



# MISSION STATEMENT

**To Provide Financial and Other Related Services**

in a manner that anticipates and satisfies the financial needs of members in the areas of saving and borrowing.

**To Provide an Environment**

in which employees can perform not only in their best interest, but also in the interest of the whole organization.

**To Maintain a Level of Earnings**

which will support and sustain economic growth.

**To Respond to and Promote the Well – Being of Members**

in a manner which ultimately makes the organization their sole financial institution.



# CONTENTS:

Mission Statement	1
Agenda	3
Notice of Meeting	3
Standing Orders	4
<b>President's Welcome Address</b>	<b>6</b>
Minutes of the 59th Annual General Meeting	9
Highlights	14
Tribute to Mrs Emily Stephanie Lai Leung	15
Tribute to Mr Trevor Oliver	16
Board of Directors Report	19
Education Committee Report	28
Delinquency Committee Report	31
Supervisory Committee Report	35
Credit Committee Report	40
Statement of Management Responsibility	45
Auditor's Report	46
Statement of Financial Position	48
Statement of Profit or Loss or other Comprehensive Income	85
Resolutions	86
Appendix I	89
Appendix II	90
Appendix III	91
Appendix IV	92
Stability of Teachers Credit Union	93
LinCu Master Debit Card	94
T.O.B.-Teachers Online Banking	95



# Agenda:

National Anthem

Invocation – Credit Union Prayer – One Minute of Silence

1 (a) Credential Committee Report (b) Notice of Meeting (c) Welcome

2. Minutes of the last Annual General Meeting

3. Business arising from the Minutes of the Last Meeting

4. Reports

- |                        |                      |                           |
|------------------------|----------------------|---------------------------|
| (a) Board of Directors | (b) Credit Committee | (c) Supervisory Committee |
| (d) Education          | (e) Delinquency      | (f) Auditors              |
| (g) Accounts           |                      |                           |

5. Elections

- |                           |                        |                      |
|---------------------------|------------------------|----------------------|
| (a) Supervisory Committee | (b) Board of Directors | (c) Credit Committee |
|---------------------------|------------------------|----------------------|

6. Destruction of Ballots

7. Resolutions

9. Other Business which may be legitimately transacted at an AGM.

10. Appreciation

## Notice of Meeting

Notice is hereby given that the 60th ANNUAL GENERAL MEETING of the Teachers Credit Union Co – operative Society Limited will be held virtually on Friday 12th August 2022 at 2:00 pm to transact the following business: -

1. To receive and consider the accounts for the year ended March 31st 2022.
2. To receive the reports of the Board of Directors, Credit Committee and Supervisory Committee for the period 1st April 2021 to 31st March 2022.
3. To approve the dividends to be paid to members for the year ending March 31st 2022.
4. To elect members to the Board of Directors, Credit and Supervisory Committees.
5. To approve resolutions requiring a simple majority and to select an Auditor for the year ending March 31st 2023.
6. Approve the 2022 – 2023 Budget.
7. To transact any other business which may be properly transacted at an Annual General Meeting.



JOSEPH CIPRIANI  
**SECRETARY**

# Annual General Meeting Standing Orders

- 1) Members shall keep their microphones muted for the duration of the meeting, except where permitted by the Chairman for making contributions to the meeting
- 2) The videos of all participating members shall remain off unless addressing the Chairman.
- 3) All members are asked to keep their cell phones on silent mode, as the vibrate setting can cause disruptions. If you must take urgent calls, please ensure that your microphone is muted.
- 4) A member shall ONLY address the meeting when called upon by the Chairman to do so. When invited to make a contribution, click the microphone icon in the left corner of the screen to unmute your microphone. If you speak while your microphone is muted a notification will pop-up prompting you to unmute same.
- 5) Members shall use the "Raise Hand" function on the Zoom Platform, wait to be recognized by the Chairman before unmuting their microphone. Members must identify themselves when addressing the Chairman.
- 6) Members will type their question into the chat box. The AGM Moderator will collate and transmit questions to the Chairman.
- 7) No member shall address the meeting except through the Chairman. Speeches shall be clear and relevant to the specific subject before the meeting.
- 8) On any agenda item, a member is permitted:
  - a) one question
  - b) his/her contribution shall not exceed two (2) minutesExcept with the permission of the Chairman.
- 9) A member may not speak twice on the same subject except:
  - a) The mover of a motion, who has the right of reply,
  - b) To object or explain, (with the permission of the Chair)
- 10) The Mover of a "procedural Motion" (Adjournment, Lay on the table, Motion to Postpone) shall have no right of reply.
- 11) No speeches shall be made after the "Question" has been put and carried.

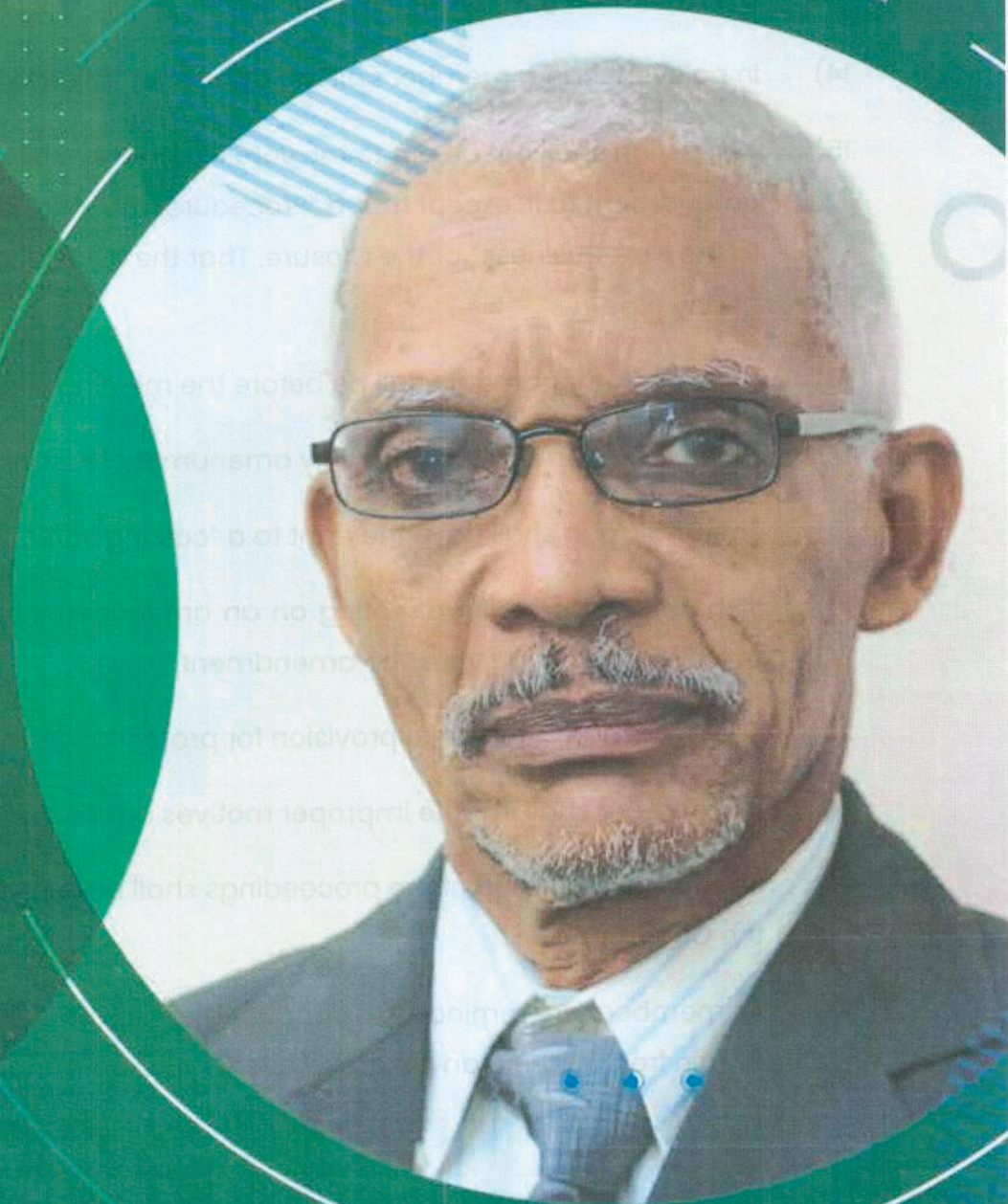


## Annual General Meeting Standing Orders

- 12) A member rising on a "Point of Order" shall state the point clearly and concisely. (A point of order must have relevance to the Standing Orders).
- 13) A member shall not "call" another member "to order" but may draw the attention of the Chairman to a "Breach of Order"
- 14) In no event can a member call the Chairman "to order".
- 15) A question shall not be put to the vote if a member desires to speak on it or move an amendment to it, except that a "Procedural motion: The Previous Question" Proceed to the Next Business" or the Closure: That the "Question be Now Put" may be moved at any time.
- 16) Only one amendment shall be before the meeting at one and the same time.
- 17) When a motion is withdrawn, any amendment to it fails.
- 18) The Chairman shall have the right to a "casting vote".
- 19) If there is an equality of voting on an amendment and if the Chairman does not exercise his casting vote, the amendment is lost.
- 20) The Chairman shall make provision for protection from vilification (personal abuse).
- 21) No member shall impute improper motives against another.
- 22) No form of recording of the proceedings shall be allowed without the permission of the Chairman.
- 23) All members are reminded to conduct themselves in a professional manner. Please refrain from sharing any explicit, violent or inappropriate content.



*President's Welcome Address*  
**Mark Trotman**



***"Teachers Credit Union  
will continue to provide  
members with friendly, helpful,  
considerate and beneficial services,  
but members must realize that as owners  
they play an important part  
in the success of their Credit Union."***



## President's Address

Dear specially invited guests, members of the Teachers Credit Union and well-wishers, welcome to our 60th Annual General Meeting. Our Credit Union is confident that it possesses the necessary resources to weather the many disruptive forces which impact it in these trying times.

The former President, Mr. Rawle Richardson, in his final address mentioned the severe financial climate, which existed during the period 2008 - 2019. The problems experienced then pale into insignificance when one looks at the changes, which had to be made and are still being made since the onset of a very enduring pandemic.

Our main concern then was the reduction in the ratio of loans to assets. At this time, that reduction continues and that concern has been joined by others of equal importance. Efforts to address these concerns were hampered by byelaws, which needed to be updated and in some cases created.

The Minister of Labour and Small Enterprise Development intervened and made amendments to the the Co-operative Societies Regulations so that Credit Unions would be able to perform their mandatory duties.

Some of the amendments made by the Minister are -

- Any change to the mode of the Annual General Meeting shall be determined only where the Commissioner for Co-operatives so authorizes.
- The Annual General Meeting of a Society of which at least seven days' notice shall be given to the members, shall be convened by the Board not later than three months after the report on the audit of the accounts of the Society is received by the Board.
- The accounts of every society shall be audited within four months of the end of the financial year by the Commissioner or a person authorized by the Commissioner.

A comprehensive review of our byelaws has been done and a draft has been forwarded to the Commissioner for authorization. Once this step is completed, a Special General Meeting will be held to present them to members for acceptance.

The introduction of on-line services has exposed the Credit Union to a new set of risks. Hackers who would like to get access to an institution's data to disrupt or extort money from that institution and an increase in incidents where members engage in unethical and



## President's Address

illegal actions. No effort is being spared in keeping all operations and information safe. The Credit Union intends to deal seriously with those members found guilty of unethical or illegal actions.

We are well aware that some members feel that we are not moving ahead fast enough, however this is not the time for haste. After a serious error or bad decision there is always a lot of time to harbour regret.

Teachers Credit Union will continue to provide members with friendly, helpful, considerate and beneficial services, but members must realize that as owners they play an important part in the success of their Credit Union.



# Minutes of the 59th Annual General Meeting

## Opening

The meeting was held on Friday 27th August 2021 using the virtual platform.

At 2:00 pm the meeting was called to order by the President Mr. Mark Trotman with an attendance of 300 members. At 2:23pm the registration figure stood at 630 members.

## Invocation

Mr. Joseph Cipriani, Secretary invited members to stand for the singing of the National Anthem of Trinidad and Tobago, followed by the recitation of the Credit Union prayer.

## Standing Orders

Mr. Joseph Cipriani Secretary, read the Standing Orders. He appealed for members' co-operation to facilitate success in the deliberations. The Standing Orders were approved by all on a motion moved by Mr. Kendell Kittel and seconded by Ms. Colleen Barbaste - Jackson.

The President called for a motion that the brochure was read. This was moved by Mr. Kofi Applewhite seconded by Mrs. Emily Lai Leung and accepted by the House.

## Minutes of the 58th AGM

The minutes of the 58th AGM were confirmed after a motion moved by Mrs. Anne Marie Anthony - Darneaud and was seconded by Ms. Helen Bernard.

Mr. Mark Trotman, in his second address as President, welcomed all, including the representatives of office of the Commissioner for Co-operative Development to the 59th Annual General Meeting.

## Tribute to Mr. Rawle Richardson

In recognition of dedicated and distinguished service, Teachers Credit Union paid tribute to Mr. Rawle Richardson. He became a member on 3rd February 1971, served on the Education Committee, Delinquency Committee, Board of Directors and finally as President of the institution, the office which he demitted in 2019. In the Credit Union Fraternity, he distinguished himself as President of the Association of Credit Union Presidents, and showed strong support for other secondary bodies like Central Finance Facility (CFF).

## Reports

### Board of Directors Report

This report was accepted by the House after a motion moved by Ms. Waleta Lett - Walkins



# Minutes of the 59th Annual General Meeting

and was seconded by Mr. Dexter Scott.

## Highlights

- Condolences were expressed for forty-one (41) members who died during the financial year.
- TCU assets increased from \$1.357B to \$1.449B which represented a growth of 7%.
- Loan interest income for the year was 78.8%, a reduction of 0.3% from 2020.
- Our loan portfolio reflected 47.63% of the total assets.
- Net surplus stood at \$77M and registered a decrease of 6.2% from the previous year.
- Membership at March 31st 2021 was 16734.

## Education Committee Report

In Mr. Ewarth Brathwaite's (Chairman) report he noted the impact of Covid-19 on the planned Workshops and Conferences. While the training for FIU was conducted through a hybrid experience, the conferences for WOCCU and CCCU were held virtually. However, CaribDE and TTCUDIF workshops were postponed. The Committee continued to recognize the achievements of students at SEA, CSEC, CAPE and Tertiary levels and as such a total of eighty-five (85) awards were given. The number of NGOs whose work was supported remained at ten (10).

A motion for acceptance of the report was moved by Mr. Rawle Phillips and seconded by Ms. Joanne Johnson-Smith.

## Recoveries/Delinquency Report

The report was accepted by the House on a motion moved by Ms. Leslie-Ann La Rode and seconded by Ms. Colleen Babaste-Jackson.

For the period April 1st 2020 to March 31st 2021 the report noted that of the total loans granted, delinquent loans registered 4.66% on the chart. Mr. Joseph Cipriani who presented the report took time to reiterate certain critical aspects of managing one's personal loans e.g. ensuring an updated Know Your Member form. He also reminded those who were preparing to retire to have consultations with the Credit Union to ensure a smooth transition.

## Credit Committee Report

The report presented by Ms. Carol Brown (Chairperson) noted that there was reduction in



# Minutes of the 59th Annual General Meeting

Loan amounts, with a minimal decrease in loans for Christmas, computers, debt consolidation etc. However, a significant increase in housing loans over the previous year from 30.33% to 37.16% was registered. She reminded the members of their responsibility to become familiar with the protocols and policy procedures which guide the operations of the Credit Union.

The motion for acceptance of the report was moved by Mr. Kendall Kittel and seconded by Ms. Abiola Akowe

## **Supervisory Committee Report**

The report was accepted by the House after a motion moved by Ms. Shantelle Jackson and was seconded by Ms. Charlene Cassimire.

Dr. Arthur Joseph, as chairman of the Supervisory Committee, gave a summary of the activities carried out by the Committee for the period under review April 1st 2020 to March 31st 2021. It was noted that adherence to the Compliance Programme was in effect. Risk management and providing financial stability for the members remain at the heart of TCU's operations.

## **Auditors Report – BDO**

The Auditor's Report, read by Ms. Sue – Ann Williams was adopted by the House on a motion moved by Ms. Tracy Elcock and seconded by Ms. Germaine Raymond.

The auditor reported that the financial statements of TCU which comprised the Statement of Financial Position as at March 31st 2021, The Statement of Comprehensive Income, Statement of Changes in Members' Equity and Statement of Cash Flow, and Notes to the Financial Statements, including a Summary of Significant Accounting Policies were audited and were found to present fairly in all material aspects.

## **Financial Report by the Accountant**

This report was presented by Mrs. Nicola Humphrey – Hamilton, the Accountant.

This report was accepted by the house on a motion moved by Ms. Arlene Collette and seconded by Ms. Ann Marie Harry.



# Minutes of the 59th Annual General Meeting

## Nominations Committee Report

### Credentials Report

At 4:30 pm there were 719 persons registered to take part in the voting process.

### ELECTIONS

The Elections were conducted by the firm Rose IT. The voting began at 4:30 pm and was completed by 6:37pm.

The results were as follows: -

#### BOARD OF DIRECTORS

Member	Votes Received
Ewarth Brathwaite	371
Carol Ann Marie Brown	340
Bernadette Carter	335
Shirley Sayers – Felix	332
Dr. Arthur Joseph	313
Ennis Ambrose	280
Gail Maria Byng	275
Lynette Solomon – Codrington	239
Matthew Noel	229
Elizabeth Samuel – Howe	218
Dave Davis David Phillips	174
Denyse Granger – Smart	104

#### SUPERVISORY COMMITTEE

Member	Votes Received
Marion Mc Farlane – Trim	395
Leslie – Ann La Rode	380
Christopher Persad	286
Gernella Francis	283
Silina Edwards – Hinds	158
Kumarie Bal – Campbell	134

#### CREDIT COMMITTEE

Member	Votes Received
Nadine John – St. Rose	403
Kofi Applewhite	382
Dexter Anthony Scott	373
Maureen Clapperton	356
Joan Carry – Pierre	279
Patsy Mathison – Thomas	198
Kathy – Ann Cedeno – Cook	153
Amanda Jane Miller	106
Tazrel Williams	93

### RESOLUTIONS PASSED AT AGM 2021

Resolutions pertaining to the following matters were presented and passed: -

#### 1. DIVIDEND AND INTEREST REBATE, CHRISTMAS CLUB AND DEPOSIT INTEREST

A Dividend on Shares of 5.25 %, an Interest rebate of 13 ½%, an interest on deposit of 2%, and an interest of 5% on Christmas Club were accepted by the House on a motion moved by Ms. Kathleen Richards and seconded by Ms. Hazel Figaro.

#### 2. MINIMUM QUALIFYING CONTRIBUTION FOR DIVIDEND

On a motion moved by Mr. Ennis Ambrose seconded by Ms. Jennifer Cox -Williams and accepted by the House, it was agreed that: -



# Minutes of the 59th Annual General Meeting

- NO DIVIDEND be paid on shares that are less than \$200.
- No interest be paid on deposits that are less than \$200.

## **3. CAPS ON DIVIDEND AND INTEREST PAYMENTS**

On a motion moved by Ms. Lucia Nero seconded by Ms. Abigail Pierre and accepted by the House, the decision was taken that:-

- No dividend will be paid to any member on shares in excess of \$1,500,000
- No interest will be paid to any member on deposits in excess of \$100,000
- No interest will be paid to any member on Christmas club funds in excess of \$ 25,000

## **4. HONORARIUM**

On a motion moved by Mr. Osmond Downer seconded by Ms. Tracey Elcock and accepted by the House, the decision was taken that the honorarium to be paid to Board, Credit, Supervisory, Management, Administrative and Operational personnel be fixed at \$605,000. for 2021.

## **5. DELINQUENT ACCOUNTS**

On a motion moved by Ms. Zorina Eligon seconded by Ms. Keisha Caruth and accepted by the House, it was agreed that according to Bye Law 54B, members who have delinquent accounts will have benefits accruing to them credited to their loan indebtedness.

## **6. MAXIMUM LIABILITY**

On a motion moved by Mr. Malik Celestine seconded by Ms. Patsy Mathison – Thomas and accepted by the House, the decision was taken that since the society does not operate an overdraft facility and it is not indebted to any other financial institution, but accepts deposits from members, which amounted to \$83,415,232 at the end of the 2020-2021 financial year, and Christmas club funds which amounted to \$11,650,220 at the end of 2020 -2021 financial year that Teachers Credit Union maintains a maximum liability of \$100 million.

## **7. AUDITORS**

On a motion moved by Ms. Kady Beckles seconded by Ms, Nicola Mc Nicholls and accepted by the House, it was decided that since the Board of Directors is satisfied with the quality of work of our present Auditor BDO Trinity Limited for the period 2020 – 2021, the firm BDO Trinity Limited be retained for the financial year April 2021 to March 31st 2022.



# Highlights

Teachers Credit Union comparable figures for 2021-2022 and 2020-2021

	Year Ended March 2022 TT\$	Year Ended March 2021 TT\$	Variance Increase/ Decrease	Inc/Dec %
Total Assets	1,569,991,926	1,448,836,384	121,155,542	8%
Loans to Members (net)	687,886,598	690,072,001	-2,185,403	-0%
Investments/Short Term Deposits	732,542,764	623,667,101	108,875,663	17%
Members' Share Capital	1,170,509,948	1,119,642,761	50,867,187	5%
Members' Deposits	97,369,422	83,415,232	13,954,190	17%
Loans Granted	148,483,755	154,411,823	-5,928,068	-4%
Loans Income	80,975,796	82,271,840	-1,296,044	-2%
Surplus	83,570,872	76,998,111	6,572,761	9%
Total Income	113,197,216	104,366,350	8,830,866	8%
Total Expenses	29,626,344	27,368,239	2,258,105	8%
Proposed Dividend & Rebate	67,127,072	65,062,655	2,064,417	3%
Membership	16,962	16,734	228	1%

Legal Advisor  
**EVANS MAUNDY**  
 Attorney-at-Law  
 Abercromby Street, Port of Spain





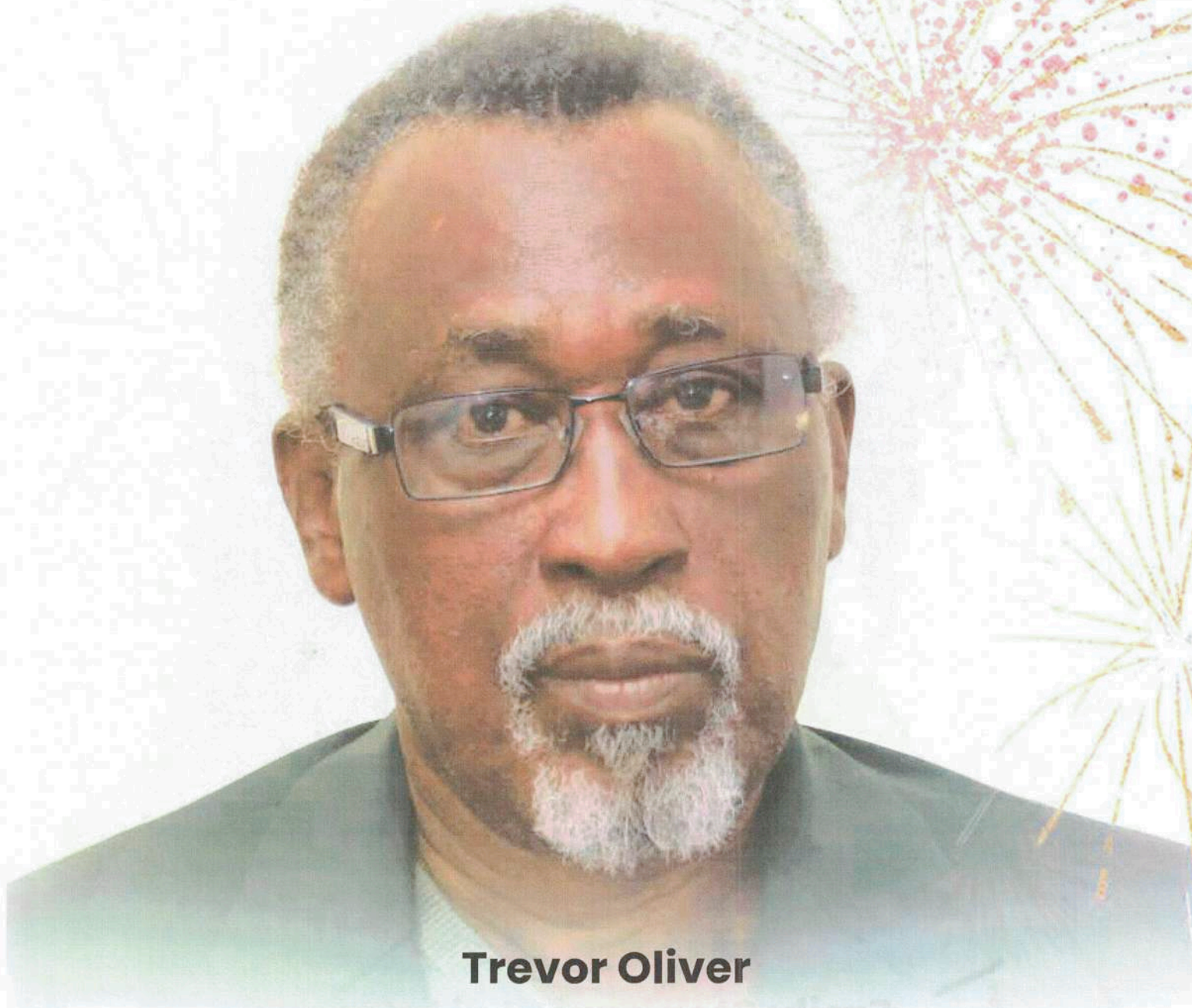
## **Emily Stephanie Lai Leung**

**Mrs. Emily Stephanie Lai Leung became a member of Teachers Credit Union in April, 1968 when volunteerism was the order of the day. Her propensity to assist others caused her to gain much knowledge of the Credit Union activities, at a time when the storage and retrieval of membership records and also dividend calculations were done manually.**

**Over the period Mrs. Lai Leung served the Credit Union, her knowledge of Credit Unionism was enhanced by her attendance at various local and regional Credit Union seminars. She served the Supervisory Committee for two (2) years, the Credit Committee for two (2) years and the Board of Directors for nine (9) years.**

**Her dedication and commitment were unquestionable particularly when we reviewed her lively and thought provoking contributions at meetings.**





## **Trevor Oliver**

**Mr. Trevor Oliver is a retired Primary School Principal who held the position as President of the Trinidad and Tobago Unified Teachers Union for six (6) consecutive years from 1998 to 2004. He has been a member of Teachers Credit Union for over thirty (30) years and was elected to serve the Supervisory and Credit Committees before his election to the Board of Directors where he served from 2009 to 2021.**

**Mr. Oliver has been a shrewd co - operator. He attended Credit Union conferences in Jamaica, Barbados, Canada and the USA. His contribution at Board of Directors meetings were so balanced and responsible that his endorsement of planned projects generated a sense of robust commitment among all present.**

**Although Mr.Oliver has retired from the Board of Directors he continues to be a full - fledged member of Teachers Credit Union.**





# REPORTS



# BOARD OF DIRECTORS



**1ST TOP:** Mr. Mark Trotman- President

**2ND L-R:** Mr. Ewarth Brathwaite-Vice President , Mr. Francois Ottley- Treasurer,  
Mr. Joseph Cipriani- Secretary, Mrs. Shirley Sayers-Felix- Assistant Secretary

**3RD L-R:** Mr. Ennis Ambrose, Mrs. Jenniffer Cox-Williams, Ms. Bernadette Carter,  
Mrs. Carol Brown

**4TH L-R:** Dr. Arthur Joseph, Mrs. Anne Marie Anthony-Darneaud, Ms. Jaqueline Toney



# Board of Directors Report

## INTRODUCTION

At the last Annual General Meeting of the Teachers Credit Union held on Friday 27th August 2021, members entrusted the Incoming Board, Credit and Supervisory Committees with the responsibility of managing and directing the affairs of the Society for the financial year April 2021 to March 2022.

## COMPOSITION OF COMMITTEES

### BOARD OF DIRECTORS

Mr. Mark Trotman	President
Mr. Ewarth Brathwaite	Vice President
Mr. Francois Ottley	Treasurer
Mr. Joseph Cipriani	Secretary
Mrs. Shirley Sayers – Felix	Assistant Secretary
Dr. Arthur Joseph	Ms. Jacqueline Toney
Mrs. Bernadette Carter	Mrs. Jennifer Cox – Williams
Mr. Ennis Ambrose	Mrs. Carol Brown
Mrs. Anne Marie Anthony – Darneaud	

### ALTERNATES

Ms. Gail Byng (1st alternate)  
Mrs. Lynette Solomon – Codrington (2nd alternate)

### CREDIT COMMITTEE

Mr. Kofi Applewhite – Chairperson	Ms. Joan Carry – Pierre – Secretary
Ms. Maureen Clapperton	Mrs. Nadine John – St Rose
Mr. Dexter Scott	

### ALTERNATES

Ms. Allyson Ashby – Pierre (1st alternate)  
Ms. Patsy Mathison – Thomas (2nd alternate)

### SUPERVISORY COMMITTEE

Mrs. Marion Mc Farlane – Trim – Chairman  
Mrs. Leslie Ann La Rode – Secretary  
Mr. Christopher Persad



# Board of Directors Report

## ALTERNATES

Ms. Gernella Francis (1st alternate)  
 Ms. Silina Edwards – Hinds (2nd alternate)

## MANAGEMENT

Port of Spain

Mr. Mark Trotman  
 Mrs. Carol Brown  
 Mr. Francois Ottley  
 Mr. Ewarth Brathwaite  
 Mr. Joseph Cipriani  
 Mrs. Shirley Sayers – Felix  
 Mrs. Bernadette Carter

## San Fernando

Mrs. Anne Marie Anthony – Darneaud Mr. Winston Jeffers

## Sangre Grande

Mr. Ennis Ambrose Mrs. Jennifer Cox – Williams.

## Tobago

Ms. Gail Byng is the resident Manager at this office.  
 Head Office Managers assist in the management of the Tobago office and other out offices as necessary.

### ATTENDANCE AT Board and Executive Meetings

Mark Trotman  
 Ewarth Brathwaite  
 Joseph Cipriani  
 Francois Ottley  
 Shirley Sayers – Felix  
 Jacqueline Toney  
 Anne Marie Anthony – Darneaud  
 Dr. Arthur Joseph  
 Bernadette Carter  
 Carol Brown  
 Emily Lai Leung  
 Trevor Oliver  
 Ennis Ambrose  
 Jennifer Cox – Williams  
 Elizabeth Samuel – Howe

### BOARD

Present	Absent	Excused
13	0	0
12	0	1
13	0	0
13	0	0
13	0	0
13	0	0
13	0	0
8	0	0
12	0	0
8	0	0
5	0	0
1	0	0
11	1	1
13	0	0
4	1	0

### EXECUTIVE

Present	Absent	Excused
50	0	0
46	0	4
46	0	4
47	0	3
47	0	3



# Board of Directors Report

From the above table the following must be noted: -

The four persons elected to serve a full term of three years as a result of the elections held in August 2021 were Mr. Ewarth Brathwaite, Mrs. Carol Brown, Mrs. Bernadette Carter, and Mrs. Shirley Sayers – Felix.

Mr. Trevor Oliver and Mrs. Emily Lai Leung who served the Credit Union with distinction for many years demitted office during the financial year because of ill health. We thank them both for their sterling contributions and wish them well in the years ahead.

Mrs. Bernadette Carter as first alternate replaced Mr. Oliver for the balance of the last financial year. She together with Mrs Carol Brown were duly elected to the Board for a full term of three years at the AGM of August 2021 as indicated above. Dr. Arthur Joseph and Mr. Ennis Ambrose were elected to the Board for one year to serve the balance of the term vacated by Mr. Trevor Oliver and Mrs. Emily Lai Leung respectively and must face the polls at the next AGM for re-election if desired.

Mrs. Elizabeth Samuel – Howe whose term expired at the close of the financial year continued to serve until the elections of August 2021.

## Services

For the benefit and convenience to members, the following services continue to be offered: -

**Savings:** Members are encouraged to save in order to enjoy the benefit of the attractive dividend and interest rebate, free LinCU Card.

**Loans:** Loans based on the amount of members' shareholding at the reasonable rate of 1% per month on the reducing balance plus interest rebate as determined by the Annual General Meeting, currently 13½%.

**Mortgage loans:** While Teachers Credit Union does not grant mortgage loans, we partner with Central Finance Facility (CFF) to grant mortgage loans to eligible members on favourable terms.

**Insurance:** Shares and loans are insured in the event of death, permanent disability, liquidation or folding up of the Society.

**Unit Trust:** TCU is an agent for UTC, and sells various UTC Units



# Board of Directors Report

Statement: Bank and Embassy Statements are available on the same day of request.

Financial

Counselling: This is an important service and is given by managers on request.

## Property

All our offices are owned by the Credit Union.

Please note the official postal addresses of these offices.

**Head Office:** 68 – 72 Maraval Road, St Clair, Newtown, 190128

**Sangre Grande:** 71 Ojoe Road, Sangre Grande, 450240

**San Fernando:** 8 – 10 Farah Street, Les Efforts West, San Fernando 600316

**Tobago:** 9 Mc Kay Hill, Tobago, 901028

Our property at Jerningham Avenue Belmont continues to be tenanted by the Ministry of Education. Negotiations are being made to increase the rental revenue in keeping with market value.

The building on Independence Avenue, San Fernando which was our original South Office has been renovated.

The property which the Credit Union acquired on 24 Marli Street Newtown adjacent to our main office, has been significantly upgraded. It continues to be used for storage of archival records.

The Tobago office has received a facelift with the installation of attractive gates displaying the Credit Union's logo.

At the Sangre Grande Office, the Management has acceded to the comments of our members and have had the outer walls and perimeter fence and gates of the property repainted.

Work is ongoing on the property at Farah Street, San Fernando, our South office.



# in loving Memory

DECEASED MEMBER 2021-2022

## Obituaries

Sincere condolences are expressed to the relatives and families of the members who passed away during the year under review.

Account Numbers	Name of Members	Date of Death
7279	LENORE LA ROCHE	29/03/2022
5350	HAYNES ANDREWS	29/03/2022
190	ALEXANDER WILSON	18/03/2022
3439	BERNARD GARCIA	18/03/2022
1102	ETHLENE BRAMBLE	13/03/2022
1239	ANN MARIE FODERINGHAM	20/02/2022
1299	ALBERT KING	16/02/2022
10405	PHILLIP LYDER	30/01/2022
1147	NOEL LORDE	29/01/2022
2024	JIM CUPID	27/01/2022
16457	STEPHEN PANDEOSINGH	22/01/2022
4894	JANE BALKARAN-SIBERAN	19/01/2022
278	ENOS O'NEIL	19/01/2022
13346	KAMINI RAMROOP	15/01/2022
1412	PATRICIA ANTOINE-WICKHAM	15/01/2022
11192	HARINARINE KALPOO	05/01/2022
9603	JULIET MAHARAJ-LALBEHARRY	30/12/2021
5656	DEEN MANIFF	21/12/2021
8923	ALLAN STEPHEN RUIZ	17/12/2021
3952	JEAN CASTOR	15/12/2021
3424	JENNIFER JOHN	09/12/2021
1096	MARGARET CHARLES	06/12/2021
14485	LIZSA ALI	04/12/2021
360	AUSTRID ARCHER-ROACHFORD	02/12/2021
1593	JEANETTE WILLIAMS	01/12/2021
17750	AMBROSE MATHURA	27/11/2021
3555	CATHERINE HOSEIN-MOHAMED	27/11/2021
473	JOYCE NILES	27/11/2021
12091	CYNTHIA ANTHONY	20/11/2021
1623	HAROLD TAYLOR	17/11/2021
7072	TERRY ANN ATKINS-HUGGINS	15/11/2021
16113	CLARICE SCOTT	14/11/2021
1820	IVY FRANCO	14/11/2021
18163	LEON WILLIAMS	01/11/2021
8881	SHURLA REN	31/10/2021
1205	BERYL STEPHENS	30/10/2021
17299	JOAN RAMSAROOP	28/10/2021
1732	PATRICE DAVID	03/10/2021
7632	VISHNU DASS	01/10/2021



# in loving Memory

DECEASED MEMBER 2021-2022

## Obituaries

Sincere condolences are expressed to the relatives and families of the members who passed away during the year under review.

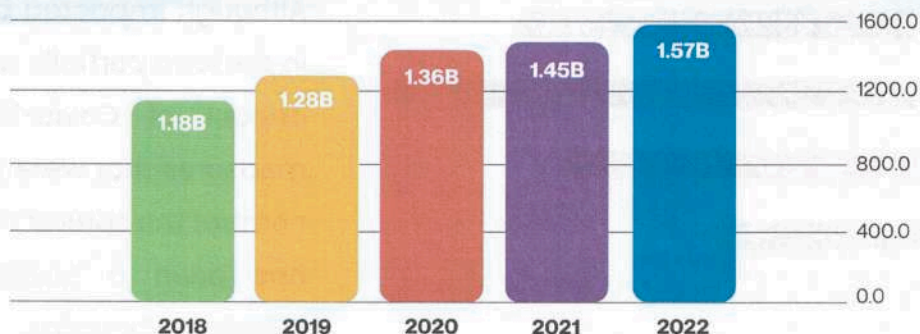
Account Numbers	Name of Members	Date of Death
5555	MARILYN NURSE	23/09/2021
4215	CECIL GOMEZ	16/09/2021
1894	WALLIS WYKE	16/09/2021
1108	SEETA JAIKARAN-DOE	16/09/2021
7006	EVETTE GRAHAM	15/09/2021
671	SITA NARINE	15/09/2021
11657	ANGELA MARCHAN-PERSAD	03/09/2021
4840	MONICA GILL	03/09/2021
6207	CLAIRE CARBALLO-CHARLES	22/08/2021
12386	CHERRY ANN BOWEN-MANOO	15/08/2021
1931	CLARISSA ALLEYNE	12/08/2021
3520	GLORIA ASHBY	03/08/2021
1566	ANNETTE GRIFFITH - ACKRILL	27/07/2021
166	LENORA PROSPER	21/07/2021
8765	ANNE-MARIE KIDNEY	09/07/2021
11230	KEITH SAMUEL	23/06/2021
403	EWART CHASE	23/06/2021
16808	JANELLE PASSIE	22/06/2021
4702	ALLISON PHILLIPS-NEWTON	22/06/2021
3182	LENNOX STEWART	17/06/2021
4746	SHIRLEY MARCELLE	09/06/2021
16050	KALESI ST. LOUIS	08/06/2021
2819	SEEMUNGAL SEEPERSAD	26/05/2021
10780	MARISE ALEXANDER	25/05/2021
16497	LANA SALANDY-CAMPBELL	24/05/2021
5489	SOLANGE LALLA	22/05/2021
3990	BERYL REID BLAKE	20/05/2021
2334	BHANMATIE SEEPERSAD	19/05/2021
2123	LYNETTE LA RODE-JAMES	15/05/2021
2726	EDWINA GABRIEL	08/05/2021
6688	SYLVIA FRANCIS	27/04/2021
6249	ADRIANA HOSEIN	20/04/2021
10096	SANDRA JOSEPH	15/04/2021
741	LYNETTE SOOKLAL	03/04/2021
4125	STALIN NEEHALL	27/03/2021
663	KEITH WHITE	25/03/2021
1498	BEATRICE PRESCOTT	14/03/2021
2360	ERROL CLARKE	06/03/2021



# Board of Directors Report

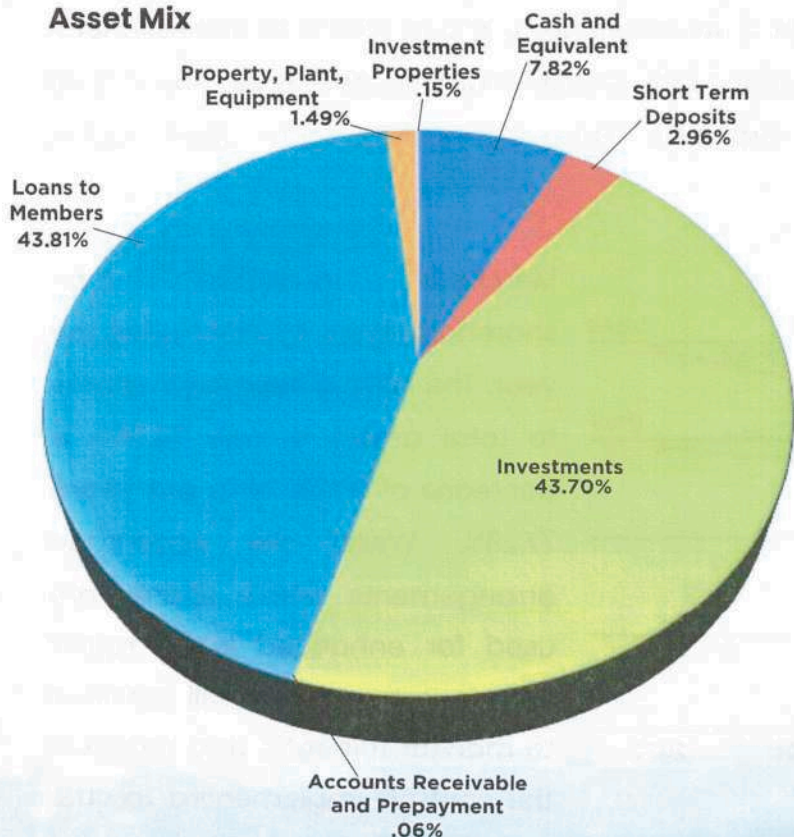
## Financial performance

### Asset Growth



For the year ended March 31, 2022, assets grew by 8% from \$1.45B to \$1.57B. This has not been an easy feat to achieve in light of COVID 19, its effects and measures implemented to curb its spread. The growth experienced is mostly accounted for by the increase in investments of \$108.8M, the increase in cash and cash equivalents of \$14.7M in spite of a decrease in loans of \$2.19M.

### Asset Mix

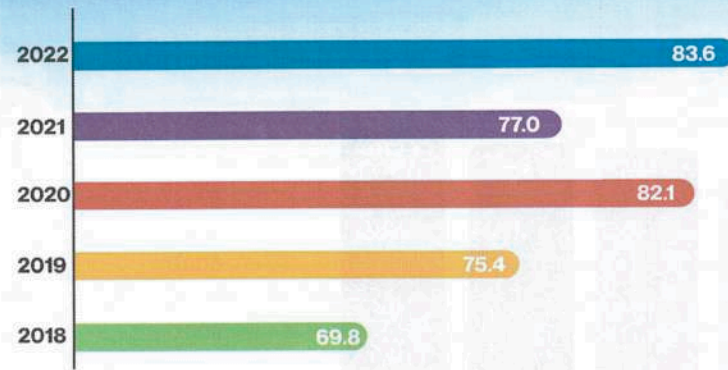


We have seen a further decline in the loan to asset ratio as this year the portfolio represents 43.81% of total assets. A reduction of 3.82% when compared to the prior year which was 47.63%. This is as a result of the reduction in the demand for loans in the current economic environment, (COVID 19, its effects and measures implemented to curb its spread). Whilst the loan portfolio decreased, there was an increase in the Investment to assets ratio. This increased by 3.75% from 39.95% to 43.70%. We are closely monitoring and working on solutions to improve the loan to asset ratio.



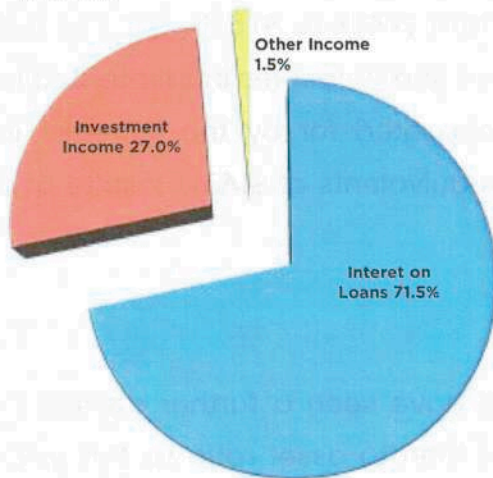
# Board of Directors Report

## Net Surplus



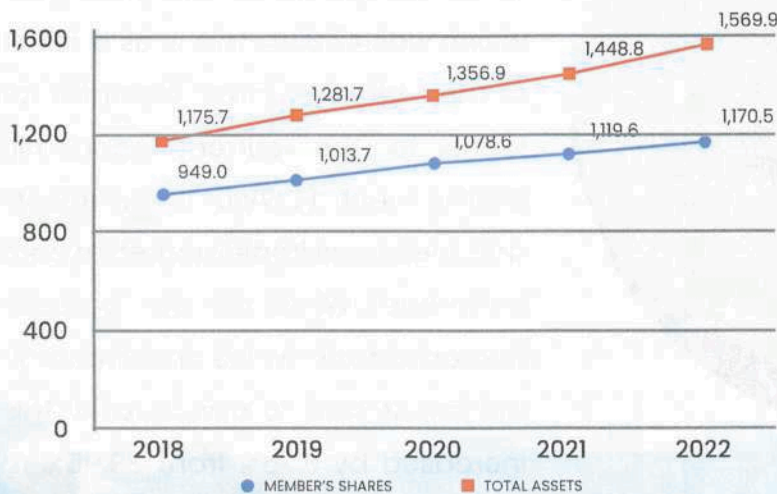
Net surplus increased by \$6.6M or 8.57% compared to the prior year. Although impacted by the decrease in the loan portfolio and the negative impact of Covid-19 and all the measures that were implemented to combat the spread of this virus, there has been a healthy increase in Investment income.

## Income



Loan Interest is our main source of income. This year loans generated 71.5% of the total income. However, this is a reduction of 7.3% when compared to the prior year figure of 78.8%. Returns on our significant Investment portfolio represents only 27.0% of total income. In this regard, we continue to make efforts to increase loan interest as the Credit Union's success is directly related to members' loans more than any other factor.

## Members' Shares



Members increased their shareholding by \$50.9M during the year. The ratio of members' shares to total assets is now 74.56% a decrease of 2.72% from last year's 77.28%. Whilst we encourage arrangements where shares are used for enhanced loans rather than investments we will continue to monitor this ratio and maintain the controls implemented to curb the overall growth as we work towards a more satisfactory ratio.



# Board of Directors Report

## Affiliations

Teachers Credit Union has remained a responsible and committed member of the Credit Union fraternity and shares cordial relationships with the following co-operative agencies:

- The Office of the Commissioner for Co-operative Development
- Central Finance Facility (CFF)
- The Credit Union Deposit Insurance Fund (TTCUDIF)
- CUNA Caribbean Insurance Society Limited
- LinCU Limited of which Teachers Credit Union is the major shareholder
- Association of Credit Union Presidents of Trinidad & Tobago (ACCUPTT)
- Caribbean Confederation of Credit Unions (CCCU)
- World Council of Credit Unions (WOCCU)
- Various Credit Union Units in Trinidad and Tobago

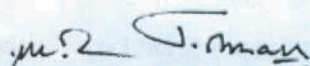
## Acknowledgements

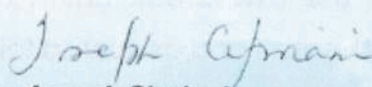
The Board is extremely grateful for the support it received from the following institutions and expresses its sincerest thanks to:-

- Office of the Commissioner for Co-operative Development
- The Accounting Section of the Ministry of Education and other Government Departments
- Members of Teachers Credit Union Committees
- The Management Team, Office Supervisors, Accounting, Clerical and Ancillary Staff
- The General Membership
- All Credit Union related organizations

## Membership

The membership as at 1st April 2021	- 16 734
Admissions	- 228
Deaths	- 77
Resignations	- 0
Membership as at 31st March 2022	-16 962
Tobago Membership	- 815

  
**Mark Trotman**  
President

  
**Joseph Cipriani**  
Secretary



# Education Committee Report

## Composition of the Committee

Mr. Ewarth Brathwaite  
Mrs. Bernadette Carter  
Mrs. Shirley Sayers-Felix  
Ms. Jacqueline Toney  
Dr. Arthur Joseph  
Mr. Avinash Bissoondial  
Mr. Jason Sealey

Ms Jacqueline Toney, Dr. Arthur Joseph, Mr. Avinash Bissoondial and Mr. Jason Sealey were added to the team at the first meeting of the committee.

## FINANCIAL INTELLIGENCE UNIT ANNUAL WORKSHOP

Observing all Covid 19 protocols with respect to time limit, spacing and sanitizing, the workshop was conducted using the virtual format. Members of staff from the Branches attended from their home Branches.

## CONFERENCES & WORKSHOPS

The CaribDE (Caribbean Development Educator) workshops were restarted and two sessions were held during this financial year. Representatives attended both sessions. In addition Mr. Avinash Bissoondial was requested to make presentations by the CaribDE Board. From all accounts received, his impressive representations earned him a partial scholarship to attend a DE international Programme in Halifax, Canada in partnership with the CaribDE programme. The executive fully supported his participation.

The TTCUDIF Conference was postponed for yet another year.

Both the World Conference of Credit Unions (WOCCU) and the Caribbean Conference of Credit Unions (CCCU) held their sessions virtually. Unfortunately, their timing coincided with our AGM preparations and as a result our Credit Union did not participate.

## STAFF TRAINING WORKSHOPS

A staff-training workshop was held on 25th March 2022. It was conducted by Mr. Dorwin Manzano, a past President of the UWI Credit Union and a lawyer by profession. This workshop was well received by the staff and as such, a follow up workshop will be held in the next financial year.



# Education Committee Report

## SCHOLARSHIPS

### SEA AWARDS

We continue with the precedent set in the previous year where all SEA applicants were given an award. This year there were 63 applications.

### CSEC AWARDS

A total of 21 students were given Awards.

Mekayla Celestine	Blessings Ogoneme
Malique Aguste	Yogita Bridgelal
Nivedita Ramdeo	Kishan K.J Mahabir
Saraven Maharaj	De Nisse Serrette
Aaliya Bijaram	Kattyann Precious-Graham
Aysiah Assing Mc Eachnie	Michael Lashley
Aidan Ramnarine	Emilee Elizabeth - Padmore
Thandi Fernandez	Kamali Campbell
Jostin Aaron Ramdass	Amelia Amanda Allan
Marina E.A Ramharak	Ansarah Kirina Mohammed
Kurnisha Plowden	

### CAPE AWARDS

A total of fifteen students were recipients of this award.

Christine L. Mahabir	Marylisa . H. Ramlal
Ciel Joseph	Kiara Reece
Mariam Schulere	Zane Rui Espionzoza
Aniquia .S. Goolab	Ruthven Kurban Ali
Sonia Soodeen	Amelia I. Goolcharan
Catherine Shaffrali	Mikahail Thomas
Hannah Hosein	Kael Grant

### TERTIARY LEVEL BURSARIES

The Campus Committee for undergraduate awards at its meeting on September 3rd 2021 recommended the following students (2 renewals and 2 new) as recipients of the Societies Awards.



# Education Committee Report

Anna Maria Williams (N)

Micael Jovan Ramkissoon (N)

Josh Clement (R)

Tenill Ramsawak (R)

Two previous recipients, Liseli Raphael and Reval Mc Intosh graduated with first class Honors.

The University of The West Indies contacted us on a proposal we made several years ago concerning a Post Graduate Award in honor of Mr. Carol Keller. This will be finalized in the new financial year.

## **PROJECTS SANCTIONED BY THE EXECUTIVE AND EDUCATION COMMITTEE**

- (1) A proposal was submitted to the Education Committee by Mr. Avinash Bissoondial, Mr. Christopher Persad and Ms. Carol Brown. The project aims to create an awareness of the value of the services offered by the Credit Union. The project targets new members who at the end of each quarter will be invited to participate in an online session to make them aware of the Credit Unions Products. This programme, in the near future, will target other groups. The name of the Project is "Financial Literacy, it's no longer a choice, taking charge of your finances with a human touch."
- (2) A survey of the membership will ascertain their needs so that products can be tailored accordingly. An instrument has been produced by Dr. Arthur Joseph (in this respect) to facilitate the process.
- (3) As mentioned previously a second staff workshop will follow.

## **DONATIONS TO NON-GOVERNEMENTAL (NGO'S)**

Our support continues for 10 NGO'S whose work assist in alleviating the challenges that society faces. Recognition of their work will not go unnoticed.

On behalf of the Education Committee, we extend our gratitude to all concerned.



Ewarth Brathwaite

**Chairman**



# Delinquency Report

During the period under review, 1st April 2021 to 31st March 2022, the Delinquency Department continued its work of addressing all matters related to delinquency.

As usual, routine procedure of monitoring payments by payroll deductions and standing orders continued. Again, we must remind you that there will be problems when these orders are not effected. Therefore, we again call on members to always check their salary statements and bank statements. The member is responsible for all monthly installments reaching us on time. We must again remind you that with IFRS9 regulations, we have to be more stringent in the management of our accounts.

Covid 19 remained a challenge during the financial year as some members and their immediate families continued to require special consideration as regards their financial commitments. In this light a delinquency ratio of 5.4% is acceptable. However with the economy returning to some semblance of normalcy, every effort will be made to reduce and keep the ratio below 5%.

During the financial year some persons with delinquent accounts have been referred to the Office of the Commissioner for Cooperative Development for attention. We have been making every effort to prevent others from joining this list by using consistent reminders, and strategic communication. In this light we continue to send text messages, make calls and send notices in relation to delinquent accounts.

There have been some long standing delinquent loans, some of which have been referred to our debt collector Mr. A. V. Knowles.

Members are again asked to report all changes in status, addresses and telephone numbers as soon as they occur. The 'Know Your Member' forms are available and will capture all changes relevant to the Credit Union. These should be submitted once per year. Remember we cannot help you if we cannot contact you.

Here's another reminder to teachers who are about to retire. From the date of retirement, the Teachers Credit Union will, at the written request of the member, grant in the first instance, a deferral of loan payments not exceeding six months, pending the receipt of his/her retirement benefits. However, the Ministry of Finance has promised that retiring teachers will receive an interim payment of \$3500.00 per month when their matters reach that Ministry for final attention. This interim payment is in addition to the monthly NIS



# Delinquency Report

pensions for those retiring at age sixty. This may reduce the need for further deferrals after the initial six months granted. Members will be asked to show proof that they still need relief in spite of these interim payments.

Interest will accrue over the period of the deferrals granted and members will be required to pay up all arrears on receipt of their retirement packages. Failure to comply with the above will result in the loans being considered delinquent. Members are reminded that gratuity may be your last large lump sum receipt. Care should be exercised in the management of this very significant lumpsum. Remember Covid 19 is still ever present. Health challenges may occur at the later stages of life. These may require significant financial resources.

The records show that a large number of persons who retire before the compulsory retirement age are those with delinquent accounts. Some attempt business ventures for which they are not well prepared. We agree with financial advisors who suggest that people should not go into retirement without at least six months of salary as a nest egg available to cover living expenses while they await retirement benefits. This sum should be much larger when business ventures are contemplated.

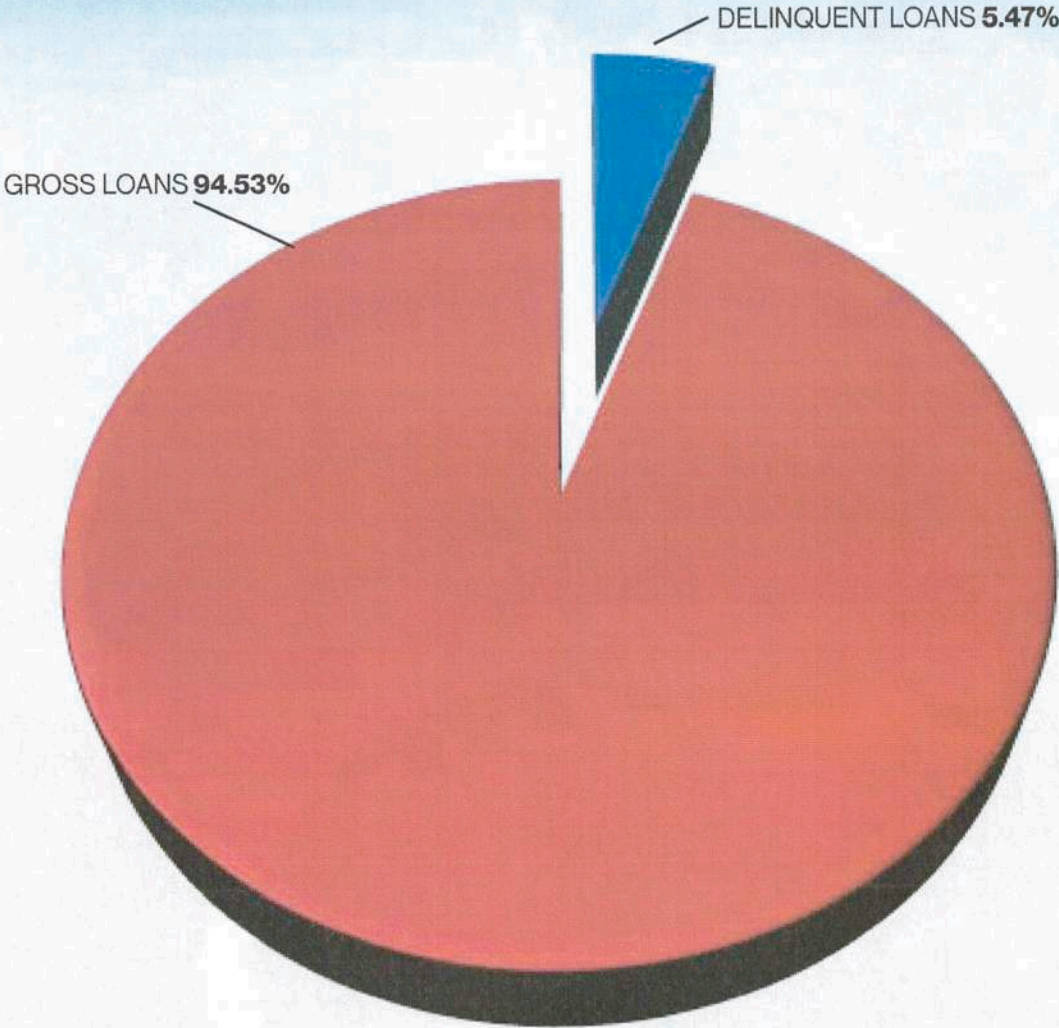
Good financial management on the part of the individual member contributes significantly to reduction in the incidence of delinquent accounts in the Credit Union.

Finally, I wish to state that care should be taken to ensure that you borrow for productive purposes and adequate provision should be made for loan repayment.

	<b>NO.</b>	<b>ASSETS</b>	<b>LOANS</b>	<b>NET LIABILITY</b>	<b>PROVISION</b>
Less than 30 days	80	4,685,445	7,726,046	3,040,601	425,274
31-90 Days	39	2,559,191	4,445,060	1,885,869	237,911
91-179 Days	120	6,745,300	11,784,379	5,039,079	773,471
180 - 364 Days	34	2,688,097	3,745,513	1,057,416	295,698
≥ 365 Days	421	9,955	5,098,709	5,088,754	565,688
<b>Total</b>	<b>694</b>	<b>16,687,988</b>	<b>32,799,707</b>	<b>16,111,719</b>	<b>2,298,042</b>



# Delinquency Report



*Joseph Cipriani*  
Joseph Cipriani  
**Recoveries Officer**



# SUPERVISORY COMMITTEE



**L-R:** Mrs. Marion McFarlane-Trim- Chairman, Ms. Leslie- Ann La Rode- Secretary,  
Mr. Christopher Persad



# Supervisory Committee Report

Having had a late virtual AGM because of the pandemic. The activities of this committee continued from the former committee in August 2021. The committee that shared the financial year with this committee comprised Dr. Arthur Joseph, Ms. Leslie-Ann La Rode and Ms. Marion McFarlane-Trim. The present committee had the privilege of serving for a limited period, from August to June.

On behalf of the Supervisory Committee (SC) I am pleased to report to the membership activities undertaken over the period July 2021 - June 2022. Here are the following key activities, findings and recommendations of the SC.

The committee comprised the following members and alternates:

Chairperson	Mrs. Marion McFarlane-Trim
Secretary	Ms. Leslie Ann La Rode
Member	M.r Christopher Persad
Alternate 1	Ms. Gernella Francis
Alternate2	Ms. Silina Edwards- Hinds

The SC is tasked with oversight of the running of the affairs of the Teachers Credit Union (TCU) in the best interest of its members, and as it pertains to assuring TCU's compliance obligations are met. In so doing our internal audits seek to monitor the operationalization of the Bye Laws of the TCU, the guidelines according to the Cooperative Act, Occupational Safety and Health Administration (OSHA), and other stakeholder entities, Financial Intelligence Unit (FIU) and the decisions made at the AGM. Our internal auditing process includes interviews with Management and Managers, customers and employees; observation of daily records, loans due diligence, and attending Board of Directors (BoD) meetings, among others. This allows for a first-hand view of the level of protection, preservation and safeguarding of members' assets; and the efficacy of the operation.

## Activities

The committee held twelve statutory meetings, performed site visits at each branch and Head office, and was represented by a member at the BOD meetings. These meetings and deliberations observed the core business of the Credit Union (CU) and how it was being fulfilled. The committee also undertook the following activities as prescribed by the TCU Bye-Laws:



# Supervisory Committee Report

Elected its chairman and secretary

Convened monthly statutory meetings

Attested the Accountant's Financial Statements and Balance Sheets

Monitored governance

Examined compliance officer's report

Accessed Training

The committee thanks you, the members, for giving us the opportunity to serve your interests. We report on the core activities, and highlight the major findings and recommendations through the following areas:

## Site Visits

A standard audit instrument was used to assess each branch's operations. There were two visits to each CU branch except in Tobago where there was one. Customers were interviewed about the standard of service rendered. All commended the operations and service but one complaint was the lack of interactivity and information on the web page. This has been improved by the CU administrating a web site. In instances of dissatisfaction with the service at branches, members are asked to submit a written report as employees are unionized. If you had done business with any branch during the ongoing pandemic you would have observed that Health and safety measures were in place and in keeping with government guidelines.

Employees were also interviewed about their comfort, according to OSHA. The petty cash account and the cash's correlation to its ledger were checked and were in order at all branches. Records of daily operations were reviewed and records were in order. Random loan files were appraised for compliance, computation accuracy. All loans had proper documentation, and bore the approval signatures of three Credit Committee members. Managers were interviewed about their compliance with the Cooperative Act, FIU and TCUs bye laws and policies in their daily operations, or other issues that may affect the efficient operations of the CU. Daily records were shown. Our discussions with management and employees satisfied us that there was adherence to local and international regulations. I am pleased to report that the Operations at the CU Branches and Head Office are in order and seem to be compliant in following all guidelines.



# Supervisory Committee Report

## **Attendance at Board of Directors Meetings**

The SC accepted the invitation from the BoD for one member to attend its monthly statutory meetings. On a rotational basis one member of the SC attended, and had the opportunity to observe the deliberations and review the different levels of financial statements, balance sheets and compliance reports. The member then reports to the other SC members. Attendance gives insight into the fulfilment of the roles and responsibilities of the Board and if due diligence and accountability on the assets of the CU are being observed. The SC was satisfied that decisions relative to financial and operational matters and investments were properly discussed and politely ventilated and conclusions proffered, in the best interest of the members of the CU. The process, on new applicants for membership was noted and the standard was upheld for each applicant.

We can verify that Management at all offices faithfully administered the policies and controls in the daily operations, to safeguard assets and prevent errors.

We are therefore pleased to underscore that the Board continues to take the necessary steps in ensuring full compliance with its obligation to keeping the Credit Union in a position of strength, safety and stability.

## **Governance**

The President of the CU provided strong and transparent leadership, while collaborating with Board members in making decisions. The Board receives Site visit reports, Quarterly Reports, Reports of Minutes and a register of attendance at BoD meetings from the SC, on a yearly basis. However, any pressing or concerning matters observed or encountered by the SC from site visits are duly reported to the President.

It is however our recommendation that the above reports are submitted to management on a quarterly basis.

## **Compliance**

TCU is obligated to safely store documents and records of daily transactions. Records are stored both electronically and in hard copy. Our understanding of the administering and securing of documents such as the Know your member's forms, Membership forms, Loan forms, Source of Funds Declaration forms and PEP documentation, for example, were in keeping with industry standards. It was further observed that policies of loan taking by Board or Committee members are never compromised.



# Supervisory Committee Report

## Training

Members of the SC attended, as all officers were required to, the compulsory Anti Money Laundering / Counter financing of Terrorism (AML/CFT) compliance training. One member of the SC also attended a one week CaribDE Training in Trinidad, and a two day virtual Caribbean Anti Money Laundering (in a digital world) Conference (Tech AML).

## Physical Asset Security

The buildings are secured. The signage and the rusting gates and perimeter walls at the Sangre Grande Branch has been attended to, as per our request. A permanent solution to the problem of leakage from the rooftop of the San Fernando Branch should be considered, however. Management response is that building maintenance and upgrades are presently ongoing. The other building on Marli Street, Port of Spain is at the moment being used for files storage, while a valuation report is pending on the unoccupied building on Independence Avenue, San Fernando

There are future plans for the use of those two assets.

## Conclusion

Our CU continues to be a good steward of the assets of its members and continues to improve their financial lives. Through its principles and values it continues to grow resilience as an organization in these rapidly changing times.

The Supervisory Committee thanks the President, Board of Directors and Managers and staff, including the guards and attendants, for their cooperation in facilitating our work, and for their commitment in advancing the work of the Supervisory Committee.

Respectfully Submitted



Marion McFarlane-Trim

**Chairperson**

**Supervisory Committee**



# CREDIT COMMITTEE



**1ST L-R:** Mr. Kofi Applewhite- Chairman, Mrs. Joan Carry-Peirre- Secretary,  
Ms. Nadine John-St. Rose

**2ND L-R:** Ms. Maureen Clapperton, Mr. Dexter Scott



# Credit Committee Report

The Credit Committee April 01st, 2021 – March 31st, 2022 comprised of the following members:

Mr. Kofi Alistair Applewhite	Chairman
Ms. Joan Carry-Pierre	Secretary
Ms. Nadine John- St. Rose	
Ms. Maureen Clapperton	
Mr. Dexter Scott	
Alternates: Ms. Allyson Dawn- Ashby and Ms. Patsy Mathison- Thomas	

## **INTRODUCTION:**

On behalf of the Credit Committee 2021 – 2022, it behooves me to extend warm greetings to all our members at this Annual General Meeting. Members of the Credit Committee express our appreciation to you for the confidence that you have reposed in us to serve you. Your votes of confidence afforded us the opportunity and privilege to better serve you and to learn more about our Credit Union through managing its Loan Portfolio.

## **REVIEW:**

The period under review was filled with activities that necessitated our attention. Members of the Committee remained steadfast in its mandate to carefully review and grant loans. We considered requests made by members who experienced challenges with their Loan Applications which fell outside the Policy of Teachers Credit Union and those who had mitigating circumstances against them. When financial circumstances seem to overwhelm you; please consult with us first. Your business is important to us and to your continued survival.

## **MEMBERSHIP TRAINING:**

In order to become more competent and efficient in managing and protecting ourselves and the assets of our members; Credit Committee members were exposed to and attended training sessions- namely FIU as required by law. This session is mandatory, critical and significant for us and guarantees your assets being guarded jealously. FIU training provided insight into the laws and resultant penalties that can be applied to negligent stewards and non-compliant Financial Institutions.

## **MEETINGS:**

The Committee conducted 12 meetings over the period. These meetings were conducted at



# Credit Committee Report

Port of Spain, Sangre Grande and San Fernando Offices. Loan from Tobago were processed at the Port of Spain Office.

## **LOAN REVIEW and ANALYSIS:**

- A total of 7,280 Loans were processed and approved. This reflects a decrease when compared with the previous period.
- Aid to relatives
- Christmas loans
- Computer Loans
- Debt consolidation
- Education
- Health
- Housing Loans
- Vacation
- LinCU
- Medical Expenses

We observed a decrease in consolidation of debts, education, housing, investments, lincu and medical expenses areas in cash value and an increase in computer, furniture & appliances and motor vehicle loans for the period.

Generally, although the number of Loans decreased by 573 the cash value decreased by \$16,214,464.75

## **REMINDERS:**

Please be reminded that the Credit Committee is the corpus within the Credit Union commissioned by Law to grant loans. Therefore, we are governed and guided by the following policies:

1. Loans are granted on the premise of member's Share Holdings and their ability to consistently honour their financial commitments
2. The Credit Committee is charged with granting Loans to members
3. Increase your Shares to increase your borrowing ability
4. Seek financial advice before you retire
5. Members can avail themselves of 2 Waivers in a Calendar year; Request for a Waiver immediately prior to taking a loan or after does not conform to Loan Policy Guidelines.



# Credit Committee Report

## CONCLUSION:

Teachers Credit Union continues to be a safe financial institution to save and borrow at reasonable rates. Teachers Credit Union will continue to be on the vanguard of promoting the financial well-being of its valued members. We maintain our mantra of "People helping People".

We are living in a volatile environment. Our commitment to our Credit Union would guarantee our sustainability and stability.

The pleasure was ours to serve you. Our accomplishments were as a result of the collective efforts of the Board of Directors, Management, Fellow Committee Members, Staff and you, our ordinary members.

Thank you for having afforded us this opportunity to serve you as we continue to work collectively and collaboratively in building a stronger and better financial institution.

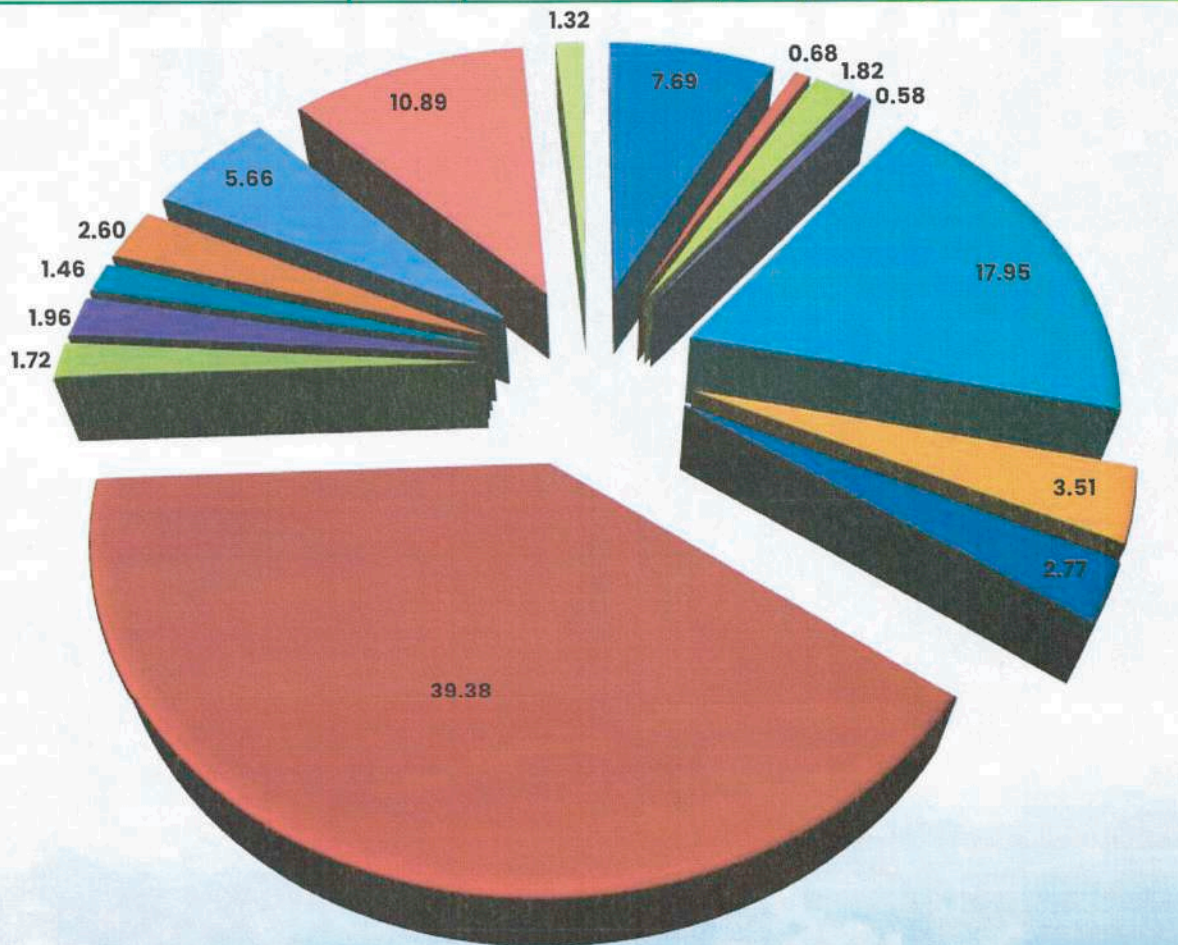


Kofi A. Applewhite  
**Chairperson**  
**Credit Committee**



# Credit Committee Report

LOAN PURPOSE	NO.	LOANS 2020/21	%	NO.	LOANS 2021/22	%
Aid to Relatives	578	13,116,447.69	8.51	511	12,444,180.27	7.69
Ceremonies	64	1,158,637.65	1.13	57	1,320,929.73	0.68
Christmas	223	3,104,173.93	1.19	219	2,859,292.5	1.82
Computer	86	992,675.16	0.21	173	1,779,985.6	0.58
Consolidation of Debts	1740	30,650,528.67	16.60	1690	27,552,124.65	17.95
Education	357	5,997,254.16	3.21	318	5,119,073.57	3.51
Furniture & Appliances	280	4,717,977.45	3.41	304	5,814,634.68	2.77
Housing	1780	67,200,141.03	30.33	1509	57,375,102.61	39.38
Investments	105	2,930,100.86	2.41	63	2,359,809.54	1.72
Land & Agriculture	47	3,351,166.63	1.87	36	2,221,978.22	1.96
Legal Fees	86	2,484,407.68	0.77	70	1,670,274.66	1.46
Lincu	1146	4,433,409.68	3.36	1140	4,493,900.55	2.60
Medical Expenses	517	9,651,514.31	4.52	416	7,287,943.46	5.66
Motor Vehicles	733	18,580,628.9	14.54	756	21,834,061.16	10.89
Vacation	111	2,257,224.24	7.95	18	278,532.09	1.32
<b>TOTAL</b>	<b>7853</b>	<b>170,626,288.04</b>	<b>100</b>	<b>7280</b>	<b>154,411,823.29</b>	<b>100</b>



- Aid to Relatives
- Ceremonies
- Christmas
- Computer
- Consolidation of Debts
- Education
- Furniture & Appliances
- Housing
- Investments
- Land & Agriculture
- Legal Fees
- Lincu
- Medical Expenses
- Motor Vehicles
- Vacation





# FINANCIALS





**CREDIT UNION CO-OPERATIVE SOCIETY LIMITED**

Port of Spain: Donovan Palmer Building, 68-72 Maraval Road, New Town. Tel: 628-8129 Fax: 622-4434  
San Fernando: 10 Farah Street, San Fernando. Tel: 652-1486 Fax: 652-1486  
Sangre Grande: 71 Ojoe Road, Sangre Grande 450240. Tel: 691-5035 Fax: 691-3776  
Scarborough: 9 Mc Kay Hill, Scarborough 901028. Tel: 639-4720 Fax: 635-0862  
E-mail: [info@teacherstt.com](mailto:info@teacherstt.com) Website: <http://www.teacherstt.com>

**Statement of Management Responsibilities  
Teachers Credit Union Co-Operative Society Limited**

Management is responsible for the following:

Preparing and fairly presenting the financial statements of Teachers Credit Union Co-operative Society Limited (the Society), which comprise the statement of financial position as at March 31, 2022, the statements of profit or loss and other comprehensive income, changes in equity attributable to members and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information;

- Ensuring that the Society keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Society's assets, detection/ prevention of fraud, and the achievement of the Society's operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that complies with laws and regulations, including the Companies Act; and
- Using reasonable and prudent judgement in the determination of estimates.

In preparing these audited financial statements, management utilised the financial reporting provisions of the International Financial Reporting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where International Financial Reporting Standards presented alternative accounting treatments, management chose those considered most appropriate in the circumstances.

Nothing has come to the attention of management to indicate that the Society will not remain a going concern for the next twelve months from the reporting date, or from the date of the financial statements have been authorised for issue, if later.

  
Director

July 5, 2022

  
Director

July 5, 2022



## Independent Auditor's Report

To the Members of  
Teachers Credit Union Co-operative Society Limited

### Opinion

We have audited the accompanying financial statements of Teachers Credit Union Co-operative Society Limited ("the Society"), which comprise the statement of financial position as at March 31, 2022, the statement of comprehensive income, statement of changes in members' equity 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 Society as at March 31, 2022, 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 Society in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and with the IESBA Code. 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 IFRSs 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 statements, management is responsible for assessing the Society'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 Society or to cease operations, or has no realistic alternative but to do so.

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

### Auditor's 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.





## Independent Auditor's Report (continued)

### Auditor's 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 Society'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 Society'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 Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

The logo for BDO, consisting of the letters 'BDO' in a blue, cursive-style font.

July 5, 2022

*Port of Spain  
Trinidad, West Indies*



# Teachers Credit Union Co-operative Society Limited



## Statement of Financial Position


As at March 31, 2022


(Expressed in Trinidad and Tobago Dollars)

	Notes	2022	2021
<b>Assets</b>			
Cash and cash equivalents	4	122,740,418	107,996,016
Investment securities	5	732,542,764	623,667,101
Accounts receivable and prepayments	6	998,386	962,001
Loans to members	7	687,886,598	690,072,001
Property, plant and equipment	8	23,430,616	23,700,584
Investment properties	9	2,393,144	2,438,681
<b>Total Assets</b>		<b>\$1,569,991,926</b>	<b>\$1,448,836,384</b>
<b>Members' Equity, Reserves &amp; Liabilities</b>			
<b>Members' Equity &amp; Reserves</b>			
Capital reserve	10	107,811,111	99,454,024
Investment re-measurement reserve		56,637,195	23,160,137
Education fund	11	16,739,471	14,520,241
Undivided earnings		99,445,127	92,113,253
<b>Total Members' Equity &amp; Reserves</b>		<b>280,632,904</b>	<b>229,247,655</b>
<b>Liabilities</b>			
Members' deposits	12	97,369,422	83,415,232
Members' Christmas fund	13	13,666,574	11,650,220
Members' shares		1,170,509,948	1,119,642,761
Accounts payable and accruals	14	7,813,078	4,880,516
<b>Total Liabilities</b>		<b>1,289,359,022</b>	<b>1,219,588,729</b>
<b>Total Members' Equity, Reserves &amp; Liabilities</b>		<b>\$1,569,991,926</b>	<b>\$1,448,836,384</b>

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

These financial statements were approved by the Board of Directors and authorised for issue on July 5<sup>th</sup> 2022

  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 Director



## Teachers Credit Union Co-operative Society Limited

### Statement of Comprehensive Income

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

	Notes	2022	2021
<b>Revenue</b>			
Interest on loans		80,975,796	82,271,840
Interest income on investment securities at amortized cost	17	21,063,764	15,003,179
Other investment income	18	8,618,967	5,531,768
Rent		319,200	319,200
Fees/commissions/charges		1,333,811	1,240,363
Realized gains on investments		885,678	-
<b>Total Revenue</b>		<b>113,197,216</b>	<b>104,366,350</b>
<b>Operating Expenses</b>			
Administrative	19	(9,798,315)	(8,822,889)
Insurance	20	(6,410,649)	(6,807,627)
Personnel	21	(11,329,837)	(9,521,060)
Financial	22	(2,087,543)	(2,216,663)
<b>Total Operating Expenses</b>		<b>(29,626,344)</b>	<b>(27,368,239)</b>
<b>Net Surplus for the Year</b>		<b>83,570,872</b>	<b>76,998,111</b>
<i>Items that may be reclassified to profit or loss:</i>			
Change in unrealised gains on financial assets at FVOCI		33,477,058	11,604,444
<b>Total Comprehensive Income for the Year</b>		<b>\$117,047,930</b>	<b>\$88,602,555</b>

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



# Teachers Credit Union Co-operative Society Limited

## Statement of Changes in Members' Equity For the year ended March 31, 2022 (Expressed in Trinidad and Tobago Dollars)

	Notes	Capital Reserve	Investment re-measurement reserve	Education fund	Undivided earnings	Total
Balance as at 1 April, 2021		99,454,024	23,160,137	14,520,241	92,113,253	229,247,655
Total comprehensive income for the year		-	33,477,058	-	83,570,872	117,047,930
Appropriation of Net Surplus						
i. 10% to Reserve Fund	10	8,357,087	-	-	(8,357,087)	-
ii. 5% to Education Fund	11	-	-	4,178,544	(4,178,544)	-
Education Expenses		-	-	(1,959,314)	1,959,314	-
Dividends and interest rebate paid during the year	15	-	-	-	(65,057,681)	(65,057,681)
Honorarium paid during the year		-	-	-	(605,000)	(605,000)
<b>Balance as at 31 March, 2022</b>		<b>\$107,811,111</b>	<b>\$56,637,195</b>	<b>\$16,739,471</b>	<b>\$99,445,127</b>	<b>\$280,632,904</b>

	Notes	Capital Reserve	Investment re-measurement reserve	Education fund	Undivided earnings	Total
Balance as at 1 April, 2020		91,754,213	11,555,693	12,475,629	90,445,350	206,230,885
Total comprehensive income for the year		-	11,604,444	-	76,998,111	88,602,555
Appropriation of Net Surplus						
i. 10% to Reserve Fund	10	7,699,811	-	-	(7,699,811)	-
ii. 5% to Education Fund	11	-	-	3,849,906	(3,849,906)	-
Education Expenses		-	-	(1,805,294)	1,805,294	-
Dividends and interest rebate paid during the year	15	-	-	-	(64,980,785)	(64,980,785)
Honorarium paid during the year		-	-	-	(605,000)	(605,000)
<b>Balance as at 31 March, 2021</b>		<b>\$99,454,024</b>	<b>\$23,160,137</b>	<b>\$14,520,241</b>	<b>\$92,113,253</b>	<b>\$229,247,655</b>

*The accompanying notes are an integral part of these financial statements.*



## Teachers Credit Union Co-operative Society Limited

### Statement of Cash Flows

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

	2022	2021
<b>Cash flows from operating activities</b>		
Net surplus for the year	83,570,872	76,998,111
<i>Adjustments to reconcile net surplus for the year to net cash provided by operating activities:</i>		
Amortisation of premiums on investments securities at amortised cost	396,992	446,766
Amortisation of discounts on investments securities at amortised cost	(5,112,170)	(161,866)
Depreciation	549,948	540,333
Loss on disposal of assets	-	10,895
Expected credit loss provisions	2,817,359	2,198,142
<b>Cash from operations before working capital changes</b>	<b>82,223,001</b>	<b>80,032,381</b>
<i>Working capital changes</i>		
(Increase)/decrease in accounts receivable and prepayments	(36,385)	507,373
Increase in accounts payable and accruals	2,932,562	141,582
<b>Net cash provided by operating activities</b>	<b>85,119,178</b>	<b>80,681,336</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(231,143)	(321,059)
Acquisition of investment property	(3,300)	(12,181)
Net purchase of investment securities	(70,683,427)	(63,339,950)
Loans issued to members	(148,483,755)	(154,411,823)
Loans repaid by members	147,851,799	166,459,243
<b>Net cash used in investing activities</b>	<b>(71,549,826)</b>	<b>(51,625,770)</b>
<b>Cash flows from financing activities</b>		
Dividends and interest rebate	(65,057,681)	(64,980,785)
Honorarium	(605,000)	(605,000)
Increase in members' shares	50,867,187	41,090,589
Increase in members' deposits	13,954,190	26,085,683
Increase in members' Christmas fund	2,016,354	1,587,523
<b>Net cash provided by financing activities</b>	<b>1,175,050</b>	<b>3,178,010</b>
Increase in cash and cash equivalents for the year	14,744,402	32,233,576
Cash and cash equivalents as at beginning of year	107,996,016	75,762,440
<b>Cash and cash equivalents as at end of year</b>	<b>\$122,740,418</b>	<b>\$107,996,016</b>

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



# Teachers Credit Union Co-operative Society Limited

## Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

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### 1. Incorporation and Principal Activities

Teachers Credit Union Co-operative Society Limited (the "Society") is registered as a Co-operative Society under the Co-operative Societies Act of 1971 in the Republic of Trinidad and Tobago and its members enjoy limited liability. Its registered office is located at #68-72 Maraval Road, Port of Spain. The Society was formed in order to improve the economic and social conditions of its members chiefly by promoting savings among its members and providing loans to members for provident and productive purposes. The Society's membership is primarily members of the Trinidad and Tobago Teaching Service.

### 2. Significant Accounting Policies

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

#### (a) Basis of preparation

These financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and are stated in Trinidad and Tobago dollars rounded to the nearest dollar. Changes to significant accounting policies (if any) are described in Note 2(d). These financial statements are stated on the historical cost basis, except for the measurement at fair value of investment securities and certain other financial instruments.

#### (b) Use of judgments and estimates

The preparation of the financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

#### (c) Foreign currency translation

##### *Functional and presentation currency*

Items included in the financial statements of the Society are measured using the currency of the primary economic environment in which the Society operates (the 'functional currency'). The financial statements are presented in Trinidad and Tobago Dollars, which is the Society's functional and presentation currency.

##### *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.



## Teachers Credit Union Co-operative Society Limited

### Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

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#### 2. Significant Accounting Policies (continued)

(d) (i) New, revised and amended standards and interpretations that became effective during the year:

There are no new, revised and amended standards and interpretations that became effective during the year that affects the Society.

(ii) New, revised and amended standards and interpretations not yet effective and not early adopted:

The following new standards, interpretations and amendments, which have not been applied in these financial statements, will or may have an effect on the Society's future financial statements in the period of initial application. In all cases, the entity intends to apply these standards from the application date as indicated in the note below.

- In May 2020, the IASB issued the following, which are effective for annual reporting periods beginning on or after January 1, 2022:
  - minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases.
  - amendments to IFRS 3, which update a reference to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
  - amendments to IAS 37, which specify the costs a company includes when assessing whether a contract will be lossmaking and is therefore recognised as an onerous contract. These amendments are expected to result in more contracts being accounted for as onerous contracts because they increase the scope of costs that are included in the onerous contract assessment.
  - amendments to IAS 16, which prohibit a company from deducting amounts received from selling items produced while the company is preparing the asset for its intended use from the cost of property, plant and equipment. Instead, a company will recognise such sales proceeds and any related costs in profit or loss
- In January 2020, the IASB issued amendments to IAS 1, which clarify how an entity classifies liabilities as current or non-current. The amendments initially had an effective date of January 1, 2022, however, in July 2020 this was deferred until January 1, 2023, as a result of the COVID-19 pandemic. These amendments are expected to have a significant impact on many entities, with more liabilities being classified as current, particularly those with covenants relating to borrowings. The IASB, at its meeting held in June 2021, tentatively decided to amend the requirements in IAS 1 with respect to the classification of liabilities subject to conditions and disclosure of information about such conditions and to defer the effective date of the 2020 amendment by at least one year to annual reporting periods beginning no earlier than on or after January 1, 2024.
- In February 2021, the IASB issued amendments to IAS 1, which change the disclosure requirements with respect to accounting policies from 'significant accounting policies' to 'material accounting policy information'. The amendments provide guidance on when accounting policy information is likely to be considered material. The amendments to IAS 1 are effective for annual reporting periods beginning on or after January 1, 2023, with earlier application permitted.



# Teachers Credit Union Co-operative Society Limited

## Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

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### 2. Significant Accounting Policies (continued)

#### (ii) New, revised and amended standards and interpretations not yet effective and not early adopted (continued):

- In February 2021, the IASB issued amendments to IAS 8, which added the definition of Accounting Estimates in IAS 8. The amendments also clarified that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from the correction of prior period errors. The amendments are effective for annual reporting periods beginning on or after January 1, 2023.
- In May 2021, the IASB issued amendments to IAS 12, which clarify whether the initial recognition exemption applies to certain transactions that result in both an asset and a liability being recognised simultaneously (e.g. a lease in the scope of IFRS 16). The amendments introduce an additional criterion for the initial recognition exemption under IAS 12.15, whereby the exemption does not apply to the initial recognition of an asset or liability which at the time of the transaction, gives rise to equal taxable and deductible temporary differences. The amendments are effective for annual reporting periods beginning on or after January 1, 2023.

Other standards, amendments and interpretations to existing standards in issue but not yet effective are not considered to be relevant to the Society and have not been disclosed.

#### (iii) Standards and amendments to published standards early adopted by the Society:

The Society did not early adopt any new, revised or amended standards.

#### (e) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation. Depreciation is provided using the diminishing balance method.

The following rates are considered appropriate to write-off the assets over their estimated useful lives are applied:

Building	2%
Furniture and fixtures	10%
Computer hardware	10%
Computer software	20%
Office equipment	15%

No depreciation is provided on land.

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.



# Teachers Credit Union Co-operative Society Limited

## Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

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### 2. Significant Accounting Policies (continued)

#### (f) Investment property

Properties held for long-term rental yields and capital appreciation, which are not substantially occupied by the Society are classified as investment properties. Investment properties comprise land and buildings and are stated at historical cost less accumulated depreciation which is provided on a diminishing balance basis.

#### (g) Financial instruments

##### *Classification and subsequent measurement*

The Society has applied IFRS 9 and classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVTPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost.

*The classification requirements for debt and equity instruments are described below:*

##### **Debt instruments**

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds.

Classification and subsequent measurement of debt instruments depend on:

- (i) the Society's business model for managing the asset; and
- (ii) the cash flow characteristics of the asset.

Based on these factors, the Society classifies its debt instruments into one of the following three measurement categories:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVTPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured as described in note 3(a). Interest income from these financial assets is included in 'Interest and similar income' using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVTPL, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortised cost which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in 'Net Investment income'. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented in the profit or loss statement within 'gains/losses on investments at FVTPL' in the period in which it arises. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.



# Teachers Credit Union Co-operative Society Limited

## Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

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### 2. Significant Accounting Policies (continued)

#### (g) Financial instruments (continued)

##### Debt instruments (continued)

###### *Business model*

The business model reflects how the Society manages the assets in order to generate cash flows. That is, whether the Society's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVTPL. Factors considered by the Society in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated. An example is the liquidity portfolio of assets, which is held by the Society as part of liquidity management and is generally classified within the hold to collect and sell business model. Securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the 'other' business model and measured at FVTPL.

SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Society assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test').

In making this assessment, the Society considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

##### Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. Examples of equity instruments include basic ordinary shares.

The Society subsequently measures all equity investments at fair value through other comprehensive income, except where the Society's management has elected, at initial recognition, to irrevocably designate an equity investment at fair value through profit or loss. The Society's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. When this election is used, fair value gains and losses are recognised in OCI and are not subsequently reclassified to profit or loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognised in profit or loss as other income when the Society's right to receive payments is established.

Gains and losses on equity investments at FVTPL are included in the 'other investment income' line in the statement of comprehensive income.



# Teachers Credit Union Co-operative Society Limited

Notes to the Financial Statements  
For the year ended March 31, 2022  
(Expressed in Trinidad and Tobago Dollars)

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## 2. Significant Accounting Policies (continued)

### (g) Financial instruments (continued)

#### Cash and cash equivalents

Cash and cash equivalents consist of highly liquid investments with original maturities of three months or less and are carried at cost, which approximates market value. Cash and cash equivalents are initially measured at cost and subsequently measured at amortised cost.

#### Accounts receivable

Accounts receivable are initially measured at cost. Appropriate allowances for estimated irrecoverable amounts are recognised in the Statement of Comprehensive Income when there is objective evidence that the asset is impaired.

#### Loans to members

Loans to members are classified under IFRS 9 as measured at amortised cost because they are held within a business model whose objective is to hold assets to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI).

Loans to members are stated at principal amounts outstanding net of allowances for loan losses.

#### Accounts payable

Accounts payable are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

#### Members' deposits

Members' deposits are stated at the principal amounts invested by members together with any capitalised interest. Members' deposits bear interest at rates that are not significantly different from current market rates and are assumed to have discounted cash flow values which approximate carrying values.

#### Members' Christmas fund

Members' Christmas fund are stated at the principal amounts invested by members. These funds mature at the end of one year every October and the interest rate paid is not significantly different from current market rates.

#### Members' shares

The Bye-Laws of the Society allows for the issue of an unlimited number of shares valued at \$5.00 each. Redeemable shares have been treated as liabilities.

#### Impairment

At the reporting date, the Society assesses on a forward-looking basis, the credit losses associated with its financial assets measured at amortized cost and fair value through other comprehensive income, (excluding any equity instruments):

- The Society measures expected credit loss allowances on its debt instruments at an amount equal to lifetime credit losses, except in cases for which the amount recognized is 12 months credit losses.
- For accounts receivable, the Society applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables.



# Teachers Credit Union Co-operative Society Limited

## Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

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### 2. Significant Accounting Policies (continued)

#### (h) Revenue and interest expense recognition

##### (i) Interest income

Interest is charged on all loans to members based on the outstanding balance at the end of each month.

The effective interest rate method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument, or where appropriate, a shorter period to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, the Society estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

##### (ii) Fees/commissions/charges income

Unless included in the effective interest calculation in accordance with IFRS 9, the majority of the Society's fees are transactional in nature and are recognised on an accrual basis as the service is provided. Commissions and fees not integral to the effective interest arising from negotiating or participating in negotiation of a transaction for a third party are recognised on the completion of the underlying transaction.

##### (iii) Dividends

Dividend income is recognised when the right to receive income is established. Usually this is the ex-dividend date for quoted equity securities. Dividends are reflected as a component of net trading income, net income on other financial instruments at fair value or other operating income based on the underlying classification of the equity instrument.

#### (i) Dividends payable to Members

Dividends are computed on the basis of the average value of shares held throughout the year, the average being determined on the basis of the lowest value of shares held in each month. Dividends that are proposed and declared after the reporting date are not shown as a liability but are disclosed as a note to the financial statements.

#### (j) Provisions

Provisions are recognised when the Society has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.



# Teachers Credit Union Co-operative Society Limited

## Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

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### 2. Significant Accounting Policies (continued)

#### (k) Related parties

A party is related to the Society, if:

- (i) directly, or indirectly through one or more intermediaries, the party:
  - (a) is controlled by, or is under common control with, the Society (this includes parents, subsidiaries and fellow subsidiaries);
  - (b) has a direct or indirect interest in the Society that gives it significant influence; or
  - (c) has joint control over the Society;
- (ii) the party is an associate of the Society;
- (iii) the party is a joint venture in which the Society is a venturer;
- (iv) the party is a member of the key management personnel of the Society;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the Society, or of any entity that is a related party of the Society.

### 3. Financial Risk Management

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

#### i) *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Society is exposed to interest rate risk through the effect of fluctuations in the prevailing levels of interest rates on interest bearing financial assets and liabilities including investments in bonds, loans, customer deposits and other funding instruments.



# Teachers Credit Union Co-operative Society Limited

## Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

### 3. Financial Risk Management (continued)

#### i) Interest rate risk (continued)

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

The Society generally invests in fixed rate loans to members not exceeding ten years. These are funded mainly from members' deposits and shares. Market conditions do not affect the current loan portfolio.

The Society invests mainly in medium to long term bonds consisting of fixed rate instruments. The market values of fixed rate bonds are not very sensitive to changes in interest rates. The market values of floating rate bonds are sensitive to changes in interest rates. The further the maturity of bonds, the greater the sensitivity to changes in interest rates. These assets designated as financial assets at amortised cost and any changes in the market values will not impact the profit and loss. In the prior period these assets were designated as held to maturity and were not traded, and any changes in the market values did not impact the profit and loss.

The Society's exposure to interest rate risk is summarized in the table below, which analyses assets and liabilities at their carrying amounts categorized according to their maturity dates.

As at March 21, 2022	Due on Demand	Due in 1 year	Due 1-5 years	Due over 5 years	Non-interest bearing	Carrying amount
Cash and cash equivalents	71,811,861	50,913,057	-	-	15,500	122,740,418
Investments securities	114,081,245	109,051,913	151,270,301	124,506,110	233,633,195	732,542,764
Accounts receivable and prepayments	-	-	-	-	998,386	998,386
Loans to Members	-	35,601,267	315,748,587	352,627,686	-	703,977,540
<b>Liabilities</b>						
Members' deposits	(97,369,422)	-	-	-	-	(97,369,422)
Members' Christmas fund	-	(13,666,574)	-	-	-	(13,666,574)
Members' shares	-	-	-	-	(1,170,509,948)	(1,170,509,948)
<b>Interest Sensitivity Gap</b>	<b>\$88,523,684</b>	<b>\$181,899,663</b>	<b>\$467,018,888</b>	<b>\$477,133,796</b>	<b>\$(935,862,867)</b>	<b>\$278,713,164</b>
As at March 21, 2021	Due on Demand	Due in 1 year	Due 1-5 years	Due over 5 years	Non-interest bearing	Carrying amount
Cash and cash equivalents	65,041,172	42,939,344	-	-	15,500	107,996,016
Investments securities	-	109,981,555	137,251,322	183,598,152	192,836,072	623,667,101
Accounts receivable and prepayments	-	-	-	-	962,001	962,001
Loans to Members	-	33,870,622	327,017,055	342,457,907	-	703,345,584
<b>Liabilities</b>						
Members' deposits	(83,415,232)	-	-	-	-	(83,415,232)
Members' Christmas fund	-	(11,650,220)	-	-	-	(11,650,220)
Members' shares	-	-	-	-	(1,119,642,761)	(1,119,642,761)
<b>Interest Sensitivity Gap</b>	<b>\$(18,374,060)</b>	<b>\$175,141,301</b>	<b>\$464,268,377</b>	<b>\$526,056,059</b>	<b>\$(925,829,188)</b>	<b>\$221,262,489</b>



# Teachers Credit Union Co-operative Society Limited

## Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

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### 3. Financial Risk Management (continued)

#### ii) *Credit risk*

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

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

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

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

#### (a) *Credit risk measurement*

The estimation of credit exposure for risk management purposes is complex and requires the use of models, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, of the associated loss ratios and of default correlations between counterparties. The Society measures credit risk using Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD). This is similar to the approach used for the purposes of measuring Expected Credit Loss (ECL) under IFRS 9.

#### *Credit risk grading*

The Society uses internal credit risk grading that reflects its assessment of the probability of default of loans to members. This internal credit risk grading is primarily based on the number of days a loan payment is outstanding. The days past due condition follows the rebuttable IFRS 9 definition of 30+ days to enter Stage 2. Similarly, 90 days past due is a trigger for Stage 3.

The Society has a standard feature of each loan where clients are allowed a 1month grace period twice a year. In order to accommodate this, 2 months (60 days) was added to the aforementioned staging criteria.

For debt securities in the Treasury portfolio, external rating agency credit grades are used. These published grades are continuously monitored and updated. The PD's associated with each grade are determined based on realised default rates over the prior 12 months, as published by the rating agency.



# Teachers Credit Union Co-operative Society Limited

## Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

### 3. Financial Risk Management (continued)

#### ii) Credit risk (continued)

##### (b) Expected credit loss measurement

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Society.
- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired. Please refer to the table below for a description of how the Society determines when a significant increase in credit risk has occurred.
- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.
- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward- looking information.

← Change in credit quality since initial recognition →

Stage 1	Stage 2	Stage 3
(Initial recognition)	(Significant increase in credit risk since initial recognition)	(Credit-impaired assets)
12-month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses

The key judgements and assumptions adopted by the Society in addressing the requirements of the standard are discussed below.

#### Significant increase in credit risk (SICR)

The Society considers that there is a significant increase in credit risk for its loans portfolio no later than when a loan is more than 90 days past due. The credit risk may also be deemed to have increased significantly since initial recognition based on qualitative factors lined to the Society's credit risk management processes that may not otherwise be fully reflected in its quantitative analysis on a timely basis. This is the case for exposures that meet certain heightened risk criteria such as placement on a watch list.

The Society considers that there is a significant increase in credit risk for its investment portfolio when there is a decrease in credit rating as follows: a three-notch downgrade from investment grade to non-investment grade (below BBB-); a two-notch downgrade within or outside the BB/B bucket or a one-notch downgrade within or outside the B-, CCC, CC and C buckets.

Financial instruments for which it is determined that there is a significant increase in credit risk are transferred from stage 1 to stage 2 and impairment loss is measured based on lifetime expected credit loss.



# Teachers Credit Union Co-operative Society Limited

## Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

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### 3. Financial Risk Management (continued)

#### ii) *Credit risk* (continued)

##### (b) *Expected credit loss measurement* (continued)

###### Significant increase in credit risk (SICR) (continued)

If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the expected credit loss allowance on an instrument returns to being measured as 12-month ECL.

Some qualitative indicators of an increase in credit risk, such as delinquency or forbearance, may be indicative of an increased risk of default that persists after the indicator itself has ceased to exist. In these cases, the Society determines a probation period during which the financial asset is required to demonstrate good behaviour to provide evidence that its credit risk has declined sufficiently.

When contractual terms of a loan have been modified, evidence that the criteria for recognising lifetime ECL are no longer met includes a history of up-to-date payment performance against the modified contractual terms.

Movements (credit rating deteriorations) within the investment grade (IG) classification will not be deemed as a SICR.

##### (c) *Definition of default and credit-impaired assets*

The Society considers both quantitative and qualitative factors in determining whether a financial asset is in default, examples of these include:

- The borrower is more than 90 days past due on its obligation to the Society;
- A decrease in internal rating beyond specific rating thresholds;
- The borrower is unlikely to pay its obligation to the Society in full, without recourse by the Society to actions such as realizing security. This may arise from instances such as bankruptcy, long-term forbearance, insolvency, breach of financial covenants, death and restructuring.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

Financial assets classified as 'default' are transferred to stage 3 and impairment loss is measured based on lifetime expected credit losses.

##### (d) *Measuring ECL - Explanation of inputs, assumptions and estimation techniques*

The Expected Credit Loss (ECL) is measured on either a 12-month (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit losses are the discounted product of the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD), defined as follows:

- The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.
- EAD is based on the amounts the Society expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD).



# Teachers Credit Union Co-operative Society Limited

## Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

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### 3. Financial Risk Management (continued)

#### (ii) Credit risk (continued)

#### (d) *Measuring ECL - Explanation of inputs, assumptions and estimation techniques* (continued)

- Loss Given Default (LGD) represents the Society's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage of loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.
- The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.
- The Lifetime PD is developed by applying a maturity profile to the current 12M PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band. This is supported by historical analysis.

The 12-month and lifetime EADs are determined based on the expected payment profile.

- For amortising products this is based on the contractual repayment owed by the borrower over a 12month or lifetime basis. This will also be adjusted for any expected overpayments made by a borrower. Early repayment/refinance assumptions are also incorporated into the calculation.

The 12-month and lifetime LGDs are determined based on the factors which impact the recoveries made post default. These vary by product type.

- For secured products, this is primarily based on the amount of members' shares available for offset against the loan to members.
- Forward-looking economic information is also included in determining the 12-month and lifetime PD, EAD and LGD. These assumptions vary by product type
- The assumptions underlying the ECL calculation - such as how the maturity profile of the PDs and how collateral values change etc. - are monitored and reviewed on a quarterly basis.
- There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.



# Teachers Credit Union Co-operative Society Limited

## Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

### 3. Financial Risk Management (continued)

#### ii) Credit risk (continued)

##### (e) Forward-looking information incorporated in the ECL models

The assessment of SICR and the calculation of ECL both incorporate forward-looking information. The Society has performed historical analyses and identified the key economic variables impacting credit risk and expected credit losses for each portfolio. Based on the analysis performed on different macro-economic variables, knowledge of the business and risk profile of the industry, for its loans portfolio the Society considers Real GDP growth as the main macro-economic factor that has significant influence over the portfolio quality. Macroeconomic adjustment has been applied to the PD in the Society's model however no impact on the LGD is considered due to limitation of data.

With regard to the investment portfolio and the instruments contained within, the approach that management has adopted is a scorecard approach. This approach considers several macroeconomic indicators that are available and uses a duplicable process to apply forward-looking information. The Caribbean faces unique challenges with regard to the availability of data. There are only a few macroeconomic indicators which are updated with timely information and for which forecasts are available and the Society has selected the following indicators:

- GDP
- GDP growth
- Annual inflation rate

#### Loans to members

	Stage 1 12-month ECL '000	ECL staging Stage 2 Lifetime ECL '000	Stage 3 Lifetime ECL '000	2022 Total '000	2021 Total '000
<b>Credit Grade</b>					
Standard monitoring	457,985	75,095	-	533,080	515,542
Special monitoring	-	-	170,898	170,898	187,804
Default	-	-	-	-	-
Gross carrying amount	457,985	75,095	170,898	703,978	703,346
Expected credit loss	(4,119)	(2,896)	(9,076)	(16,091)	(13,274)
<b>Carrying amount</b>	<b>\$453,866</b>	<b>\$72,199</b>	<b>\$161,822</b>	<b>\$687,887</b>	<b>\$690,072</b>

#### Investments

	Stage 1 12-month ECL '000	ECL Staging Stage 2 Lifetime ECL '000	Stage 3 Lifetime ECL '000	2022 Total '000	2021 Total '000
<b>Credit Grade</b>					
Standard	384,836	-	-	384,836	333,829
Watch	-	-	-	-	-
Speculative	-	-	-	-	-
<b>Carrying Amount</b>	<b>\$384,836</b>	<b>\$-</b>	<b>\$-</b>	<b>\$384,836</b>	<b>\$333,829</b>



# Teachers Credit Union Co-operative Society Limited

## Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

### 3. Financial Risk Management (continued)

#### ii) Credit risk (continued)

##### *Maximum exposure to credit risk*

Information on how the Expected Credit Loss (ECL) is measured and how the three stages above are determined is included in note 4(ii) 'Expected Credit Loss'.

##### *Maximum exposure to credit risk - Financial instruments not subject to impairment*

The Society has not designated any of its financial instruments as fair value through profit and loss and therefore does not have any credit risk exposure to financial instruments not subject to impairment. Financial instruments designated at fair value through other comprehensive income (FVOCI) are primarily investments in shares for which the share prices already considers credit risk.

##### *Collateral and other credit enhancements*

The Society holds members shares as security for their loans. Financial assets that are credit-impaired and related collateral held in order to mitigate potential losses are shown below:

	Gross Exposure	Expected Credit Loss	Carrying Amount	Fair Value of Collateral
	'000	'000	'000	'000
<b>2022</b>				
<i>Credit Impaired Assets</i>				
Loans to members	170,898	(9,076)	161,822	140,116
<b>Total Credit Impaired Loans</b>	<b>\$170,898</b>	<b>\$(9,076)</b>	<b>\$161,822</b>	<b>\$140,116</b>

	Gross Exposure	Expected Credit Loss	Carrying Amount	Fair Value of Collateral
	'000	'000	'000	'000
<b>2021</b>				
<i>Credit Impaired Assets</i>				
Loans to members	187,804	(8,619)	179,185	147,140
<b>Total Credit impaired Loans</b>	<b>\$187,804</b>	<b>\$(8,619)</b>	<b>\$179,185</b>	<b>\$147,140</b>



# Teachers Credit Union Co-operative Society Limited

## Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

### 3. Financial Risk Management (continued)

#### ii) Credit risk (continued)

##### Expected credit loss

The expected credit loss allowance recognised in the year is impacted by a variety of factors, as described below:

- Transfers between Stage 1 and Stages 2 or 3 due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit-impaired in the period, and the consequent “step up” (or “step down”) between 12-month and Lifetime ECL;
- Additional allowances for new financial instruments recognised during the period, as well as releases for financial instruments de-recognised in the period;
- Impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the period, arising from regular refreshing of inputs to models;
- Impacts on the measurement of ECL due to changes made to models and assumptions;
- Discount unwind within ECL due to the passage of time, as ECL is measured on a present value basis;
- Foreign exchange retranslations for assets denominated in foreign currencies and other movements; and
- Financial assets derecognised during the period and write-offs of allowances related to assets that were written off during the period.

The following tables explain the changes in the expected credit loss allowance between the beginning and the end of the annual period due to these factors:

##### Loans to members

	Stage 1 12-month ECL '000	Stage 2 Lifetime ECL '000	Stage 3 Lifetime ECL '000	Total '000
Expected credit loss as at 1 April 2021	2,064	2,591	8,619	13,274
<b>Movements with profit and loss impact</b>				
Transfers:				
Transfer from Stage 1 to Stage 2	-	-	-	-
Transfer from Stage 1 to Stage 3	-	-	-	-
Transfer from Stage 2 to Stage 1	-	-	-	-
Transfer from Stage 2 to Stage 3	-	-	-	-
Transfer from Stage 3 to Stage 2	-	-	-	-
New financial assets originated or purchased	2,055	305	457	2,817
Changes in PDs/LGDs/EADs	-	-	-	-
Changes to model assumptions and methodologies	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-
Financial assets derecognised during the period	-	-	-	-
Write-offs	-	-	-	-
Expected credit loss as at March 31, 2022	\$4,119	\$2,896	\$9,076	\$16,091



# Teachers Credit Union Co-operative Society Limited

## Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

### 3. Financial Risk Management (continued)

#### ii) Credit risk (continued)

##### Expected credit loss (continued)

##### Loans to members

	Stage 1 12-month ECL '000	Stage 2 Lifetime ECL '000	Stage 3 Lifetime ECL '000	Total '000
Expected credit loss as at 1 April 2020	1,502	2,177	7,432	11,111
<b>Movements with profit and loss impact</b>				
Transfers:				
Transfer from Stage 1 to Stage 2	-	-	-	-
Transfer from Stage 1 to Stage 3	-	-	-	-
Transfer from Stage 2 to Stage 1	-	-	-	-
Transfer from Stage 2 to Stage 3	-	-	-	-
Transfer from Stage 3 to Stage 2	-	-	-	-
New financial assets originated or purchased	562	414	-	976
Changes in PDs/LGDs/EADs	-	-	1,187	1,187
Changes to model assumptions and methodologies	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-
Financial assets derecognised during the period	-	-	-	-
Write-offs	-	-	-	-
<b>Expected credit loss as at March 31, 2021</b>	<b>\$2,064</b>	<b>\$2,591</b>	<b>\$8,619</b>	<b>\$13,274</b>

The unwind of discount on Stage 3 financial assets is reported within 'Interest Income' so that interest income is recognised on the amortised cost (after deducting the ECL allowance).

#### Concentration of credit risk

The Society monitors concentrations of credit risk by sector and by geographic location. An analysis of concentrations of credit risk of loans to members and investment securities at the reporting date is shown below:

	Loans to Members		Investment Securities		Cash and cash equivalents	
	2022 '000	2021 '000	2022 '000	2021 '000	2022 '000	2021 '000
Gross amount	703,978	703,346	498,909	419,298	122,725	107,981
<b>Concentration by sector</b>						
Corporate/commercial	-	-	149,780	132,937	-	-
Governmental	-	-	235,056	200,892	-	-
Sovereign	-	-	-	-	-	-
Bank	-	-	114,073	85,469	122,725	107,981
Retail	703,978	703,346	-	-	-	-
	<b>\$703,978</b>	<b>\$703,346</b>	<b>\$498,909</b>	<b>\$419,298</b>	<b>\$122,725</b>	<b>\$107,981</b>
<b>Concentration by location</b>						
Trinidad and Tobago	703,978	703,346	498,909	419,298	122,725	107,981
Regional	-	-	-	-	-	-
International	-	-	-	-	-	-
	<b>\$703,978</b>	<b>\$703,346</b>	<b>\$498,909</b>	<b>\$419,298</b>	<b>\$122,725</b>	<b>\$107,981</b>

Concentration by location for loans to members is measured based on the location of the obligor. Concentration by location for investment securities is measured based on the location of the issuer of the security.



# Teachers Credit Union Co-operative Society Limited

## Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

### 3. Financial Risk Management (continued)

#### iii) Liquidity Risk

Liquidity risk is the risk that as an entity it will encounter difficulty in meeting obligations associated with its financial liabilities.

Liquidity risk arises when the Society is unable to meet its payment obligations associated with its financial liabilities, repay its depositors, and affect its ability to lend. In order to effectively manage this risk, the Society maintains sufficient cash and other highly liquid current assets.

The Society's exposure to liquidity risk is summarised in the table below which analyses assets and liabilities based on the remaining period from the reporting date to the contractual maturity date.

	Due on demand	Up to one year	One to five years	Total
<b>As at March 31, 2022</b>				
<b>Liabilities</b>				
Members' deposits	97,369,422	-	-	97,369,422
Members' Christmas fund	13,666,574	-	-	13,666,574
Accounts payable and accruals	-	7,319,835	493,243	7,813,078
Members' shares	1,170,509,948	-	-	1,170,509,948
<b>Total Liabilities</b>	<b>\$1,281,545,944</b>	<b>\$7,319,835</b>	<b>\$493,243</b>	<b>\$1,289,359,022</b>
	Due on demand	Up to one year	One to five years	Total
<b>As at March 31, 2021</b>				
<b>Liabilities</b>				
Members' deposits	83,415,232	-	-	83,415,232
Members' Christmas fund	11,650,220	-	-	11,650,220
Accounts payable and accruals	-	4,243,008	637,508	4,880,516
Members' shares	1,119,642,761	-	-	1,119,642,761
<b>Total Liabilities</b>	<b>\$1,214,708,213</b>	<b>\$4,243,008</b>	<b>\$637,508</b>	<b>\$1,219,588,729</b>

#### iv) Currency risk

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

The result of sensitivity analysis conducted as at March 31, 2022, on the possible impact on net surplus of the fluctuation on the US Dollar exchange rate relative to the TT Dollar are as follows:

	2022	2021
Change in currency rate:		
Increase of 1%	\$849,574	\$846,040
Decrease of 1%	\$(849,574)	\$(846,040)

Concentration of assets and liabilities by currency.



## Teachers Credit Union Co-operative Society Limited

### Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

#### 3. Financial Risk Management (continued)

##### iv) Currency risk (continued)

The Society had the following significant currency positions shown in TT equivalents:

	TT	US	Total
<b>March 31, 2022</b>			
<b>Assets</b>			
Cash and cash equivalents	116,565,601	6,174,817	122,740,418
Investment securities	653,760,134	78,782,630	732,542,764
Accounts receivable and prepayments	998,386	-	998,386
Loans to members	687,886,598	-	687,886,598
<b>Total financial assets</b>	<b>1,459,210,719</b>	<b>84,957,447</b>	<b>1,544,168,166</b>
<b>Liabilities</b>			
Members' deposit	97,369,422	-	97,369,422
Members' Christmas Fund	13,666,574	-	13,666,574
Members' shares	1,170,509,948	-	1,170,509,948
Accounts payable and accruals	7,813,078	-	7,813,078
<b>Total financial liabilities</b>	<b>1,289,359,022</b>	<b>-</b>	<b>1,289,359,022</b>
<b>Net exposure</b>	<b>\$169,851,697</b>	<b>\$84,957,447</b>	<b>\$254,809,144</b>
<b>March 31, 2021</b>			
<b>Assets</b>			
Cash and cash equivalents	104,087,928	3,878,088	107,966,016
Investment securities	542,941,154	80,725,947	623,667,101
Accounts receivable and prepayments	962,001	-	962,001
Loans to members	690,072,001	-	690,072,001
<b>Total financial assets</b>	<b>1,338,063,084</b>	<b>84,604,035</b>	<b>1,422,667,119</b>
<b>Liabilities</b>			
Members' deposit	83,415,232	-	83,415,232
Members' Christmas Fund	11,650,220	-	11,650,220
Members' shares	1,119,642,761	-	1,119,642,761
Accounts payable and accruals	4,880,616	-	4,880,616
<b>Total financial liabilities</b>	<b>1,219,588,829</b>	<b>-</b>	<b>1,219,588,829</b>
<b>Net exposure</b>	<b>\$118,474,255</b>	<b>\$84,604,035</b>	<b>\$203,078,290</b>

##### v) Operational risk

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

##### vi) Compliance risk

Compliance risk is the risk of financial loss, including fines and other penalties, which arise from non-compliance with laws and regulations of the state. The risk is limited to a significant extent due to the supervision applied by the Financial Intelligence Unit of Trinidad and Tobago, as well as by the monitoring controls applied by the Society. The Society has a Supervisory Committee which does routine reviews on compliance.



# Teachers Credit Union Co-operative Society Limited

## Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

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### 3. Financial Risk Management (continued)

#### vii) *Reputation risk*

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

#### viii) *Business continuity*

The Society's Business Continuity Plan (BCP) encompasses a defined set of planning, preparatory and related activities which are intended to ensure critical business functions will either continue to operate despite serious incidents or disasters that might otherwise have interrupted its operations, or will be recovered to an operational state within a reasonably short period. The oversight of Business Continuity falls largely within the sphere of Risk Management.

The Objectives of the BCP are to:

1. Protect human life.
2. Identify processes critical to the operations of the Society and safeguard the Society's assets.
3. Provide tested plans which, when executed, will permit timely and efficient recovery and resumption of the Society's critical business functions.
4. Minimize the inconvenience and potential disruption of service to internal and external customers.
5. Describe the organizational structure necessary for executing the plan.
6. Identify the equipment, procedures and activities for recovery
7. Ensure that the reputation and financial viability of the Society is maintained at all times.
8. Ensure compliance with regulatory requirements.

The BCP is focused on minimizing the down time and data loss within the thresholds identified by the Society. The plan is meant to minimize the loss to the Society and or negative impact to customer service as a result of serious incidents or disasters that may occur for some time.

The Society's standards are supported by periodic reviews undertaken by the Supervisory Committee.



# Teachers Credit Union Co-operative Society Limited

## Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

### 4. Cash and Cash Equivalents

Cash and cash equivalents consist of the following:

	2022	2021
Home Mortgage Bank - Current Account	48,406,281	42,791,096
Republic Bank Limited - Current Account	21,226,027	15,404,366
First Citizens Bank Limited (Abercrombie Fund)	13,221,170	13,136,729
UTC #1 Second Scheme	9,041,435	8,938,398
UTC #3 Second Scheme	8,475,768	8,379,177
UTC #2 Second Scheme Special	8,434,167	8,338,050
First Citizens Bank - Current Account	4,947,933	4,022,132
First Citizens Bank Limited (Paria Fund)	2,955,850	1,736,804
JMMB Securities Limited (T&T) Limited - Fixed Deposit	2,505,960	148,248
First Citizens Bank LINX - LINCUB	1,050,269	552,640
Republic Bank Limited Dividend Account	962,434	647,153
Republic US Dollar Savings Account	712,190	956,901
First Citizens Bank Limited (El Tucuche Fund)	270,285	268,733
First Citizens Bank LINX Debit Account	235,934	388,116
Republic Money Market Fund	222,259	220,332
Roytrin Money Market Fund	52,588	55,380
Cash in hand	15,500	15,500
Republic Caribbean Equity Fund	3,552	3,225
Pershing Account	816	-
JMMB Securities Limited (T&T) Limited - Mutual Funds	-	1,993,036
	<b>\$122,740,418</b>	<b>\$107,996,016</b>

### 5. Investment Securities

#### Amortised Cost

	2022	2021
Government of Trinidad and Tobago Bonds	200,598,843	165,804,875
Central Finance Facility Co-operative Society of Trinidad and Tobago - Fixed Deposits	48,296,869	47,065,772
Sagicor Financial Corporation Limited (Value Asset International) (10-year Bond-Mat. 02/04/2025)	32,092,864	30,397,484
Government of Trinidad and Tobago US Bonds	23,150,189	24,118,558
Republic Bank Limited re: Niquan Energy Trinidad Limited	17,806,005	15,782,437
Bourse Securities Limited re: GORTT Repos	11,307,143	10,968,538
Massy Holdings Limited (15-year Bond -Mat. 30/7/2029)	10,159,170	10,168,744
Home Mortgage Bank \$100M Syndicated loan - Mat. 22/10/2022)	10,088,219	-
Massy Holdings Limited (10-year Bond - Mat. 30/7/2024)	9,093,371	9,107,244
KCL Capital Market Brokers Ltd re: Police Credit Union Co-operative Society Limited - PIC	9,000,000	9,000,000
FCB Limited (7-year Bond - Mat. 21/10/2022)	7,132,041	7,132,041
Firstline Securities Limited (TCCL - MTN-Mat. 09/10/2021)	5,746,047	3,925,037
NCJB Global Finance Limited - Fixed Deposit	365,433	357,955
<b>Total Amortised cost</b>	<b>384,836,194</b>	<b>333,828,685</b>
Expected credit loss	-	-
<b>Net Amortised cost</b>	<b>384,836,194</b>	<b>333,828,685</b>



# Teachers Credit Union Co-operative Society Limited

## Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

### 5. Investment Securities (continued)

	2022	2021
<i>Fair Value through Other Comprehensive Income</i>		
<b>Mutual Funds</b>		
UTC #2 1 <sup>st</sup> Scheme	42,819,487	39,135,676
UTC Corporate Fund	42,801,563	20,324,753
UTC 1 <sup>st</sup> Scheme	28,402,324	25,958,839
LINCU deposit	50,000	50,000
<b>Total Mutual funds</b>	<b>114,073,374</b>	<b>85,469,268</b>
<b>Equity Shares</b>		
First Citizens Bank Limited (914,675 shares)	48,477,775	42,761,056
MPC Clean Energy (5,448,301 shares)	33,098,429	36,776,032
Trinidad and Tobago NGL Limited (1,245,000 shares)	25,584,750	18,525,600
Jamaican Money Market Brokers (10,357,913 shares)	25,273,308	18,644,243
Republic Bank Limited (104,600 shares)	14,748,600	13,789,418
CLICO Investment Fund (484,755 shares)	14,372,986	12,128,570
Guardian Holdings Limited (428,640 shares)	11,744,736	11,011,762
National Investment Fund (1,096,300 shares)	11,637,225	11,533,076
Calypso Macro Index Fund (597,465 shares)	11,363,784	8,460,104
Grace Kennedy & Company Limited (1,468,692 shares)	8,841,526	7,255,338
Ansa Mc Al (107,222 shares)	6,325,026	5,789,988
LINCU (5,095,674 shares)	6,063,852	6,063,852
Neal & Massy Holdings (52,050 shares)	6,058,620	3,308,298
Scotiabank Trinidad & Tobago Limited (39,900 shares)	3,199,980	2,166,570
Sagikor Financial Corporation (72,522 shares)	2,625,296	2,290,589
RBC (2,825 shares)	2,102,711	1,758,329
Ansa Merchant Bank (15,774 shares)	646,734	630,960
Central Finance Facility	550,000	550,000
Trinidad Cement Limited (123,704 shares)	434,201	371,112
NEL Shares (122,268 shares)	366,804	365,581
Guardian Media Ltd (34,278 shares)	106,947	111,404
Praetorian Property MC-A- (25,333 shares)	9,906	77,266
<b>Total Equity Shares</b>	<b>233,633,196</b>	<b>204,369,148</b>
<b>Total Fair Value through Other Comprehensive Income</b>	<b>347,706,570</b>	<b>289,838,416</b>
<b>Total Investment Securities</b>	<b>\$732,542,764</b>	<b>\$623,667,101</b>
<b>Movement of investment securities for the year ended March 31,</b>		
	2022	2021
Investment securities at April 1,	623,667,101	549,007,609
Additions at cost	172,161,571	161,610,024
Disposals proceed	(104,402,065)	(102,544,786)
Foreign exchange unrealised gain/(loss)	-	58,876
Change in premiums net of discounts	4,191,454	(637,227)
Capitalised interest	2,934,608	5,118,426
Closing cost	698,552,669	612,612,922
Accumulated unrealized loss	33,990,095	11,054,179
<b>Investment securities at March 31,</b>	<b>\$732,542,764</b>	<b>\$623,667,101</b>



# Teachers Credit Union Co-operative Society Limited

## Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

5. Investment Securities (continued)	2022	2021
<i>Analysis of movement in expected credit loss</i>		
Opening balance at April 1,	-	-
Increase in expected credit loss during the year	-	-
<b>Accumulated expected credit loss at March 31,</b>	<b>\$-</b>	<b>\$-</b>
6. Accounts Receivable and Prepayments	2022	2021
Staff advances	319,618	272,855
Sundry Debtors	199,540	20,000
LINCU debit card	149,558	310,726
Rent receivable	64,800	151,200
Payroll receivable	3,000	-
	736,516	754,781
Prepayments	261,870	207,220
	<b>\$998,386</b>	<b>\$962,001</b>
7. Loans to Members	2022	2021
Gross loans to members	703,977,540	703,345,584
Less: expected credit loss	(16,090,942)	(13,273,583)
<b>Net loans to members</b>	<b>\$687,886,598</b>	<b>\$690,072,001</b>
<i>Analysis of movement in expected credit loss</i>		
Opening balance at April 1,	13,273,583	11,111,094
Increase in allowance during the year	2,817,359	2,162,489
<b>Accumulated expected credit loss March 31,</b>	<b>\$16,090,942</b>	<b>\$13,273,583</b>
<i>Concentration of gross loans</i>		
Personal	442,913,585	459,864,127
Mortgage	238,077,071	234,015,630
Dividend	12,676,905	-
Education	295,370	369,073
LinCU	10,014,609	9,096,754
<b>Gross loans to members</b>	<b>\$703,977,540</b>	<b>\$703,345,584</b>



## Teachers Credit Union Co-operative Society Limited

Notes to the Financial Statements  
For the year ended March 31, 2022  
(Expressed in Trinidad and Tobago Dollars)

### 7. Loans to Members (continued)

2022	Default in days	Probability of default	Gross Loans to Members	Expected Credit Loss	Net Loan to Members
Performing loans (Stage 1)	0-89 days	0.05	457,985,044	(4,118,835)	453,866,209
Past due but not impaired (Stage 2)	90-149 days	0.55	75,094,770	(2,895,999)	72,198,771
Credit impaired loans (Stage 3)	>150 days	0.80	170,897,726	(9,076,108)	161,821,618
			<b>\$703,977,540</b>	<b>\$(16,090,942)</b>	<b>\$687,886,598</b>
2021	Default in days	Probability of default	Gross Loans to Members	Expected Credit Loss	Net Loan to Members
Performing loans (Stage 1)	0-30 days	0.06	420,658,657	(2,063,736)	418,594,921
Past due but not impaired (Stage 2)	90-149 days	0.40	94,882,935	(2,590,760)	92,292,175
Credit impaired loans (Stage 3)	>150 days	0.75	187,803,992	(8,619,087)	179,184,905
			<b>\$703,345,584</b>	<b>\$(13,273,583)</b>	<b>\$690,072,001</b>



# Teachers Credit Union Co-operative Society Limited

Notes to the Financial Statements  
For the year ended March 31, 2022  
(Expressed in Trinidad and Tobago Dollars)

## 8. Property, Plant and Equipment

	Land and Buildings	Furniture & Fixtures	Computer Hardware	Computer Software	Office Equipment	Total
<b>Cost</b>						
Opening balance as at April 1, 2021	31,831,645	1,512,285	1,664,679	385,859	824,380	36,218,848
Additions	144,899	29,594	29,000	-	27,650	231,143
<b>Closing balance as at March 31, 2022</b>	<b>31,976,544</b>	<b>1,541,879</b>	<b>1,693,679</b>	<b>385,859</b>	<b>852,030</b>	<b>36,449,991</b>
<b>Accumulated depreciation</b>						
Opening balance as at April 1, 2021	9,611,979	1,007,509	1,029,196	263,455	606,125	12,518,264
Charge for the year	325,489	51,197	64,891	24,480	35,054	501,111
<b>Closing balance as at March 31, 2022</b>	<b>9,937,468</b>	<b>1,058,706</b>	<b>1,094,087</b>	<b>287,935</b>	<b>641,179</b>	<b>13,019,375</b>
<b>Net book value as at March 31, 2022</b>	<b>\$22,039,076</b>	<b>\$483,173</b>	<b>\$599,592</b>	<b>\$97,924</b>	<b>\$210,851</b>	<b>\$23,430,616</b>

	Land and Buildings	Furniture & Fixtures	Computer Hardware	Computer Software	Office Equipment	Total
<b>Cost</b>						
Opening Balance as at April 1, 2020	31,710,035	1,470,103	1,626,584	296,194	850,209	35,953,125
Additions	121,610	42,182	38,095	89,665	29,507	321,059
Disposals	-	-	-	-	(55,336)	(55,336)
<b>Closing balance as at March 31, 2021</b>	<b>31,831,645</b>	<b>1,512,285</b>	<b>1,664,679</b>	<b>385,859</b>	<b>824,380</b>	<b>36,218,848</b>
<b>Accumulated depreciation</b>						
Opening Balance as at April 1, 2020	9,282,806	960,629	960,786	252,717	615,014	12,071,952
Charge for the year	329,173	46,880	68,410	10,738	35,553	490,754
Disposals	-	-	-	-	(44,442)	(44,442)
<b>Closing balance as at March 31, 2021</b>	<b>9,611,979</b>	<b>1,007,509</b>	<b>1,029,196</b>	<b>263,455</b>	<b>606,125</b>	<b>12,518,264</b>
<b>Net book value as at March 31, 2021</b>	<b>\$22,219,666</b>	<b>\$504,776</b>	<b>\$635,483</b>	<b>\$122,404</b>	<b>\$218,255</b>	<b>\$23,700,584</b>



## Teachers Credit Union Co-operative Society Limited

Notes to the Financial Statements  
For the year ended March 31, 2022  
(Expressed in Trinidad and Tobago Dollars)

9. Investment Properties		2022	2021
<b>Cost</b>			
Balance as at April 1,		3,452,915	3,440,734
Additions		3,300	12,181
<b>Closing Balance as at March 31,</b>		<b>3,456,215</b>	<b>3,452,915</b>
<b>Accumulated depreciation</b>			
Balance as at April 1,		(1,014,234)	(964,655)
Charge for the year		(48,837)	(49,579)
<b>Balance as at March 31,</b>		<b>(1,063,071)</b>	<b>(1,014,234)</b>
<b>Net Book value</b>			
Balance as at March 31,		<b>\$2,393,144</b>	<b>\$2,438,681</b>
<b>10. Capital Reserve</b>			
In accordance with the Co-operatives Societies Act, 1971, Section 47 (2), 10% of the annual net surplus of the Society is allocated to the Reserve Capital Fund.			
<b>11. Education Fund</b>			
The Board of Directors sets aside at the end of each year an amount to an Education Fund of 5% of the net surplus for the year, after making provision for the Reserve Capital Fund. This fund is to be used for public, co-operative and charitable purposes.			
<b>12. Members' Deposits</b>		<b>2022</b>	<b>2021</b>
Members' savings deposits		97,369,422	83,415,232
Members' fixed deposits		-	-
		<b>\$97,369,422</b>	<b>\$83,415,232</b>
<b>13. Members' Christmas Fund</b>			
This is a deposit account which earns members annual interest at a rate of 5% on the minimum quarterly balance for the period November on one year to October of the following year.			
<b>14. Accounts Payable and Accruals</b>		<b>2022</b>	<b>2021</b>
Payroll liabilities		2,780,544	637,508
Family Indemnity Plan		1,710,724	1,247,147
CUNA LS claims		932,000	1,008,000
Members' LINCUS		824,791	880,623
Sundry payables		458,582	479,508
Members' waiver		409,558	27,540
Stale dated cheques		380,016	268,081
Professional fees		140,625	140,625
Statutory deductions		117,251	137,471
Non-members suspense		58,987	54,013
		<b>\$7,813,078</b>	<b>\$4,880,516</b>



# Teachers Credit Union Co-operative Society Limited

## Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

### 15. Dividends and Interest Rebate

The Board of Directors has proposed a dividend of \$56,191,101 (2021: \$53,942,802) and an interest rebate of \$10,935,971 (2021: \$11,119,853) for the year ended March 31, 2022. The dividend and interest rebate are subject to approval by the membership at the Annual General Meeting and have not been included as a liability in these financial statements in accordance with IAS10.

### 16. Capital Management

The Society's objectives when managing capital are to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders while maintaining a strong capital base to support the development of its business.

### 17. Interest Income on Investment Securities at Amortised Cost

	2022	2021
Interest on government bonds	8,712,390	8,366,262
Discounts on bonds	5,112,170	161,866
Interest on fixed deposit	4,004,098	3,687,828
Interest on other bonds	3,235,106	2,787,223
	<b>\$21,063,764</b>	<b>\$15,003,179</b>

### 18. Other Investment Income

	2022	2021
Dividends from equity shares	6,033,122	4,020,263
Unit Trust dividends	1,190,909	961,784
Interest from Home Mortgage Bank investment	615,185	216,131
Interest from KCL Capital Market Brokers Ltd re: Police Credit Union Co-Operative Society Limited	585,000	220,350
FCB Abercrombie Fund interest	84,441	92,117
Interest from foreign currency account	81,302	6,377
Gain on foreign exchange	22,473	-
Dividends from other funds	6,535	13,373
Roytrin dividends	-	1,373
	<b>\$8,618,967</b>	<b>\$5,531,768</b>



# Teachers Credit Union Co-operative Society Limited

## Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

### 19. Administrative Expenses

	2022	2021
Expected credit loss	2,817,359	2,198,142
Education expenses	1,959,314	1,805,294
Telephone	817,196	901,885
Depreciation	549,948	540,333
LINCUC expenses	490,272	425,033
Cleaning	334,494	272,930
Security	333,167	328,058
Stabilization Fund	324,107	336,612
Green Fund Levy	315,035	317,574
Computer expenses	293,931	192,467
Stationery	279,029	293,687
Subsistence	219,436	231,068
Advertising	193,663	127,903
Legal and professional fees	183,775	233,914
Electricity	175,943	178,868
Repairs - building	173,807	135,012
General office expense	87,356	32,075
Travelling	81,880	95,660
Toiletries	41,330	34,748
Repairs - air conditioning units	39,974	63,801
Tobago expenses	37,426	22,940
Rates and taxes	19,269	18,792
Pantry	14,419	19,468
Repairs - equipment	13,249	3,276
Family Indemnity Plan expenses	2,936	2,454
Loss on asset disposal	-	10,895
	<b>\$9,798,315</b>	<b>\$8,822,889</b>

### 20. Insurance Expenses

	2022	2021
CUNA Insurance	5,872,377	5,878,552
TCU Death Benefit	-	385,330
Personal risk - Group Life	315,722	321,587
Building	147,608	146,563
Fidelity	30,896	32,312
Public liability	18,606	18,631
Money in transit	12,020	12,000
Contents (Fire and Burglary)	7,496	6,696
Computer all risk	5,924	5,956
	<b>\$6,410,649</b>	<b>\$6,807,627</b>



# Teachers Credit Union Co-operative Society Limited

## Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

### 21. Personnel Expenses

	2022	2021
Salaries	6,089,820	4,766,396
Employee benefits	2,460,270	1,960,042
Management salaries and allowances	2,294,402	2,294,003
National Insurance	396,695	411,519
COLA	88,650	89,100
	<b>\$11,329,837</b>	<b>\$9,521,060</b>

### 22. Financial Expenses

	2022	2021
Interest on members' deposits	1,145,536	862,832
Christmas Fund interest	458,107	408,250
Premiums on bonds written off	396,992	446,766
Bank charges and interest	86,604	233,086
Foreign account charges	304	-
Loss on foreign exchange	-	265,591
Fixed deposit interest	-	138
	<b>\$2,087,543</b>	<b>\$2,216,663</b>

### 23. Employees

The complement of employees during the current year was 37 (2021: 38)

### 24. Related Party Transactions and Balances

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial decisions.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Society.

A number of transactions are entered into with related parties in the normal course of business. These transactions were carried out on commercial terms at market rates. Balances and transaction with related parties and key management personnel during the year were as follows:

#### Related Party Transactions and Balances

	2022	2021
<b>Asset</b>		
Loans to directors, committee members and key management personnel	\$3,403,689	\$4,412,003
<b>Deposits and other liabilities</b>		
Deposits held by directors, committee members, key management personnel	\$1,480,090	\$1,466,491
Shares held by directors, committee members, key management personnel and close family members	\$9,591,820	\$11,858,760



# Teachers Credit Union Co-operative Society Limited

## Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

### 24. Related Party Transactions and Balances (continued)

#### Deposits and other liabilities (continued)

	2022	2021
<b>Interest</b>		
Interest on loans - directors, committee members, key management personnel	\$418,786	\$628,233
<b>Key management compensation</b>		
Short-term benefits	\$2,294,403	\$2,294,003

### 25. Fair Values

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. The existence of published price quotation in an active market is the best evidence of fair value. Where market prices are not available, fair values are estimated using various valuation techniques, including using recent arm's length market transactions between knowledgeable, willing parties, if available, current fair value of another financial instrument that is substantially the same and discounted cash flow analysis.

The following methods have been used to estimate the fair values of various classes of financial assets and liabilities:

#### *I. Current assets and liabilities*

The carrying amounts of current assets and liabilities are a reasonable approximation of the fair values because of their short-term nature.

#### *II. Members' Loans*

Loans are net of expected credit loss provisions for losses. These assets result from transactions conducted under typical market conditions and their values are not adversely affected by unusual terms. The inherent rates of interest in the portfolio approximate market conditions and yield discounted cash flow values which are substantially in accordance with financial statement amounts.

#### *III. Investments*

The fair values of investments are determined on the basis of quoted market prices available at March 31, 2022.

#### *IV. Members' deposits*

Members' deposits bear interest at rates that are not significantly different from current rates and are assumed to have discounted cash flow values which approximate carrying values.

#### *(a) Classification of financial instruments at fair value*

The Society measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.



# Teachers Credit Union Co-operative Society Limited

## Notes to the Financial Statements

For the year ended March 31, 2022

(Expressed in Trinidad and Tobago Dollars)

### 25. Fair Values (continued)

#### (a) Classification of financial instruments at fair value (continued)

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

There were no transfers of financial instruments between levels during the year, neither were there any changes in the categorization from the prior year.

The following table shows the carrying amounts and fair values of financial assets and liabilities measured at fair value, including their levels - the fair value hierarchy.

#### Financial instruments measured at fair value

	Level 1	Level 2	Level 3	Fair Value	Total Carrying Amount
As at March 31, 2022					
<b>Assets</b>					
Investments held at FVOCI	\$233,633,196	\$-	\$-	\$233,633,196	\$233,633,196
As at March 31, 2021					
<b>Assets</b>					
Investments held at FVOCI	\$204,369,149	\$-	\$-	\$204,369,149	\$204,369,149

#### Financial instruments not measured at fair value

The table below shows the financial assets and liabilities not measured at fair value and analyses them by the level in the fair value hierarchy into which the fair value measurement is categorized. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Level 1	Level 2	Level 3	Fair Value	Total Carrying Amount
As at March 31, 2022					
<b>Assets</b>					
Investment securities at Amortised Cost	-	384,836,194	-	384,836,194	384,836,194
Loans to members	-	703,977,540	-	703,977,540	703,977,540
	\$-	\$1,088,813,734	\$-	\$1,088,813,734	\$1,088,813,734
<b>Liabilities</b>					
Members deposits and shares	\$-	\$1,281,545,944	\$-	\$1,281,545,944	\$1,281,545,944
As at March 31, 2021					
<b>Assets</b>					
Investment securities at Amortised Cost	-	333,828,685	-	333,828,685	333,828,685
Loans to members	-	703,345,584	-	703,345,584	703,345,584
	\$-	\$1,037,174,269	\$-	\$1,037,174,269	\$1,037,174,269
<b>Liabilities</b>					
Members deposits and shares	\$-	\$1,214,708,213	\$-	\$1,214,708,213	\$1,214,708,213



## Teachers Credit Union Co-operative Society Limited

Notes to the Financial Statements  
For the year ended March 31, 2022  
(Expressed in Trinidad and Tobago Dollars)

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### 26. Contingent Liabilities

As at March 31, 2022, there were no contingent liabilities (2021: NIL).

### 27. Credit Commitments

As at March 31, 2022, the Society has no commitments of a credit nature (2021: NIL).

### 28. Capital Commitments

As at March 31, 2022, the Society's capital commitments were NIL (2021: NIL).

### 29. Impact of Covid-19

The World Health Organization declared the outbreak of a respiratory disease caused by a coronavirus as a "pandemic". First identified in late 2019 and known now as COVID 19, the outbreak has impacted thousands of individuals worldwide. In response, many countries have implemented measures to combat the outbreak which have impacted global business operations.

No impairments were recorded as of the statement of financial position date as no triggering events or changes in circumstances had occurred as of year-end; however, due to significant uncertainty surrounding the situation, management's judgement regarding this could change in the future.

### 30. Events after the Reporting Date

There are no events occurring after the statement of financial position date and before the date of approval of the financial statements by the Board of Directors that require adjustment to or disclosure in these financial statements.



# Budgeted Statement of Financial Position

	<b>BUDGETED 2023</b>	<b>AUDITED 2022</b>
<b>ASSETS</b>		
Cash and cash equivalents	126,943,743	122,740,418
Investments	761,146,185	732,542,764
Accounts receivable and prepayments	1,018,353	998,386
Loans to members (net)	743,331,220	687,886,598
Property, plant and equipment	24,602,146	23,430,616
Investment properties	2,464,938	2,393,144
<b>Total Assets</b>	<b>1,659,506,587</b>	1,569,991,926
<b>MEMBERS' EQUITY, RESERVES AND LIABILITIES</b>		
Capital Reserve	116,351,974	107,811,111
Investment re-measurement reserve	69,436,157	56,637,195
Education fund	18,854,656	16,739,471
Undivided Earnings	106,465,637	99,445,127
<b>Total Members' Equity</b>	<b>311,108,424</b>	280,632,904
Members' deposits	105,158,975	97,369,422
Members' Christmas fund	14,759,899	13,666,574
Members' shares	12,205,099,474	1,170,509,948
Accounts payable and accruals	7,969,339	7,813,078
<b>Total Liabilities</b>	<b>1,348,398,162</b>	1,289,359,022
<b>Total Members' Equity, Reserves and Liabilities</b>	<b>1,659,506,587</b>	1,569,991,926



# Budgeted Statement of Other Comprehensive Income / Profit or Loss

	BUDGETED 2023	AUDITED 2022
<b>Revenue</b>		
Interest on Loans	82,546,392	80,975,796
Interest Income on Investment Securities at Amortised Cost	22,116,952	21,063,764
Other Investment Income	9,049,915	8,618,967
Rent	319,200	319,200
Fees, Commissions, Charges	1,751,062	1,333,811
Realized gain/ (loss) on Investments	0	885,678
	<b>115,783,522</b>	<b>113,197,216</b>
<b>Expenses</b>		
Administrative	10,847,239	9,798,315
Insurance	7,466,531	6,410,649
Personnel	11,896,328	11,329,837
Financial	2,721,863	2,087,543
	32,931,964	29,626,344
<b>Net surplus for the year</b>	<b>82,851,558</b>	<b>83,570,872</b>
<b>Other comprehensive income:</b>		
Comprehensive income for the year	82,851,558	83,570,872
<b>Items that may be reclassified to profit or loss</b>		
<b>Unrealized gains on available-for-sale Investments</b>	12,792,687	33,477,058
<b>Total comprehensive income for the year</b>	<b>95,644,245</b>	<b>117,047,930</b>



# Resolutions

## 1. DIVIDEND AND INTEREST REBATE, CHRISTMAS CLUB AND DEPOSIT INTEREST

### BE IT RESOLVED

The Dividend on Shares shall be 5%, the Interest rebate 13 ½%, the interest on deposit be 2%, and the interest on Christmas Club be 5%.

\*MOVER –

\*SECONDER –

\*RESULT –

## 2. MINIMUM QUALIFYING CONTRIBUTION FOR DIVIDEND

- Whereas the Credit Union has expenses to meet regarding every account, expenses which negate the payment of a DIVIDEND on very small accounts.

### BE IT RESOLVED

- NO DIVIDEND be paid on shares that are less than \$200
- No interest be paid on deposits that are less than \$200

\*MOVER –

\*SECONDER –

\*RESULT –

## 3. CAPS ON DIVIDEND AND INTEREST PAYMENTS

- Whereas a minority of members have been seeking to deposit huge sums of money into their accounts, and do not make any contribution to the society's surplus by way of loans; in order to protect the interest of the majority of members, and the interest of the Credit Union

### BE IT RESOLVED

- No dividend will be paid to any member on shares in excess of \$1,500,000
- No interest will be paid to any member on deposits in excess of \$100,000
- No interest will be paid to any member on Christmas club funds in excess of \$ 25,000

\*MOVER –

\*SECONDER –

\*RESULT –



# Resolutions

## 4. HONORARIUM

- Whereas over the years 2017 to 2021 the Assets of Teachers Credit Union increased from \$ 1,175 million to \$ 1,448 million and the Board noting the difficult financial climate which existed, kept honorarium at \$ 605,000. Whereas the Board, Credit and Supervisory Committees have over the Period 2018-2021 discharged their duties very competently and whereas the Assets of the Credit Union have risen to \$ 1,570 million in 2022

### BE IT RESOLVED

That the honorarium to be paid to Board, Credit, Supervisory, Management, Administrative and Operational personnel be fixed at \$660,000 for 2022

\*MOVER –

\*SECONDER –

\*RESULT –

## 5. DELINQUENT ACCOUNTS

- Be it resolved that according to Bye Law 54B, members who have delinquent accounts will have benefits accruing to them credited to their loan indebtedness

\*MOVER –

\*SECONDER –

\*RESULT –

## 6. MAXIMUM LIABILITY

- Whereas the society does not operate an overdraft facility and it is not indebted to any other financial institution, but accepts deposits from members, which amounted to \$97,369,422 at the end of the 2021-2022 financial year, and Christmas club funds which amounted to \$13,666,574 at the end of 2021 -2022 financial year

### BE IT RESOLVED

That Teachers Credit Union increases maximum liability to \$120 million.

\*MOVER –

\*SECONDER –

\*RESULT –



# Resolutions

## 7. AUDITORS

Whereas the Board of Directors is satisfied with the quality of work of our present Auditors BDO Trinity Limited for the period 20210 – 2022

### BE IT RESOLVED

- That the firm BDO Trinity Limited be retained as Auditors for the next financial year April 1st 2022 to March 31st 2023

\*MOVER –

\*SECONDER –



## Appendix I Example of a TCU Loan

Example of a loan taken on 01/04/2020. The amount to be loaned is \$45,000.00, and the member agrees to 12 payments of \$4,000 per month, beginning on 1 April 2020, and ending on 31 March 2021.

The table below illustrates what happens with each of the twelve (12) payments:

Table 1

MONTHS	INTEREST PAID	PAYMENT TO PRINCIPAL	LOAN BALANCE
1	450.00	3,550.00	41,450.00
2	414.50	3,585.50	37,864.50
3	378.65	3,621.36	34,243.15
4	342.43	3,657.57	30,585.58
5	305.86	3,694.14	26,891.43
6	268.91	3,731.09	23,160.35
7	231.60	3,768.40	19,391.95
8	193.92	3,806.08	15,585.87
9	155.86	3,844.14	11,741.73
10	117.42	3,882.58	7,859.15
11	78.59	3,921.41	3,937.74
12	39.38	3,937.73	0.00
<b>TOTAL</b>	<b>\$2,977.11</b>	<b>\$45,000.00</b>	<b>0</b>

One can see clearly that the total of interest and principal is \$4,000.00, for eleven months and \$3,977.11 in the twelfth month. Totaling \$47,977.11 for the entire year.

However, if the person is a member of the Teachers Credit Union, he gets a rebate of 13.5% of the total interest paid (\$401.91). It should be very clear now that this member has in fact, paid far less than 6% on the \$45,000.00 loan. His interest payment for the year amounts to **\$2,575.20**.

Even when the \$30.00 loan fee is included in the payment, and there are no other charges, the payment for the year is 5.79% of the amount loaned.

In addition, the member earned 5% dividend on the shares used as collateral to secure the \$45,000 loan.



# Appendix II

## Dividend Calculation

Dividend is calculated on the Weighted Average basis using the rule of 78. It is based on the principle that the credit union would have the member's lowest share balance (during the twelve month period) for the longest period of time, and therefore the highest monthly share balance for the shortest period within the cycle.

The Weighted Average method also takes into consideration the calculation of share months, that is, the number of shares a member has at the end of each month during the fiscal year.

### Example

A member with a starting share balance of \$ 34,400.00 and contributes \$ 200.00 per month will earn 5% and would be entitled to dividends of \$ 1,766.67.

MONTHS	MONTHLY CONTRIBUTION	BALANCE	SHARE DIVIDEND BY \$5.00	WEIGHTS	SUM OF MONTHLY WEIGHTS
APRIL	200.00	34,600.00	6,920	12	83,040
MAY	200.00	34,800.00	6,960	11	76,560
JUNE	200.00	35,000.00	7,000	10	70,000
JULY	200.00	35,200.00	7,040	9	63,360
AUGUST	200.00	35,400.00	7,080	8	56,640
SEPTEMBER	200.00	35,600.00	7,120	7	49,840
OCTOBER	200.00	35,800.00	7,160	6	42,960
NOVEMBER	200.00	36,000.00	7,200	5	36,000
DECEMBER	200.00	36,200.00	7,240	4	28,960
JANUARY	200.00	36,400.00	7,280	3	21,840
FEBRUARY	200.00	36,600.00	7,320	2	14,640
MARCH	200.00	36,800.00	7,360	1	7,360
<b>TOTAL</b>				<b>78</b>	<b>551,200</b>

Average Weights:  $551,200 \div 78 = 7,066.67$

Dividends in Units:  $7,066.667 \times 5\% = 353.33$

Dividends in dollars:  $353.33 \times 5 = \$ 1,766.67$

### Steps

1. Determine net monthly contribution.
2. Calculate monthly balances.
3. Divide monthly balance by \$ 5.00 (value per share) to get number of shares per month.
4. Apply weights (12 to 1) on the number of shares per month, the lowest monthly quantity will have the highest weight (12) and the highest monthly share quantity will have the lowest weight (1).
5. Multiply the weights by the share months to get the sum of monthly weights.
6. The aggregate of the sum of monthly weights will then be divided by 78 to get the average weighted monthly share balance in units.
7. Multiply the weighted average monthly share balance by the dividend rate (above) in order to get dividend in units, and then multiply by \$5.00 (value per share) to get the dividend amount in dollars.



# Appendix III

## Christmas Club Calculation

Interest is calculated on the Average Minimum Quarterly Balance from November in one year to October the following year (12 months).

### Steps

1. List monthly contributions between November through October.
2. Calculate monthly balances for the same period.
3. For each quarter (November to January, February to April, May to July, and August to October) identify minimum quarterly balance – lowest balance in the quarter.
4. Add up the four minimum quarterly balances and divide by four in order to get an average minimum quarterly balance.
5. Multiply the average minimum quarterly balance by rate (5%) to get interest earned.

Reasons for average minimum quarterly balance method.

- a. It encourages members to save consistently during the period.
- b. It discourages members from making a lump sum deposit and earning the same amount of interest as members who save consistently.
- c. Withdrawals during the period will affect interest earned.

### Example

A member contributing \$200.00 monthly to the Christmas Club will earn \$ 55.00 in interest as follows:

MONTHS	MONTHLY CONTRIBUTION	CUMULATIVE BALANCE	MINIMUM QUARTERLY BALANCE
November	200.00	200.00	
December	200.00	400.00	
January	200.00	600.00	200.00
February	200.00	800.00	
March	200.00	1,000.00	
April	200.00	1,200.00	800.00
May	200.00	1,400.00	
June	200.00	1,600.00	
July	200.00	1,800.00	1,400.00
August	200.00	2,000.00	
September	200.00	2,200.00	
October	200.00	2,400.00	2,000.00
		<b>SUM OF QUARTERLY BALANCES</b>	4,400.00

Average Minimum Quarterly Balances = 1,100.00  
 Interest Earned (1,100 x 5%) = 55.00



# Appendix IV Deposit Interest Calculation

Interest is calculated on the Average Minimum Quarterly Balance from April in one year to March in the following year (12 months).

## Steps

1. List monthly contributions between April through March.
2. Calculate monthly balances for the same period.
3. For each quarter (April to June, July to September, October to December, and January to March) identify minimum quarterly balance – lowest balance in the quarter.
4. Add up the four minimum quarterly balances and divide by four in order to get an average minimum quarterly balance.
5. Multiply the average minimum quarterly balance by rate (2%) to get interest earned.

Reasons for average minimum quarterly balance method.

- a. It encourages members to save consistently during the period.
- b. It discourages members from making a lump sum deposit and earning the same amount of interest as members who save consistently.
- c. Withdrawals during the period will affect interest earned.

## Example

A member contributing \$200.00 monthly to the Deposit Interest will earn \$ 44.00 in interest as follows:

<b>MONTHS</b>	<b>MONTHLY CONTRIBUTION</b>	<b>CUMULATIVE BALANCE</b>	<b>MINIMUM QUARTERLY BALANCE</b>
April	400.00	400.00	
May	400.00	800.00	400.00
June	400.00	1,200.00	
July	400.00	1,600.00	
August	400.00	2,000.00	1,600.00
September	400.00	2,400.00	
October	400.00	2,800.00	
November	400.00	3,200.00	2,800.00
December	400.00	3,600.00	
January	400.00	4,000.00	
February	400.00	4,400.00	4,000.00
March	400.00	4,800.00	
<b>SUM OF QUARTERLY BALANCES</b>			8,800.00

Average Minimum Quarterly Balances = 2,200.00  
 Interest Earned (2,200 x 2%) = 44.00

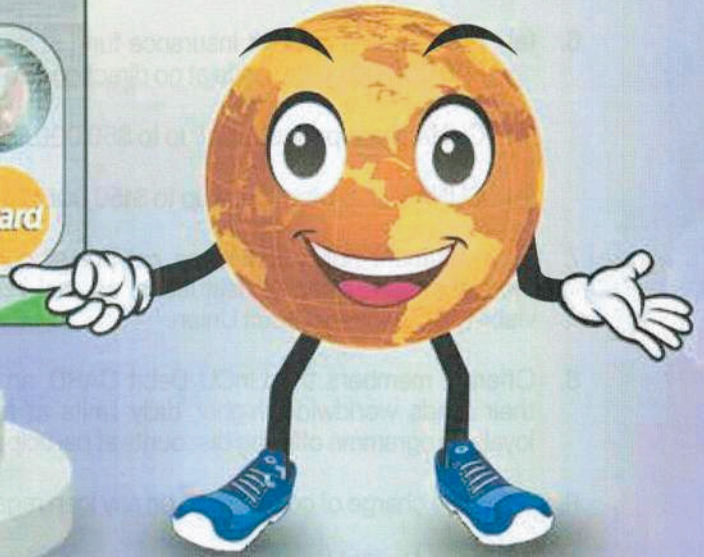


# Stability Of Teachers Credit Union


1. Payment of Dividends of 8 1/2% on shares of \$50,000.00 or more for the twelve (12) years, 1999 to 2010; 7 3/4% in 2011; dividends of at least 6% from 2012-2016, and a dividend of 5.5% to 5.25% 2017- 2019.
2. A tradition of payment of Dividends in full at the member's request.
3. A tradition of more than 99% of loan requests being granted on the day of the request, with the member accessing money immediately. (Same day loan service). No appointment is required for a loan transaction.
4. A tradition of settling members' accounts immediately if they wish to terminate membership or withdraw unencumbered funds. (Same day service).
5. Real Estate consisting of two sites in Port of Spain, two in San Fernando, one in Tobago and one in Sangre Grande; all of which are unencumbered.
6. (a) Credit Union Deposit Insurance fund protection of up to \$125,000.00 on each member's shares and up to \$50,000.00 on deposits at no direct cost to the member.  
(b) CUNA share protection of up to \$50,000.00 on each member's shares at no direct cost to the member.  
(c) CUNA loan protection of up to \$150,000.00 on each member's loan at no direct cost to the member.
7. An investment policy that does not put all our eggs in one basket. Indeed our investments are spread over more than 36 financial institutions, so that no one single investment ever poses a significant threat to the viability of Teachers Credit Union.
8. Offering members the LinCU Debit CARD, an international debit card providing members 24 hour access to their funds worldwide, higher daily limits at merchants and ATM's, no transaction fees at merchants and a loyalty programme offering discounts at participating merchants.
9. A service charge of only \$30.00 on any loan regardless of the size of the loan.
10. Teachers Credit Union has never charged more than 1% per month on the remainder of the loan balance. From 1985 to 2010 TCU rebated 10% of the interest paid on the loan. In 2011 the rebate to the member was 11%, and has been 13 1/2% since 2012. THIS IS A WORLD RECORD.
11. Based solely on their shares, members are granted 4:1 loans on shares up to \$18,000 with no additional security. It is to the members' credit that our delinquency ratio has always conformed to the standard used (PEARLS Ratios).
12. Members maintaining share balances of at least \$18,000.00 qualify for:
  - (i) LinCU revolving loans
  - (ii) Loan of up to four times shares or shares plus \$200,000
13. Teachers Credit Union offers members a Christmas savings plan which pays interest at the rate of 5% per annum, on the minimum quarterly balance.




# Prepaid LinCU **ACTIVE CARD**





 **Load Your Card at your Credit Union!**


 **Shop Locally, Internationally & Online!**


 **Be Protected with Chip and Pin Security!**

 **Check your Balances at all ATMs Worldwide!**

 **View Your Statement on First Citizens Online!**

 **Call 62-First anytime, anywhere in the world to make queries!**

 **Give your loved ones the pleasure of having a co-card!**

 **Shop and Save with the Active Lifestyle Loyalty & Rewards Programme!**

**Participating Credit Unions**





# TEACHERS ONLINE BANKING

Online Banking has dominated the industry for several years and is now utilized by more users than any other form of traditional banking. The obvious advantage of using online banking is the convenience; the ability to access and manage your accounts any where, on any day, at any time (sparing down time for site maintenance). There are several other major advantages to use online banking.

## EFFICIENCY

Getting everything done in one place. Users can transfer funds between accounts. You can view information on your loans and accounts when you merge them to your internet banking account.

## SECURITY

Hardly anything is safer than staying at home. The sites used to access online banking are secure and insured for maximum protection of the user and the credit union.

## CONVENIENCE

With 24/7 access (minus the site's scheduled maintenance) online banking doors stay open and are accessible by the click of a mouse or touch of a screen. Typically, online banking users have access to their accounts once internet or data services are available, which, of course, means not having to leave home to join those long, tedious lines.

## PROCESSING SPEED

Banking online usually has the advantage of quicker transaction speeds when compared to teller banking or use of an ATM.

MEMBERS CAN  
JOIN  
**T.O.B.**

\*Must have a LinCU card.





# Notes