the quality of life of all members.

GECCU believes that developing the skills of our people is as important as building the institution itself. In this regard, succession planning is viewed as a strategic imperative.

- 4.1.5.2 GECCU will continue to recruit and develop top talent as a priority and will also continue to implement incentives to keep employees and volunteers motivated and productive.

4.1.5.3 With this in mind, GECCU continues to develop training programmes and assist with education programmes targeting staff, volunteers and the general membership.

4.1.5.4 The following details the training undertaken during the year:

Table 4: Staff Training - Workshop and Seminars (In-house)

Seminar Title	Participant	Date	Facilitator
Loans Administration Practices (Documenting and Underwriting)	Loan Department Staff Credit Committee Internal Auditor Baldwin Johnney Osbert Cunningham Jr. Damoris Alexander Vennecia Ollivierre Rehka Gooding	February 25	Lennox Bowman – CEO
Performance Management	All Staff	March 24	Dr. Mineva Glasgow Dep. Director of NIS
Emortelle Module	Staff, Board, Credit Committee and Supervisory and Compliance Committee	May 5 – 24	Shawn Mills, MSD
Securities Management	Loans Department Staff Credit Committee Internal Auditor	August 5	Lyndon T. George, Barrister -At-Law
Cash Management Procedures	All Staff	November 14	Lennox Bowman – CEO
Third Party Transactions	All Staff	November 19	Damoris Alexander – Internal Auditor
Construction Project Management Understanding Cost Estimates and Reports	Credit Committee Loans Department Staff	November 19	Arthur Guy – Quantity Surveyor

Table 5: Staff Training - Workshop and Seminars (Ex-house)

Seminar Title	Participant	Location	Date	Resourced by
Youth, Entrepreneurship and Co-operatives (CARIBDE)	Osbert Cunningham Jr. Anton Jardine Ricardo Springer Danny-lee Francis	St. Vincent & the Grenadines	January 19 - 25	NCUF/ILO/ CCCU/ CUNA/SVG League
Business Innovation	Julian Joslyn	St. Vincent & the Grenadines	February 4	ECCB
Supervisory Management	Damoris Alexander Danny-lee Francis Cornelia Moses	St. Vincent & the Grenadines	March 17 – July 16	UWI Open Campus
Basic Principles of Insurance	Junelto James	St. Vincent & the Grenadines	March 17 - 28	Insurance Institute of SVG
Ethics and Business Practices and League Issues in Real Estate Finance	Cheryl Bacchus	St. Kitts & Nevis	May 26 - 30	ECHMB
Reading and Understanding Financial Statements	Ryan Hazell	St. Vincent & the Grenadines	May 27	UWI Open Campus
International Credit Union Development Educator (I-CUDE)	Danny-lee Francis	Madison, WI	September 10 - 17	NCUF
Supervisory Management	Julian Joslyn Joanne Stowe-Powers Rhonda Thompson	St. Vincent & the Grenadines	September 15 (13 weeks)	UWI Open Campus
Caribbean Development Educator (CaribDE)	Joanne Stowe-Powers Dir. Mineva Glasgow Dir. Jerold Jackson	St. Lucia	September 22	NCUF/ CUNA/ CCCU
Fraud Prevention and Detection	Damoris Alexander Maxine Johnney	St. Vincent & the Grenadines	September 30	SMAT Partners Ltd
Foreign Exchange	Ryan Hazell Rhonda Thompson	St. Vincent & the Grenadines	December 10	RBTT

4.1.6 PRIORITY 6: TO ASSIST MEMBERS IN FULFILLING THEIR HOUSING NEEDS

4.1.6.1 During the period under review, work started on the joint project with NIS to develop the 57 acres (GECCU 30 acres and NIS 27 acres) of land at Peter's Hope .

4.1.6.2 The first phase of the joint project is scheduled to be completed on March 31, 2015. This phase includes the common spine road, drainage, culverts, retaining wall , entrance etc. The remaining phases of the project covers the electricity and water utilities and every effort is being made to ensure that these phases are completed by the end of the 2015 or early 2016.

4.1.7 PRIORITY 7: STRENGTHENING OF THE MOVEMENT NATIONALLY AND REGIONALLY

4.1.7.1 The Board and Management of GECCU recognize the importance of all major stakeholders working together for the further development of the Credit Union sector. GECCU continues to demonstrate leadership in this area. Apart from the active support for the activities of the League, the Financial Services Authority and the Co-operative Department, GECCU also provides financial and human resource assistance to sister Credit Unions and non-Credit Union Co-operatives locally and regionally.

4.1.7.2 GECCU continued to work with the League towards the finalization of the Credit Union's Regulations which should soon be completed.

4.1.7.3 GECCU also worked with the League, MCCU, SVUTCCU, KCCU and the FSA during the amalgamation of KCCU Ltd and MCCU Ltd.

4.1.7.4 GECCU instituted a policy of working more closely with non-credit union co-operatives and in this regard held a couple meetings with the Co-operative Department. This process will be continued in 2015.

4.1.7.5 GECCU continues to play its part in the administration of SVG Small Business and Micro-finance Co-operative Ltd (COMFI). Bro. Clarence Harry and Sis. Cecelia Williams are GECCU's representatives on the Board. Bro. Lennox Bowman, Sis. Camilla Mandeville and Sis. Rhonda Thompson also sit on the Credit and Supervisory & Compliance Committees respectively.

4.1.7.6 GECCU was also represented at the OCES Summit in Antigua and Barbuda and the CCCU in the Bahamas.

4.1.7.7 GECCU's CEO Bro. Lennox Bowman was elected as a Director of the Board of the Caribbean Confederation of Credit Union Ltd at the Annual General Meeting of the CCCU Ltd at the Convention.

4.1.8 PRIORITY 8: ACCESS TO GECCU SERVICES

4.1.8.1 During the period under review, design plans for the proposed branches at South Rivers and Troumaca were completed and submitted to the Planning Department for assessment and approval. Work on both offices are scheduled to commence in 2015.

4.1.8.2 The office in Bequia has been relocated to the Bayshore Mall. The space now utilized is larger, better designed, and offers much more comfort to our members. Minor renovation was also done at our Georgetown Office.

4.1.8.3 With respect to the construction of GECCU's new headquarters in Kingstown, the first phase which is the relocation of the existing office is being addressed. In this regard, the plan for the redesign and renovation of the former Reliance Building is complete and work is due to commence early in 2015. Concurrently, work continues on the design for the new headquarters.

- 4.1.8.4 These initiatives clearly indicate GECCU's commitment to providing our members access to safe, sound, inclusive and comparable services.
- 4.1.8.5 Regular visits are made to our offices by our Marketing Department, Education , Supervisory & Compliance Committees and our Internal Auditor in an effort to continue the enhancement of our administration of these offices.
- 4.1.8.6 During the year, our members benefitted from the following new and enhanced delivery channels. On March 19 2014, our Global Information Access (GIA) was launched. GECCU then became the first Credit Union in St. Vincent and the Grenadines to offer our Credit Union services online. GECCU now boasts a suite of three electronic delivery channels (GECCU ATM, GECCU Online and GECCU Mobile) under our 24 hours service delivery termed, GECCU Link –24.
- 4.1.8.7 Our website was upgraded to provide online access to the range of products and services, thus maximizing the use of technology.
- 4.1.8.8 Special events of the 50th Anniversary program were streamed live via internet. Live streaming was done for the first time in the history of GECCU.
- 4.1.8.9 Additionally our members continue to access a full spectrum of small business loans, technical assistance, training and other support from COMFI. We hope that this will contribute to the establishment of many sustainable businesses in St. Vincent and the Grenadines.

Table 6: Sub– Offices Operations

	New Members		Collections		Disbursement	
	2014	2013	2014	2013	2014	2013
Union Is. & Canouan	110	76	\$2,412,036.30	\$2,267,907.44	\$1,134,420.65	\$1,676,783.14
Bequia	87	55	\$1,022,648.49	\$547,052.32	373,429.35	\$298,319.68
Georgetown Office	378	377	\$5,973,584.49	\$7,097,498.06	\$5,711,227.09	\$11,051,291.51
TOTAL	575	508	\$9,408,269.18	\$9,912,457.82	\$7, 219,077.09	\$13,026,394.33

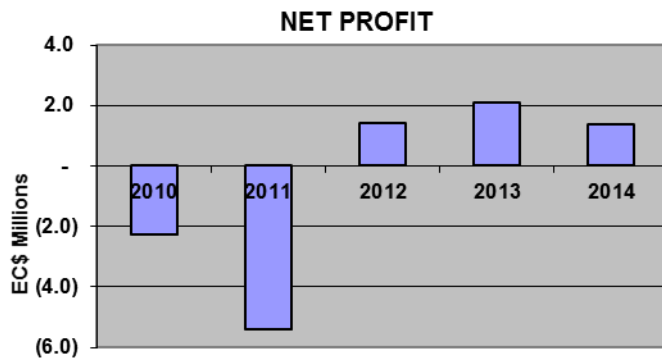
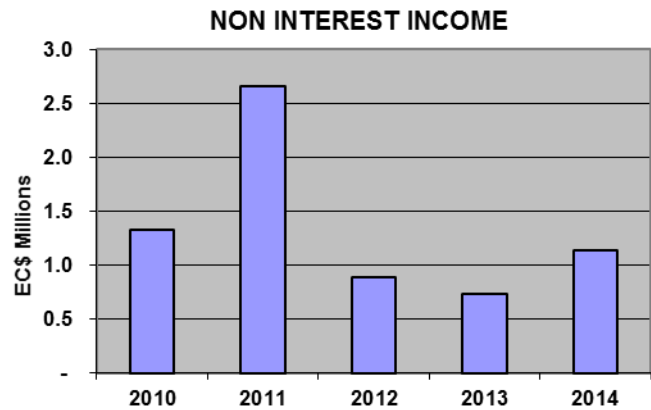
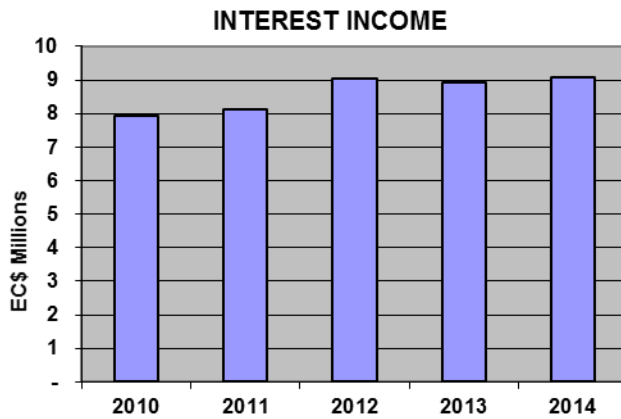
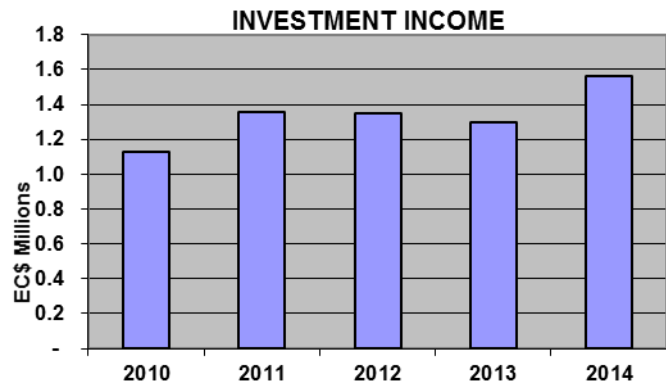
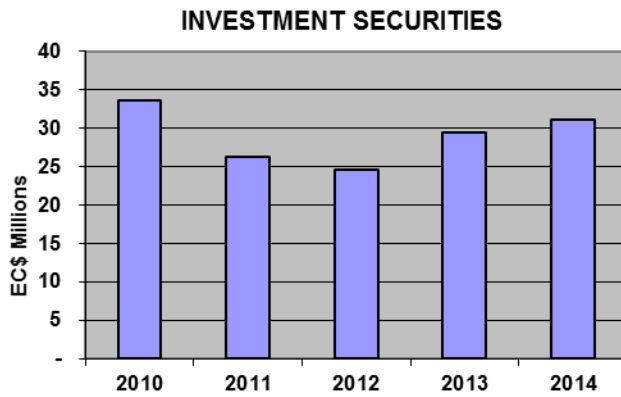
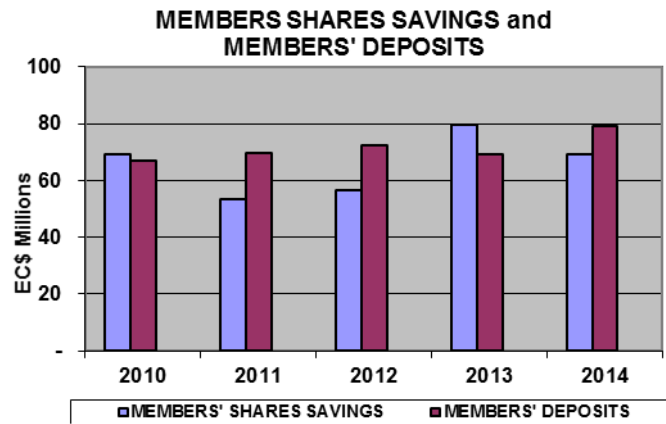
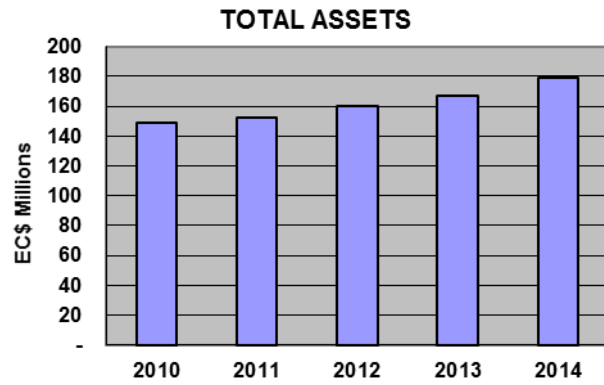
4.1.9 PRIORITY 9: FINANCIAL SUSTAINABILITY AND PROFITABILITY

- 4.1.9.1 Despite the many challenges of the local, regional and international financial markets, GECCU has achieved positive growth in most key areas of activities. GECCU remains confident in the strategic initiatives undertaken and the keen monitoring of all activities, underpinned by prudent and sound management of its resources.
- 4.1.9.2 During the year our assets grew by **7%** and a net surplus of **\$1,366,105** was realized for 2014.
- 4.1.9.3 Loans disbursed grew by **5%** over the period, showing an increased demand for mortgages resulting from the competitive adjustment to the mortgage rate.
- 4.1.9.4 Our liquidity position remains very strong.

- 4.1.9.5 Our expenses increased by \$1,365,123 or 15% mainly due to an increased provision for CLICO Investments.
- 4.1.9.6 The delinquency position moved marginally from **9.23%** to **6.99%** This remains a priority area for the Credit Union. Improved processes and increased resources have been employed to enhance the management of this portfolio.
- 4.1.9.7 These results underscore the continued confidence and commitment of GECCU's loyal membership.
- 4.1.9.8 Though a detailed analysis is included in the Treasurer's Report, the following table shows the performance highlights for the year.

4.1.10.1 GECCU Performance Highlights 2010-2014

	2014 EC\$	2013 EC\$	2012 EC\$	2011 EC\$	2010 EC\$
ASSET GROWTH					
Loans – net	101,662,432	96,624,034	91,339,757	91,363,186	85,126,942
Cash Resources	25,494,776	20,196,191	23,710,667	14,478,967	11,861,656
Inventory	5,904,370	-			
Fixed Assets	4,652,031	4,571,584	4,370,176	4,452,053	4,652,047
Investment Securities	31,053,476	29,457,655	24,614,544	26,268,873	33,522,933
Other Assets	628,612	631,777	550,895	629,322	499,698
Investment Properties	9,925,000	15,358,660	15,358,660	15,358,660	13,384,182
Total Assets	179,320,697	166,839,901	159,944,699	152,551,061	149,047,458
SAVINGS COMPONENTS					
Members' Shares	69,103,981	79,511,378	56,378,839	73,256,372	69,278,376
Savings					
Members Deposit	78,807,788	72,814,195	72,191,431	69,524,309	67,129,569
Total Savings	148,326,195	152,626,664	128,570,270	142,780,681	136,407,945
INCOME					
Loan Interest	9,095,687	8,904,483	9,039,411	8,126,561	7,949,445
Investment Income	1,560,615	1,298,550	1,348,139	1,354,321	1,112,653
Non Interest Income	1,141,342	735,149	882,531	2,657,660	1,336,589
Total Income	11,797,643	11,173,022	11,270,081	12,138,542	10,398,687
EXPENSES					
General and Admin	6,399,307	5,166,519	5,114,839	12,262,367	4,242,694
Expense					
Interest Expense	3,816,232	3,679,092	4,500,934	4,518,400	4,661,485
Allowance for Loan Loss	216,000	222,764	215,174	773,312	267,179
Total Expense	10,431,539	9,068,357	9,830,947	17,554,079	12,671,358
PROFITABILITY					
Surplus	1,366,105	2,107,661	1,439,134	(5,415,537)	(3,163,371)
Other Reserves			28,789,799	8,349,157	7,901,727
Equity Shares	20,057,119	5,334,904	4,529,050	3,654,005	2,757,975
MEMBERSHIP	38,953	38,496	36,011	34,006	32,105



4.1.10.2 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 2013	31 st Dec 2014
P – Protection			
Loan Loss Allowances / Delinquency >12mths <i>This measures the adequacy of the provision for loans delinquent over 12 months</i>	100%	105%	123.26%
Solvency <i>The degree of protection for members' shares & deposits in the event of liquidation.</i>	Min 100%	102%	103.67%
E – Effective Financial Structure			
Net Loans / Total Assets <i>Measures the %-age of total assets invested in Loans.</i>	Between 70 to 80%	57.93%	56.69%
Financial Investments / Total Assets <i>Measures the %-age of long-term Investment in Total Assets</i>	Max 10%	6%	7.28%
External Credit / Total Credit <i>Measures the %-age of Total Assets financed by external borrowings</i>	Max 5%	0%	0%
A – Asset Quality			
Total Delinquency / Gross Loan Portfolio <i>Measures the %-age of delinquency in the Loan Portfolio.</i>	Less than 5%	9.23%	6.99%
Non-Earning Assets / Total Assets <i>This measures the %-age of total assets not producing income.</i>	Less than 5%	9.74%	5.73%
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%	9.24%	9.14%
Operating Expenses / Average Assets <i>Measures the cost associated with the management of the C.U assets.</i>	Less than 5%	3.07%	3.29%
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%	27.10%	26.19%
Non-Earning Liquid Assets / Total Assets <i>Measures the %-age of cash invested in Non earning Assets</i>	Less than 1%	7%	2.79%
S – Signs of Growth			
Net Loans <i>Measures the %-age growth in Loan Portfolio</i>	More than 10%	5.54%	5.21%
Total Assets <i>To measure the %-age growth in Total Assets.</i>	More than 10%	4.28%	7.48%
Membership <i>Measures the %-age growth in Membership</i>	Min 5%	6.9%	1.18%

4.1.10.3 Interest & Dividend

The interest paid on members' Shares Savings is **1.5%**. The Board of Directors proposes to pay a dividend of 5 % on Equity Shares.

5.0 Corporate Social Responsibility

- Corporate Social Responsibility (CSR) goes beyond donating money or volunteering time to worthy causes. For GECCU, it is about operating in a manner that is responsible to our members and our staff, respectful of the environment, and supportive of the communities in which we live and work. Corporate Social Responsibility is really the DNA of GECCU.
- Corporate Social Responsibility has become an integral part of doing business in GECCU. In this regard, GECCU has focused on developing products, services, business and practices which, while serving members well, have contributed meaningfully to the social, educational and environmental good of our communities.
- More specifically, during the year, human resource support and financial contributions were made to a number of institutions, associations and groups in the areas of sports, arts, culture and education.
- The Credit Union continues to play leading roles in national activities and celebrations - National Heritage Month, Emancipation Day Celebrations, May Day, Carnival, Independence, Easterval, Gospel Festival and Nine Mornings.
- At many of the above mentioned events, Staff and Committee members assisted.
- Individual cases worthy of assistance were also supported .

6.0 Social Development Fund

6.1.0 The following twelve (12) persons were appointed by the Board of Directors to serve on the Social Development Committee for the year 2014.

Bro. Michael Da Silva - Chairperson
Sis. Jacintha Payne
Bro. Philmore Isaacs
Bro. Douglas Rose
Sis. Jacqueline Howe
Bro. Cecil Jack
Bro. Kenrick Glynn
Sis. Laurette Joseph
Sis. Gemma Mc Cree
Sis. Audrey Dennie
Sis. Cecile Gibson
Bro. Lennox Bowman

At the first meeting of the Social Development Committee for the year 2014 held on 29th May, 2014, Bro. Michael Da Silva was elected to serve as Chairman and Sis. Jacintha Payne was elected to serve as Secretary for the year 2014.

6.1.1 The Social Development Fund was established by a 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 Committee which was appointed by the Board of Directors in accordance with the resolution.

6.1.2 The year 2014 was an eventful one as far as requests for assistance arose out of loss or damage to property, medical and financial assistance. The heavy rains and the resulting flooding that were associated with a trough system that affected the island on the evening of 24th December 2013 caused widespread loss and damage to property. Consequently, many of our members were affected and applied to the fund for relief. Incidents of this nature further sanction the necessity of this fund to meet the needs of our members in their time of difficulty. Accordingly, during the year 2014 forty-five (45) applications were received and processed.

6.1.3 The table below gives a breakdown of the applications that were received and processed in 2014

Category	Applications Received	Applications Approved	Applications Denied	Applications pending
Medical	27	25	1	1
Flood	14	8	2	6
Fire	2	1	0	1
Financial	2	1	1	0
TOTAL	45	35	2	8

6.1.4 An analysis of the Table 1.1 reflects a 60.7% increase in the total number of applications (28 applications in 2013) which were received and processed by the Committee in the year 2014. This increase may be ascribed to enhanced membership awareness and marketing strategies undertaken by the Education Committee during the period. As a consequence, there were noted increases in the number of applications for medical assistance (22.7%) and for assistance as a result of fire and flood (166.67%).

6.1.5 The increase in the number of applications for medical assistance may have been attributed to poor lifestyle choices and limited health insurance coverage of our membership. It is suggested that more emphasis should be placed on promoting GECCUMED. In addition, the voluminous increase in applications as a result of fire and floods (in particular floods) was owed to the 24th December, 2013 trough system.

6.1.6 **FINANCIAL STATUS OF THE SOCIAL DEVELOPMENT FUND**

Table 1.2 Financial statement of the Social Development Fund as 31st December, 2014.

1st January 2014	Balance Brought Forward	201,411.28
Add	Members Contribution	450,260.00
Less	Assistance to Members	156,443.32
31st December 2014	Closing Balance	495,227.96

6.1.7 **GECCUMED**

The Committee is still recommending that an actuarial study be conducted into the sustainability of GECCUMED and the Death Benefit Fund.

6.1.8 **PLANS FOR 2015**

The Social Development Committee envisages undertaking more activities in the year 2015. To this end the Committee hopes to:

1. Focus on our interaction with Organizations that cater to the needs of the elderly and the aged.
2. Forge linkages/partnerships with Government (through the arm of the Ministry of Social Development), NGOs, Service and Faith-Based Organizations etc. The aim is to assist them with a project or programme.
3. Increase the number of food basket distribution in 2015.
4. Conduct Needs Assessments of applicants.
5. Document and emit press releases on the work that the Committee is doing for and on behalf of the members of GECCU.

The members of the Social Development Committee wish to use this opportunity to express gratitude to the Board of Directors for affording us the opportunity to serve in 2014.

7.0 ANNUAL SCHOLARSHIPS TO SECONDARY SCHOOL

- During the period under review, eleven (11) scholarships were awarded to students who were successful in the 2014 Caribbean Primary Exit Assessment (CPEA).
- The 2014 scholarship recipients were:-

Girls: Tiwana Roberts - Calder Primary School
Angélica Mc Donald - Belmont Government School
Reyann Williams - Leeward Seventh Day Adventist Primary School
Nailah Samuel - Kingstown Preparatory School
Kayla Williams - Kingstown Preparatory School

Boys: D'Angelo Dick - Union Methodist/New Grounds Primary School
Joshua Marks - Sugar Mill Academy
Tyler Melville - Kingstown Preparatory School
Orion Adams - St. Mary's Roman Catholic School
Hosea Nichols - Kingstown Preparatory School

Grenadines Scholarship: Oslya Ollivierre – Bequia Anglican Primary School

- The scholarship recipients were presented with certificates of academic excellence at a ceremony held on Thursday 10th July, 2014 at the Methodist Church Hall, Kingstown. Eighty-four (84) other successful students received monetary awards of \$100.00 each.
- As part of GECCU's 50th Anniversary Celebrations, three of its members were selected to receive one of the credit union's 50th anniversary university bursaries, valued at \$10,000.00 each.
- The recipients were Jiwani Peters, Ricky Haynes and Natalie Glasgow. They were presented with their bursaries at an official ceremony held on Wednesday 29th October, 2014 at GECCU's Boardroom.
- Scholarships and bursaries amounted to \$112,081.00 for the period under review.
- The Board of Directors extends congratulations to all recipients and wishes them continued success in their academic studies.
- In addition, the Board of Directors extends congratulations to all scholars who performed well in the 2014 Caribbean Secondary Education Certificate (CSEC) and the Caribbean Advanced Proficiency Examinations (CAPE).
- Special congratulations to Mbeki Swift, scholar of 2006 and Lafiesha Hadley, scholar of 2007 for their outstanding performance in the Caribbean Advanced Proficiency Examinations (CAPE). Mbeki and Lafeisha are recipients of the Government of St. Vincent and the Grenadines Island Scholarships of 2014.
- The Scholarship Committee in collaboration with the Marketing Department hosted the second annual youth symposium on August 11 & 12, 2014 at the Anglican Pastoral Centre, New Montrose.
- The main objective of the symposium was to bring GECCU's current scholarship holders together to help to make credit unions more relevant to young people. GECCU believes that by nurturing young persons in understanding the core principles, benefits, structure and operations of credit unions, it will ensure that there is growth and continuity within the movement.

The new committee comprises the following members:

Kori Providence	- President
Abigail Scott	- Vice President
Caran Gordon	- Secretary
Jaris Farrell	- Public Relations Officer
Jordan Joseph	- Committee Member
Ethan Myers	- Committee Member

- Sis. Danny-lee Francis, Senior Marketing Officer and Youth Co-ordinator will work with the newly appointed executive to develop ideas and products to assist the credit union in penetrating the youth market in St. Vincent and the Grenadines.

GECCU 2014 SCHOLARSHIP RECIPIENTS



GECCU YOUTH EXECUTIVE COMMITTEE



Highlights 2014



Credit Union Week

Special GM to discuss the Introduction of Equity and Qualifying Shares.



Special GM

Blood Pressure Screening at head office.



Youth Symposium

Agri Business Project at Lauders.



Agri Business Project

Youth Symposium Presentations at the Anglican pastoral Center.



GECCU Fun Day

Educating Young Potential Volunteers.



Volunteer Training

GECCU Fun Day Richmond Hill Playing Field.



Launch of GECCU Online

Scholarship Recipients 2014.



Scholarship Awards

Launch of GECCU Online and Mobile App.

Staff Awards 2014

YEARS OF SERVICE



Melissa Millington
Customer Service Clerk

Most Outstanding Performer
Customer Service Department

10 YEARS



Grace Alison Guy
Receptionist

10 YEARS



Leslie Joseph
Snr. Accounts Clerk

15 YEARS

OUTSTANDING PERFORMERS



Kathlyn Parsons
Jr. Accounts Clerk



Julian Ivo Joslyn
Snr. Loans Officer

Most Outstanding
Snr. Employee



Baldwin Johnney
Administrative Officer

Most Outstanding Performer
Sub Offices

ACADEMIC ACHIEVEMENT



Noriesiah Shallow
Jr. Clerk
Assoc. of Science Degree
in Psychology



MOST OUTSTANDING HEAD OF DEPARTMENT



Cornelia Moses
Operations Officer

EMPLOYEE OF THE YEAR



Alicia Ashton-Doyle
CEO Secretary

Most Outstanding Jr. Employee

Most Outstanding Performer
Administrative Department



Danny-lee Francis
Snr. Marketing Officer



Ricardo Springer
Cashier / Relief Admin Clerk



Osbert Cunningham Jr.
Jr. Marketing Officer



Melissa Millington
Customer Service Clerk

CEO AWARDS



Dacia Lauren
Jr. Clerk



Maxine Johnney
Accountant



Cornelia Moses
Operations Officer

STAFF PROFILE

BRO. LENNOX BOWMAN– CHIEF EXECUTIVE OFFICER

SIS. ALICIA ASHTON-DOYLE– CEO’S SECRETARY

ACCOUNTS DEPARTMENT

Sis. Maxine Johnney -Accountant
Sis. Rhonda Thompson- Assistant Accountant
Bro. Leslie Joseph- Senior Accounts Clerk
Sis. Adinga Findlay- Disbursement Officer
Bro. Ryan Hazell- Payroll Officer
Sis. Kathlyn Parsons - Junior Accounts Clerk
Bro. Ricardo Springer – Cashier
Sis. Dacia Lauren- Junior Clerk
Bro. Michael Garraway – Junior Clerk/Cashier
Bro. Devonte Harry- Junior Clerk/Cashier
Bro. Utamu Rose- Junior Clerk

Insurance Department:

Sis. Cecile Fraser-Gibson
- Senior Insurance Clerk

INTERNAL AUDIT DEPARTMENT

Sis. Damoris Alexander - Internal Auditor
Sis. Alana Karen Mulraine- Ass’t. Internal Auditor

ADMINISTRATION DEPARTMENT

Sis. Cornelia Moses -Operations Officer
Sis. Prenella Holder- Customer Service Clerk
Sis. Bernadette John -Customer Service Clerk
Sis. Melissa Millington- Customer Service Clerk
Sis. Grace Guy- Receptionist
Sis. Lydia Cain - Office Attendant

MARKETING DEPARTMENT

Sis. Danny-lee Francis - Senior Marketing Officer
Bro. Osbert Cunningham Jr.
- Junior Marketing Officer

LOANS DEPARTMENT

Sis. Gertrude Jacobs- Loans Supervisor
Bro. Julian Ivo Joslyn- Senior Loans Officer
Sis. Cheryl Bacchus – Senior Loans Officer
Sis. Sarah Commissiong - Loans Officer
Bro. Hassan Archibald- Loans Officer
Sis. Sharlene Charles – Securities Clerk
Bro. Junelto James – Securities Clerk
Sis. Theresa Douglas – Loans Receptionist/Typist
Sis. Ketora Browne- Filing Clerk

Recoveries Section

Sis. Joanne Stowe- Powers- Recoveries Officer
Sis. Frances Thompson – Ass’t Recoveries Officer
Bro. Keon Findlay – Ass’t Recoveries Officer

IT DEPARTMENT

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

NORTHERN GRENADINES OFFICE

Sis. Rekha Gooding- Administrative Clerk
Bro. Danny George- Security Staff

SOUTHERN GRENADINES OFFICE

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

GEORGETOWN OFFICE

Bro. Baldwin Johnney - Administrative Officer
Sis. Charissa Pitt- Junior Clerk
Sis. Noriesiah Shallow- Cashier
Sis. Tonyah Williams - Junior Clerk
Bro. Keldon Walters - Office Attendant

8.0 Future Directions and Strategies

8.1.1 As GECCU moves into the second year of its current three (3) year Strategic Plan, our priority areas as indicated in this plan as are as follows:

- To maintain and enhance a financially sound and secure institution
- To increase the awareness of our Credit Union as a value-based business model for development
- To enhance the capacity of GECCU at all levels
- To promote the establishment of policies of GECCU conducive to its growth and development
- To promote GECCU as an agent of socio-economic development for our members and the country as a whole
- To make GECCU more relevant to young people

8.1.2 To achieve the foregoing, the Board, Committees and Management will continue to keep our planning at all levels, focused on the strategic move to recruitment and development of top talent a priority and make member education out trump card while also embracing good governance and promoting a culture of compliance within GECCU Ltd.

9.0 Condolences

9.1 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.

10.0 Acknowledgement

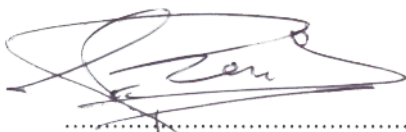
10.1 The Board wishes to express its gratitude and appreciation to Management and Staff who continue to demonstrate their support, loyalty and commitment to the Credit Union.

10.2 Deepest appreciation and heartfelt thanks to the members of the Education, Supervisory and Compliance, Credit and other Committees for the valuable work they have rendered to the development of the Credit Union.

10.3 Special thanks to the Financial Services Authority, the Co-operative Department, the SVG Co-operative League, Sister Credit Unions, the solicitor Baptiste and Company and Lyndon George; the Auditors BDO and other stakeholders for their support.

10.4 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.

10.5 The Board also wishes to congratulate the entire membership on the staging of a successful 50th Anniversary programme.



.....
Bro. Kelvin Pompey
President

Appendix 1

List of deceased members who passed on during the year:

- Dehli Wallis
- Dorson Joseph
- Jeremiah Durham
- Gordon Connell
- Ivan James
- Clairmont Cordice
- Cardon Francois
- Dellie Nash
- Glenda Archibald-Nichols
- Clement Noel
- Bernard DeFreitas
- Randolph Rogers
- Iphiginia Cupid
- Reginald Thomas
- Clement Thomas
- Irma Billingsy
- Silma Howe
- Tranton Mercury
- Sylvia Robinson
- Nolly Jack
- Anita Richards-Payne
- Andy Gumbs
- Iris Charles
- Jeffery Cato
- Vanessa Sharpe
- Judith Frederick
- Franklyn Jack
- Owen Williams
- Valcina Lewis
- Clarabelle Warner
- John Edwards
- Walford Augustus
- Eglan Harry
- Jolene Charles
- Joan Cornwall
- Ucinderilla James
- Joel Barnwell
- Victor Joseph
- Patricia George
- Auror Kirby
- Elmina Phillips/Pompey
- Unicey John
- Dorley Ryan
- Judith Hull-Ballah
- David Ambris
- Morrell DeFreitas
- Edwin Gibson
- Eileen McKie
- Sylvina Horne
- Ephraim Lockhart
- Skeitha Ryan-Ellis
- Chesley Dewer
- Veta Trumpet
- Roy Stephens
- Keishorne Richardson
- Hyacinth Hoyte
- Vernice Haynes
- Cliforna John
- Cloretha Deane
- Galene John
- Jubal Harry
- Bevallie Samuel
- Joel Richards
- Rebecca Bartholomew
- Jacqueline Tannis
- Leno Browne-Daniel
- Calvert Shallow
- Dwight Billy
- Beatrice Noel
- Rodney Sayers
- Eleise John
- Alderson Morris
- Prince Rodgers
- Philmom Sam
- Othniel Williams
- Grocina Walter-Richards
- Jacqueline Stapleton
- Kyron Robertson
- Kenville Ellis
- Lydia James
- Sierano Brackin
- Elroy Quammie
- Belford Frederick
- Carmen Browne
- Mervyn Thomas
- Francico Cyrus
- David Wyllie
- Florence Smith
- Leonard Hackshaw
- Annika Stowe
- David Mc Dowall
- Bethel James
- Sharon Pemberton
- Rockell Joseph
- Peter Horne
- Cynthia Jack
- Matthias Sam-Llewellyn
- Dawn Gordon-Lewis
- Camille Delpesche
- Jasmine Hackshaw
- Morally Providence
- Hyacinth DeSouza
- Diana Durham
- Winston Butler
- Vini Robin

THE TREASURER'S REPORT TO THE 49TH ANNUAL GENERAL MEETING

1.0 INTRODUCTION

Brothers and Sisters, it is my pleasure to present the Treasurer's Report of the General Employees' Co-operative Credit Union Limited for the year ended December 31, 2014.

- 1.1 The year 2014 was a competitive year amongst the financial services sector in St Vincent and the Grenadines. Amidst competing interest rates and capital restructuring programmes, the General Employees' Co-operative Credit Union Ltd continued in its leadership role, reducing loan delinquency, generating surpluses and growing assets thereby strengthening its financial position.

2.0 FINANCIAL PERFORMANCE

- 2.1 The following is a synopsis of the financial performance for the financial year ended December 31, 2014 with comparison to the 2013 financial year.

Assets

	2014 \$	2013 \$	Increase/ (Decrease)	Increase (Decrease) %-age 2013 over 2014	Increase/ (Decrease) (% age) 2012 over 2013
Total Assets	179,320,697	166,839,901	12,480,797	7%	4%
Loans (Net)	101,662,432	96,624,034	5,038,398	5%	6%
Investment Securities	31,053,476	29,457,655	1,595,821	26%	20%
Cash Resources	25,494,776	20,196,191	5,298,585	26%	-15%

- 2.2 There was an increase of 7% in the total assets from 2013 to 2014. This was due mainly to an increase in the loan portfolio which grew by 5% over the same period. This growth in loans was driven principally by mortgages which increased by \$4.49 million. The investment securities portfolio saw a net increase of 5%.

2.3 CASH RESOURCES

- The cash resources increased by \$5m or 26%
- Inflows were received from the maturity of T-bills. This cash was not reinvested due to the low rate of interest at which the T-bills were auctioned.
- There was an overall increase in members' contribution to shares and deposits. Cumulatively they grew by \$10,421,746, which is an indication of the high level of confidence the membership continues to have in the credit union.
- The increase in cash resources has added to the maintenance of an adequate liquidity level.

2.4 SHARE CAPITAL & MEMBERS' DEPOSITS

Share Capital and Members Deposits	2014	2013	Change	% Change 2013 to 2014	% Change 2012 to 2013
Share Capital	20,057,119	5,334,904	14,722,215	276%	18%
Members' Share Savings	69,103,981	79,511,378	-10,407,397	-13%	41%
Term Deposits	52,061,420	50,533,409	1,515,444	3%	-3%
Ordinary Deposits	24,280,274	19,947,057	4,333,217	22%	14%
Junior Savers	2,847,988	2,588,220	259,769	10%	10%

The table above shows the movement in different categories of shares and deposits. The decrease in members' share savings was due to the implementation of resolution number 2 of the 48th AGM, which resulted in \$14m being reclassified as equity shares (*note 17 of the financial statements*). The same contributed to the significant increase in share capital. As a result, institutional capital now stands at 14.5%, which is 4.5% above the legal standard requirement.

2.5 INCOME

INCOME	2014	2013	Change	% Change 2013 to 2014	% Change 2012 to 2013
Loan Interest Income	9,095,687	8,940,483	155,204	2%	11%
Investment Income	1,560,614	1,298,550	262,064	20%	-0.46%
Rental Income	198,840	198,840	-	-	-32%
Death Benefit Contributions	559,380	532,340	27,040	5%	2%

2.5.1 Increase in investment income resulted from earnings from bonds, treasury bills, special deposits and fixed deposits.

2.6 EXPENSES

EXPENDITURE	2014	2013	Change	% Change 2013 to 2014	% Change 2012 to 2013
Interest Expenses	3,816,232	3,679,092	137,140	4%	-18%
Marketing Expenses	205,123	208,921	-3,798	-2%	-5%
Personnel Costs	2,290,729	2,036,461	254,268	12%	6%
CUNA Insurance	704,024	700,229	3,795	1%	3%
Loan Loss Allowance	216,000	222,764	-6,764	-3%	4%
General & Administrative Expenses	1,958,745	1,710,179	248,566	15%	-1%
Death Benefit Payments	410,127	292,000	118,127	40%	-16%

2.6.1 The total expenses increased by \$1,365,123 representing 15%. This was mainly due to expenses relating to:

- Increase in staff cost due to the implementation of the new GECCU/CTAWU collective agreement and as a consequence of the increase in NIS contribution.
- Increase in death benefit payments due to increase in the number of deaths
- Increase in interest expense due to an increase in the rate of interest to be paid on regular shares savings 1.5% in 2014 compared to 1.25% in 2013.
- An impairment charge of \$700,000 was made for investment with CLICO.
- 50th Anniversary celebration activities

2.7 NET SURPLUS

During the financial year 2014, the General Employees' Cooperative Credit Union Limited generated a net surplus of \$1,366,105.

3.0 CONCLUSION

3.1 The organisation continues to practice prudent financial management in this challenging environment. As we look forward to 2015, we hope to build on past financial gains and take advantage of future opportunities in a world emerging from an economic crisis.



Bro. Jerold Jackson
Treasurer

**General Employees’
Co-operative Credit Union Limited**
Financial Statements
Year Ended December 31, 2014

Contents

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Page 2	Statement of Financial Position
Page 3	Statement of Changes in Members' Equity
Page 4	Statement of Profit or Loss and Other Comprehensive Income
Page 5	Statement of Cash Flows
Pages 6—21	Notes to the Financial Statements



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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, 2014, and the statement of changes in members' equity, statement of profit or loss and other comprehensive income and statement of 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 presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of **General Employees' Co-operative Credit Union Limited** as of December 31, 2014, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

March 2, 2015

General Employees' Co-operative Credit Union Limited
Statement of Financial Position
As of December 31, 2014

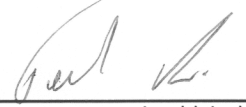
2

	Notes	2014 \$	2013 \$
ASSETS			
Cash resources	7	25,494,776	20,196,191
Inventory	8	5,904,370	0
Investment securities	9	31,053,476	29,457,655
Loans to members	10	101,662,432	96,624,034
Other assets	11	628,612	631,777
Investment properties	12	9,925,000	15,358,660
Property, plant and equipment	13	4,652,031	4,571,584
		<u>179,320,697</u>	<u>166,839,901</u>
LIABILITIES AND MEMBERS' EQUITY			
Liabilities			
Other payables	14	3,482,134	3,077,559
Staff pension fund deposit	28	414,426	301,091
Members' deposits	15	78,807,788	72,814,195
Members' ordinary savings	16	69,103,981	79,511,378
		<u>151,808,329</u>	<u>155,704,223</u>
Members' Equity			
Share capital	17	20,057,119	5,334,904
Statutory reserve	18	9,153,976	8,817,877
Social development fund	19	495,228	201,431
Statutory development fund	20	30,000	30,000
Accumulated other comprehensive income	21	913,831	913,831
Accumulated deficit		(3,137,786)	(4,162,365)
		<u>27,512,368</u>	<u>11,135,678</u>
		<u>179,320,697</u>	<u>166,839,901</u>

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

APPROVED ON BEHALF OF THE BOARD: -


 Kelvin Pompey
 President


 Jerold Jackson
 Treasurer


 Gemma McCree-Clarke
 Secretary

General Employees' Co-operative Credit Union Limited

Statement of Changes in Members' Equity

For the Year Ended December 31, 2014

3

	Share Capital	Statutory Reserve	Social Development Fund	Social Development Fund	Statutory Development Fund	Statutory Accumulated Other Compre- hensive Income	Unrealised Accumulated Deficit	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Balance as of December 31, 2012	4,529,050	26,155,639	2,065,992	30,000	913,831	(5,678,315)	28,016,197	
Net profit for the year	0	0	0	0	0	2,107,661	2,107,661	
Net increase in permanent shares	529,107	0	0	0	0	0	529,107	
Social development fund net	0	0	335,439	0	0	0	335,439	
Entrance fees		1,365	0	0	0	0	1,365	
Appropriations	0	526,915	0	0	0	(526,915)	0	
Transfer adjustment - South Rivers Credit Union	0	(1,303)	0	0	0	0	(1,303)	
Transfer to member shares	0	(20,000,000)	0	0	0	0	(20,000,000)	
Transfer from social development fund	0	2,200,000	(2,200,000)	0	0	0	0	
Dividend declared	239,288	0	0	0	0	(239,288)	0	
Over accrual of prior period dividend	0	0	0	0	0	174,492	174,492	
Transfer from ULP Credit Union	9,250	(117,568)	0	0	0	0	(108,318)	
Transfer from Georgetown Mount								
Coke Methodist Circuit Co-operative Credit Union	28,209	52,829	0	0	0	0	81,038	
Balance as of December 31, 2013	5,334,904	8,817,877	201,431	30,000	913,831	(4,162,365)	11,135,678	
Net profit for the year	0	0	0	0	0	1,366,105	1,366,105	
Net increase in qualifying shares	2,896,500	0	0	0	0	0	2,896,500	
Net increase in equity shares	11,825,715	0	0	0	0	0	11,825,715	
Social development fund net	0	0	293,797	0	0	0	293,797	
Entrance fees	0	1,625	0	0	0	0	1,625	
Appropriations	0	341,526	0	0	0	(341,526)	0	
Adjustments for the year	0	(7,052)	0	0	0	0	(7,052)	
Balance as of December 31, 2014	20,057,119	9,153,976	495,228	30,000	913,831	(3,137,786)	27,512,368	

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

General Employees' Co-operative Credit Union Limited
Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended December 31 2014

4

	Notes	2014 \$	2013 \$
Income			
Loan interest		9,095,687	8,940,483
Investment income - net	22	1,560,615	1,298,550
		<u>10,656,302</u>	<u>10,239,033</u>
Interest Expense		<u>(3,816,232)</u>	<u>(3,679,092)</u>
Net Interest Income		6,840,070	6,559,941
Increase in allowance for loan loss, less recoveries	10.3	<u>(216,000)</u>	<u>(222,764)</u>
		6,624,070	6,337,177
Income from Investment Properties	12	198,840	198,840
Impairment Allowance for Investment Securities	9	<u>(700,000)</u>	<u>0</u>
		6,122,910	6,536,017
Selling Expenses	23	<u>(205,123)</u>	<u>(208,921)</u>
General and Administrative Expenses	24	<u>(2,793,328)</u>	<u>(2,626,123)</u>
Staff Cost	25	<u>(2,290,729)</u>	<u>(2,036,461)</u>
		833,730	1,664,512
Other Income (Expenses)			
Commission income		59,714	68,769
Income on death benefit plan - net	26	149,253	240,340
Miscellaneous income		71,674	135,095
Loan processing fee		251,734	0
Loss on disposal of property, plant and equipment		0	(1,055)
		<u>532,375</u>	<u>443,149</u>
Net Profit and Comprehensive Income for the Year		<u>1,366,105</u>	<u>2,107,661</u>
The following expense is included in the foregoing:-			
Depreciation	13	236,847	208,152

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, 2014

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	Notes	2014 \$	2013 \$
Cash Flows from Operating Activities			
Net profit for the year		1,366,105	2,107,661
Adjustments for			
Depreciation		236,847	208,152
Loss on disposal of equipment		0	1,055
Provision for impairment loss on investment securities		700,000	0
Operating Profit before Changes in Operating Assets and Liabilities		2,302,952	2,316,868
Increase in loans to members		(5,038,398)	(5,284,277)
Decrease (increase) in other assets		3,165	(80,882)
Increase in members' deposits		5,993,593	815,956
Increase in staff pension fund deposit		113,335	107,899
Increase in inventory		(470,710)	0
Increase (decrease) in other payables		404,575	(280,673)
(Decrease) increase in members' ordinary savings		(10,407,397)	3,132,539
Net Cash (Used in) Generated from Operating Activities		(7,098,885)	727,430
Cash Flows from Financing Activities			
Net increase in social development fund		293,797	335,439
Increase in share capital		14,722,215	805,854
Entrance fees		1,625	1,365
Decrease in statutory reserve from credit union takeovers		(7,052)	(66,042)
Dividend paid on permanent shares		0	(64,796)
Net Cash Generated from Financing Activities		15,010,585	1,011,820
Cash Flows from Investing Activities			
Purchase of plant and equipment		(317,294)	(410,615)
Net movement in investment securities		(2,295,821)	(4,843,111)
Net Cash Used in Investing Activities		(2,613,115)	(5,253,726)
Increase (Decrease) in Cash and Cash Equivalents		5,298,585	(3,514,476)
Cash and Cash Equivalents - Beginning of Year		20,196,191	23,710,667
Cash and Cash Equivalents - End of Year	7	25,494,776	20,196,191

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

General Employees' Co-operative Credit Union Limited

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1. Incorporation

The General Employees' Co-operative Credit Union Limited was registered on July 14, 1964 and its activities are subject to the provisions of the Co-operative Societies Act, 2012. The Credit Union's operations are subject to the supervision of the Financial Services Authority.

2. Principal Objective and Activities

The principal objectives of the Credit Union is to promote thrift and savings among its members, and make 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 March 15, 2015.

4. 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, International Accounting Standards and Interpretations (collectively IFRS) issued by the International Accounting Standards Board (IASB).

IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Credit Union'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, Interpretations and Amendments to Existing Standards Effective in 2014

In the current year, the Credit Union has applied a number of new and revised IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on January 1, 2014.

- **IAS 32, 'Financial Instruments: Presentation' (Effective January 1, 2014)** – The amendments address inconsistencies in current practice when applying the offsetting criteria. The amendment clarifies when an entity currently has a legally enforceable right to set-off and when gross settlement is equivalent to net settlement. The change did not have a material impact on the Credit Union's financial statements.

Standards, Interpretations and Amendments to Existing Standards Effective for reporting periods on or after January 1, 2014, but not Relevant

The following standards are not relevant to the Credit Union's operations

- **IFRS 10, 'Consolidated Financial Statements'**
- **IFRS 12, 'Disclosure of Interest in Other Entities'**
- **IAS 27, 'Separate Financial Statements'**

Standards, Interpretations and Amendments to Existing Standards that are not yet Effective and have not been Early Adopted by the Credit Union

The Credit Union has not applied the following new and revised IFRSs that have been issued but are not yet effective.

- **IFRS 9 (Amendment) – 'Financial Instruments' (Effective January 1, 2015)** - The amendment requires all recognized financial assets within the scope of IAS 39 Financial Instruments: Recognition and Measurement to be subsequently carried at amortized cost or fair value. The most significant effect of IFRS 9 regarding the classification and measurement of financial liabilities relates to the accounting for changes in the fair value of a financial liability (designated as at fair value through profit and loss) attributable to changes in the credit risk of that liability. The Credit Union anticipates that the application of IFRS 9 in the future will not have a significant impact in amounts reported in respect of financial assets and financial liabilities.

4. Significant Accounting Policies (Cont'd)

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.

c. Inventory

Inventory represents property held for sale and is stated at the lower of cost and net realisable value. The Credit Union's inventory arises when there is a change in the used of investment properties evidence by the commencement of development with a view to sell, and the properties are reclassified as inventories at their deemed cost, which is the fair value at the date of reclassification. They are subsequently carried at the lower of cost and net realizable value. Cost, includes design cost, materials, direct labour, other direct costs and related construction overheads and borrowing costs for the development of all those qualifying assets, which is allocated to individual lots on an average cost basis. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

d. 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 profit or loss.

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 profit or loss. When revalued assets are sold, the amounts included in revaluation surplus are transferred to retained earnings.

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

e. Investment Properties

Investment properties are properties, land or buildings or part thereof or both owned by the Credit Union or held under finance leases, to earn rentals or for capital appreciation or both. Any property interest held under an operating lease, which is used to earn rental income, and the Credit Union assumes substantially all the risk and rewards incidental to ownership is recognized as an investment property.

Investment properties are accounted for under the fair value model. The fair value of investment properties are determined by reference to independent notional open market valuations. Changes in fair market valuation of investment properties are reflected in current operating results.

f. 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 reporting date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss.

Changes in the fair value of monetary securities denominated in foreign currencies 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 or loss.

4. Significant Accounting Policies (Cont'd)

f. Foreign Currency Translation

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 in other comprehensive income and ultimately accounted for in reserves in equity.

g. 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.

h. Financial Assets

The Credit Union classified its financial assets in the following categories:

- I. Financial assets at fair value through profit or loss;
- II. Loans and receivables;
- III. Held-to-maturity investments; and
- IV. Available-for-sale financial assets.

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 or 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 or 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 'profit or loss from financial instruments designated at fair value.'

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.

4. Significant Accounting Policies (Cont'd)

h. Financial Assets (Cont'd)

(iii) Held-to-Maturity Investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable 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 insignificant amounts 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 comprehensive income. 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 through other comprehensive income, until the financial asset is derecognised or impaired. At the time of derecognition, the cumulative gain or loss previously recognised in equity is transferred directly to retained earnings. 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 statement of profit or loss. Dividends on available-for-sale equity instruments are recognised in the statement of profit or loss 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 Credit Union establishes fair value using valuation techniques. These include the use of recent arm's length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

i. Impairment of Financial Assets

Assets Carried at Amortised Cost

The Credit Union assesses at each reporting 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.

4. Significant Accounting Policies (Cont'd)

i. Impairment of Financial Assets (Cont'd)

Assets Carried at Amortised Cost (Cont'd)

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 statement of profit or loss. 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.

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 allowance 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 statement of profit or loss in impairment charge for credit losses.

The Credit Union assesses at each reporting 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 statement of profit or loss. Impairment losses recognised in the statement of profit or loss on equity instruments are not reversed through the statement of profit or loss. 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 statement of profit or loss.

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 the basis of the renegotiated terms and conditions.

4. Significant Accounting Policies (Cont'd)

j. Interest Income and Expense

Interest income and expense are recognised in the statement of profit or loss 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.

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 allowance 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 allowance 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

m. Share Capital

Share Capital Costs

The proceeds from the issue of new shares, except shares redeemable at the option of the holder, are accounted for as equity, net of transaction costs. Shares which are redeemable at the option of the holder are accounted for as financial liabilities.

Dividends

Dividends on shares, other than those redeemable at the option of the holder, are recognised in equity in the period in which they are approved by the directors. Dividends on shares which are redeemable at the option of the holders are accounted for as a charge in the statement of profit or loss in the period they are approved by the directors.

5. Financial Risk Management

a. Financial Risk Factors

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 Credit Union 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:

	2014 \$	2013 \$
Deposits with commercial banks	24,377,199	18,989,082
Investment securities	31,053,476	29,457,655
Loans to members	101,662,432	96,624,034
Other assets	628,612	631,777
	157,721,719	145,702,548

General Employees' Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2014

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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 currency, which are sufficient to meet reasonable expectations of its short-term obligations.

(iii) Currency Risk

The Credit Union is subject to foreign currency risk to the extent that it trades in currencies other than Eastern Caribbean currency. The Credit Union does not use interest rate swaps or foreign currency options, or other derivative instruments to hedge any foreign currency risk exposure. At reporting date, all of the Credit Union's assets and liabilities were denominated 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 Credit Union 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 Credit Union 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 Properties

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.

7. Cash Resources

	2014 \$	2013 \$
Cash on hand	1,117,577	1,207,109
Current account	3,884,320	9,878,284
Special savings	20,492,879	9,110,798
	<u>25,494,776</u>	<u>20,196,191</u>

The effective interest rate on special savings is 3.04% (2013: 3.04%)

All cash resources are denominated in Eastern Caribbean Currency.

8. Inventory

	2014 \$	2013 \$
Land held for sale (note 12)	5,433,660	0
Development costs	470,710	0
	<u>5,904,370</u>	<u>0</u>

During the year, the Credit Union commenced the development of the 30.187 acres of land held at Peter's Hope, with a view to sell in the near future. In accordance with IAS 40, the land was derecognised as investment properties and reclassified, at fair value, as inventories.

General Employees' Co-operative Credit Union Limited
Notes to the Financial Statements
For the Year Ended December 31, 2014

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9. Investment Securities

SECURITIES HELD-FOR-TRADING

2.999% Government of St. Lucia treasury bills, maturity January 31, 2014	0	309,322
6% Government of Grenada treasury bills, maturity August 30, 2014	0	1,000,000
3% Government of St. Vincent and the Grenadines treasury bills, maturity February 20, 2014	0	992,821
6% Government of Grenada treasury bills, maturity August 30, 2015	1,000,000	0
5% Government of St. Lucia treasury bills, maturity May 13, 2015	1,000,000	0
3.990% Government of St. Vincent and the Grenadines treasury bills, maturity March 21, 2014	0	994,845
5% Government of St. Lucia treasury bills, maturity February 14, 2014	0	1,000,000
2.990% Government of St. Lucia treasury bills, maturity February 7, 2014	0	992,330
Total Securities Held-for-Trading	2,000,000	5,289,318

SECURITIES AVAILABLE-FOR-SALE

Bank of St. Vincent and the Grenadines Limited shares – at FMV	99,965	99,965
St. Vincent Brewery Limited – 4,666 ordinary shares – at FMV	90,405	90,405
FirstCaribbean International Bank (Barbados) Limited – 71,222 common shares – at FMV	286,032	286,032
East Caribbean Home Mortgage Bank – 404 Class D shares – at FMV	73,950	73,950
St. Vincent Co-operative Credit Union League – at cost	276,195	276,195
Eastern Caribbean Co-operative Central Limited- at cost	15,000	15,000
SVG Small Business and MicroFinance Co-operative Society Ltd. (COMFI)	770,053	715,050
Kingstown Co-operative Credit Union – at cost	171,000	0
Total Securities Available-for-Sale	1,782,600	1,556,597

SECURITIES HELD-TO-MATURITY

Government of St. Vincent and the Grenadines

5.25% 3 years fixed rate bond, maturity July 24, 2017	2,000,000	0
6% 5 years fixed rate bond, maturity September 9, 2019	2,000,000	0
7% 7 years fixed rate bond, maturity August 21, 2021	1,000,000	0
7.5% 10 years fixed rate bond, repayable in semi-annual instalments of\$10,000, maturity September 3, 2016	40,000	60,000
7.5% 10 years fixed rate bond, repayable in semi-annual instalments of\$15,000, maturity September 26, 2017	90,000	120,000
7.5% 10 years fixed rate bond, maturity September 11, 2018	218,213	245,095
8% 7 years fixed rate bond, maturity March 17, 2016	321,429	535,714
	5,669,642	960,809

Colonial Life Insurance Company Limited

7% flexible premium annuity, maturity August 8, 2009	735,965	863,594
8% flexible premium annuity, maturity April 12, 2010	2,544,467	2,985,722
8% flexible premium annuity, maturity May 13, 2011	347,852	408,175
8.5% flexible premium annuity, maturity October 16, 2011	408,223	479,016
	4,036,507	4,736,507

British American Insurance Company Limited

8.25% flexible premium annuity, maturity March 9, 2009	58,590	58,590
8.25% flexible premium annuity, maturity March 10, 2009	58,590	58,590
8.25% flexible premium annuity, maturity June 8, 2009	85,282	85,282
8.25% flexible premium annuity, maturity October 13, 2009	58,590	58,590
8% flexible premium annuity, maturity January 27, 2010	37,095	37,095
8.25% flexible premium annuity, maturity March 14, 2010	75,046	75,046
8.5% flexible premium annuity, maturity December 6, 2010	136,679	136,679
8% flexible premium annuity, maturity January 27, 2011	37,791	37,791
8% flexible premium annuity, maturity May 5, 2011	18,895	18,895
8% flexible premium annuity, maturity May 11, 2011	18,895	18,895
8% flexible premium annuity, maturity May 13, 2011	18,895	18,895
8% flexible premium annuity, maturity May 16, 2011	30,000	30,000
8.75% flexible premium annuity, maturity November 10, 2011	59,133	59,133
8.25% flexible premium annuity, maturity December 13, 2011	63,424	63,424
9% flexible premium annuity, maturity March 31, 2012	141,158	141,158
9% flexible premium annuity, maturity May 30, 2012	151,040	151,040
9% flexible premium annuity, maturity June 5, 2012	163,879	163,879
9% flexible premium annuity, maturity June 8, 2012	109,478	109,478
9.5% flexible premium annuity, maturity August 7, 2013	102,500	102,500
8.5% flexible premium annuity, maturity January 29, 2012	147,263	147,263
	1,572,223	1,572,223

General Employees' Co-operative Credit Union Limited
Notes to the Financial Statements
For the Year Ended December 31, 2014

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9. Investment Securities (Cont'd)

	2014 \$	2013 \$
SECURITIES HELD-TO-MATURITY (Cont'd)		
Credit Union Central Finance Facility		
4% Certificate of deposit, maturity December 31, 2014	1,179,491	1,134,126
5% Certificate of deposit, maturity December 31, 2014	48,782	45,169
	<u>1,228,273</u>	<u>1,179,295</u>
Bank of St. Vincent and the Grenadines Limited		
5% fixed deposit, maturity April 1, 2015	4,874,014	4,641,918
5% fixed deposit, maturity February 3, 2015	2,476,559	2,358,628
	<u>7,350,573</u>	<u>7,000,546</u>
St. Vincent Building and Loan Association		
5% Certificate of deposit	20,008	20,008
	<u>20,008</u>	<u>20,008</u>
St. Vincent Co-operative Bank Limited		
3.5% Certificate of deposit, maturity December 31, 2015	87,075	83,800
4.5% Certificate of deposit, maturity August 13, 2015	1,099,667	1,035,000
	<u>1,186,742</u>	<u>1,118,800</u>
CIBC-FirstCaribbean International Bank Limited		
0.5% Certificate of Deposit, maturity October 1, 2015	1,114,933	1,103,894
	<u>1,114,933</u>	<u>1,103,894</u>
SVG Small Business and MicroFinance Co-operative Society Ltd. (COMFI)		
4.5% deposit, maturity November 15, 2014	500,000	500,000
	<u>500,000</u>	<u>500,000</u>
First Citizens Investment Services Limited		
5.25% Certificate of deposit, maturity December 29, 2015	1,295,513	1,245,423
3.50% Certificate of deposit, maturity October 14, 2015	2,075,000	2,000,000
3.50% Certificate of deposit, maturity December 29, 2015	1,221,462	1,174,235
	<u>4,591,975</u>	<u>4,419,658</u>
Total Securities Held-to-Maturity	<u>27,270,876</u>	<u>22,611,740</u>
	<u>31,053,476</u>	<u>29,457,655</u>

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

	2014 \$	2013 \$
SVG Small Business and MicroFinance Co-operative Society Ltd. (COMFI)	4.50	4.50
Government of St. Vincent & the Grenadines 10 years fixed rate bonds	8.29	8.24
Government of St. Vincent & the Grenadines 7 years fixed rate bond	7.37	8.16
Government of St. Vincent & the Grenadines 5 years fixed rate bonds	6.09	0.00
Government of St. Vincent & the Grenadines 3 years fixed rate bond	5.32	0.00
St. Vincent Co-operative Credit Union League	4.04	4.04
St. Vincent Co-operative Bank Limited	4.43	3.50
CIBC-FirstCaribbean International Bank Limited	0.50	1.00
Bank of St. Vincent & the Grenadines Limited	5.11	5.11
St. Vincent Building and Loan Association	5.00	5.00
First Citizens Investment Services Limited	4.57	4.57

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

	2014 \$	2013 \$
One year	21,601,234	21,650,931
From 1 – 5 years	4,669,642	960,809
Over 5 years	1,000,000	0
	<u>27,270,876</u>	<u>22,611,740</u>

Investment securities are denominated in the following currencies:-

	2014 \$	2013 \$
ECD	30,549,231	28,925,928
BDS	286,032	286,032
USD	218,213	245,695
	<u>31,053,476</u>	<u>29,457,655</u>

During the year, the fair value of securities available for sale increased by NiL (2013:Nil).

General Employees' Co-operative Credit Union Limited
Notes to the Financial Statements
For the Year Ended December 31, 2014

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9. **Investment Securities (Cont'd)**
British American Insurance Company Limited and Colonial Life Insurance Company International Limited (CLICO) have defaulted on their Flexible Annuity Policies. Further, both companies are under Judicial Management. During the year, the Credit Union recognised a further impairment charge of \$700,000 on its CLICO holdings. The Credit Union's investments nominal values in BAICO and CLICO are \$15,722,232 and \$7,014,910 respectively.

10. Loans to Members

	2014	2013
	\$	\$
Consumer loans	57,990,199	57,971,604
Computer loans	45,679	68,526
Mortgage loans	42,119,773	37,621,546
Student loans	3,434,579	3,345,177
Interest receivable thereon, net	705,919	1,023,098
	<u>104,296,149</u>	<u>100,029,951</u>
Allowance for loan losses	<u>(2,633,717)</u>	<u>(3,405,917)</u>
	<u>101,662,432</u>	<u>96,624,034</u>

The effective interest yield during the year on loans to members was 8.98% (2013: 9.3%).

10.1 Loans to Members Impairment Analysis

Loans and advances are summarised as follows: -

	2014	2013
	\$	\$
Neither past due nor impaired	97,051,991	87,536,287
Past due but not impaired	3,318,871	6,536,598
Impaired	3,925,287	5,957,066
Gross	<u>104,296,149</u>	<u>100,029,951</u>
Less: allowance for impairment	<u>(2,633,717)</u>	<u>(3,405,917)</u>
Net	<u>101,662,432</u>	<u>96,624,034</u>

10.2 Allowance for Loan Losses

	2014	2013
	\$	\$
Balance - Beginning of Year	3,405,917	3,647,316
Allowance for loan impairment (note 10.3)	240,000	231,000
Allowance for loan impairment transferred ULP and Mt. Coke Credit Union	0	7,902
Loans written off during the year as uncollectible	<u>(1,012,200)</u>	<u>(480,301)</u>
Balance - End of Year	<u>2,633,717</u>	<u>3,405,917</u>

10.3 Allowance for Impairment on Loans

	2014	2013
	\$	\$
Increase in allowance for losses (Note 10.2)	240,000	231,000
Recoveries	<u>(24,000)</u>	<u>(8,236)</u>
	<u>216,000</u>	<u>222,764</u>

As of reporting date, interest of \$202,809 (2013: \$497,470) was suspended on loans amounting to \$3,873,372 (2013: \$7,297,502).

General Employees' Co-operative Credit Union Limited
Notes to the Financial Statements
For the Year Ended December 31, 2014

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11. Other Assets

	2014 \$	2013 \$
ATM receivables	76,251	103,948
Interest receivable on investment securities, net	435,217	331,698
Rent receivable	12,753	47,667
Prepaid expenses	45,466	37,023
Staff receivables - Net	7,978	2,096
Western Union receivables	28,374	41,858
Other	100,818	145,732
	<u>706,857</u>	<u>710,022</u>
Allowance for impairment of other receivables	(78,245)	(78,245)
	<u>628,612</u>	<u>631,777</u>

All other assets are denominated in Eastern Caribbean Currency.

12. Investment Properties

	2014 \$	2013 \$
Carrying value at beginning of year	15,358,660	15,358,660
Derecognition of properties for sale (note 8)	(5,433,660)	0
Carrying value at end of year	<u>9,925,000</u>	<u>15,358,660</u>

Investment properties comprise:

	2014 \$	2013 \$
Properties held for rental	9,925,000	9,925,000
Properties held for appreciation	0	5,433,660
	<u>9,925,000</u>	<u>15,358,660</u>

As disclosed in note 8, the Credit Union transferred 30.187 acres of land held at Peter's Hope to inventory, which are sub-divided and under development for sales.

Income from investment properties amounted to \$198,840 (2013: \$198,840) and direct operating expenses amounted to \$2,249 (2013: \$992).

13. Property, Plant and Equipment

	Land \$	Building \$	Furniture & Equipment \$	Motor Vehicle \$	Total \$
At December 31, 2012					
Cost or valuation	1,225,644	3,056,356	1,447,497	130,110	5,859,607
Accumulated depreciation	0	121,127	1,238,196	130,108	1,489,431
Net book amount	<u>1,225,644</u>	<u>2,935,229</u>	<u>209,301</u>	<u>2</u>	<u>4,370,176</u>
Year Ended December 31, 2013					
Opening net book amount	1,225,644	2,935,229	209,301	2	4,370,176
Additions	147,991	0	262,624	0	410,615
Disposal	0	0	(1,055)	0	(1,055)
Depreciation charge	0	(61,127)	(147,025)	0	(208,152)
Closing net book amount	<u>1,373,635</u>	<u>2,874,102</u>	<u>323,845</u>	<u>2</u>	<u>4,571,584</u>
At December 31, 2013					
Cost or valuation	1,373,635	3,056,356	1,541,691	130,110	6,101,792
Accumulated depreciation	0	182,254	1,217,846	130,108	1,530,208
Net book amount	<u>1,373,635</u>	<u>2,874,102</u>	<u>323,845</u>	<u>2</u>	<u>4,571,584</u>

General Employees' Co-operative Credit Union Limited
Notes to the Financial Statements
For the Year Ended December 31, 2014

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13. Property, Plant and Equipment (cont'd)

	Land \$	Building \$	Furniture & Equipment \$	Motor Vehicle \$	Total \$
Year Ended December 31, 2014					
Opening net book amount	1,373,635	2,874,102	323,845	2	4,571,584
Additions	550	8,830	307,914	0	317,294
Depreciation charge	0	(61,304)	(175,543)	0	(236,847)
Closing net book amount	1,374,185	2,821,628	456,216	2	4,652,031
At December 31, 2014					
Cost or valuation	1,374,185	3,065,186	1,849,605	130,110	6,419,086
Accumulated depreciation	0	243,558	1,393,389	130,108	1,767,055
Net book amount	1,374,185	2,821,628	456,216	2	4,652,031
Closing net book amount	1,225,644	2,935,229	209,301	2	4,370,176

Depreciation expense of \$236,847(2013:\$208,152) has been charged to general and administrative expenses.

14 Other Payables

	2014 \$	2013 \$
Accounts payable and accrued liabilities	1,218,056	975,969
Interest payable on fixed deposits	1,106,630	1,156,153
Interest payable on member share savings	1,157,448	945,437
	3,482,134	3,077,559

Other payables are denominated in Eastern Caribbean currency.

15. Members' Deposits

	2014 \$	2013 \$
Term deposits	52,061,420	50,533,409
Saving deposits	26,746,368	22,280,786
	78,807,788	72,814,195

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

	2014 %	2013 %
Term deposits	3.85	4.23
Saving deposits	3.15	3.16

All members' deposits are denominated in Eastern Caribbean Currency.

16. Members' Ordinary Savings

Members' ordinary savings bear interest at rates not exceeding the rate of interest stipulated by the East Caribbean Central Bank.

17. Share Capital

	2014 \$ No. of Shares Unlimited	2013 \$ No. of Shares Unlimited
Qualifying shares	2,896,500	0
Equity shares	17,160,619	0
Permanent shares	0	5,334,904
	20,057,119	5,334,904

17. Share Capital (Cont'd)

Pursuant to the coming into force of the Co-operative Societies Act No: 12 of 2012, on the 29th April 2014, the general membership approved two (2) resolutions; resolution 1- for the implementation of two classes of shares called qualifying and equity shares, and resolution 2- for the sum of \$20,000,000 to be transferred to Members Equity Shares. Accordingly, on December 4, 2014, \$100 of members permanent shares were converted to 100 qualifying shares at a value of \$1 per share, and the remaining balance on members' permanent shares were converted to equity shares at a value of \$1 per share. Further, 22% of each member's shares savings account was classified as equity shares at a value of \$1 per share. Furthermore, each member shall purchase, annually, at least 50 shares, which shall be credited to their equity shares account.

18. Statutory Reserve

Pursuant to the provisions of Article XIX (1) of the By-Laws and Part VII section 124 of the Co-Operative Societies Act 2012, the Credit Union shall set aside all entrance fees and fines collected from members. If at the end of each financial year the amount standing to statutory reserves before any declaration of dividend is less than ten percent of total assets, the Credit Union shall transfer to statutory reserve for that year not less than twenty percent (20%) of its surplus or such lessor sum as may be required to increase the statutory reserves to ten percent of total assets.

	2014 \$	2013 \$
Balance – Beginning of Year	8,817,877	26,155,639
Entrance fees received in current year	1,625	1,365
Appropriation for the year	341,526	526,915
Transfer to members' redeemable shares	0	(20,000,000)
Adjustments for the year	(7,052)	0
Transfer of statutory reserve from South Rivers Co-operative Credit Union Ltd.	0	(1,303)
Transfer of general reserve from Georgetown Mount Coke Methodist Circuit Co-operative Credit Union Ltd.	0	52,829
Transfer of general reserve from ULP Co-operative Credit Union Ltd.	0	(117,568)
Transfer from Social Development Fund	0	2,200,000
Balance - End of Year	9,153,976	8,817,877

19. 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.

	2014 \$	2013 \$
Balance - beginning of year	201,431	2,065,992
Contribution received	450,260	434,380
Benefits paid	(156,463)	(98,941)
Transfer to statutory reserve	0	(2,200,000)
Balance - end of year	495,228	201,431

20. Statutory Development Fund

	2014 \$	2013 \$
Opening balance	30,000	30,000
Closing balance	30,000	30,000

In accordance with Article 125 of the Co-operative Societies Act 2012, the Credit Union shall maintain, from annual appropriations not exceeding ten percent of net profits, a Development Fund, which shall be administered by the National League, for the development of registered societies.

21. Accumulated Other Comprehensive Income

	2014 \$	2013 \$
Revaluation reserve	511,915	511,915
Unrealised gain on investment	401,916	401,916
	913,831	913,831

General Employees' Co-operative Credit Union Limited
Notes to the Financial Statements
For the Year Ended December 31, 2014

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22. Investment Income - Net

	2014 \$	2013 \$
Dividend	16,732	12,731
Interest earned	1,543,883	1,285,819
	<u>1,560,615</u>	<u>1,298,550</u>

23. Selling Expenses

	2014 \$	2013 \$
Advertising	41,686	43,859
Donations	48,262	59,534
Heritage month expenses	220	5,426
Scholarships	112,081	95,455
School co-operative expense	100	722
Social assistance expense	2,774	3,925
	<u>205,123</u>	<u>208,921</u>

24. General and Administrative Expenses

	2014 \$	2013 \$
50 th Anniversary celebration	223,869	1,048
ATM card embossing cost	2,813	7,213
Audit fee	63,342	54,050
Bad debts – rent and other	8,315	5,000
Bank charges	25,514	4,392
Board and committee expenses	122,045	123,423
Cash losses due to theft	0	106,967
Credit Union week	3,907	15,891
Cleaning expenses	18,095	10,110
Depreciation	236,847	208,152
Education and promotion	37,101	1,330
Electricity	91,725	144,429
General insurance	58,609	52,118
Georgetown branch expenses	100,541	102,983
Grenadines expenses	175,603	113,995
Honorarium	9,600	9,600
Insurance on members' shares and loans	704,024	700,229
International year of co-operatives 2012	0	650
League dues	128,790	127,065
Licensing fees	55,044	49,209
Meeting expenses	65,694	55,000
Miscellaneous expenses	10,210	8,770
Motor vehicle expense	33,569	27,418
Office expenses	65,506	58,566
Professional fees	11,285	43,726
Property tax	7,370	8,164
Repairs and maintenance	97,447	109,101
Security	125,132	114,652
Social events	4,391	43,470
Stationery, postage and office supplies	92,048	80,588
Subscriptions and membership dues	6,588	3,302
Telephone	105,359	104,616
Water and sewerage	20,260	24,128
Convention and summit	82,685	106,768
	<u>2,793,328</u>	<u>2,626,123</u>

General Employees' Co-operative Credit Union Limited
Notes to the Financial Statements
For the Year Ended December 31, 2014

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25. Staff Cost

	2014 \$	2013 \$
Education assistance	3,240	2,835
Group medical insurance	74,104	69,025
Holiday grant	11,000	0
Housing allowance	4,800	4,800
Pension	79,801	78,054
National Insurance contributions	82,075	61,693
Salaries, wages and bonus	1,880,938	1,666,409
Staff training	69,027	67,168
Travel and entertainment allowances	68,311	63,552
Uniforms	17,433	22,925
	2,290,729	2,036,461
Number of employees as of reporting date	47	45

26. Income on Death Benefit Plan – Net

	2014 \$	2013 \$
Members' death benefit contributions during the year	559,380	532,340
Death benefit claims paid during the year	410,127	292,000
	149,253	240,340

27. Income Tax

The Credit Union, in accordance with Section 241 of the Co-operative Societies Act 2012, is exempt from income tax.

28. Staff Retirement Benefit Plan

The Credit Union has a defined contribution retirement plan for eligible full-time employees which is administered by Colonial Life Insurance Company (Trinidad) Limited, CLICO. Pursuant to the provisions of the plan, the Credit Union is required to contribute four per cent (4%) of each qualifying employee's salary to the plan. As of reporting date, Colonial Life Insurance Credit Union (Trinidad) Limited is under juridical management and is insolvent. The Credit Union retains the pension contributions in a deposit account, which at reporting date had a balance of \$414,425 (2013: \$301,091). The deposit earns interest at the rate of 3% per annum.

29. Related Party Transactions

A party is related to the Credit Union if the party has control over the Credit Union or the party has significant influence over the Credit Union or is a member of the key management personnel.

The Board of Directors, committees and staff of the General Employees Co-operative Credit Union Limited are considered as related parties.

a. Loans and Deposits

	2014 \$	2013 \$
Loans		
Directors and volunteers	3,588,257	3,804,536
Staff	3,847,489	3,701,678
	7,435,746	7,506,214
	2014 \$	2013 \$
Deposits		
Directors and volunteers	1,195,050	914,584
Staff	679,233	520,430
	1,874,283	1,435,014

General Employees' Co-operative Credit Union Limited
Notes to the Financial Statements
For the Year Ended December 31, 2014

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29. Related Party Transactions (Cont'd)

Key Management Compensation

	2014 \$	2013 \$
Salaries	640,317	570,660
National Insurance Services	14,039	14,039
	<u>654,356</u>	<u>584,699</u>

Other

	2014 \$	2013 \$
Board honorarium	<u>9,600</u>	<u>9,600</u>

30. Commitments

As of reporting date, the Credit Union was committed to expenditures estimated at \$6,445,549 of which \$895,946 and \$406,500 were contracted and expended respectively.

The Credit Union is committed to monthly rentals of \$4,225, \$1,500 and \$500 under operating leases which expire on October 31, 2016, April 1, 2016 and December 31, 2015 respectively. Total of future minimum lease payment under non-cancellable operating leases: -

	2014 \$	2013 \$
Not later than one year	74,700	74,700
Later than one year and not greater than five years	46,750	121,450
	<u>121,450</u>	<u>196,150</u>

THE CREDIT COMMITTEE'S REPORT TO THE 49TH ANNUAL GENERAL MEETING

1.0 Introduction

1.1 The under-mentioned persons continue to serve on the Credit Committee for the year 2014:

- * Bro. Colin Sam
- * Bro. Linus Goodluck
- * Sis. Marla Mulraine
- * Bro. Michael Sayers

1.2 Sis. Janice King was duly elected at the 48th Annual General Meeting to serve on the Credit Committee.

1.3 Bro. Harold Lewis retired from the Committee in 2014.

1.4 Bro. Colin Sam was elected as Chairman; Bro. Linus Goodluck as Deputy Chairman and Sis. Marla Mulraine, as Secretary.

2.0 Meetings and Attendance

2.1 For the calendar year 2014, a total of seventy four (74) regular meetings were convened and thirty seven (37) site visits were made.

2.2 **The attendance record was as follows:**

	2014
Bro. Harold Lewis	25
Bro. Colin Sam	69
Sis. Marla Mulraine	64
Bro. Linus Goodluck	71
Bro. Michael Sayers	66
Sis. Janice King	36

3.0 Work Programme

- Assessed loans in accordance with GECCU's loan policy.
- Provided financial advice and counseling where necessary.
- Participated in relevant training sessions.
- Reviewed the performance of the mortgage portfolio
- Submitted monthly reports to the Board of Directors.
- Conducted site visits.
- Conducted interviews when deemed appropriate.
- Worked closely with the Loans Department and Recoveries Committee.
- Discussed the concerns raised at the meeting with the FSA
- Discussed the recommendations arising from the meeting with the FSA.
- Attended workshops facilitated by the FSA.
- Monitored the economic development in the local, regional and international markets.
- Worked along with technical personnel.
- Reviewed GECCU's Loan policy

3.1 The Credit Committee continued to oversee the loan portfolio with diligence, being ever mindful of the financial challenges which are still being faced by members due to the global financial crisis. Additionally, there was the series of disasters that have amplified the challenges, threatening the financial sustainability of our members. In this regard, the Committee continues to meet our members' needs with empathy, diligence and financial prudence, utilizing the five canons of credit (5Cs).

3.2 As a consequence of the aforementioned, the Committee has undertaken more in-depth analysis, monitoring and reporting on the loan portfolio performance to enhance its governance responsibility.

4.0 Loan Review and Disbursement

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

Table 1: Loan Activities for the financial year 2014

Particulars	2014		2013	
	No	Value	No	Value
Total loan applications processed	7521	\$42,034,506.00	7637	\$46,434,338.00
Total loan applications approved	7479	\$37,984,965.00	7580	\$40,162,285.00
Total loan applications deferred	15	\$1,925,854.00	25	\$2,787,854.00
Total loan applications not approved	27	\$3,898,782.00	32	\$3,484,199.00
Total loans approved	7479	\$37,984,965.00	7580	\$40,162,285.00
Total loans disbursed	7465	\$36,209,870.00	7563	\$38,048,383.00
Total loans undisbursed	14	\$1,775,095.00	17	\$2,113,902.00

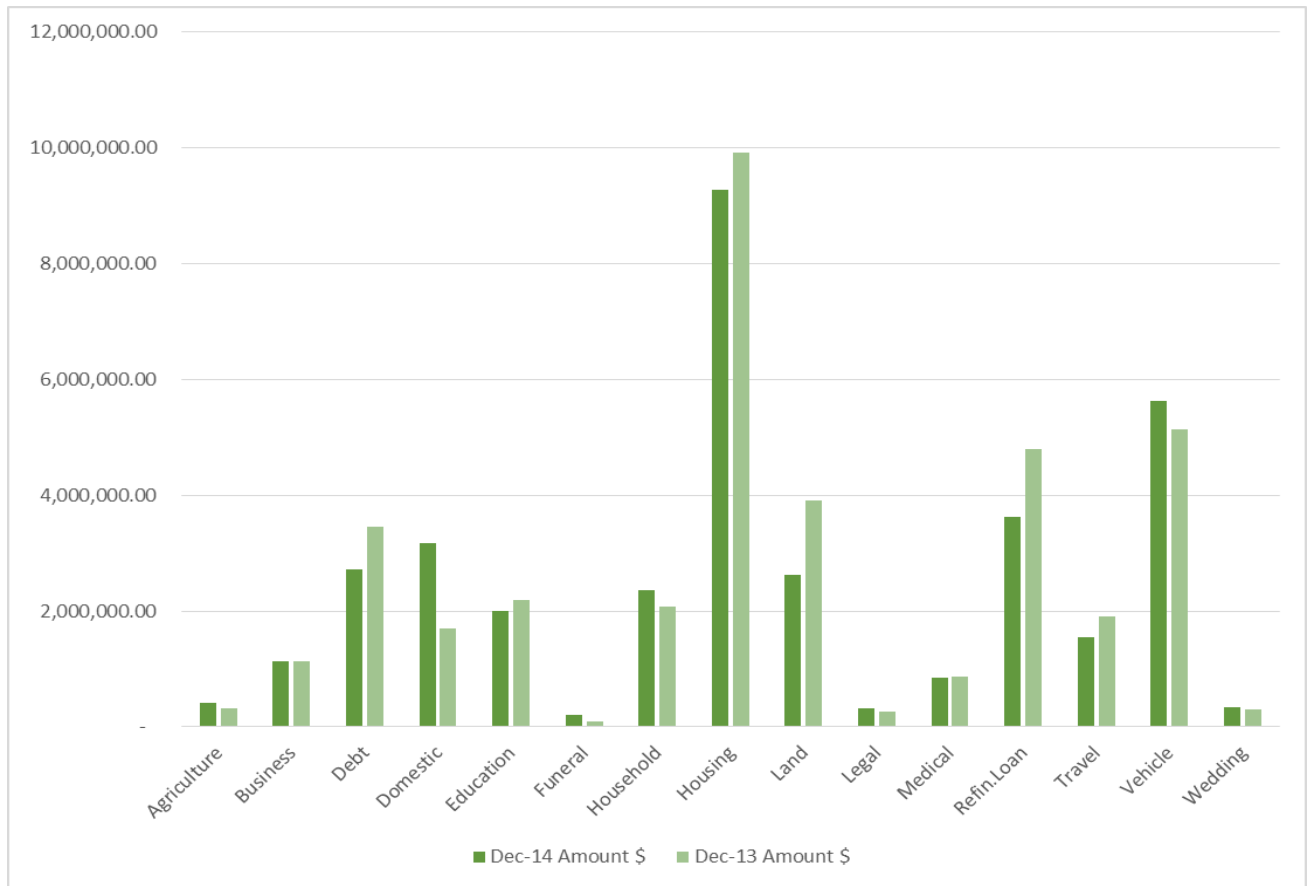
4.1.1 Table 1 above reveals a 9.5% decrease in the value of loans processed, as well as a 1.5% decrease in the number of loans processed. The sub-categories comprising this heading include: total loans approved, which decreased in both value and number; total loans deferred, which also registered decreases in both value and number. The loans that were not approved, showed a decrease in both value and number respectively.

4.2 The table below shows loans disbursed by category

	Jan-Dec 2014			Jan-Dec 2013		
	No of	Amount	% of Total	No of	Amount	% of Total
	Loans	(\$)	Loan Value	Loans	(\$)	Loan Value
Agriculture	129	408,496.00	1.13	119	316,758.00	0.8
Business	226	1,137,874.00	3.14	250	1,122,782.00	2.9
Debt	932	2,726,057.00	7.53	1350	3,454,519.00	9.1
Domestic	1626	3,180,625.00	8.78	1241	1,697,335.000	4.5
Education	692	1,999,102.00	5.52	693	2,181,304.00	5.7
Funeral	50	213,816.00	0.59	44	89,022.00	0.2
Household	941	2,359,833.00	6.52	835	2,079,413.00	5.5
Housing	757	9,278,619.00	25.62	847	9,926,919.00	26.1
Land	44	2,617,794.00	7.23	79	3,918,058.00	10.3
Legal	83	320,057.00	0.88	88	263,567.00	0.7
Medical	531	841,283.00	2.32	473	860,792.00	2.2
Refin. Loan	163	3,618,655.00	9.99	277	4,798,475.00	12.6
Travel	448	1,540,403.00	4.25	470	1,906,520.00	5.1
Vehicle	774	5,629,786.00	15.55	728	5,128,969.00	13.5
Wedding	69	337,470.00	0.95	69	303,950.00	0.8
Total	7,465	36,209,870.00	100	7,563	38,048,383.00	100

4.2.1 During the period under review, the number of loans disbursed by sector type decreased from \$38.05 million to \$36.21 million, representing a decrease of 4.8 %. This figure exceeded the budgeted amount of \$28 million by \$8.21 million for the year.

4.2.2 Chart 1 below shows a graphical representation of loans disbursed by type.



5.0. Mortgage Financing Program (MFP)

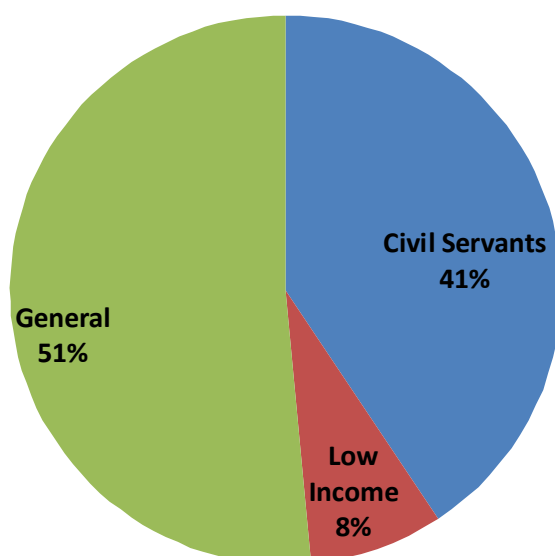
- 5.1 The total value of the mortgage (housing) portfolio stood at \$42.1 million as at December 2014, representing 40.6% of the total loan portfolio, which amounted to \$103.6 million .
- 5.2 For the period under review, the number of mortgages approved totaled 35, valued at \$6.45 million, representing approximately 17% of the total loans approved. The mortgage portfolio continues to grow, having realized a \$4.4 million increase over the corresponding period in 2013.
- 5.3 Ensuring compliance continued to be in the forefront of the Committee's mandate. Therefore, the monitoring of the mortgage portfolio and providing guidance to applicants is emphasized. These efforts are in keeping with GECCU's thrust of minimizing delinquency and curtailing cost overruns during the construction phase of projects.
- 5.4 The table below shows the number and the value of the mortgage portfolio for the year 2014 in comparison to the year 2013.

Table 3: Mortgage portfolio by category

	2014	2014	2014	2013	2013	2013
Category	No of loans	Value(\$)	Percentage	No of loans	Value(\$)	Percentage
Civil Servants	119	\$17,638,880.00	41.88	103	\$15,312,570.00	40.7
Low Income	38	\$3,255,258.00	7.73	39	\$2,935,636.00	7.8
General	158	\$21,226,475.00	50.39	146	\$19,373,242.00	51.5
TOTAL	315	\$42,120,613.00	100	288	\$37, 621,448.00	100

5.4.1 The distribution of the mortgage portfolio for the fiscal year 2014 is presented in the pie chart below.

Chart 2: Mortgage portfolio by category



6.0 Delinquency Status

6.1 As articulated in Section sixty-two (62) of the Co-operative Societies Act of 2012 and reiterated by the Financial Services Authority (FSA), the Committee is conscious of its mandate to monitor the delinquency status of its loan portfolio. To this end, two members of the Credit Committee continue to serve on the Recoveries Committee in order to enhance the competencies and the capacities of the Recovery Department.

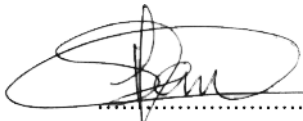
Over the period, the delinquency rate fell from 9.23% to 6.99%. This brings us closer to the PEARLS ratio of 5%. This was due to the implementation of the strategies which are outlined in the Board of Directors Report for 2013. These strategies included:

- Increase in the complement of the staff of the Recoveries Department
- Increased financial counselling for our members
- Increased training for staff
- Special assistance to vulnerable small business sector (e.g.) farming
- Renegotiating and rescheduling of loans where appropriate
- Increase in the number of site visits
- More effective monitoring of delinquency and more speedy action

While this is commendable, the Committee recognizes that there is still a lot of work to be done to reduce the delinquency status.

7.0 Conclusion

- 7.1 As GECCU continues to play a leading role in the financial sector, it is ever mindful that the financial crisis has brought greater scrutiny to the credit union movement in terms of how it identifies and manages risk, and administers its investments. In this regard the Credit Committee is committed to working assiduously to strengthen its role as an intermediary between GECCU and its members. The committee is cognizant of the fact that the aftermath of the global financial recession demands greater strategic focus, discipline and efficiencies in every sphere of the Credit Union's operation.
- 7.2 Consequently, the committee continues to analyze its overall efficiency by evaluating its processes to identify gaps, and to establish measurements to gauge its overall effectiveness and efficiency. The Committee also aims to improve its credit risk management and governance capabilities to aid in the maintenance of a strong and resilient financial foundation for the sustainable growth of GECCU and for the development of the economic and social wellbeing of its members.
- 7.4 The Committee takes this opportunity to express its gratitude for the confidence placed by the general membership, Board of Directors, other Committees, Management and staff and for the support extended during the year.



.....
Bro. Colin Sam
Chairperson



.....
Sis. Marla Mulraine
Secretary

THE SUPERVISORY AND COMPLIANCE COMMITTEE'S REPORT TO THE 49TH ANNUAL GENERAL MEETING

1.0 INTRODUCTION

- 1.2 The Supervisory and Compliance Committee is satisfied that the General Employees' Co-operative Credit Union's operations and controls are in compliance with the Co-operative Societies Act of 2012 and the organization's By-Laws.
- 1.3 At the 48th Annual General Meeting, Sis. Marva Cato-Robinson and Sis. Elsa K. Wynne were elected to serve for a period of three (3) years.
- 1.4 The other members of the Committee are:
Sis. Lauramay Pope-Williams
Sis. Colleen Thomas
Sis. Anika Stapleton
- 1.5 The Internal Auditor, Sis. Damoris Alexander, assisted the Committee in the implementation of its' work programme.
- 1.6 Sis. Lauramay Pope-Williams and Sis. Elsa K. Wynne were elected unopposed as Chairperson and Secretary respectively. Regular meetings were scheduled for the second and fourth Tuesday of each month.

2.0 ATTENDANCE AT MEETINGS

- 2.1 Twenty-two (22) meetings were held with attendance as follows:

Sis. Lauramay Pope-Williams	17 meeting
Sis. Colleen Thomas	15 meetings
Sis. Anika Stapleton	21 meetings
Sis. Marva Cato-Robinson	10 meetings
Sis. Elsa Wynne	10 meetings

3.0 SCOPE OF WORK

3.1 WORKPLAN

- 3.2 The Supervisory and Compliance Committee's duties and responsibilities are detailed in the Cooperative Societies Act and GECCU's By-Laws—inter alia: an examination of the books and documents pertaining to its functions and operations. The Committee wishes to report its findings as follows:-
- 3.3 During the year, a work plan was developed and implemented outlining the areas of the Credit Union's operations to be examined as follows:

4.0 COMPLIANCE

- 4.1 The credit union was mandated by the local regulatory body, the Financial Services Authority (FSA), to set up a recapitalisation fund in order for the institution to be compliant. The Supervisory and Compliance Committee is pleased to report that this was successfully completed during the last quarter of 2014.

- 4.2 Additionally, the committee ensured that the Accounts Department complied with all financial reporting requirements on a monthly and quarterly basis and that the relevant financial statements were forwarded to the FSA in a timely manner.
- 4.3 The committee continued to liaise with management and staff to keep abreast of all reporting requirements so as to ensure compliance with all regulatory bodies.
- 4.4 The committee reviewed monthly reports and minutes of the Board of Directors and various committees. The files of the Board of Directors, committee members and management were also reviewed. Any discrepancies identified during examinations were adequately addressed.
- 4.5 As required by the Co-operative Societies Act No. 12 of 2012 and highlighted by the FSA, some members of the committee attended an observation session of a meeting of the Board of Directors.

5.0 LOANS & RECOVERIES

- 5.1 The loans portfolio was examined and a sampling of applications was done to ensure that the loans policy and procedures were consistently adhered to. Delinquency reports were also reviewed. The committee is satisfied that the Loans Department liaised with the Recoveries Section in adequately addressing the delinquencies that exist. The Committee is also satisfied that the staff at the Recoveries Section developed a strategy to follow-up and to collect outstanding payments, and is making every effort to manage the level of loan delinquency.

6.0 SUB-OFFICES

- 6.1 The committee visited sub-offices to review the operation and internal controls and they were found to be in compliance with the Co-operative Societies Regulations and GECCU's By-Laws. In addition, most records were found to be properly secured and in good order.

7.0 GECCU– PETER'S HOPE LAND DEVELOPMENT PROJECT

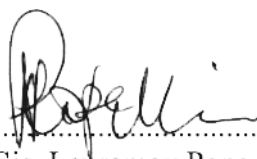
The first phase of the Peter's Hope project has commenced and the Supervisory and Compliance Committee is liaising with management and the Project Steering Committee to ensure that the necessary contracts are finalised, and all progress reports and other relevant documents are submitted as scheduled. The committee will continue to monitor the developments regarding the GECCU-Peter's Hope Land Development Project.

8.0 COMMENDATION

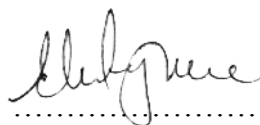
- 8.1 The committee wishes to commend the Board of Directors and Management on the successful implementation of the recapitalisation fund. In addition, we take this opportunity to congratulate GECCU on the appointment of an Assistant Internal Auditor.

9.0 ACKNOWLEDGEMENT

- 9.1 The Supervisory and Compliance Committee extends sincerest appreciation to the general membership, management, staff and all elected members for the opportunity given to serve this noble organisation. We look forward to your continued co-operation and support in 2015.



Sis. Lauramay Pope-Williams
Chairperson



Sis. Elsa Wynne
Secretary

THE EDUCATION COMMITTEE'S REPORT TO THE 49TH ANNUAL GENERAL MEETING

1.0 Introduction

- 1.1** The Education Committee as selected by the Board of Directors to serve for the period under review comprised following Volunteers and Staff –
- 1.2** The Committee comprised the following persons for the year 2014:
- Bro. Clarence Harry - Chairperson
 - Sis. Dionne John - Deputy Chairperson
 - Sis. Ena Walters - Secretary
 - Sis. Mineva Glasgow
 - Sis. Gemma Mc Cree – Clarke
 - Bro. Ronnie Daniel
 - Sis. Camilla Mandeville
 - Bro. Claude Cambridge
 - Bro. Joel Poyer
 - Sis. Velda Gumbs
 - Sis. Andra McMillian
 - Sis. Dianna Browne
 - Sis. Danny Lee Francis – Staff
 - Bro. Anton Jardine – Staff
 - Bro. Ryan Hazell – Staff
 - Bro. Osbert Cunningham Jr. - Staff
- 1.3** The Committee held its first meeting on May 26th 2014 and elected Bro. Harry, Sis. John and Sis. Walters as Chairperson, Deputy Chairperson and Secretary, respectively.
- 1.4** It must be noted that the 50th Anniversary Committee was an extension of the Education Committee and incorporated Bros. Andrew Bramble, Aubrey Burgin and Sis. Gillian Griffith. The Anniversary Committee was chaired by Bro. Ronnie Daniel.
- 1.5** The Education Committee worked closely with the Marketing Department.

2.0 Meetings

- 2.1** The Committee met every second Monday in each month or otherwise as needed.

3.0 Strategic Objectives

The Committee's work and work plan for the period under review were guided by the following broad strategic objectives :

- To strengthen protection mechanisms and procedures,
- To increase membership,
- To improve the quality and accessibility of products and services to members,
- To strengthen GECCU's commitment to the development of the Co-operative sector,
- To compile activities and implement plans for the 50th Anniversary celebrations

4.0 ACCOMPLISHMENTS

4.1 To strengthen protection mechanisms and procedures

- Training sessions were conducted for volunteers and staff at different levels and at all business centers on strengthening protection mechanisms and procedures as referenced in the Board of Directors' report.

4.2 To increase membership

- Various sector specific outreach programmes were employed, targeting the 35 years and under age group of the population. These included, but were not limited to: sending mass messages to targeted groups, greater utilization of the Liaison Officers and Teacher Guides, a redesigned and enhanced website, launch of new and smart products, greater utilization of the social media, meeting and engaging with the Association of returnees, enhancing youth marketability through apprenticeship programs, visits to Schools' Agri-business Project.
- As a result of these and many other interventions, 2,235 new members/depositors were registered.

4.3 To improve the quality and accessibility of services and products to members

- The website was significantly upgraded to provide online access to the range of products and services, thus maximizing the use of technology.
- Special events were streamed live via the internet for the first time in the history of GECCU.
- Global Information Access (GIA) was launched on Wednesday March 19, 2014. GECCU became the first credit union in St. Vincent and the Grenadines to offer on-line Credit Union delivery services. Currently, it has a suite of three electronic delivery channels (GECCU ATM, GECCU ONLINE AND GECCU MOBILE) under the 24 hour service delivery termed GECCU LINK-24.

4.4 To strengthen the adherence to the Credit Union principles and philosophy more broadly and consistently among members and staff

- A series of training workshops for staff, volunteers and liaison officers was conducted to strengthen their role in selling GECCU's product and services while at the same time promoting the credit union principles and philosophy.
- **Liaison Officer Training** was held for GECCU's Liaison Officers on Tuesday November 25 2014. The training brought the officers up-to-date with the newest services being offered by GECCU and their role as Liaison Officers in effectively marketing these services.
- **Volunteerism Workshop** was held on Tuesday, December 9th 2014 and brought together a cohort of 28 young professionals between the ages of 21 and 40 to educate them about the benefits of being a volunteer and the role that young persons play in the continued success of the Credit Union movement.
- **Small Business training Workshop** was held on Wednesday December 10 2014 in collaboration with COMFI. The training focused on Business Plan writing and Business Financing. GECCU will continue in its thrust to educate its members with more training sessions scheduled for 2015 in partnership with COMFI.
- There was greater utilization of the Liaison Officers as agents to sell GECCU's products and services at their respective workplaces.

4.5 To strengthen GECCU's commitment to the development of the co-operative sector

- Worked with the Co-operative Department to develop new ways to strengthen the Schools' Co-operatives and Teacher Guide Programmes
- Visited 3 schools (New Adelphi Primary, Brighton Primary and Union Methodist Primary) under the Schools' Agri-business project.

4.6 To compile activities and implement plans for the 50th Anniversary celebrations

The Education and 50th Anniversary Committees and the Marketing Department coordinated and completed a successful calendar of activities to mark and celebrate GECCU's 50th anniversary under the theme *"Proud of the Past... Prepared for the Future."*

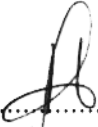
- Hosted 3 lectures as part of its 50th anniversary celebration.

- Lecture #1 was in honour of Sis. Beryl Baptiste MBE, a founding member, and was held on January 23rd 2014.
- Lecture #2 was in honour of Sis. Viola John, the longest serving Manager and was held on April 15th, 2014, and
- Lecture #3 was in honour of the late Bro. Bertrand Neehall, the first President and was held on July 15th 2014.
- Co-ordinated a Health and Fitness Walk on National Heroes' Day, March 14th 2014.
- Hosted our sister credit unions COPOS (Trinidad and Tobago) and Grenville Credit Union (Grenada) for Easter weekend April 2014.
- Co-ordinated and commenced the planting of 100 trees on Earth Day 2014 as part of the Going Green Campaign in collaboration with the Forestry Department. A yellow poui tree was planted in the yard at the New Kingstown Public Library on April 22nd 2014.
- Hosted a sidewalk exhibition in front of the Kingstown Vegetable Market on 27th June 2014.
- Co-ordinated the Anniversary Dinner and Awards on July 12th 2014.
- Co-ordinated the Anniversary Church Service on July 14th 2014.
- Distributed a total of 100 food boxes to elderly and less fortunate members across St. Vincent and the Grenadines. Distribution began in Bequia on June 13th 2014; it continued in Union Island on June 25th 2014. On the mainland, GECCU journeyed to the windward side of the island on 28th November 2014 to distribute food boxes to our members living on that side of the island. The final boxes were distributed to members on the Leeward side of the island on 5th December 2014.
- Co-ordinated Presidents' Day activity on Credit Union Day October 16th 2014.
- Co-ordinated the GECCU family fun day held on Saturday October 18th 2014 at the Grammar School Playing field.
- Commenced work on the 50th Anniversary Commemorative magazine in October 2014.

5.0 CONCLUSION

The Education Committee would like to thank the Board of Directors for affording it the opportunity to serve this noble organization, the staff in general for their support and more importantly, the Marketing Department for making the job a rich and fulfilling one. The Committee performed well and worked assiduously in the execution of its work and work plan to achieve the strategic objectives. However, the execution of the 50th Anniversary calendar of activities occupied the greater part of the Committee's time, hence only about 85 % of the planned activities was accomplished for the period under review.

The Education Committee would like to thank the 50th Anniversary Committee for the experience.


.....
Bro. Clarence Harry
Chairperson


.....
Sis. Ena Walters
Secretary

Serving Officers 2014/2015

Board of Directors

Bro. Kelvin Pompey	- President
Bro. Philmore Isaacs	- Vice President
* Bro. Jerold Jackson	- Treasurer
* Sis. Gemma Mc Cree-Clarke	- Secretary
* Bro. Cecil Ryan	- Director
Sis. Mineva Glasgow	- Director
Sis. Cecelia Williams	- Director
Bro. Ronnie Daniel	- Director
Bro. Harold Lewis	- Director

Credit Committee

*Bro. Colin Sam	- Chairperson
Bro. Linus Goodluck	- Deputy Chairperson
* Sis. Marla Mulraine	- Secretary
Bro. Michael Sayers	- Member
Sis. Janice King	- Member

Supervisory Committee

Sis. Lauramay Pope-Williams	- Chairperson
Sis. Elsa Wynne	- Secretary
Sis. Anika Stapleton	- Member
Sis. Marva Cato-Robinson	- Member
*Sis. Colleen Thomas	- Member

*Indicates members due to retire at this meeting.

NOTES

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