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Of the Members for the Members by the Members

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United Enterprise  
Credit Union Limited  
**ANNUAL REPORT 2017**

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## THE PRAYER OF SAINT FRANCIS OF ASSISI

\*\*1\*\*

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.

\*\*2\*\*

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

## MISSION STATEMENT

“United Enterprise Credit Union’s mission is to maintain and create quality financial relationships with our members for a lifetime. This will be done through providing relevant financial products, personable quality service which exceeds our members’ expectations while promoting the Credit Union’s growth and maintaining financial stability.”

## VISION STATEMENT

“United Enterprise Credit Union aspires to be a Credit Union that has a relationship with our members, and partners with them to create grow and enhance financial security.”

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

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**Bro. Kevin Lashley**

*President*

**Bro. Gregory Yearwood**

*Vice President*

**Sis. Michelle Marshall**

*Treasurer*

**Bro. Carlos Rochester**

*Secretary*

**Sis. Renee Scantlebury**

*Assistant Secretary*

## SUPERVISORY COMMITTEE

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**Bro. Charles Rochester**

*Chairman*

**Sis. Pamala Murray**

*Secretary*

**Sis. Rita Evans**

*Member*

## CREDIT COMMITTEE

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**Bro. Frank Drayton-Fybrace**

*Chairman*

**Bro. Kurt Crookendale**

*Secretary*

**Bro. Kenrick Beckles**

*Member*

## OFFICE STAFF

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**Sis. Joan Waithe**

*Office Manager*

**Sis. Ambia Parris**

*Accounts & Debt Control Officer*

**Sis. Georgia Farrell**

*Member Service/ Clerical Officer*

**Sis. Kerry-Ann McCollin**

*Member Service/Clerical Officer*

**Bro. Alex Fergusson**

*Intern*

## REGISTERED OFFICE

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Upstairs Pharmacy,  
Upper Collymore Rock,  
St. Michael  
Website: [www.uecul.org](http://www.uecul.org)  
Email: [info@uecul.org](mailto:info@uecul.org)

## BANK

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**Republic Bank**

## AUDITORS

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**Peter J. Carter & Co. Chartered Accountants**

Wildev, St. Michael  
P. O. Box 78 WRD  
Professional Business Centre,  
# 29 George Street, Belleville, St. Michael

# NOTICE OF THE ANNUAL GENERAL MEETING

The Annual General Meeting of United Enterprise Credit Union Limited will be held on Saturday, November 18th, 2017, in the L.V Harcourt Lewis Training Centre of The Barbados Public Workers' Co-operative Credit Union Limited, in Belmont Road St Michael, at 4: 00 pm.

## AGENDA

1. Ascertainment of a Quorum & Call to Order
2. Prayers
3. Welcome Remarks – The President
4. Greetings from other Organisations
5. Apologies for absence
6. Minutes of the Annual General Meeting held on Saturday, November 19TH, 2016
7. Matters Arising from the Minutes
8. Reports
  - (a) Board of Directors
  - (b) Credit Committee
  - (c) Supervisory Committee
  - (d) Treasurer's Report
9. Auditor's Report and Financial Statements
10. Appointment of Auditor
11. Resolutions
12. By-Laws
13. Budget
14. Appropriation of Surplus
15. Fixing of Maximum Liability
16. Election of Officers
17. Any other Business (Purchase of Land)
18. Adjournment

REFRESHMENTS WILL BE SERVED

**Carlos Rochester**  
Secretary  
Board of Directors

## STANDING ORDERS

1. a. A member is 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 they must immediately take their seat.
3. No member shall address the meeting except through the Chairman.
4. A member may not speak twice on the same subject except: -
  - a. The Mover of a Motion – who has the right to reply.
  - b. He raises to object to or explain (with the permission of the Chair)
5. The Mover of a Procedural Motion – (Adjournment laid on the table, Motion to postpone) to have no right of reply.
6. No speeches to be made after the “Question” has been put and carried or negatives.
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 Order”).
8. a. A member should not “call” another member “to order” – but may draw the attention of the Chair to the “Breach of Order”.  
b. In no event can 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”, “Proceeds to the Next Business” or the “Closure”. “That the Question be NOW PUT”, may be moved at any time.
10. Only one amendment should be before the meeting at one and the same time.
11. When a motion is withdrawn, any amendment to it fails.
12. The Chairman to have the right to a “Casting Vote”.
13. If there is equality on the voting on an amendment, and if the Chairman does not exercise his casting vote, the amendment is lost.
14. Provision to be made for the protection by the Chairman from vilification (personal abuse).
15. No member shall impute improper motives against another member.

ANNUAL REPORT 2017  
MINUTES OF THE ANNUAL GENERAL MEETING OF UNITED ENTERPRISE CREDIT UNION LIMITED FOR THE  
PERIOD ENDING SEPTEMBER 30, 2016 HELD ON NOVEMBER 19, 2016

**ATTENDANCE**  
**BOARD OF DIRECTORS**

**Sis. Bernetta Hall**  
*President and Chairperson*

**Bro. Gregory Yearwood**  
*Vice President*

**Sis. Michelle Marshall**  
*Treasurer*

**Sis. Marcia Goddard Walcott**  
*Secretary*

**Bro. Carlos Rochester**  
*Assistant Secretary/Member*

**MEMBERS ATTENDANCE**

- |                        |                           |
|------------------------|---------------------------|
| 1. Anthony Ifill       | 21. Kevin Lashley         |
| 2. Angela Brathwaite   | 22. Antoinette Brathwaite |
| 3. Renee Scantlebury   | 23. Marcus Bynoe          |
| 4. Pamala Murray       | 24. Sean Richards         |
| 5. Joan Waithe         | 25. Bruce Robinson        |
| 6. Richelle Waithe     | 26. Jamal Bryan           |
| 7. Lezanne Waithe      | 27. Renita Lashley        |
| 8. Kenrick Beckles     | 28. Simon Griffith        |
| 9. Kurk Crookendale    | 29. Frank Drayton-Fybrace |
| 10. Edwin Everseley    | 30. Georgia Farrell       |
| 11. Donald Branch      | 31. Cheryl Boyce          |
| 12. Janice Lashley     | 32. Andre Boyce           |
| 13. Tessa Bate-Katelsa | 33. Rita Evans            |
| 14. Maria Cadogan      | 34. Shawn Rodney          |
| 15. Charles Rochester  | 35. Shawn Griffith        |
| 16. Karen Smith        | 36. Charlotte Caddle      |
| 17. John Griffith      | 37. Anderson Whitehall    |
| 18. Charles Bynoe      | 38. Paulette Savoury      |

**GUEST ATTENDANCE**

**Family Co-operative Credit Union Ltd -**  
**Sis. Maidlyn Thornhill**

**BARTEL Co-operative Credit Union & Barbados Co-operative & Credit Union League Ltd**  
**Bro. Keith Jones**

**Barbados Co-operative & Credit union League Ltd**  
**Bro. Keith Bourne**

**Barbados Light & Power Co-operative Credit Union Ltd**  
**Bro. Kelvin Whittaker**

**Peter J. Carter & Co. Ltd**  
**Bro. Cuthbert Carter**

**Corporate Secretarial & Minute Taking Services**  
**Praveena K. Dharampaul**



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#### **CALL TO ORDER**

Upon ascertainment of a quorum by the President and Chair, Sis. Bernetta Hall, the meeting was duly called to order at 4:49 p.m.

#### **ASCERTAINMENT OF A QUORUM**

The Chairperson informed the meeting that a quorum of members was present for the transaction of business, and that all members having received notice of the meeting in accordance with the By-Laws of the Credit Union, the meeting was declared to be duly constituted and properly called for the transaction of business.

#### **PRAYERS**

The membership, led by Sis. Bernetta Hall, recited the prayer of St. Francis of Assisi to begin the Annual General Meeting.

#### **WELCOME & OPENING REMARKS**

The Chair welcomed all members present and thanked them for making a special effort to attend the Annual General Meeting.

#### **APOLOGIES**

There were no apologies brought to the Board of Directors.

#### **GUEST SPEAKER**

There was no guest speaker for the evening, but Sis. Bernetta Hall used the opportunity to remind the membership of the importance of providing the required due diligence (Identification and Proof of Address) to the staff of the credit union upon request. She emphasized that this was a legal requirement of the Financial Services Commission (the "FSC") which puts the credit union in compliance with regulatory guidelines for knowing your client ("KYC"). She also reminded the membership that due diligence should be refreshed every 3 months or at the time of major transaction.

#### **GREETINGS FROM OTHER CREDIT UNIONS AND ORGANIZATIONS**

The Guest representatives of other Credit Unions who were present at the meeting, congratulated

the credit union on its performance and wished the Board of Directors and the membership continued prosperity.

#### **PREVIOUS MINUTES OF THE ANNUAL GENERAL MEETING HELD ON NOVEMBER 21, 2015**

A motion to take the previous minutes as read was duly moved by Bro. Kevin Lashley and seconded by Bro. Frank Drayton-Fybrace.

The previous Annual General Meeting minutes were duly read and confirmed by the members.

The following changes were noted on the previous minutes:

1. Page 8 of the 2016 Annual Report

Change "Rechelle Waithe " to " Richelle Waithe".

2. Page 12 of the Previous Minutes in the 2016 Annual Report

*Paragraph 2- Delete all wording after 7.5%. The sentence should read, "this has reduced the delinquency rate of the credit union to 7.5%.*

After review of the minutes Bro. Charles Bynoe moved that the minutes be adopted and accepted, subject to the correction of the above noted typographical errors. The motion was seconded by Sis. Pamela Murray.

There being no objections, 24 members voted by a show of hands for the acceptance of the previous minutes dated November 21, 2015 for the period ending September 30, 2015.

**THEREFORE IT WAS RESOLVED** that the minutes of the previous meeting held on November 21, 2015 be accepted and approved and that the said minutes be signed as a true record of the meeting by the presiding Chair and Secretary of the Credit Union.

#### **ANY MATTERS ARISING FROM THE PREVIOUS MINUTES**

The following matters arising from the previous minutes dated November 21, 2015 were discussed:

##### ***Special Meeting to Approve the Changes to By-laws***

Sis. Rene Scantlebury inquired whether the Special Meeting to discuss the proposed changes to the By-Laws was ever convened.

Sis. Bernetta Hall addressed this matter and informed the membership that the special meeting was not convened due to a Financial Services Commission (the "FSC") review which did not occur in the stipulated time and therefore caused other matters to have to be rescheduled

##### ***Update on the Purchase of Land***

Sis. Rene Scantlebury inquired whether the Credit Union was successful in the purchase of the land, as discussed at the last Annual General Meeting.

Sis. Bernetta Hall said that the land was not purchased and that a full explanation has been provided in the Board of Directors report and would be further discussed when that report is presented.

### **Report Of The Board Of Directors**

Sis. Bernetta Hall presented the Report of the Board of Directors to the membership for the period October 1, 2015 to September 30, 2016

The report covered areas such as the number of meetings held and attended by the members of the Board; an economic review; a performance review; a financial review and achievements and other activity.

Before proceeding to her presentation, Sis Hall asked that Bro. Gregory Yearwood explain to the membership his limited attendance at Board of Directors meetings for the period.

Bro. Yearwood explained that due to an accident which caused a back injury he was on leave from

work and thus could not always attend meetings. Nonetheless, he contended that there was no shortage of leadership and that he was involved in decision making and operational activity. He further noted that his current job was more active around crop over time and that his commitments to his job at that time were also a factor in his limited attendance.

The president noted that the Credit Union experienced another successful year, despite the economic challenges being faced. She credited this success with prudent financial management and a dedicated team of officers and staff.

The Credit Union recorded assets of \$6,964,077 which represented an 8.6% increase over the last period's financial performance. This was mainly due to an increase in loans to members and returns on investments which were allowed to roll over.

Net Income for the period under review came in at \$ 208, 598 which represented an increase of \$27, 162 over the previous year. The president noted that although expenses increased, there was revenue earned from the interest of other investments, like shares in Co-operators General Insurance, which is owned and operated by the Credit Union movement in Barbados.

The president went on to note that delinquency continues to be a concern for the credit union. She indicated that the delinquency level currently stood at 8.12% which is higher than the recommended PEARLS rate, which is 5%. The president urged the membership to pay their loans and to encourage others to repay loans on time. She emphasized that the Credit Union was willing to work with the membership in times of challenge and that communication was necessary for that help to be given.

Sis. Bernetta Hall went on to detail to the membership the various achievements, initiatives and activities that the Board of Directors have implemented over the period under review. She commented that although all targets set were not completely met, there was some amount of progress made which would continue until the specific target was met. In particular, she commented on the review of the Credit Union's policies and the on -going effort to review these

with the help of Mr. Keith Bourne. The president also re-confirmed the Credit Union's compliance with AML Training by its Board and Staff, as regulated by the Financial Services Commission (the "FSC"). Sis. Hall also mentioned that the Board of Directors and its various committees had all participated in continuous education during the period under review.

Sis. Bernetta Hall updated the membership on the **"Don't Tax My Credit Union"** campaign which was launched by the Barbados Co-operative & League (BCCUL). She noted that the tax is no longer in place after the cut-off date of April 30, 2016. She also indicated the Credit Union's support of the proposed **Co-operative Bank** being pursued by the credit union movement. In addition the president indicated that she had also attended meetings regarding the implementation of **Shared Services**, which has not yet materialized and that the Board of Directors continue to support the establishment of a **Deposit Insurance Scheme** by the League.

Also included in the president's update was the smooth running of the cheque printing process. There was however, a noted increase in Printing and Stationery costs, which resulted in the implementation of "withdrawal vouchers" by the Board of Directors, which are to be used to withdraw amounts up to BBD\$ 200.00 rather than having to print cheques for these. The cost saving effect of this decision will be seen in the upcoming financial year.

The president then addressed the proposed merger with Courtesy Credit Union, noting that meetings to bring the subject to fruition have proven futile, with cancelled meetings and generally no communication from Courtesy Credit Union Ltd. The League became involved in the process and set up a meeting with Courtesy Credit Union Ltd, but this meeting was cancelled. Therefore, there was no progress made on this matter to date, but the Financial Services Commission (the "FSC") will continue to encourage this merger in an attempt to reduce the amount of small credit unions in existence.

The proposed land purchase for the potential permanent residence of the credit union was discussed. Sis. Hall noted that, although the

approval of the membership was duly obtained to proceed, the purchase did not materialize. She cited issues in contacting the seller and the realtor and also in the changes of the selling price of the land on two occasions. In light of those issues, the Board of Directors decided not to proceed with the land transaction and will continue to pursue a suitable piece of land or building for the Credit Union for its future expansion.

The Report of the Board of Directors also covered areas such as the statistical data on membership; the on-site examination of the credit union's record-keeping and procedures by the FSC; and the special award given to the credit union by the League for the attainment of 40 years of existence. Sis. Hall displayed the award for all to see. She further detailed all the Anniversary activities, noting that staff and members received T-Shirts provided free of cost from **Emel Moda**.

Sis. Hall encouraged the membership to take full advantage of the training courses available through the Barbados Co-operative and Credit Union League (BCCULL).

Sis. Hall offered her condolences to persons who lost loved ones during the year and acknowledged and thanked the hard-working staff at the credit union for their continued dedication and commitment.

In closing, Sis. Hall informed the membership that she would be taking some time off from serving on the Board of Directors and any of its committees. She noted that she has been serving for the past six years and would still give any guidance required of her from the incumbent.

The President then opened the floor for any questions from the membership.

Bro. Edwin Eversley inquired as to whether the credit union could try merging with another, more inviting credit union at this time. Sis. Hall noted that if this were possible, it would have to be set up by the League. Bro. Eversley indicated that Bottlers Co-operative Credit Union Ltd could be approached. Sis. Hall noted this with thanks and agreed to pass on this information.

There being no further question from the floor, a motion was made for the acceptance of the Report

of the Board of Directors by Bro. Kevin Lashley and duly seconded by Sis. Renee Scantlebury.

There being no objections, 39 members voted by a show of hands for the acceptance of the Board Report with 0 Against and 0 Abstentions and the motion was duly carried.

THEREFORE IT WAS RESOLVED that the Report of the Board of Directors be accepted and approved as presented.

### **Report Of The Credit Committee**

At the invitation of the President, Bro. Kurt Crookendale, of the Credit Committee presented to the membership the Report of the Credit Committee for the period October 1, 2015 to September 30, 2016.

Bro. Crookendale began his presentation by congratulating the Credit Union on reaching its 40th Anniversary. He then thanked the members for allowing the credit committee to serve for another year.

He indicated that a summary of all loans disbursed could be found on page 34 of the Annual Report.

After perusing the data, Bro. Kurt Crookendale invited comments from the membership.

Sis. Rita Evans inquired whether the credit committee carries out any checks and balances when a loan is applied for and approved. She wanted to establish whether the credit committee took into consideration the debt ratio of the borrower before the loan was granted.

Bro. Kurt Crookendale indicated that there was an analysis done with loan applications, but that the credit committee worked with its members. Sis. Evans further inquired whether any loans were declined and Bro. Crookendale indicated that there were loans that have been declined but that no records were kept in those instances. Sis. Rita Evans indicated that it would be prudent to keep records of loans approved and declined for the committee's future reference. Bro. Crookendale accepted the suggestion.

Bro. Kurt Crookendale then opened the floor to questions or comments from the membership.

Bro. Keith Bourne commented on the loans disbursed and noted that it was good to see that loans were approved for small businesses and that student loans were elevated due to having to pay for higher education.

Sis. Hall mentioned that the credit union encouraged small business and that the credit committee had done a fantastic job.

There being no further question from the floor a motion was made for the acceptance of the Report of the Credit Committee by Sis. Rita Evans and duly seconded by Sis. Antoinette Brathwaite.

There being no objections, 38 members voted by a show of hands for the acceptance of the Report of the Credit Committee with 0 Against and 0 Abstentions and the motion was duly carried.

**THEREFORE IT WAS RESOLVED** that the Report of the Credit Committee be accepted and approved as presented.

### **Report Of The Supervisory Committee**

At the invitation of the President, Sis. Pamala Murray, Secretary of the Supervisory Committee of the Credit Union presented to the membership the Report of the Supervisory Committee for the period October 1, 2015 to September 30, 2016.

The secretary of the committee informed the membership of the frequency of meetings held by the committee and further explained the oversight purpose of the supervisory committee. She noted that the supervisory committee continued to monitor the operations of the credit union, its assets, cash and other financial instruments as well as its delinquency rate.

It was noted that delinquency continues to be an issue in these harsh economic times, with a marginal increase over the period. It was further mentioned that the Board, delinquency committee and the staff continue to work in conjunction with external debt collectors to collect outstanding monies.

In addressing the PEARLS assessment, Sis. Murray noted that although the credit union continues to perform well in some areas, there are other areas that require improvement. She commented that the Board's Strategic Plan should aid in keeping the credit union on the right path for the next three years.

Sis. Murray encouraged the membership to take advantage of the training available through the credit union, which is currently undersubscribed by this credit union.

In closing, Sis. Murray thanked the membership and the staff and management of the credit union for their continued co-operation. She noted another tough economic year ahead but that trust in God was key to coping.

Sis. Murray then opened the floor for any questions or comments from the membership.

There being no further question from the floor a motion was made for the acceptance of the Report of the Supervisory Committee by Bro. Drayton Fybrace and seconded by Bro. Charles Bynoe.

There being no objections, 36 members voted by show of hands for the acceptance of the Report of the Supervisory Committee with 0 Against and 0 Abstentions and the motion was duly carried.

**THEREFORE IT WAS RESOLVED** that the Report of the Supervisory Committee be accepted and approved as presented.

### **Auditor's Report And Treasurer's Report**

At the invitation of the President, Mr. Cuthbert Carter, a representative of the Auditor Peter J. Carter & Co., Chartered Accountants gave an overview of the Audited Financial Statements of the Credit Union.

The Auditor indicated to the membership that International Financial Reporting Standards ("IFRS") were used in the preparation of the audit report. He further commented that the credit union received a "clean unqualified audit opinion" which meant that the accounting and recording

practices of the credit union were following current accounting standards.

Following Mr. Carter's presentation, the President invited the Treasurer, Sis. Michelle Marshall to present to the membership a report on the financial performance of the Credit Union for the period October 1, 2015 to September 30, 2016.

Sis. Marshall greeted the membership and provided an overview of the financial performance of the credit union. She commenced by congratulating the credit union on the attainment of its 40th Anniversary of operations and its continued growth path from year to year.

In analyzing the Balance Sheet of the credit union for the period, she indicated that net income came in at BBD\$ 209K, which exceeded the budgeted amount of \$147K and surpassed actual net income for the same period in 2015. She further indicated that the credit union's total assets during the period came in at BBD\$ 6.9M which again surpassed the 2015 total of BBD\$6.4M, and that this could be attributed to members' access to loans and the rollover of investments from prior years.

The treasurer noted that the investment portfolio stood at BBD\$ 885,000 but was reduced by 0.7% or BBD\$6K. She indicated that the reduction was a prudent move by the Board of Directors, who decided to use the funds towards loans to members rather than rolling over the investment which was only providing 2.75% interest, whilst the credit union was still paying members 3.00%. Sis. Marshall noted that the credit union was committed to maximizing interest bearing investments.

The Treasurer also noted that Loans continued to dominate the Balance Sheet, growing by 16% to reach BBD\$ 5.5M. This was mainly because attention was paid to disbursing large loans for debt consolidation, vehicle purchases, home repairs and education. This performance in loans allowed the credit union to attain the PEARLS target of (8-15%).

Cash, cash equivalents and financial instruments decreased by \$ 227K or 31.4%. This was due mainly to large loans disbursed and an increase in operating expenses during the year.

Regarding total liabilities and equity, the Treasurer indicated that the change in total assets caused total liabilities to increase by BBD\$348K or 6.5% to reach BBD\$5.7M by year end. This increase was due to an increase in Members' Regular Deposits and an increase in Regular Shares of \$190K. Regarding Capital and Reserves, undivided earnings increased by BBD\$156K or 21% to stand at BBD\$890K.

In commenting on the economic forecast for the coming year 2017, the Treasurer indicated that, while the Barbadian economy was predicted to grow by 1.7%, this would depend on the vulnerability of the "Brexit" risk on tourist arrivals and the fluctuating price of oil. The credit union is projected to achieve in all key areas of performance as given in the PEARLS Assessment. Sis. Marshall concluded her presentation by stating that the projected net income for the credit union in the financial year 2016-2017 was BBD\$242K.

Thereafter the treasurer opened the floor to comments or questions from the membership.

Bro. Keith Bourne opened the floor, commenting that the Treasurer's report was one of the best reports that he has seen as it related to meeting the PEARLS Assessment targets. He further noted that based on his analysis, operating expenses were only marginally increased. Bro. Bourne further noted that he felt the credit union was well managed and wished the Board of Directors continued success.

Bro. Kevin Lashley thanked Bro. Bourne for this comments and contended that there would be emphasis placed on fueling savings to achieve the income that the credit union has projected in the coming financial year.

There being no further question from the floor, a motion was made for the acceptance of the Audited Financial Statements & Treasurer's Report by Bro. Kevin Lashley and duly seconded by Sis. Pamala Murray.

There being no objections, 35 members voted by show of hands for the acceptance of the Audited Financial Statements & Treasurer's Report with 0 Against and 0 Abstentions and the motion was duly carried.

**THEREFORE IT WAS RESOLVED** that the Audited Financial Statements and the Treasurer's Report be accepted and approved as presented.

### Appointment Of Auditor

The Board of Directors called upon the membership to vote on the re-appointment of Peter J. Carter & Co. Ltd as Auditors of the Credit Union.

Bro. Frank Drayton Fybrace moved a motion for the acceptance of Peter J. Carter & Co. as the Auditors for the financial year 2016-2017 and the motion was duly seconded by Bro. Charles Bynoe.

The members voted for the re-appointment of Peter J. Carter & Co. as Auditor for the ensuing year. 35 members voted by a show of hands for the re-appointment of the Auditor with 0 Against and 0 Abstentions.

**THEREFORE IT WAS RESOLVED** that Peter J. Carter & Co. would be re-appointed as Auditors of the Credit Union for the ensuing financial year.

### FIXING OF MAXIMUM LIABILITY

The Board of Directors proposed to the membership that the maximum liability of the Credit Union remain at BBD\$1M.

The membership voted. 39 members voted by a show of hands for the maximum liability to remain at BBD\$1M with 0 Against and 0 Abstentions.

**THEREFORE IT WAS RESOLVED** that the maximum liability of the credit union be fixed at BBD\$ 1M for the ensuing financial year.

### RESOLUTIONS

There were no resolutions brought before the membership for approval.

### ELECTIONS

The annual elections for Board and Committee positions were duly conducted and assistance was given by Bro. Kelvin Whittaker and Bro. Keith Jones of the Barbados Light & power Credit Union and BARTEL Credit Union respectively. The representative of the Auditor of the Credit Union,

Bro. Cuthbert Carter also assisted in the tallying of votes.

#### **BOARD OF DIRECTORS**

It was declared that two vacant posts existed on the Board of Directors and nominations were accepted for the position.

Bro. Kevin Lashley was nominated by Bro. Charles Bynoe and this was seconded by Sis. Michelle Marshall;

Sis. Renee Scantlebury was nominated by Bro. Charles Bynoe and seconded by Sis. Michelle Marshall;

Sis. Rita Evans moved that nominations be closed and this was seconded by Sis. Bernetta Hall.

**IT WAS RESOLVED** that the following persons serve on the Board of Directors of the Credit Union:

- Bro. Kevin Lashley, Director
- Sis. Renee Scantlebury, Director

#### **CREDIT COMMITTEE**

It was declared that one post was vacant on the Credit Committee and nominations were accepted for the position.

Bro. Charles Bynoe nominated Bro. Frank Drayton Fybrace and this was seconded by Bro. Gregory Marshall.

Sis. Rita Evans moved that nominations be closed and this was seconded by Sis. Bernetta Hall.

**IT WAS RESOLVED** that the following person serve on the Credit Committee of the Credit Union:

- Bro. Frank Drayton Fybrace Credit Committee

#### **SUPERVISORY COMMITTEE**

It was declared that one post was vacant on the Supervisory Committee and nominations were accepted for the position.

Bro. Charles Bynoe nominated Sis. Pamala Murray and this was seconded by Bro. Frank Drayton Fybrace;

Sis. Michelle Marshall moved that nomination be closed and this was seconded by Bro. Frank Drayton Fybrace.

**IT WAS RESOLVED** that the following persons serve on the Supervisory Committee of the Credit Union:

- Sis. Pamala Murray Supervisory Committee

#### **ANY OTHER BUSINESS**

The following items came before the meeting as other business:

#### **40th Anniversary Monthly Giveaways**

Sis. Bernetta Hall informed the membership that as part of the 40th Anniversary Celebrations, a series of monthly giveaways were made commencing in February 2016. The President of the Credit Union thanked the following companies for their contribution towards the giveaways:

- West Indies Rum Distillery Company Limited
- Purity Bakeries Limited
- McBride Caribbean Limited
- Hanschell Inniss Limited
- Colombian Emeralds
- Tropicana Jewellers

**Sis. Bernetta Hall** then announced several winners of the giveaways:

#### **Tokens of Appreciation**

The following persons received tokens of appreciation from the Credit Union:

**Sis. Joan Waithe**- for her dedication and commitment to the credit union and many years of service.

**Sis. Georgia Farrell**- for dedication and service.

**Sis. Marcia Goddard**- for dedication and service.

**Sis. Marcia Cadogan** received a birthday token.

**Bro. Simon Griffith** received a token of appreciation for his dedication and loyalty to the credit union. Bro. Griffith accepted his token with gratitude and urged the membership to continue to patronize the credit union and support the staff. Bro. Griffith noted that with everyone's support, the credit union could be very successful. He further gave many examples of how the credit union had been there for him through his challenging times.

**Sis. Bernetta Hall** also received a special token of appreciation for her enormous efforts in moving the credit union forward, unwavering dedication and years of service to the Board of Directors and the membership.

Thereafter, Sis. Hall received many positive comments from the membership in appreciation of her contribution to the credit union over the years and her steadfast dedication.

Bro. Keith Bourne requested that Sis. Hall return to the credit union as soon as possible after her hiatus, as he noted that the credit union needed persons with her tenacity and vigor to propel the movement toward its highest potential.

Both Bro. Gregory Yearwood and Bro. Kevin Lashley underscored the high level of leadership that Sis. Bernetta Hall brought to the Board room table and the excellent stewardship of the credit union affairs and property both tangible and intangible.

Sis. Bernetta Hall thanked all for their kind words and re-affirmed her commitment to the success of the credit union, noting that she would only be a phone call away.

#### **Compliments**

Bro. Frank Drayton Fybrace complimented the organization and content of the 2016 Annual Report booklet.

Bro. Kelvin Whittaker complimented the Board of Directors on a well-organized and successful Annual General Meeting.

There was no other business to come before the meeting.

**PRIZES:** The following members won prizes:

- Andre Boyce
- Frank Drayton Fybrace
- Kenrick Wiltshire
- Pamala Murray
- Richelle Waithe
- Tessa Bakes
- Edwin Eversley
- Charles Bynoe
- Mavoline Thornhill
- Kurt Crookendale

#### **VOTE OF THANKS**

Sis. Bernetta Hall warmly thanked the membership for attending the Annual General Meeting and for their continued support throughout the year.

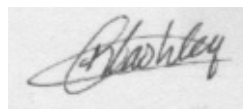
#### **ACKNOWLEDGEMENTS**

The Board expressed its sincere appreciation to the Committees, Management and Staff for their diligence and loyalty as it pertained to their support of the credit union during the past year.

#### **TERMINATION**

There being no further business to be brought before the meeting, Sis. Renee Scantlebury moved that the meeting be called to an end and Sis. Charlotte Caddle seconded the motion. There being no objections the meeting was duly terminated.

There being no further business to come before the meeting, the Annual General Meeting of the Members was duly terminated at 7: 46 p.m.



CHAIRMAN

SECRETARY

READ AND CONFIRMED THIS                      day of  
November, 2017

## BOARD OF DIRECTORS

---



**Kevin Lashley**  
President



**Gregory Yearwood**  
Vice-President



**Michelle Marshall**  
Treasurer



**Carlos Rochester**  
Secretary



**Renee Scantlebury**  
Assistant Secretary

## SUPERVISORY COMMITTEE

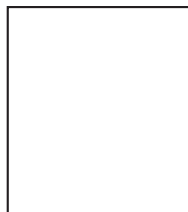
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**Charles Rochester**  
Chairman  
(Supervisory Committee)



**Pamala Murray**  
Secretary  
(Supervisory Committee)



**Rita Evans**  
Member  
(Supervisory Committee)

## CREDIT COMMITTEE

---



**Frank Fybrace**  
Chairman  
(Credit Committee)



**Kurt Crookendale**  
Secretary  
(Credit Committee)



**Kenrick Beckles**  
Member  
(Credit Committee)



**Joan Waithe**  
Office Manager



United Enterprise Credit Union Limited

## REPORT OF THE BOARD OF DIRECTORS

For the Period October 1, 2016 - September 30, 2017

### INTRODUCTION

Our board has overall responsibility for the stewardship of United Enterprise Credit Union and

ensuring that our credit union can successfully meet the challenges of the rapidly changing financial services industry and its growing regulatory requirements.

In performing its role, our board establishes vision, values, and strategy; makes significant decisions that affect our credit union monitors risk and results.

Preparation, attendance, and active participation in regular board and committee meetings, strategic planning sessions, and other special meetings are an expectation of our directors. Accountability to our members is important.

The Board of Directors was comprised of the following who were duly elected to serve and attend to the credit union's business.

#### BOARD OF DIRECTORS (Previous)

##### October 1, 2016 – November 19, 2016

| NAME                   | POST HELD      | ATTENDANCE     |      |              |      |
|------------------------|----------------|----------------|------|--------------|------|
|                        |                | BOARD MEETINGS |      | EXO MEETINGS |      |
| Bernetta Hall          | President      | 2/2            | 100% | 1/3          | 33%  |
| Gregory Yearwood       | Vice-President | 1/2            | 50%  | 1/2          | 50%  |
| Michelle Marshall      | Treasurer      | 2/2            | 100% | 2/3          | 67%  |
| Marcia Goddard-Walcott | Secretary      | 1/2            | 50%  | 0/1          | 0%   |
| Carlos Rochester       | Member         | 2/2            | 100% | 3/3          | 100% |

##### November 20, 2016 – September 30th, 2017

#### BOARD OF DIRECTORS (Current)

| NAME              | POST HELD           | ATTENDANCE     |      |              |      |
|-------------------|---------------------|----------------|------|--------------|------|
|                   |                     | BOARD MEETINGS |      | EXO MEETINGS |      |
| Kevin Lashley     | President           | 9/9            | 100% | 10/12        | 83%  |
| Gregory Yearwood  | Vice-President      | 6/9            | 62%  | 3/10         | 30%  |
| Michelle Marshall | Treasurer           | 9/9            | 100% | 9/11         | 82%  |
| Carlos Rochester  | Secretary           | 9/9            | 100% | 10/10        | 100% |
| Renee Scantlebury | Assistant Secretary | 9/9            | 100% | 11/11        | 100% |

## OVERVIEW

Fiscal 2017 was the third year of our current strategic plan. United Enterprise is a co-operative financial institution that truly cares about improving the lives of both our Members and our communities.

In today's environment of low interest rates and declining margins, a new financial model is required to sustainably provide financial services to our Members and improve the communities in which we live.

## FINANCIAL REVIEW

### Assets

During the fiscal period, assets increased from \$6,964,077 to \$7,663,775. This was due primarily to savings, loans to members and some investments.

### Income and Expenses

Net income for the period under review was \$176,317.06, a decline of \$33,281.06 over the previous year. This was due primarily to

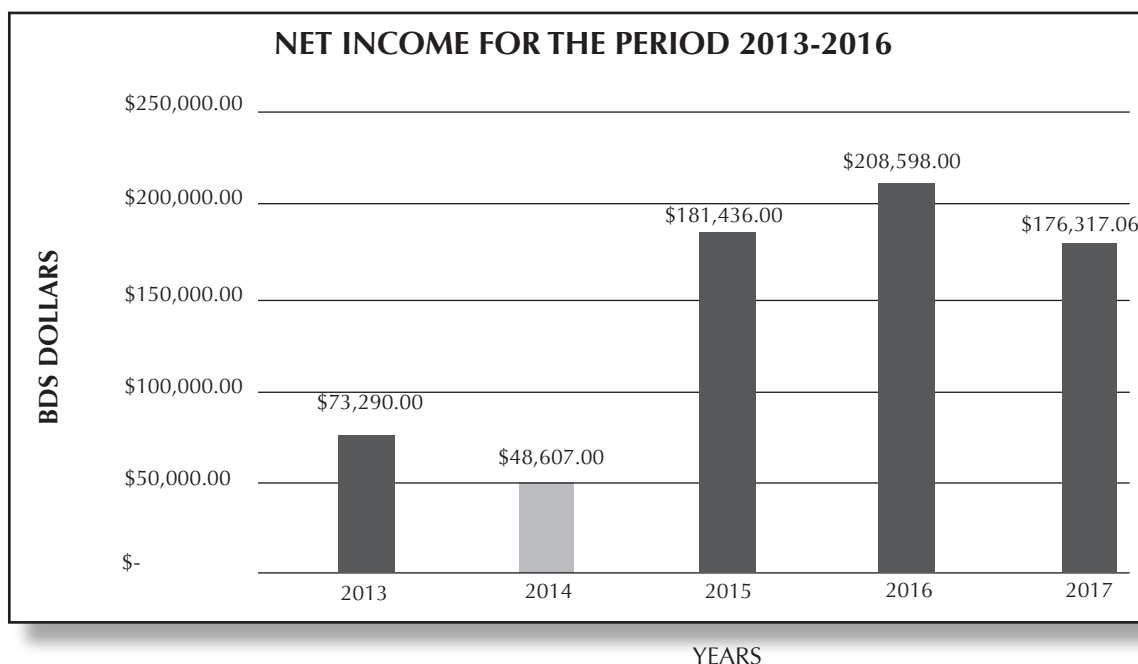
delinquency increasing from 8.12 % to 8.68%. Some members experienced challenges with the increase in taxes and reduced work days. Your Credit Union has done its best to work with our members. The Board of Directors has nevertheless undertaken several changes to improve the Loan Underwriting process, while the Delinquency Committee has increased the frequency of their meetings.

## MARKETING

The credit union was not immune from the current volatile environment. Reduced loan demand, inflation and other factors continued to weigh on the credit union. This forced the credit union to become more creative. Several initiatives including the website being worked upon.

## EDUCATION AND TRAINING

The credit union has set as one of its objectives to become a learning organization. "A learning organization is a company that facilitates the learning of its members and continuously transforms itself. Learning organizations develop



| COMMITTEE                | ATTENDEE                           | INSTITUTION                            | COURSE(S)                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------|------------------------------------|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Board                    | Kevin Lashley                      | LEAGUE                                 | <ul style="list-style-type: none"> <li>B.O.D Orientation: Governance &amp; Leadership</li> <li>Credit Committee Orientation</li> <li>Regulatory Compliance: Plugging Money Laundering Vulnerabilities in the Credit Union Movement</li> <li>Retirement Planning: A Golden Approach</li> <li>Credit Initiation, Underwriting &amp; Monitoring: Processing Loans Applications</li> </ul> |
| Board                    | Michelle Marshall                  | UWI                                    | Completed BSc in Accounts & Economics                                                                                                                                                                                                                                                                                                                                                  |
| Board & Credit Committee | Gregory Yearwood & Kenrick Beckles | CaribDE                                | CaribDE                                                                                                                                                                                                                                                                                                                                                                                |
| Supervisory Member       | Rita Evans                         | LEAGUE                                 | Compliance: Plugging Money Laundering Vulnerabilities in the Credit Union Movement                                                                                                                                                                                                                                                                                                     |
| Staff                    | Joan Waithe                        | CCCU LEAGUE                            | <ul style="list-style-type: none"> <li>Convention</li> <li>Regulatory Compliance: Plugging Money Laundering Vulnerabilities in the Credit Union</li> </ul>                                                                                                                                                                                                                             |
| Staff                    | Gerogia Farrell                    | LEAGUE                                 | Regulatory Compliance: Plugging Money Laundering Vulnerabilities in the Credit Union                                                                                                                                                                                                                                                                                                   |
| Staff                    | Kerry-Ann McCollin                 | LEAGUE<br>HIGH-IMPACT CONSULTING GROUP | <ul style="list-style-type: none"> <li>Regulatory Compliance: Plugging Money Laundering Vulnerabilities in the Credit Union</li> <li>Employee Engagement &amp; Performance Improvement Training Workshop</li> </ul>                                                                                                                                                                    |
| Staff                    | Ambia Parris                       | LEAGUE                                 | Regulatory Compliance: Plugging Money Laundering Vulnerabilities in the Credit Union                                                                                                                                                                                                                                                                                                   |
| Staff                    | Alex Fergusson                     | LEAGUE                                 | Managing Your Personal Finances                                                                                                                                                                                                                                                                                                                                                        |

as a result of the pressures facing modern organizations and enables them to remain competitive in the business environment.” -wikipedia.

In line with this vision, the staff and elected officers continued to participate in training courses offered by the Credit Union League, Caribbean Development Education (CaribDE) and other tertiary organizations.

#### MEMBER ASSISTANCE

The Credit Union is aware of the effect that a change in government policy towards education is having upon our members especially our younger members. In light of this, at a Joint Committee meeting in May the committees agreed to provide grants to members in the names of Officers, staff and/or individuals that would have served the credit union over the years, across both genders as our finances allow. This list of names for the grants is by no means exhaustive and the Credit Union will actively seek out ways to honour those of us who continue to make a contribution to our beloved Credit Union.

These included Charles Rochester, Joycelyn Austin-Roberts, Drayton Carter, Bernetta Hall, Leon Greenidge and Joan Waithe.

#### MEMBER BUSINESS DEVELOPMENT

The Board actively sought to find ways to contribute to the development of Member Entrepreneurship. An initiative - The Carboot & Tent Sale was launched in October 2017 to provide the members with an opportunity to market their products and services.

In addition, the desire is that once the website is completed members businesses can be placed on the website.

#### POLICY DEVELOPMENT

The Credit Union also made significant progress on several policies. These included but not limited to the Vulnerable Customer Policy and Loan Policy:

#### CORPORATE SOCIAL RESPONSIBILITY

In addition to assisting our members to improve their economic situation, we also sought to assist

others outside of Barbados. Your very own credit union donated water and other necessities to the Dominica Hurricane Relief effort.

#### **RELATIONSHIP WITH THE CREDIT UNION MOVEMENT & BARBADOS & CO-OPERATIVE AND CREDIT UNION LEAGUE**

**A. Barbados Co-operative & Credit Union League Ltd**

United Enterprise Credit Union Ltd continues to support the Barbados Co-operative and Credit Union League Ltd, the umbrella organization for the Credit Union movement in Barbados especially in the area of education. In terms of service, the Credit Union is represented by former President Sis. Bernetta Hall who serves as the Secretary on the League's Supervisory Committee and current President Bro. Kevin Lashley. President Bro. Kevin Lashley served as Assistant Chairman on the League's Credit Committee over the past year, however he has since been elevated to Chairman of the Credit Committee.

**B. Co-operators General Insurance Co Ltd**  
We continue to be a shareholder in the company and are pleased to announce a dividend was made during the financial year under review.

**C. Caribbean Confederation of Credit Unions**

United Enterprise Credit Union Ltd continues to support the Caribbean Confederation of Credit Unions, the umbrella organization organization for the Credit Union movement in the Caribbean

Region. The Barbados League nominated President Bro. Kevin Lashley to serve on the Smart Finance App Development Team - an initiative of the European Union. A donation was also made to assist the organization.

#### **CONDOLENCES**

The Board of Directors, Committees and Staff extend condolences to those who have lost loved ones throughout the year under review. "May the deceased rest in peace and rise in Glory".

#### **MOVING FORWARD**

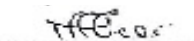
Your Board is in the process of making further changes to help our Credit Union mitigate the risks of the changing environment. We however remain optimistic about the future and growth because of the support and encouragement from our members and the commitment of staff and officers. We remain enthusiastic that our Credit Union will become a leader in this movement.



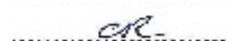
Kevin Lashley  
President



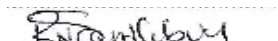
Gregory Yearwood  
Vice President



Michelle Marsman  
Treasurer



Carlos Rochester  
Secretary



Renee Scantlebury  
Assistant Secretary



United Enterprise Credit Union Limited

## REPORT OF THE SUPERVISORY COMMITTEE

For the Period October 1, 2016 - September 30, 2017

The following tables show the attendances for the previous and current committee members; 2016 through 2017.

### SUPERVISORY COMMITTEE (Previous)

October 1, 2016 – November 20, 2016

| NAME              | POST HELD | ATTENDANCE         |      |              |      |
|-------------------|-----------|--------------------|------|--------------|------|
|                   |           | COMMITTEE MEETINGS |      | EXO MEETINGS |      |
| Charles Rochester | Chairman  | 2/2                | 100% | 3/3          | 100% |
| Pamala Murray     | Secretary | 2/2                | 100% | 0/2          | 0%   |
| Rita L Evans      | Member    | 0/2                | 0%   | 2/3          | 67%  |

### SUPERVISORY COMMITTEE (Current)

November 21, 2016 – September 30, 2017

| NAME              | POST HELD | ATTENDANCE         |      |              |     |
|-------------------|-----------|--------------------|------|--------------|-----|
|                   |           | COMMITTEE MEETINGS |      | EXO MEETINGS |     |
| Charles Rochester | Chairman  | 5/5                | 100% | 9/10         | 90% |
| Pamala Murray     | Secretary | 5/5                | 100% | 9/12         | 75% |
| Rita L Evans      | Member    | 0/5                | 0%   | 1/12         | 8%  |

### INTRODUCTION

The functions and duties of the Supervisory Committee as outlined in (i) Section 212 of the Co-operative Societies Act CAP 378A of the Laws of Barbados and 74 (2) of the By-Laws of United Enterprise Credit Union Limited require the Committee to:

- Examine all the books and records of the Credit Union
- Appraise policies and operating procedures
- Make recommendations on all areas of operations
- Confirm all financial matters
- Monitor operations and management of the Credit Union

- Check, verify and monitor all assets of the Society and
- Receive, review and fully investigate complaints by members and/or staff

### Internal Audit

During the period under review, the Committee examined the reports and minutes of the Credit Committee and of the Board of Directors. These included Membership Applications, Loan Applications, Cash and Cheque disbursements, Monthly Financial Reports and Bank statements. Any discrepancies or inaccuracies found were brought to attention of the Office Manager for the necessary corrections.

### Compliance

The Audited Financial Statements for the period ended September 30th, 2017 have been prepared and reviewed. The Committee is satisfied that another statutory obligation has been met. In addition, several staff and Officers attended Compliance training throughout the year.

### Delinquency

Delinquency continues to be a problem in these harsh economic times. The percentage has dropped in previous years, but it increased by a small margin this year. The Board, Delinquency Committee and the office staff continue to work, in conjunction with the external debt collectors, to collect outstanding monies.

### Strategic Plan

With regard to the PEARLS assessment, we are performing well in most areas, but need improvement in others. We encourage the Board to implement a Strategic Plan for the next three years, in order to keep us on the right path.

### Other Matters

We again note that most of the League's courses, which are free to Credit Union members, are not well patronized by our Credit Union. We again

urge members to endeavour in attending at least one course in the coming year.

During the year we did not receive any complaints from members. We take this as an endorsement of the good work of the office staff.

### Conclusion

We enjoyed working with the office staff during this year and thank them for their usual cooperation. We anticipate another tough year, economically and financially, for members. We advise members to be diligent and prudent in their financial undertakings in the coming year. We trust that with God's Guidance the Credit Union will continue on an upward path and go from strength to strength.



Charles Rochester  
Chairman



Pamala Murray  
Secretary

Rita Evans  
Member



United Enterprise Credit Union Limited

## REPORT OF THE CREDIT COMMITTEE

For the Period October 1, 2016 - September 30, 2017

### INTRODUCTION TO THE MEMBERS OF THE CREDIT COMMITTEE

Frank Drayton-Fybrace - Chairman  
Kurt Crookendale - Secretary  
Kenrick Beckles - Member

### CREDIT COMMITTEE (Previous)

October 1, 2016 – November 19, 2016

| NAME             | POST HELD | ATTENDANCE         |      |              |      |
|------------------|-----------|--------------------|------|--------------|------|
|                  |           | COMMITTEE MEETINGS |      | EXO MEETINGS |      |
| Kenrick Beckles  | Chairman  | 6/6                | 100% | 3/3          | 100% |
| Kurt Crookendale | Secretary | 6/6                | 100% | 3/3          | 100% |
| Frank Fybrace    | Member    | 6/6                | 100% | 3/3          | 100% |

### CREDIT COMMITTEE (Current)

November 20, 2016 - September 30, 2017

| NAME             | POST HELD | ATTENDANCE         |     |              |      |
|------------------|-----------|--------------------|-----|--------------|------|
|                  |           | COMMITTEE MEETINGS |     | EXO MEETINGS |      |
| Frank Fybrace    | Chairman  | 42/45              | 93% | 9/9          | 100% |
| Kurt Crookendale | Secretary | 40/45              | 89% | 12/12        | 100% |
| Kenrick Beckles  | Member    | 44/45              | 98% | 10/10        | 100% |

We the members of the Credit Committee present the loan report activity for the year under review 2016-2017.

It is the duty of the Committee to review and approve loans with all the necessary information. In addition to report any concerns to the Board of Directors and make recommendations for a review by scheduling an Extra Ordinary Credit Committee meeting if necessary.

#### MEETINGS

The committee met almost every week during the year as the demand for loans dictate.

#### NEW APPROACH/ENHANCEMENT OF FORMS

As the Credit Union continues to tackle delinquency at all levels, the committee would like to thank the President and the Directors for their vision and hard work of enhancing the Loan Application form(s) where more information is being captured on members and also introducing the Internal Credit Committee to oversee and approve small loans of five thousand dollars (\$5000.00) and under. This would assist the members in acquiring loans more speedily and also reduce the number of times we would have to meet as a committee.

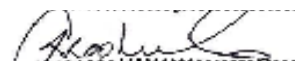
The Committee would like to compliment the Board of Directors for reviewing the loan policy with much input from the executive and adjusting the interest rates on some category of loans.

We maintain that this credit union is here to assist all of its members in achieving his or her objective through the loan policy.

We, the members of the Credit committee would like to take this opportunity to thank the Executive team, the Office Staff who is always willing to assist and you the members for your continued support.



Frank Drayton- Fybrace  
Chairman



Kurt Crookendale  
Secretary



Kenrick Beckles  
Member

Please review the table provided on the next page

*Please review the Charts provided*

### SUMMARY OF LOANS BY CATEGORY

| CATEGORY             | NO. OF<br>LOANS | AMOUNT<br>2016-2017   | NO. OF<br>LOANS | AMOUNT<br>2015-2016   |
|----------------------|-----------------|-----------------------|-----------------|-----------------------|
| APPLIANCES/FURNITURE | 3               | \$10,724.97           | 9               | \$18,021.86           |
| BACK TO SCHOOL       | 92              | \$189,676.36          | 87              | \$120,269.95          |
| BUSINESS             | 7               | \$64,983.00           | 15              | \$158,391.04          |
| CHRISTMAS LOANS      | 124             | \$226,106.00          | 140             | \$258,379.05          |
| DEBT CONSOLIDATION   | 54              | \$668,717.97          | 89              | \$596,963.44          |
| EDUCATION            | 10              | \$62,959.34           | 15              | \$77,972.27           |
| FUNERAL              | 4               | \$29,139.10           | 12              | \$54,537.15           |
| GENERAL              | 82              | \$397,541.43          | 184             | \$462,698.26          |
| HOME IMPROVEMENT     | 25              | \$314,392.32          | 36              | \$244,679.50          |
| HOUSE CONSTRUCTION   |                 |                       | 1               | \$10,000.00           |
| HOUSE PURCHASE       |                 |                       | -               | -                     |
| INSURANCE-CAR/HOME   | 7               | \$18,250.54           | 1               | \$2,600.00            |
| LAND PURCHASE        |                 |                       | 1               | \$9,000.00            |
| LEGAL FEES           | 1               | \$16,000.00           | -               | -                     |
| LOVE LOANS           | 20              | \$29,625.90           | 31              | \$43,240.60           |
| MEDICAL              | 6               | \$34,321.00           | 13              | \$43,474.38           |
| TRAVEL               | 33              | \$137,760.49          | 35              | \$126,275.17          |
| VEHICLE PURCHASE     | 22              | \$739,414.00          | 25              | \$531,596.40          |
| VEHICLE REPAIRS      | 12              | \$47,347.00           | 11              | \$36,579.00           |
| WEDDING              | 2               | \$9465.97             | 4               | \$24,850.00           |
| REFINANCE LOANS      |                 |                       | 37              | \$323,451.60          |
| RESTRUCTURED LOANS   |                 |                       | 2               | \$15,000.00           |
| EASTER LOANS         |                 |                       | 15              | \$23,591.75           |
| LINE OF CREDIT       | 226             | 474826.43             | 1373            | \$507,687.09          |
| <b>TOTAL</b>         | <b>559</b>      | <b>\$3,459,929.09</b> | <b>2136</b>     | <b>\$3,689,258.51</b> |



# United Enterprise Credit Union Limited

## TREASURER'S REPORT

It is a great pleasure to present the Treasurer's Report for the year ended September 30, 2017.

### OVERVIEW

The financial year 2017 was challenging as like the last couple of years due to the harsh economic

conditions Barbados have encountered since 2009. Fortunately for our Credit Union, we had creditable asset growth of 10% and hence we should applaud this achievement. This year, the Credit Union's net income is \$177,000, which is below the net income of \$209,000 in Financial Year 2016.

**Table 1:**  
**Breakdown of the Financial for period ended September 30, 2017 compare to 2016**

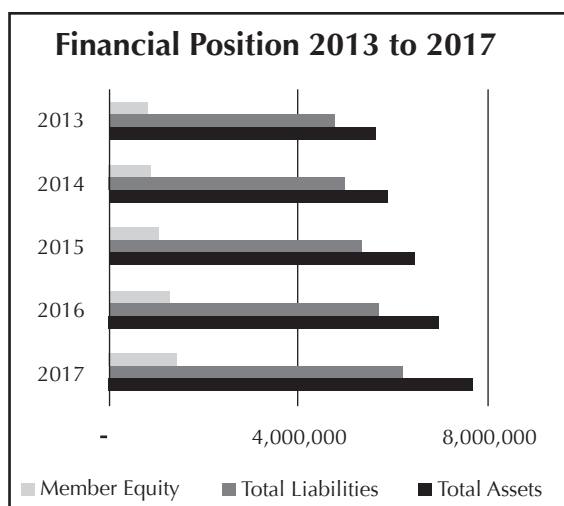
|                           | 2017<br>\$ | 2016<br>\$ | Increase/<br>Decrease<br>2017-2016<br>\$ | Growth<br>2017-2016<br>% |
|---------------------------|------------|------------|------------------------------------------|--------------------------|
| <b>Operating Results</b>  |            |            |                                          |                          |
| Interest Income           | 688,856    | 630,595    | 58,261                                   | 9.24                     |
| Gross Income              | 723,853    | 666,204    | 57,649                                   | 8.65                     |
| Total Expenses            | 547,454    | 457,606    | 89,848                                   | 19.64                    |
| <b>Financial Position</b> |            |            |                                          |                          |
| Loans to members          | 6,218,025  | 5,488,738  | 729,287                                  | 13.29                    |
| Investments               | 1,003,572  | 879,871    | 123,701                                  | 14.06                    |
| Total Assets              | 7,663,775  | 6,964,077  | 699,698                                  | 10.05                    |
| Savings & Deposits        | 1,802,986  | 1,525,580  | 277,406                                  | 18.18                    |
| Term Deposits             | 567,870    | 444,127    | 123,743                                  | 27.86                    |
| Total Liabilities         | 6,203,303  | 5,680,229  | 523,074                                  | 9.21                     |
| Members Capital           | 149,580    | 147,012    | 2,568                                    | 1.75                     |
| Member Equity             | 1,460,472  | 1,283,848  | 176,624                                  | 13.76                    |

## Financial Position

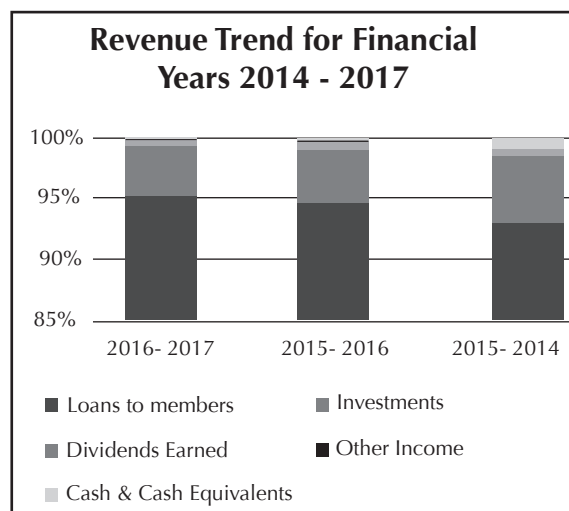
### ASSETS

United Enterprises Credit Union (UECU) reports \$7,663,775 showing a growth of 10% or \$700,000 when compared with last financial year figures of \$6,964,077. This growth is mainly due to an increase in investments and loans to members.

Graph 1: Financial Position



Graph 2: Financial Performance



## TOTAL LIABILITIES & EQUITY

With the change in total assets, total liabilities increased by \$523,000 or 9.2% to reach \$6.2m at year end. This was due to an increase in Member's regular deposits and savings of \$125,000. Regular shares increased by \$295,000, and also an increase in Fixed Deposits of \$124,000. Members' equity decreased by \$177,000 or 14% to reach \$1.460m comparing to \$1.284m in the prior year. (See graph 1 showing 2017's financial position).

### FINANCIAL PERFORMANCE

#### Gross Income

UECU recorded a gross revenue of \$724,000 in 2017 moving from \$666,000 in year 2016. This constitutes a 9% growth as compared to 2016. The major source of income was interest from loans in the amount of \$688,000 follow by investments in the amount of \$30,000.

In 2017, a total of 442 loans were disbursed and hence loan interest was calculated from interest generated from consumer/personal loans, private transport loans, commercial transport loans and other business loans in comparison to 2016 which yielded a total of 365 loans from the same categories (See graph 2 showing 2017's Revenue Trend).

#### Expenses

In 2017, total expenditures amounted to \$547,000 as compared to 2016 when \$458,000 was recorded. This shows an increase of \$90,000 or 20% when compared to figures of 2016. This increase was primarily recorded in 2 expense categories namely:

- **Staff Cost:** **Staff salaries** were increased in January 2018, and an intern was hired in August to assist with a number of projects being pursued by the Credit Union.
- **Operating Cost:** **Bad Debt Provision:** in 2017 increased by \$47,000 moving from \$4,000 to \$51,000. This is due to fluctuation in members payments during the year as a result of unemployment, late

delivery of payroll deductions, and such like.

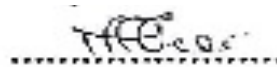
- **Conventions:** This expense amount for 2017 was \$24,000. This occurred because 2 committee members were selected to attend training at the Caribbean Credit Union Development Education Program (CARIBDE) in Jamaica while the Office Manager represented UECU at the Caribbean Confederation of Credit Unions (CCCU) Convention in Cuba.
- **Donations:** This expense increased because UECU donated non-perishable items to hurricane stricken islands in September.
- **Meetings to members:** This expense increased primarily due to the increase

in meetings by the three committees and the Board of Directors. There was a total of 70 plus meetings in aggregate, including a joint committee meeting in May for a half year review and to plan for the balance of the year. This was a tremendous effort by our officers.

**Conclusion:**

In the coming year, we are expecting to continue this growth pattern and to redirect our efforts in controlling our delinquency.

I will like to thank the BOD, the Committees, the Manager and Staff for their support and assistance during the year. Thanks also to the member for your patronage.



Michelle Marshall BSc (Treasurer)  
Treasurer





**UNITED ENTERPRISE  
CREDIT UNION LTD.**

**FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017**

**PJC**

**Chartered Accountants  
Barbados**

*"we reckon but people count"*



## Independent Auditors' Report

The Members  
United Enterprise Credit Union Ltd.

### Opinion

We have audited the financial statements of United Enterprise Credit Union Ltd., which comprise the Balance Sheet as of September 30, 2017, Statement of Changes in Equity, Statement of Comprehensive Income and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Credit Union as of September 30, 2017, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

### Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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.

In preparing the financial statements, management is responsible for assessing the Credit Union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Credit Union or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Credit Union's financial reporting process.

### Auditors' Responsibilities for the Audit of the Financial Statements

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



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### **Auditors' Responsibilities for the Audit of the Financial Statements - continued**

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the entity to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Other information**

Management is responsible for the other information. The other information comprises the content of the Credit Union's Annual Report except for the financial statements and our Auditors' Report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance on the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information appears to be materially misstated or inconsistent with the financial statements. If, based on the work we have performed, we conclude that there is a material misstatement in the other information, then we are required to report that fact. At the time of reporting we have not seen the other information and so we cannot offer any comment thereon.

Since 1990



*Chartered Accountants*

Independent Auditors' Report

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### **Other Matter**

This report is made solely to the Members of United Enterprise Credit Union Ltd., as a body, in accordance with Section 123 of the Co-operative Societies Act of Barbados. Our audit work has been undertaken so that we might state to the Members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Credit Union and the Members as a body, for our audit work, for this report, or for the opinion we have formed.

**PETER J. CARTER & CO.**

Chartered Accountants

Barbados

October 31, 2017



United Enterprise Credit Union LTD.

# **BALANCE SHEET**

September 30, 2017

Expressed in Barbados dollars

|                                              | 2017      | 2016      |
|----------------------------------------------|-----------|-----------|
| <b>Assets</b>                                |           |           |
| Current assets                               |           |           |
| Cash and cash equivalents - Note 7           | 350,397   | 496,808   |
| Accounts receivable and prepayments - Note 8 | 69,475    | 75,658    |
| Current investments - Note 9                 | 570,501   | 500,815   |
|                                              | 990,373   | 1,073,281 |
| Loans to members - Note 10                   | 6,218,025 | 5,488,738 |
| Non-current investments - Note 9             | 433,071   | 379,056   |
| Plant and equipment - Note 11                | 22,306    | 23,002    |
| Total assets                                 | 7,663,775 | 6,964,077 |
| <b>Liabilities and equity</b>                |           |           |
| Current liabilities                          |           |           |
| Accounts payable and accruals - Note 12      | 70,997    | 74,106    |
| Deposits and shares payable - Note 13        | 6,132,306 | 5,606,123 |
| Total liabilities                            | 6,203,303 | 5,680,229 |
| Equity                                       |           |           |
| Statutory reserve                            | 437,174   | 392,849   |
| Undivided earnings                           | 1,023,298 | 890,999   |
| Total equity                                 | 1,460,472 | 1,283,848 |
| Total liabilities and equity                 | 7,663,775 | 6,964,077 |

See notes to financial statements.

Approved by the Board of Directors, October 31, 2017, and signed on their behalf by:

President

Treasurer



United Enterprise Credit Union LTD.  
**STATEMENT OF CHANGES IN EQUITY**  
 Year ended September 30, 2017  
 Expressed in Barbados dollars

|                              | Statutory<br>reserve | Undivided<br>earnings | Total     |
|------------------------------|----------------------|-----------------------|-----------|
| Balance - September 30, 2015 | 340,149              | 734,551               | 1,074,700 |
| Entrance fees                | 550                  | 0                     | 550       |
| Net income for year          | 0                    | 208,598               | 208,598   |
| 25% of net income            | 52,150               | (52,150)              | 0         |
| Balance - September 30, 2016 | 392,849              | 890,999               | 1,283,848 |
| Entrance fees                | 225                  | 0                     | 225       |
| Net income for year          | 0                    | 176,399               | 176,399   |
| 25% of net income            | 44,100               | (44,100)              | 0         |
| Balance - September 30, 2017 | 437,174              | 1,023,298             | 1,460,472 |

See notes to financial statements.



United Enterprise Credit Union LTD.  
**STATEMENT OF COMPREHENSIVE INCOME**  
 Year ended September 30, 2017  
 Expressed in Barbados dollars

|                                                             | 2017                  | 2016                  |
|-------------------------------------------------------------|-----------------------|-----------------------|
| <b>Interest income</b>                                      |                       |                       |
| Loans to members                                            | 688,856               | 630,595               |
| Investments                                                 | 30,223                | 28,731                |
| Cash and cash equivalents                                   | 1,027                 | 1,541                 |
|                                                             | <u>720,106</u>        | <u>660,867</u>        |
| <b>Interest expense</b>                                     |                       |                       |
| Members' regular deposits - 1.5 to 2.25% (prior year 2.25%) | 27,724                | 30,478                |
| Members' regular shares - 1.5% to 2.25% (prior year 2.25%)  | 65,225                | 73,679                |
| Term deposits - 2.45% to 3.15% (prior year 3%)              | 14,678                | 13,284                |
|                                                             | <u>107,627</u>        | <u>117,441</u>        |
| <b>Net interest income</b>                                  | <u>612,479</u>        | <u>543,426</u>        |
| <b>Other income</b>                                         |                       |                       |
| Gain on disposal of plant and equipment                     | 0                     | 10                    |
| Dividend earned                                             | 3,584                 | 4,596                 |
| Sundry income                                               | 163                   | 731                   |
|                                                             | <u>3,747</u>          | <u>5,337</u>          |
| <b>Other expenses</b>                                       |                       |                       |
| Depreciation                                                | 8,482                 | 11,609                |
| Staff costs - Note 6                                        | 195,721               | 179,411               |
| Other operating expenses                                    | 235,624               | 149,145               |
|                                                             | <u>439,827</u>        | <u>340,165</u>        |
| <b>Net income for year</b>                                  | <u><u>176,399</u></u> | <u><u>208,598</u></u> |

See notes to financial statements.



United Enterprise Credit Union LTD.

## STATEMENT OF CASH FLOWS

Year ended September 30, 2017

Expressed in Barbados dollars

|                                                 | 2017                  | 2016                  |
|-------------------------------------------------|-----------------------|-----------------------|
| <b>Cash provided / (used) by:</b>               |                       |                       |
| <b>Operating activities</b>                     |                       |                       |
| Net income for year                             | 176,399               | 208,598               |
| <i>Adjustments for items not involving cash</i> |                       |                       |
| Depreciation                                    | 8,482                 | 11,609                |
| Gain on disposal of plant and equipment         | 0                     | (10)                  |
|                                                 | <u>184,881</u>        | <u>220,197</u>        |
| <br><i>Change in non-cash operating items</i>   |                       |                       |
| Accounts receivable and prepayments             | 6,183                 | (18,105)              |
| Accounts payable and accruals                   | (3,109)               | 42,892                |
| Deposits and shares payable                     | 526,183               | 304,857               |
| Net cash provided by operating activities       | <u>714,138</u>        | <u>549,841</u>        |
| <br><b>Investing activities</b>                 |                       |                       |
| Increase in loans to members                    | (729,287)             | (772,074)             |
| (Increase) / decrease in investments            | (123,701)             | 5,845                 |
| Proceeds on sale of plant and equipment         | 0                     | 10                    |
| Purchase of plant and equipment                 | (7,786)               | (11,199)              |
| Net cash used by investing activities           | <u>(860,774)</u>      | <u>(777,418)</u>      |
| <br><b>Financing activities</b>                 |                       |                       |
| Entrance fees                                   | 225                   | 550                   |
| Net cash provided by financing activities       | <u>225</u>            | <u>550</u>            |
| <br>Decrease in cash and cash equivalents       | (146,411)             | (227,027)             |
| Cash and cash equivalents - start of year       | <u>496,808</u>        | <u>723,835</u>        |
| <b>Cash and cash equivalents - end of year</b>  | <u><u>350,397</u></u> | <u><u>496,808</u></u> |

See notes to financial statements.



## **1. Registration**

UNITED ENTERPRISE CREDIT UNION LTD. was registered on October 06, 1976 in accordance with the Co-operative Societies' Act, Cap 378. The Society was continued on August 19, 1994 under the Co-operative Societies Act 1990. The principal place of business is located Upstairs Pearson's Pharmacy, Upper Collymore Rock, St. Michael, Barbados.

## **2. Principal activities**

The principal activities are as follows:

- (a) The provision of means whereby savings can be affected by members and whereby shares in the Credit Union can be purchased.
- (b) The education of members in Co-operative principles and methods and the efficient management of the Credit Union's affairs;
- (c) The creation, out of savings of members and otherwise, of a source of credit available to members on reasonable terms and conditions.

## **3. Significant accounting policies**

- (a) *Basis of accounting*  
These financial statements are stated in Barbados dollars and have been prepared in accordance with International Financial Reporting Standards ("IFRS").
- (b) *Critical accounting judgments and key sources of estimation uncertainty*
  - (i) The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements and reported amounts of revenues and expenses during the period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.
  - (ii) Key sources of estimation uncertainty include provision for bad debts and determination of appropriate rates for depreciation of plant and equipment. The credit union's critical accounting policies and estimates, and their application, are reviewed periodically by management.



### **3. Significant accounting policies - continued**

(c) *Measurement basis*

The measurement basis used is historical cost except for equity investments that are classified as fair value investments and which are stated at their fair values.

(d) *Changes in accounting policies*

Management has reviewed the new standards, amendments and interpretations to published standards that are not yet effective and which the Credit Union has not adopted early. Management has assessed the relevance of all such new standards, amendments and interpretations and has concluded that no such amendments are likely to have a material effect on its financial statements, except that the revised standard IFRS 9 may have a significant impact on the level of the bad debt provision when it becomes effective.

(e) *Taxation*

The Credit Union is not required to pay taxes on its net income under Section 9(g) of the Income Tax Act of Barbados.

(f) *Depreciation*

Depreciation is provided on plant and equipment on a straight-line basis at rates designed to reduce the cost of assets to their residual value at the end of their useful lives in the business. The annual rates being used are as follows: furniture - 10%; equipment - 12.5% and computer equipment - 25%.

(g) *Investments*

Investments are initially recorded at cost. For subsequent measurement, investments that are classified as being held to maturity are recorded at cost or amortized cost. Fair value investments are investments for which quoted market values exist and these are recorded at their market value as of the Balance Sheet date and any gains or losses are recorded in the Statement of Comprehensive Income for the year in which they arise. Available-for-sale investments for which there is a quoted market value in an active market are recorded at their market value as of the Balance Sheet date. Available-for-sale investments for which there is no quoted market value in an active market, and for which there is no reliable method of measuring the fair value, are shown at cost subject to adjustment for any impairment of value. Any gains or losses on available-for-sale assets are recognized in the Statement of Comprehensive Income. Management makes an assessment of whether any assets are impaired in value as at each Balance Sheet date.

(h) *Statutory Reserve*

The credit union is required to establish and maintain reserves consisting of the greater of one half of one per cent (0.5%) of assets or twenty-five per cent (25%) of surplus until the capital of the Society equals ten percent (10%) of the total assets of the Society, in accordance with the Co-operative Societies' legislation. Similarly, Entrance Fees are taken to a Reserve Account.



### **3. Significant accounting policies - continued**

(i) *Education Fund*

A minimum amount of three percent (3%) (prior year 1%) of net income is provided for Education as stipulated by the Barbados Co-operative & Credit Union League Ltd.

(j) *Bad debt provision*

The bad debt provision is determined after a review of all loans to identify those loans which are in arrears. The provision represents Management's best estimate of the amount which is unlikely to be collected.

(k) *Financial assets*

Financial assets are recognized in the financial statements when the entity becomes a party to contractual provisions of the instruments.

(l) *Financial liabilities and equity instruments*

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

(m) *Income recognition*

Interest income is recognised on the accrual basis of accounting. Dividend income is recognised when it is declared by the investee company.

(n) *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand and at bank and call deposits.

### **4. Fair value of financial instruments**

(a) *Financial instruments*

Financial instruments consist of financial assets and liabilities. Financial assets include cash and cash equivalents, accounts receivable and prepayments, loans to members and investments. Financial liabilities include accounts payable and accruals and deposits and shares payable.

(b) *Fair Value*

Fair value represents the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair value is best evidenced by a quoted market value. An estimate, based on assumptions, is made of the fair value of each class of financial instrument for which it is practical to make an estimate. The fair values of the financial instruments are estimated to be not materially different from their carrying values in the financial statements.



#### **4. Fair value of financial instruments - continued**

(c) *Credit Risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. As part of the risk management process, bank deposits are placed only with reputable banking institutions. Loans limits are established and approved by Management and security is generally required for loans granted. Credit risk on accounts receivable is limited by the provision made for doubtful debts.

(d) *Liquidity Risk*

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. It arises because of the possibility that the entity could be required to pay its liabilities earlier than expected. Management reviews the liquidity position of the credit union periodically to assess the availability of cash resources as compared to the projected cash outflows.

(e) *Market Risk*

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes interest rate risk which is the risk of fluctuations in interest rates. The Credit Union's exposure to interest rate risk on its financial instruments is disclosed in the Notes 7, 9 and 10.

#### **5. Related parties**

(a) Related parties exist where one party has the ability to control or exercise significant influence over the financial or operating decisions of another party. Transactions with related parties may be entered into in the normal course of business. Any such transactions are undertaken on commercial terms and conditions and are conducted at market rates. The Credit Union has a related party relationship with its directors and key management personnel.

(b) The Credit Union has a related party relationship with its directors and its key management personnel. As at the Balance Sheet date, related parties' balances were as follows:

|                             | <u>2017</u> | <u>2016</u> |
|-----------------------------|-------------|-------------|
| Loans                       | 258,992     | 127,586     |
| Shares and deposits payable | 34,286      | 27,908      |

(c) Honoraria paid to related parties is included in operating expenses, as follows:

|           |               |               |
|-----------|---------------|---------------|
| Honoraria | <u>11,160</u> | <u>10,720</u> |
|-----------|---------------|---------------|



United Enterprise Credit Union LTD.  
**NOTES TO FINANCIAL STATEMENTS**  
 September 30, 2017  
 Expressed in Barbados dollars

**5. Related parties - continued**

(d) Key management personnel remuneration is included in Staff Costs. As at the Balance Sheet date, Key management personnel's balances were as follows:

|                             |        |        |
|-----------------------------|--------|--------|
| Employee benefits           | 59,800 | 58,600 |
| Loans                       | 36,063 | 34,060 |
| Shares and deposits payable | 9,245  | 8,508  |

**6. Staff costs**

| 2017    | 2016    |
|---------|---------|
| 195,721 | 179,411 |

The average number of employees during the year was four (prior year - four).

**7. Cash and cash equivalents**

|                                                   | 2017    | 2016    |
|---------------------------------------------------|---------|---------|
| Current account - 0.01% (prior year 0.25%)        | 322,488 | 492,808 |
| Demand deposit - 1.5% p.a.                        | 20,771  | 0       |
| Cash on hand                                      | 3,338   | 200     |
| Barbados Co-operative & Credit Union League Ltd.: |         |         |
| - Ordinary shares                                 | 3,800   | 3,800   |
|                                                   | 350,397 | 496,808 |

**8. Accounts receivable and prepayments**

|                         | 2017     | 2016    |
|-------------------------|----------|---------|
| Interest receivable     | 68,572   | 67,713  |
| Other receivables       | 7,842    | 7,717   |
| Provision for bad debts | (13,240) | (8,171) |
| Prepayments             | 6,301    | 8,399   |
|                         | 69,475   | 75,658  |



United Enterprise Credit Union LTD.  
**NOTES TO FINANCIAL STATEMENTS**  
 September 30, 2017  
 Expressed in Barbados dollars

| <b>9. Investments</b>                                                                          | <u>2017</u>      | <u>2016</u>    |
|------------------------------------------------------------------------------------------------|------------------|----------------|
| <i>Held-to-maturity (Term deposits)</i>                                                        |                  |                |
| <i>Current investments</i>                                                                     |                  |                |
| Capita Financial Services Inc.                                                                 |                  |                |
| - 3% and 4.25% p.a. (prior year 3.75% and 4%)                                                  | 230,161          | 152,067        |
| First Citizens Investment Services (Barbados) Ltd.-<br>3.05% and 3.15% p.a. (prior year 3.45%) | 208,526          | 201,472        |
| Globe Finance Inc. - nil (prior year 3.25%)                                                    | 0                | 92,117         |
| Central Fund Facility Trust - 3% p.a. (prior year 3%)                                          | 131,814          | 55,159         |
|                                                                                                | <u>570,501</u>   | <u>500,815</u> |
| <i>Non-current investments</i>                                                                 |                  |                |
| Capita Financial Services Inc.:                                                                |                  |                |
| - nil (prior year 4.25%)                                                                       | 0                | 149,556        |
| Barbados Workers' Union Co-operative Credit Union<br>Ltd. - 3.75% p.a.                         | 200,001          | 0              |
| Government Treasury Notes - 6% p.a., maturing 2020                                             | 50,000           | 50,000         |
| Government Debenture - 6.875% p.a., maturing 2020                                              | 25,000           | 25,000         |
| <i>Available-for-sale</i>                                                                      |                  |                |
| Barbados Co-operative & Credit Union League Ltd.:                                              |                  |                |
| - 20 membership shares                                                                         | 200              | 200            |
| Co-operators General Insurance Co. Ltd.:                                                       |                  |                |
| - 1,041 (prior year 1,024) ordinary shares                                                     | 157,870          | 154,300        |
|                                                                                                | <u>433,071</u>   | <u>379,056</u> |
|                                                                                                | <u>1,003,572</u> | <u>879,871</u> |

*Available-for-sale investments*

There is no quoted market price for equity investments in Co-operators General Insurance Co. Ltd., nor in the Barbados Co-operative & Credit Union League Ltd. In such circumstances, the fair values of these equity investments cannot be reliably measured and the investments are carried at cost.



United Enterprise Credit Union LTD.  
**NOTES TO FINANCIAL STATEMENTS**  
 September 30, 2017  
 Expressed in Barbados dollars

|            |                                                                                                                   |                  |                  |                  |
|------------|-------------------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|
| <b>10.</b> | <b>Loans to members</b>                                                                                           | <u>2017</u>      | <u>2016</u>      |                  |
|            | Total loans outstanding                                                                                           | 6,539,105        | 5,798,233        |                  |
|            | Less: Provision for bad debts                                                                                     | <u>(321,080)</u> | <u>(309,495)</u> |                  |
|            | Net value of loans                                                                                                | <u>6,218,025</u> | <u>5,488,738</u> |                  |
|            | Interest on loans is charged at varying rates, mainly between 7% p.a. and 15% p.a. on the reducing balance basis. |                  |                  |                  |
| <b>(a)</b> | <b>Bad debt provision</b>                                                                                         | <u>2017</u>      | <u>2016</u>      |                  |
|            | Balance - start of year                                                                                           | 309,495          | 363,000          |                  |
|            | Increase in provision                                                                                             | 46,223           | 609              |                  |
|            | Loans written off                                                                                                 | <u>(34,638)</u>  | <u>(54,114)</u>  |                  |
|            | Balance - end of year                                                                                             | <u>321,080</u>   | <u>309,495</u>   |                  |
| <b>(b)</b> | <b>Maturity profile of loans</b>                                                                                  | <u>2017</u>      | <u>2016</u>      |                  |
|            | Amount due in:                                                                                                    |                  |                  |                  |
|            | Less than one year                                                                                                | 566,168          | 654,296          |                  |
|            | One to five years                                                                                                 | 3,755,163        | 3,684,537        |                  |
|            | Over five years                                                                                                   | <u>2,217,774</u> | <u>1,459,400</u> |                  |
|            | Total                                                                                                             | <u>6,539,105</u> | <u>5,798,233</u> |                  |
| <b>(c)</b> | <b>Commitments</b>                                                                                                | <u>2017</u>      | <u>2016</u>      |                  |
|            | Loans approved but not yet disbursed                                                                              | <u>604,285</u>   | <u>476,814</u>   |                  |
| <b>11.</b> | <b>Plant and equipment</b>                                                                                        | <u>2017</u>      | <u>2016</u>      | <u>2015</u>      |
| <b>(a)</b> | <b>Gross carrying amount</b>                                                                                      |                  |                  |                  |
|            | Cost                                                                                                              | 168,650          | 160,864          | 150,944          |
|            | Accumulated depreciation                                                                                          | <u>(146,344)</u> | <u>(137,862)</u> | <u>(127,532)</u> |
|            | Net book values - end of year                                                                                     | <u>22,306</u>    | <u>23,002</u>    | <u>23,412</u>    |
| <b>(b)</b> | <b>Reconciliation of Net Book Values</b>                                                                          | <u>2017</u>      | <u>2016</u>      |                  |
|            | Balance - start of year                                                                                           | 23,002           | 23,412           |                  |
|            | Purchases                                                                                                         | 7,786            | 11,199           |                  |
|            | Depreciation charge for year                                                                                      | <u>(8,482)</u>   | <u>(11,609)</u>  |                  |
|            | Balance - end of year                                                                                             | 22,306           | 23,002           |                  |



United Enterprise Credit Union LTD.  
**NOTES TO FINANCIAL STATEMENTS**  
 September 30, 2017  
 Expressed in Barbados dollars

| <b>12. Accounts payable and accruals</b> | <u>2017</u>   | <u>2016</u>   |
|------------------------------------------|---------------|---------------|
| Interest payable                         | 38,175        | 47,120        |
| Other accounts                           | <u>32,822</u> | <u>26,986</u> |
|                                          | <u>70,997</u> | <u>74,106</u> |

| <b>13. Deposits and shares payable</b> | <u>2017</u>      | <u>2016</u>      |
|----------------------------------------|------------------|------------------|
| Members' regular deposits              | 1,664,986        | 1,525,580        |
| Special savings                        | 137,245          | 151,388          |
| Members' regular shares                | 3,612,625        | 3,338,016        |
| Term deposits                          | 567,870          | 444,127          |
| Membership shares                      | <u>149,580</u>   | <u>147,012</u>   |
|                                        | <u>6,132,306</u> | <u>5,606,123</u> |

- (a) There is no predetermined rate of interest payable on regular deposits and shares, since interest is determined by the Board of Directors from time to time and is paid on a quarterly basis, except for Special Savings on which interest is paid on a monthly basis. No interest is paid on Membership shares.
- (b) Term deposits are accepted for a minimum period of one year in amounts not less than \$1,000.
- (c) There is no limit to the number of shares that the Credit Union is authorized to issue. The number of shares held by a member does not determine the member's voting rights since each member is entitled to one vote only at any general meeting.

**14. Comparative amounts**

Certain of the comparative amounts have been reclassified to conform to the current year's presentation.



United Enterprise Credit Union LTD.  
**SCHEDULE OF OTHER OPERATING EXPENSES**  
 Year ended September 30, 2017  
 Expressed in Barbados dollars

|                                       | 2017           | 2016           |
|---------------------------------------|----------------|----------------|
| Bad debts - increase in provision     | 51,292         | 3,801          |
| Bank charges                          | 850            | 253            |
| Convention                            | 23,843         | 0              |
| Co-operative celebrations             | 362            | 623            |
| Cleaning                              | 2,800          | 2,640          |
| Donations                             | 7,219          | 4,622          |
| Education Fund                        | 5,500          | 2,107          |
| Honoraria                             | 11,160         | 10,720         |
| Insurance                             | 2,289          | 2,289          |
| Mutual Benefits Plan (MBP) assessment | 26,400         | 21,222         |
| League membership dues                | 6,592          | 6,110          |
| Meetings                              | 13,101         | 7,804          |
| Membership development                | 700            | 881            |
| Miscellaneous                         | 1,546          | 4,498          |
| National Development Fund             | 694            | 641            |
| Office supplies                       | 4,038          | 2,384          |
| Postage                               | 811            | 785            |
| Professional fees                     | 24,581         | 19,189         |
| Rent                                  | 23,265         | 23,265         |
| Repairs and maintenance               | 2,595          | 2,958          |
| Software                              | 0              | 5,170          |
| Stationery and printing               | 10,100         | 11,785         |
| Subscriptions                         | 1,677          | 552            |
| Utilities                             | 14,209         | 14,846         |
|                                       | <u>235,624</u> | <u>149,145</u> |