

# FOCUSED ON PEOPLE, SHAPING THE FUTURE, ROOTED IN PURPOSE

**2024 ANNUAL REPORT**



**RHAND**  
Credit Union  
Co-operative Society Limited

# FOCUSED ON PEOPLE SHAPING THE FUTURE, ROOTED IN PURPOSE

2024 ANNUAL REPORT

## VISION

Building Futures, Honouring Tradition

## MISSION

Merging tradition and innovation, we provide member-centred financial services guided by strong governance and sustainability, delivering agility and trust in every interaction.

## CORE VALUES

Respect  
Integrity  
Honesty  
Fairness  
Trust





## THE CREDIT UNION PRAYER

LORD, make me an instrument of  
Thy Peace.  
Where there is hatred, let me sow  
Love,  
Where there is injury, Pardon,  
Where there is doubt, Faith,  
Where there is despair, Hope,  
Where there is darkness, Light,  
And where there is sadness, Joy.

O Divine Master,  
Grant that I may not so much  
seek,  
To be consoled, as to console,  
To be understood, as to  
understand,  
To be loved, as to love.  
For it is in giving that we receive,  
It is in pardoning that we are  
pardoned,  
And it is in dying,  
That we are born to Eternal Life.

## THE NATIONAL ANTHEM

Forged from the love of liberty,  
In the fires of hope and prayer  
With boundless faith in our  
destiny  
We solemnly declare.  
Side by side we stand,  
Islands of the blue Caribbean  
Sea,  
This our native land  
We pledge our lives to thee.  
Here every creed and race  
Find an equal place,  
And may God bless our Nation.  
Here every creed and race  
Find an equal place,  
And may God bless our Nation.

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# MESSAGE FROM THE PRESIDENT

**Focused on People, Shaping the Future,  
Rooted in Purpose**

Ladies and Gentlemen, Members of RHAND Credit Union, and Esteemed Stakeholders,

As we gather for RHAND's 2025 Annual General Meeting, it is my privilege to reflect on the achievements of the past year and to chart the course for the year ahead. This year, our theme, "Focused on People, Shaping the Future, Rooted in Purpose," encapsulates the very essence of our journey and aspirations. It underscores our steadfast dedication to empowering our members, fostering innovation, and honouring the enduring legacy that defines RHAND Credit Union.

## **ROOTED IN PURPOSE**

RHAND's foundation lies in cooperation, trust, and service to our community. These principles continue to guide our path as we navigate the complexities of the modern financial landscape. In 2024, we took significant strides to align with these values, including

rebalancing our investment portfolio to enhance both realized and unrealized income—a key step towards financial stability and resilience.

Our focus on asset quality also yielded impressive results. The sale of our Tragarete Road property at a premium allowed us to reinvest proceeds for higher returns, demonstrating our capacity to maximize resources for the benefit of members. Additionally, our Delinquency Management team reduced our total delinquency rate from 8.08% to 6.89%, and our non-performing delinquency rate from 6.20% to 5.05%. These efforts reinforce RHAND's commitment to prudent financial management.

## **FOCUSED ON PEOPLE**

RHAND is, and will always be, about its members. This ethos was evident in the successful opening of our San Fernando Branch, marking a significant milestone as we expanded our reach to better serve our growing membership. The simultaneous launch of our RHAND Interactive Service Experience (RISE) Hub and the new branch underscores our commitment to enhancing member engagement through both physical and digital channels.





Additionally, by meeting members where they are, our Outreach Project and Member Engagement Team have helped RHAND to get closer to its members. These initiatives highlight our unwavering dedication to delivering personalized, member-focused services.

### **SHAPING THE FUTURE**

In 2024, we strengthened our operational foundations through significant investments in technology and process automation. Key initiatives such as automating remittance processing, ACH uploads, and leave applications reduced manual errors and paved the way for further digital transformation. These enhancements position RHAND to deliver more efficient and seamless services to members.

While partnerships with key stakeholders remain a priority for 2025, in 2024, we actively participated in initiatives such as the TTIFC/UNCDF/TSTT mobile wallet development and the National Youth Sustainability and ESG Pilot Project. These efforts reflect our commitment to aligning with global goals, while exploring innovative solutions that drive local impact.

### **EVOLVING VISION AND MISSION STATEMENTS**

One of the most transformative milestones of 2024 was the revamp of our Vision and Mission Statements. Our new vision, "Building Futures, Honouring Tradition," and mission, "Merging tradition and innovation,

we provide member-centred financial services guided by strong governance and sustainability, delivering agility and trust in every interaction," epitomize RHAND's commitment to progress while staying true to its roots.

This change is more than symbolic; it strategically aligns with our values and goals. The revised statements provide clarity, ensuring every initiative contributes to a unified purpose. They resonate with our diverse membership, honouring the legacy cherished by long-standing members while appealing to younger generations seeking innovation and agility. These updates signal RHAND's readiness to embrace the future while maintaining the trust and confidence of our members.

### **PERFORMANCE AND PROGRESS**

RHAND's financial performance in 2024 remained strong, with profits reaching \$28 million—a significant improvement from the 2017-2021 average of \$21 million. Although challenges in achieving loan portfolio growth highlighted the competitiveness of the lending market, we laid the groundwork for more aggressive lending strategies in 2025, including the roll-out of our Defender Loan product.

Our recognition at the National Credit Union Awards Ceremony, where we received accolades for "Most Outstanding Credit Union Overall" and "Best Financial Performance 2023," underscores our leadership and excellence within the credit union sector.

## CHALLENGES AND OPPORTUNITIES

Despite our successes, there are areas for improvement. The stagnation of our loan portfolio, influenced by competitive lending rates from larger financial institutions, highlights the need for innovative and attractive products for our members. As we address these challenges, we see opportunities to enhance member engagement, expand our digital services, and improve our operational efficiency.

The completion of our 2025–2027 Strategic Plan, provides a clear roadmap for RHAND's future. Our plan emphasizes digital transformation, workforce development, and member-centric innovations to ensure we remain a trusted and relevant financial partner.

## A UNIFIED VISION

Our vision, "Building Futures, Honouring Tradition," embodies the dual pillars of our identity: a rich heritage and a progressive outlook. It assures our members that RHAND's commitment to their financial well-being is unwavering, even as we embrace innovation to meet their evolving needs. The emphasis on sustainability, governance, and agility positions us to navigate future challenges while building a resilient financial ecosystem for our members.

## APPRECIATION AND COMMITMENT

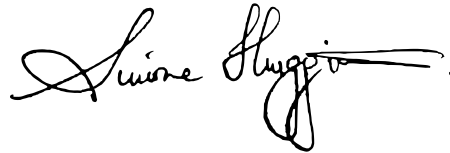
I extend my deepest gratitude to the Board of Directors, Statutory Committees, Management, Staff, and

most importantly, Our Members. Your trust and dedication are the driving forces behind RHAND's achievements and aspirations. Together, we will continue to shape a future that honours our legacy, while embracing the innovations necessary to secure sustainable growth.

As we embark on 2025, let us remain steadfast in our shared mission, striving for excellence and focused on empowering our members. RHAND's story is one of resilience, innovation, and unwavering purpose, and I am confident that our best chapters are yet to be written.

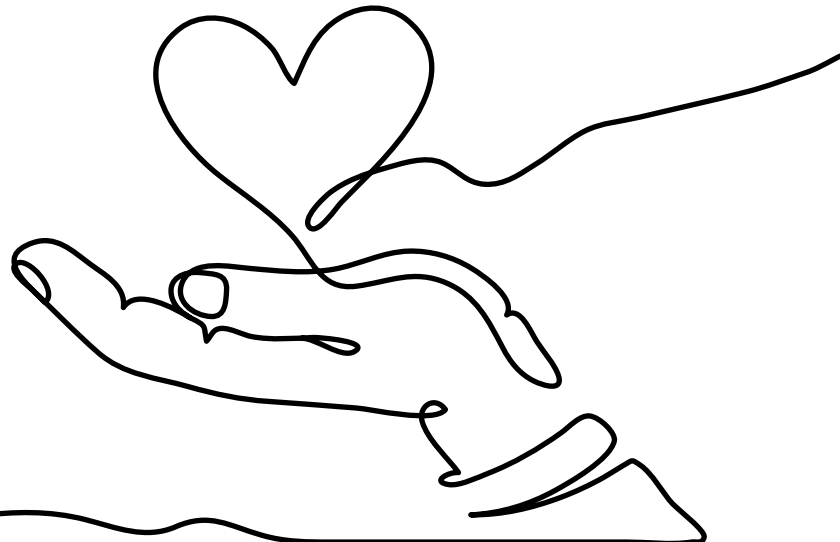
Thank you for your continued support and commitment. Together, we are Focused on People, Shaping the Future, Rooted in Purpose.

With gratitude and resolve,



**SIMONE PETAL DAWN HUGGINS**

*President*





# NOTICE OF THE 77TH ANNUAL GENERAL MEETING

**Notice is hereby given that the 77th Annual General Meeting of RHAND Credit Union Co-operative Society Limited will be held on Saturday 10th May 2025 commencing at 1:00pm.**

The meeting will be held using a hybrid format:

1. Virtually through the internet via links provided to a closed Zoom meeting portal; and
2. Simultaneously in-person with limited seating available at the following two (2) venues:
  - Tobago (primary venue) – The Colibri Ballroom, Magdalena Grand Beach and Golf Resort, Lowlands and
  - Trinidad – RHAND Head Office Rooftop, Abercromby Street, POS.

## AGENDA

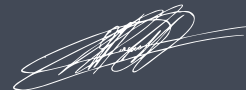
1. Adoption of the Standing Orders
2. President's Address
3. Minutes of the 76th Annual General Meeting of 20th April 2024
4. Matters Arising out of the Minutes of the 76th Annual General Meeting
5. Reports 2024

- Board of Directors
- Education Committee
- Credit Committee
- Supervisory Committee
- Independent Auditors
- Financial Statements
- Nominations Committee

6. Election of Officers for the 2025/2026 Term
7. 2025 Quantitative Objectives, Proposed Capital Expenditure and Financial Projections
8. Motions
9. Resolutions
10. Other Business

Dated this 11th day of April, 2025

BY ORDER OF THE BOARD,



**MARTIN MINGUELL**

*Secretary – Board of Directors*





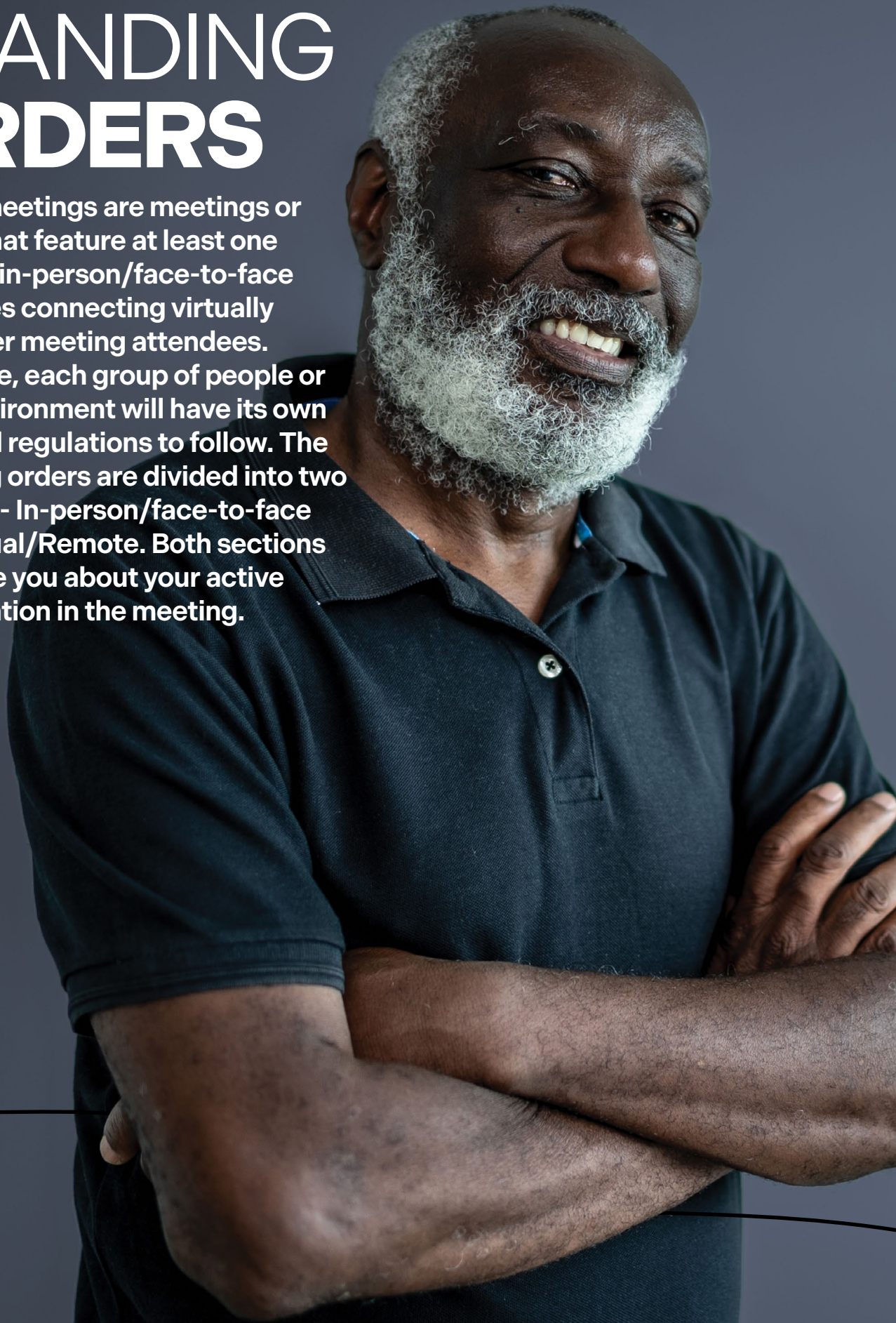
## NOTES

1. Members wishing to participate in the AGM should pre-register online via our AGM registration portal on our website <https://rhand.org.tt/> or email at [agm@rhand.org.tt](mailto:agm@rhand.org.tt) along with your name, contact number, date of birth and a copy of valid identification. Members can also register by calling 62-RHAND ext. 1271 – 1273 or visiting any Branch where the necessary assistance would be provided.
2. Pre - Registration will end on Wednesday, 30th April 2025 at 4:00pm.
3. Members will have the option to select the preference of their attendance, that is, either virtually or in-person.
4. Members who registered to participate virtually will not be allowed to attend in-person. Likewise, members who registered to participate physically will not be allowed to attend virtually.
5. We encourage members who wish to attend the in-person meeting to reserve their seats in advance. As seating is limited, reservations will be accommodated on a first-come, first-served basis.
6. Only registered members will be emailed a link, with the accompanying instructions to access the virtual meeting.
7. The voting will be done electronically. As such, all members must be registered with a valid email address and a mobile phone number.
8. Please use a reliable and functioning email address to pre-register for virtual attendance. The Zoom link to join the meeting will be sent to the email used for pre-registration.
9. The 2024 Annual Report is available for download on our website <https://rhand.org.tt/>



# STANDING ORDERS

Hybrid meetings are meetings or events that feature at least one group of in-person/face-to-face attendees connecting virtually with other meeting attendees. Therefore, each group of people or each environment will have its own rules and regulations to follow. The Standing orders are divided into two sections - In-person/face-to-face and Virtual/Remote. Both sections will guide you about your active participation in the meeting.



### **IN-PERSON/FACE-TO-FACE ATTENDANCE**

- A member will stand when addressing the Chairperson and shall identify himself/herself.
- A member's contribution shall be clear and relevant to the subject before the Meeting.
- A member shall address the meeting when called upon by the Chairperson to do so after which, he/she immediately takes his/her seat.
- No member shall address the Meeting except through the Chairperson.
- A member may not speak twice on the same subject except:
- He/she is the mover of a motion - in which he/she has a right to reply, or
- He/she rises to object or explain (with the permission of the Chair).

### **VIRTUAL/REMOTE ATTENDANCE:**

By default, members' microphones and cameras are turned off for the duration of the meeting, except when allowed by the Chairperson to make audio/video contributions to the meeting.

To make a contribution, a member shall:

- a. Type in the Q&A to post questions to the Chair.
- b. Use the "Raise hand" function available on the Zoom platform,
- c. Wait to be recognised by the Chairperson.

A member shall address the meeting **ONLY** when called upon by the Chairperson to do so. The member must:

- a. Ensure they are named correctly when joining the meeting to be recognised by the Chair.
- b. If called upon by the Chairperson to ask a question via audio, the member would be allowed 2 minutes to do so.
- c. For members who were allowed to submit audio questions, members are asked to mute the microphone at the end of the contribution.

A member can also use the "Chat" feature via "Q&A" to:

- a. Ask a question,
- b. Raise a point of order,
- c. Raise an objection,
- d. Signal the need for the urgent attention of the Chair,
- e. The AGM moderator shall collate all matters raised via the Chat and transmit same to the Chair.

All members are asked to utilize the Help Desk to share any issues they are having so that the team can troubleshoot during the session with minimal interruptions.

### **BOTH IN-PERSON AND VIRTUAL ATTENDANCE:**

Members must:

- a. Keep their phones on Silent and NOT on Vibrate to avoid distractions.
- b. Ensure that their microphone is muted when taking any urgent calls.
- c. Ensure that their contribution is clear and relevant to the subject before the Meeting.

A member may not speak twice on the same subject, except:

- a. 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).
- b. The mover of a motion – who has the right to reply.
- c. To object or to explain (with the permission of the Chair).

On any agenda item, a member is permitted:

- a. One question and;
- b. His/her contribution shall not exceed two (2) minutes except with the permission of the Chairperson.

No speeches shall be made after the "question" has been put and carried or denied.

The Mover of a Procedural Motion - (adjournment, lay on the table, motion to postpone) shall have no right of reply.

A member raising a "Point of Order" shall state the point clearly and concisely. (A "point of order" must have relevance to the "Standing Orders").

A member shall not call another member "to order" - but may draw the attention of the Chairperson to a "breach of order".

In no instance can a member call the Chairperson "to order".

Only one amendment should be before the meeting at any time.

When a motion is withdrawn, any amendment to it fails.

The Chairperson has the right to a "Casting Vote".

If there is equality of voting on an amendment, and if the Chairperson does not exercise a Casting Vote, the amendment is lost.

Provision shall be made for the protection of the Chairperson from vilification (personal abuse).

No member shall impute improper motives against another member.

Electronic recording of these proceedings is prohibited unless prior permission is obtained from the Chairperson.

All members shall professionally conduct themselves. The use of rude or abusive language will not be tolerated during the meeting's proceedings.





**MS. SIMONE PETAL DAWN HUGGINS**  
President



**MR. BRIAN BERNARD CAESAR**  
Vice President



**MR. MARTIN MINGUELL**  
Secretary

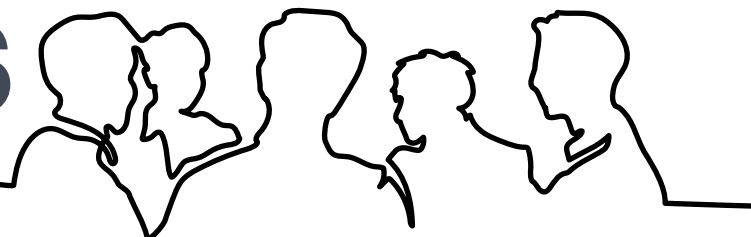


**MR. KRISTED HERBERT**  
Assistant Secretary



**MR. SHERWIN WILLIAMS**  
Treasurer

# 2024-2025 THE BOARD OF DIRECTORS





**MR. DESMOND NOEL**  
Director



**MS. CHARLENE DAVIDSON**  
Director



**MS. PAMELA OGISTE**  
Director



**MR. MARTIN GIBBS**  
Director



**MS. TRACY-ANN RILEY-MC LEOD**  
Director



**MRS. DESIREE HACKETT-MURRAY**  
Director



**MS. JOY BENJAMIN**  
Director



**MRS. LINDA RENAUD-MEDFORD**  
1st Substitute



**MR. ZWAIDE SMITH**  
2nd Substitute



**MS. CLAUDETTE BROWN**  
Chairperson



**MS. ERICA CHARLES**  
Secretary



**REV. DR. MARY LOU EDMUND-MARCANO**  
Member



**MS. MICHELLE BURRIS**  
Member



**MS. SPARKLE ANICIA INNISS**  
Member



**MRS. RENATTA MOORE-DINDYAL**  
1st Substitute

# 2024-2025 SUPERVISORY COMMITTEE



**MR. DAVY GERARD RAJAH**  
2nd Substitute





**MS. INESHA CLAUZEL**  
Chairperson



**MS. CAROLYN BYER**  
Secretary



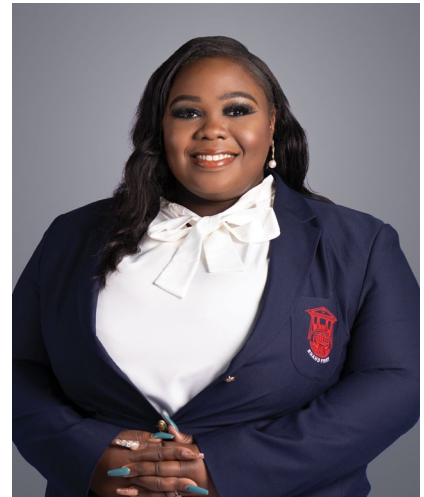
**MS. STACY MONROE-FRANK**  
Member



**MS. KEISHA MARTIN**  
Member



**MR. TESFA WATSON**  
Member



**MRS. SHELE JOHNSON-EDWARDS**  
1st Substitute

# 2024-2025 CREDIT COMMITTEE



**MR. CRAIG FORBES-WARNER**  
2nd Substitute

# MINUTES OF THE 76TH GENERAL MEETING

**Held on Saturday, April 20, 2024, commencing at 1:00 p.m., using Hybrid format: Virtually through the internet via links to a closed Zoom meeting portal; and simultaneously in-person with limited seating available at the Trinidad (host location) – Police Credit Union Flagship Building, Eastern Main Road, Barataria and Tobago – Shaw Park Cultural Complex, Scarborough.**

## **1.0 INTRODUCTION**

**1.1** The 76th Annual General Meeting of RHAND Credit Union Co-operative Society Limited commenced at 1:04 p.m., with a Credentials Report of one hundred and fifty-two (152) members present virtually, ninety-two (92) in Trinidad and twenty-one (21) in Tobago, for a total of two hundred and sixty-five (265) members present online and in-person. The Chairperson and President, Ms.

Simone Petal Dawn Huggins, acknowledged the Members of the Board of Directors, Supervisory, Credit and Board-appointed Committees, the General Manager and Staff and introduced the members of the Head Table and the Chair of each Committee.

**1.2** The Chairperson welcomed the membership and special mention was made for the key roles played by Rev. Clifford Rawlins, the Returning Officer Mrs. Daphne Moore, the Chief Operations Officer of the Credit Union League of Trinidad and Tobago, as well as the representatives from the Co-operative Development Division who were present to monitor the proceedings. The Moderation team as well as the Help Desk were also acknowledged.

**1.3** The Chairperson reminded members of the importance of online etiquette and in-person conduct. She also notified the membership of video presentations for election candidates and the voting process.

**1.4** The Chairperson requested another Credentials Report be taken and the Moderator stated that at 1:10 p.m., there were two hundred and sixty-seven (267) members present virtually, one hundred and thirteen (113) in Trinidad and twenty-two (22) in Tobago, for a total of four hundred and two (402) members







present both virtually and in-person at the meeting locations. An instructional video tutorial was then played.

- 1.5 The Chairperson invited the Vice President, Mr. Brian Bernard Caesar, to lead with the Credit Union Prayer. Rev. Clifford Rawlins was then called upon to do the Invocation Prayer. Vice President Caesar directed the membership to the relevant pages in the brochure addressing members who passed, including member of staff, Allison Prentice-Faustin, and requested that a Minute of Silence be observed.

## **2.0 NOTICE OF MEETING AND ADOPTION OF STANDING ORDERS**

- 2.1 Vice President Caesar introduced the Secretary, Mr. Desmond Noel, who then read the Notice and Agenda of the Meeting, as well as the Standing Orders into the record.
- 2.2 The Standing Orders were moved on a motion by the Secretary seconded by the Treasurer, Mr. Dave Williams. Having been so moved, the motion was put to the vote and approved.
- 2.3 The Annual Report was then accepted as having been read by the meeting on a motion made by the Secretary and seconded by member, Mr. Emmanuel Walker. Having been so moved, the motion for the Acceptance of the Standing Orders was then put to the vote and approved.

## **3.0 THE PRESIDENT'S ADDRESS**

- 3.1 A video presentation of the President's Address was played, which focused on the topic of Empowerment through Inclusion. Financial inclusion was pinpointed as a powerful catalyst for change, its purpose being: having access to affordable and appropriate financial services to the community irrespective of their background, breaking down barriers that restrict people from realising their full potential, the capability of unlocking doors to economic prosperity, education, health care and a better quality of life and the example of providing microfinance services as a means to start and sustain small businesses was suggested.
- 3.2 The Chairperson stated that the United Nations Sustainable Development Goals provided a better road map for a sustainable future and she highlighted Goal No. 1, which is no poverty, and that having access to a credit union enables individuals to build a financial safety net, eradicating poverty. She also highlighted Goal No. 4 as quality education, ensuring the family's financial stability so children have the resources to attend school regularly. She noted that there would be challenges but embracing technology will bridge the gap and enhance accessibility to digital services which reaches a wider audience.
- 3.3 The Chairperson thanked all members of the Board,

Management, and Statutory Committees for its achievements and reassured the membership of the shared commitment to empowerment through inclusion.

#### **4.0 ACCEPTANCE OF ERRORS, AMENDMENTS, CORRECTIONS, OMISSIONS TO THE ANNUAL REPORT**

**4.1** The Chairperson moved to errors and omissions to the Annual Report in its entirety. She pointed out on page 91 in Table 2, that the words "Credit" and "Supervisory" should be swapped.

**4.2** Member Stacy Monroe-Frank corrected the spelling of her name on the errata sheet.

**4.3** Online Member Elsa Reid asked: "Will this new method change my former method of access to my online banking?" The Chairperson indicated that it will be in a video to come and the question was irrelevant at the moment.

**4.4** There being no further questions, the Chairperson then moved the motion and it was seconded by member, Mr. Kingsley Hinkson. The motion for the Acceptance of Errors, Amendments, Corrections, Omissions to the Annual Report was put to a vote and approved.

#### **5.0 ADOPTION OF THE MINUTES OF THE 75TH ANNUAL GENERAL MEETING**

**The 75th Annual General Meeting held on 15th April 2023**

**5.1** The Chairperson asked for the adoption of the Minutes of the 75th Annual General Meeting, it having been taken as read. This motion was moved by the Chairperson and seconded by online member Rene Hicks. The motion for the Adoption of the Minutes of the 75th Annual General Meeting held on 15th April 2023 was then put to a vote and carried.

#### **6.0 MATTERS ARISING OUT OF THE MINUTES OF THE 75TH ANNUAL GENERAL MEETING**

**6.1** The Chairperson tabled Matters Arising out of the Minutes of the 75th Annual General Meeting and pointed out firstly the commencement age of youth members at 8.2. She stated that guidance was needed from the Regulator on this and the Board had not gone back to it but will try to look at it with some seriousness.

**6.2** Chairperson Huggins emphasized at 9.2 RHAND's support for micro and small business development through the launch of SME programmes for members. However, she pointed out that it is really high-risk borrowing from a high-risk borrowing group and it is placed on hold at this time so that focus can be placed on delinquency.

**6.3** Third on the Chairperson's list was the PBX problems in Trinidad and in Tobago. She indicated that member Victor Kirton raised it at 9.3 and it has been a continuous

challenge. Even though different solutions were sampled to no avail, a new software is being implemented to bring some level of relief.

**6.4** The Chairperson mentioned that member David Maynard raised the motion “Loan Protection Fund” at 12.8. She confirmed that this matter was not being pursued at all at the level of the Board but will remain for future consideration.

**6.5** Next on the list was the Building Fund at 15.1. The Chairperson advised that the Board did not approve an allocation to this fund for the year ending 2023, given the imminent plans for renovation at the Head Office, Port of Spain, which were being featured in videos throughout the meeting.

**6.6** The Chairperson raised the matter of the change of the medical from Sagicor to Beacon at 15.2. She stated that the General Manager will comprehensively address this in his report later. She then opened the floor to other matters arising.

**6.7** Online Member Dwayne Johnson asked in relation to the Annual Report “What is the difference between accounts receivable and prepayments and accounts payable and accruals?” The President stated that the General Manager would deal with that question under his report.

**6.8** Ex-director Michele Rouff pointed out sections 1.1 and 1.6 in the

Annual Report and requested that the figures in the Credential Reports be disaggregated into persons attending virtually and those in person, to which the President agreed. There were no more contributions.

## **7.0 ADOPTION OF THE MINUTES OF THE SPECIAL GENERAL MEETING**

### **The Special General Meeting held on 14th September 2023**

**7.1** The Chairperson asked for the adoption of the Minutes of the Special General Meeting. This motion was moved by the Chairperson and seconded by member Sheneika Wilson. The motion for the Adoption of the Minutes of the Special General Meeting held on 14th September 2023 was then put to a vote and carried.

## **8.0 MATTERS ARISING OUT OF THE MINUTES OF THE SPECIAL GENERAL MEETING**

**8.1** The Chairperson indicated that she did not capture any matters arising and she then put the matter to the floor. There were no matters arising from the members.

## **9.0 REPORTS 2023**

### **Report of The Board of Directors**

**9.1** The Chairperson invited the Vice President to present the Report of the Board of Directors for the meeting’s consideration. The



Vice President began with the commentary that “Cash flows of the Credit Union would have been impacted over the past three (3) years, while we were working for you.” He expanded that in support of the post-pandemic recovery where some members experienced financial difficulties, RHAND ensured that everyone had easy access to their cash savings and record amounts were loaned to members in an effort to assist. This led to growing the loan portfolio by an average of thirty-three million (\$33M) per year. He mentioned that these activities were coupled with efforts to improve the facilities and with the membership’s approval, property acquisition was pursued along with renovation initiatives. He also stated that despite the heavy cash outflows, RHAND was able to not only meet and exceed institutional capital requirements but also return a consistent dividend via accessible cash to members. The President then invited questions from the floor.

- 9.2** Online member Lady Lori Richardson queried: “When are you incorporating a south office? We would like a south branch urgently, please. Is there going to be one established in 2024?” Vice President Caesar responded that the matter is actively engaging the attention of the Board and timelines were set to fall within the target of 2024.

- 9.3** There being no more questions, the Vice President then proposed a motion for the Adoption of the

Board of Directors Report and this was seconded by member Jennifer James. The motion for the Adoption of the Board of Directors Report was then put to a vote and carried.

### **Report of The Education Committee**

- 9.4** The Chairperson introduced Mr. Brian Caesar, Vice President, to present the Education Committee’s Report. The Report of the Education Committee was tabled for consideration and taken as read. The Vice President drew the members’ attention to page 64 of the Brochure which highlighted the increase in the Education Assistance Awards from eighteen (18) to thirty (30), taking effect from September 2024, the increase in the grant from \$700 to \$1000, as well as an increase in the May Cherrie Awards.
- 9.5** Member Michelle Chapman enquired as to how one applies and gets access to the education grant. Vice President Caesar replied that advertisements are usually placed on the website and in the press, usually about July once SEA results are published, it runs for a period of time and the applications are then invited by the Education sub-committee based on certain criteria. Persons will then be informed as to their progress in that process.

- 9.6** There being no further questions posed by members, the Report of the Education Committee

was adopted on a motion moved by Director Pamela Ogiste and seconded by member Marlene Riley-Mohammed. Having been so moved, the motion for the Adoption of the Report of the Education Committee was put to the vote and approved.

### **Report of The Credit Committee**

**9.7** The Chairperson introduced Ms. Stacy Monroe-Frank, Chairperson of the Credit Committee, to present. The Report of the Credit Committee was tabled for consideration. Member Monroe-Frank highlighted a slight decrease in share withdrawal applications and the Committee reminded members to make use of their deposit accounts which assist for emergency purposes, instead of depleting their share savings, which increases dividend earning power. Having taken the report as read, members were then invited to put forward their questions.

**9.8** Member Marlene Riley-Mohammed noted that in the Supervisory Report, it stated there were five hundred and seventy-two (572) non-performing loans and she questioned what was being done at present. Member Monroe-Frank referred the question to the General Manager, Mr. Ainsley Andrews, who stated that they are aware of the delinquency, that there was a spike back in 2020 and they are working to get that down. The General Manager added that additional initiatives

were introduced as a means of reducing delinquency, including taking a more aggressive approach like making stern calls, posting whereabouts ads in the newspaper and the use of debt collectors.

**9.9** Member Dwayne Johnson enquired, "What is credit? Please provide a detailed explanation with citations." Member Monroe-Frank explained that credit is loans and she jokingly told the member to perhaps check Google or the dictionary for a more definitive reference. The General Manager then invited Member Johnson to visit and have a chat with one of the officers to help him better understand the role that credit plays in the Credit Union and how he may be assisted.

**9.10** Member Dervon Rodriguez, in referring to non-performing loans, asked if the members could be provided with reasons why loans are not being paid back on time. The General Manager responded that there were a wide variety of reasons, from persons who lost jobs, technical issues with standing orders and arrangements having to be made, some loans being the accounts of deceased members, some who would have left the country and some who had no intention of paying from the start who would have come forward with all the correct-looking documents. He stated that one or two persons with ill intentions were picked up in the past year, so based on their

experiences and knowing what to look for now, RHAND is trying to control it.

- 9.11** Online member Patricia George-Lezama asked, "At what point in the delinquency does the Credit Union call in the member? How many months of delinquency is the system triggered?" The General Manager stated that the short answer is from the first day. Once you are a day delinquent, it comes up in a report and it is tracked from there and efforts are made to contact the member from the start.
- 9.12** Online member Dionne Phillip asked if it was possible for the Credit Union to take out some form of insurance to secure the non-performing loans. The General Manager replied that insurance would only address when the person dies so it wouldn't really assist with delinquency for the most part.
- 9.13** Member Thecla Huggins-Stanley suggested that both the Credit and Education Committee educate members about loan delinquency and tell them they can be brought before the court. She emphasized that the money that is put into the Credit Union is "your own, my own, our own," and therefore we pose problems for all when we are delinquent. She also gave the example where it was a problem in TTUTA with teachers who were delinquent in loans.
- 9.14** Member Safiya Roseman noted that having seen an increase

in the loan loss for members from 2022 to 2023, will that be addressed going forward? Member Monroe-Frank confirmed that it was and that the General Manager would have addressed that question. Member Roseman also questioned how there is a decrease in cash from operating activities. Member Monroe-Frank stated that the question would be addressed later.

- 9.15** Member Carlene Pemberton asked, "What is being put in place for the person who is doing bank standing orders? Salary deductions are usually taken, but in the case of a loan by a member using standing orders, is it that RHAND holds proceeds of payment just in case standing orders run late?" The General Manager confirmed salary deductions as the preferred option but stated that not all employers avail that to employees. He clarified that the payments that come in the latest are from the banks, but members are not penalized once it's coming in. He explained that the way it is, RHAND withholds an instalment to ensure the standing order comes in and when it does, the funds are released. So when he spoke about the source of delinquency regarding standing orders, he speaks of where it was not picked up and a whole month may have passed with it not being settled as yet and then there will have to be a payment arrangement because you now have to find twice the amount to pay. Member Pemberton



insisted that she was being misunderstood and wanted clarification, but she said that “if you’re holding money for me from a loan and my standing order is five days late, that money you are holding should be applied and when the standing order comes in, it’s there.” The President then drew the member’s attention to the Standing Orders where a “member is permitted one question” and she urged the member to send in her questions or additional questions where it could be addressed.

- 9.16** Member Lana O’Keefe suggested that when persons are coming in, because people are broke post-Covid, to help with a bit more scrutiny the Credit Union should incorporate a behavioural specialist to speak to persons in the beginning to get a sense of who you are dealing with, if they’re the type to likely go into debt. Member Monroe-Frank agreed that it was a good point.
- 9.17** Online member Patricia George-Lezama asked, “Is it legal to withhold shares of delinquent members?” Member Monroe-Frank explained that as long as members are delinquent and there’s a share withdrawal application, the Credit Committee has the authority to deny that member.
- 9.18** Online member Reana Monseque asked, “After all measures have taken place to contact the delinquent members, what

happens to the outstanding payments?” Chairperson Huggins responded that in order to be transparent, these questions about delinquency would be expanded upon by the Credit Administration Manager under Other Business.

- 9.19** Member Curshena Spencer mentioned that she recently took a loan and her experience was terrible, in that the payments which were under a standing order were applied to her shares and not the loan, and that she got a letter showing that she never made a payment to her loan, so she blamed the credit union of being delinquent as well for not rectifying the details. She also queried the amount to be paid monthly. The General Manager took her name and promised to have someone from the Credit Administration Department contact her to have the matter resolved.
- 9.20** Member Thecla Huggins-Stanley closed off the questions by moving the motion for the Adoption of the Credit Committee’s Report, which was seconded by Director Martin Minguell. Having been so moved, the motion for the Adoption of the Credit Committee Report was put to the vote and adopted.

### **Report of The Supervisory Committee**

- 9.21** The Chairperson introduced Ms. Claudette Brown, Chairperson of the Supervisory Committee,

to present. The Report of the Supervisory Committee was tabled for consideration at the meeting and the highlights mentioned were the authority of the Committee and meetings held, detailing the work programme, observations on areas of examinations, and internal and external training by the members of the committee. Ms. Brown then opened the floor to questions at this point.

- 9.22** Member Marlene Riley-Mohammed commended the Supervisory Committee for a great job done on the very detailed report, then asked if they looked at the Management Letter and found any weaknesses. Member Brown welcomed the commendation and stated that as the statutory internal auditors, they are the watchdogs of the organisation, were happy to receive the Management Letter for the year ended 2023 and were aware of the improvements to the operation led by the General Manager. She also promised to continue monitoring the commitments given by Management in hopes of having improvements done in the stipulated time. She then thanked the General Manager and his staff for the early provision of the documents so that examinations could be undertaken.

- 9.23** There being no other questions, the motion to adopt the Report of the Supervisory Committee was moved by Member Petal Dawn Hinkson and seconded by

Member Patricia Harry. Having been so moved, the motion for the Adoption of the Supervisory Committee Report was put to the vote and approved.

### **Independent Auditor's Report**

- 9.24** The Chairperson invited Mr. Daniel Bissoondial, Audit Partner at BDO Chartered Accountants, to present the Independent Auditor's Report. Mr. Ali advised that BDO had "... audited the financial statements of RHAND Credit Union Co-operative Society Limited... which comprised the Statement of Financial Position as at December 31, 2023, and the Statement of Comprehensive Income, Statement of changes in Members' Equity, Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including material accounting policy information." He further stated that it was the Auditor's opinion that "... the accompanying Financial Statements present fairly, in all material respects, the financial position of the Credit Union as at December 31, 2023, and of its financial performance and its cash flows for the year then ended in accordance with accounting standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards")."

- 9.25** The Chairperson invited questions for the Auditors from the membership, but there being no questions, the motion was moved





by Online member Charlene Alleyne and seconded by member Rhonda Mitchell. Having been so moved, the motion for the Adoption of the Independent Auditors' Report was put to the vote and adopted.

### Financial Statements

- 9.26** The Chairperson invited the General Manager, Mr. Ainsley Andrews, to present the Financial Statements. The General Manager shared a video presentation of the Financial Statements for the year ending 31st December 2023. Some of the main highlights of his presentation included: Improvement coming from overseas investments following a depressed performance in 2022; US stock markets doing well because of easing inflation and the idea of US interest rates being cut in the future; the Central Bank of Trinidad and Tobago ensuring enough money was available in the local economy; the Repo rate remaining steady; Real estate mortgage lending increasing steadily.

The General Manager also stated that RHAND's asset base climbed by 3.8% due to the stronger growth in the loan portfolio, which was fuelled by the largest booking of new loans in the Credit Union's history. And with the upswing in the value of the company's investments, particularly within its foreign stocks, another contributor came from the non-earning assets with the sale of

the Tragarete Road property to Shell Invaders Steel Orchestra. He then mentioned that the exceptional performance of the investment portfolio in both the revenue and expenditure weighed on the surplus position, bringing it to a close at a record \$28.4M from which members will directly benefit.

The General Manager opened the floor to questions from the membership.

- 9.27** Member Dervon Rodriguez queried if these foreign stocks and investments were made by the Credit Union or they were investment products that members were allowed to invest in. The General Manager clarified that what was reported is the Credit Union's money and there are a few brokers that are used who invest money between local and foreign equities and other stocks.
- 9.28** The Moderator asked the question raised formerly by member Dwayne Johnson: "In relation to the Annual Report, what is the difference between accounts receivable and prepayments and accounts payable and accruals?" The General Manager explained that both are opposite in nature, that accounts receivable and prepayments represent monies owed to RHAND that are pending payment and the accounts payables and accruals represent monies owed by RHAND which were invoiced but have not been

paid by the end of the financial year.

**9.29** Member Emmanuel Walker asked for disclosure on the sale of the Tragarete Road property in terms of the sum as it was sold to his brothers in the pan fraternity. The General Manager clarified that the land was sold to Shell Invaders Steel Orchestra and Shell, the energy company, paid for it on their behalf to the sum of \$11.5M and RHAND was fortunate to get all of that money in US dollars, so approximately US\$1.7M.

**9.30** Member Chad Salandy wanted to get more insight into what other non-performing assets there were and what plans there were to get rid of them either through sales of properties or things like that. The General Manager corrected him by stating that he meant to say “non-earning assets” and explained that non-performing assets would be loans that are delinquent and non-earning assets would be those not contributing in any way to revenue generation for the organisation. He then confirmed that RHAND owned other parcels of land but they were now actively trying to sell the one in Arima. He said that there was land in Tobago which would eventually be used as the site for a branch. He then stated that the objective is always to minimize the percentage of non-earning assets.

**9.31** Online member Christian Medina asked, “Will there be an option for members who invest and receive

interest in US currency as the Credit Union is investing in US stocks?” The General Manager stated that is something that has to be looked into because he was not sure if as a credit union, they were legally allowed to offer US currency or foreign currency investments to the membership. However, he said that the Investment Committee is exploring the possibility of offering some type of product that allows for a more direct opportunity to get those kinds of returns.

**9.32** Member Jeanne Roseman enquired, “How is there a decrease in cash from operating activities in 2023?” The General Manager indicated that low operating or lower-than-normal operating cash flows were reported where a lot of money was lent out. And last year, two hundred and five million dollars (\$205M) was the largest amount ever lent out in any financial year. So that would have been the primary contributor along with the exceptional number of withdrawals from the various deposit facilities.

**9.33** Tobago member Lusandra Roberts queried what was being done with the building at Bacolet Street because it is just locked up while RHAND has gone to eTeck Mall. She suggested that they do a rental or put it to good use. The General Manager stated that RHAND was actively looking at options between sale or rental, and someone showed interest

last year in renting but there were a number of compliance requirements that needed to be met, so there was a delay and he doubted that the company was still interested. He said that the Tobago branch manager would refer anyone who showed interest but it was his preference that the property be sold. So whichever came first would allow the generating of income for the organisation and it is front on the agenda. He also stated that the property is currently being tidied to avoid deterioration.

- 9.34** Online member Kyle Stewart asked, "From the earnings from our investments, why is the branch in Tobago not being built on lands available but we are continuing to rent at eTeck Mall? Isn't that a wastage of funds in the long run?" The General Manager agreed and said that with the number of projects being done, everything has to be treated in a particular order, with Arima being given initial priority as the monthly rent was in excess of \$60,000 and that is now over. In comparison, the rent at eTeck wasn't a large amount and managing space and making staff comfortable was being looked at, even if a small unit could be acquired on the compound for storage. He assured that the intention was to complete renovations to the head office complex and begin paperwork and Town and Country planning with regard to the Tobago land and building a branch, which will be on a

significant scale as they have about 50,000 square feet of land at a reasonable location on Plymouth Road, and that will require its own strategy in terms of funding.

- 9.35** Online member Beulah Dalrymple asked, "I came back a bit late but has the Credit Union explored cryptocurrency as a form of investment? Has there been research done to this type of investment at all?" The General Manager responded that cryptocurrency is not on the radar as an option for the Credit Union to pursue at this time, at least by the Board or by Management.
- 9.36** Member Karim Mohammed enquired through the Moderator that, "Seeing as the organisation performed favourably this year with an increase in Net Income, how will this translate to the development of a South office?" The General Manager responded that the Board had approved the establishment of a South office targeted for August 2024. While the location remains undecided, preliminary site selections are underway.
- 9.37** Member Michelle Stacy Marcano, heavily involved in youth development, offered suggestions for the growth of the Youth Arm. She proposed integrating youth initiatives into growth plans, considering RHAND's aging demographic trends. Ms. Marcano expressed a desire for an opportunity to present her ideas to the committee or relevant

stakeholders. Both the General Manager and the President agreed to arrange a meeting soon with the new Board, extending an invitation for her to join the Education Committee.

- 9.38** Member Trudy Lewis inquired about the rationale behind the 70/30 split of the dividend payment: 70% on shares and 30% on savings accounts. She suggested that allowing members to access the dividend as they decided might be preferable. Mr. Andrews responded that, according to the Standing Orders, addressing this question would be more appropriate when dealing with the Resolutions.
- 9.39** Via the Moderator, online Members Frances Leonora Roberts and Michelle Chapman asked: "Is there any consideration being given to have lands available for the purchase of its membership so that they can own their own property?" General Manager Andrews replied that due to current property management duties, such initiatives are on hold. He stressed the need to avoid overextending the Credit Union's capabilities, especially regarding land acquisition and development, and proposed revisiting the question once a facilities officer was acquired and property management processes were streamlined. He requested its inclusion in strategic planning discussions at the governance (Board) level.
- 9.40** Member Mandisa Gordon questioned: "Are there any considerations in offering business loans to members who are entrepreneurs?" The General Manager commented that the initiative was on last year's agenda and slated for development in 2023. However, due to the high risk associated with small business lending, a focus was placed on ensuring effective management of delinquency. The Credit Administration Department is actively working towards streamlining this process, allowing the organization to pursue support for small and micro businesses, aligning with the UN 17 Development Goals subscribed to by RHAND.
- 9.41** An online question was posed by Member Jade Valley: "Is there consideration for a branch of RHAND Credit Union in Central Trinidad? Perhaps an area such as Factory Road, Chaguanas, or even Couva? And if so, how soon?" The General Manager replied in the negative, stating that currently, the priority is establishing a presence in South Trinidad, aiming for a location accessible for travel north or south. Simultaneously, there is heavy investment in the digital platform, making branch visits optional, not obligatory.
- 9.42** Member Gillian Lewis MacFarlane inquired, "Can we get an update on the ATM machines, please?" Mr. Andrews opined that ATM machines were never on RHAND's agenda. The focus was



on joining the LINX platform to provide nationwide ATM access. However, legislative issues posed obstacles. Fortunately, a national Cabinet Committee is addressing these issues to support credit union development. Although Eastern Credit Union is on the ATM network, joining has become more stringent, making it less straightforward for other credit unions.

- 9.43** The President thanked the General Manager and Treasurer Dave Williams was the mover for the Adoption of the Financial Statements for 2023 as presented, which was seconded by member Thecla Huggins-Stanley. Having been so moved, the motion was put to the vote and approved.
- 9.44** At the request of the President, another Credentials Report was taken. The Moderator indicated at 4:08 p.m. that there were four hundred and twenty-six (426) members online, two hundred and two (202) members in Trinidad, and ninety (90) in Tobago, for a total of seven hundred and eighteen (718) members present.

## **10.0 REPORT OF THE NOMINATIONS COMMITTEE**

- 10.1** Ms. Avelon Perry, Chair of the Nomination Committee, presented the report, outlining activities conducted. This included the solicitation of nominations from November 22nd, 2023, to January 5th, 2024, screening, disqualification,

and nominee preparation for elections. Additionally, orientation and the final presentation of twenty-four (24) nominees at the Annual General Meeting were highlighted. The Chair extended gratitude to the General Manager and RHAND staff for their assistance in fulfilling the committee's objectives.

- 10.2** After the Report of the Nominations Committee was formally presented for consideration, members were then invited to submit any questions they had regarding the report.

- 10.3** There being no questions, the motion to adopt the Report of the Nominations Committee was moved by member Emmanuel Walker and seconded by member Jennifer Alleyne. Having been so moved, the motion was put to the vote and approved.

## **11.0 ELECTION OF OFFICERS FOR THE 2024/2025 TERM**

- 11.1** Upon approval of the Adoption of the Nominations Committee's Report, the President vacated the Chair to the Returning Officer, Mrs. Daphne Moore, who called for a brief break to allow members to refresh themselves before resuming the proceedings. Following this, a Credentials Report was requested. The Moderator announced that as at 4:40 p.m., there were three hundred and ninety-three (393) virtual attendees, two hundred and

seven (207) members present in Trinidad, and ninety (90) in Tobago, totalling six hundred and ninety (690) members present.

**11.2** Returning Officer Moore called for the playing of the videos of the nominee profiles for the Board of Directors, the Supervisory Committee and the Credit Committee. The presentation of the nominees was preceded by an explanation of the hybrid voting process (live and online) by the ROSE I.T. personnel.

**11.3** After receiving further instructions from the Returning Officer, the voting process began via the digital portal. However, a technical issue arose, preventing access to all nominees for the Board of Directors. Consequently, voting was temporarily halted, the portal was restarted, and previous votes were nullified. The voting portal was reopened, and the casting of ballots resumed at 5:33 p.m. Members then proceeded to exercise their voting rights by casting votes for each respective category.

## **12.0 CREDENTIAL REPORT**

**12.1** A subsequent Credentials Report was taken at the behest of the President. The moderator stated that at 6:05 p.m., there were three hundred and twenty-six (326) members present online, ninety-three (93) members in Trinidad, and fifty-seven (57) in Tobago, totalling four hundred and seventy-six (476) members present.

## **13.0 QUANTITATIVE OBJECTIVES, PROPOSED CAPITAL EXPENDITURE AND FINANCIAL PROJECTIONS FOR 2024**

**13.1** The President invited General Manager Mr. Ainsley Andrews to present the budget, which was then tabled for members' consideration. The video highlights of the projections included key proposed initiatives such as establishing a satellite office in South Trinidad, beginning renovation works on the Head Office complex, expanding the educational awards programme to tertiary level awards for members' children, proposing member-centric rebranding, completing collective bargaining negotiations for general staff and security personnel for the period 2021 to 2023, and potentially extending negotiations to include the period 2024 to 2026. Additionally, the completion of residual automation projects and actively pursuing a reduction in non-performing loans back down to international standards were outlined.

**13.2** The General Manager indicated that RHAND proposed to generate \$61.3M from revenue streams, while incurring \$37.7M in operational expenses and \$17.8M in capital investments, with a further budgeted 4% increase in expenditure, fostering the sustainability of the Credit Union. He then opened the floor for any questions.

**13.3** In the absence of questions from both in-person and online members, Director David Maynard raised concerns about first hearing the motion related to the 2024 Projections before their acceptance. He stated that it would be inappropriate to accept them without understanding the specifics of the motion. The President responded saying the Board's Resolution should be dealt with first.

**13.4** Member Thecla Huggins-Stanley suggested that any forthcoming resolutions should be clearly identified being submitted by whomever and tabled under Resolutions, to which the President agreed. Director Maynard rose on a point of clarification but was advised to take his seat by the President.

**13.5** There being no further questions on the General Manager's presentation, the 2024 Budget - Quantitative Objectives and Proposed Capital Expenditure and Financial Projections was adopted on a motion by member Thecla Huggins-Stanley which was seconded by Director Joycelyn Hunte. Having been so moved, the motion was put to the vote and carried.

## **14.0 RESOLUTIONS**

**14.1** Through the recommendations of Director Martin Minguell and Ms. Nikisha McLeod from the Commissioner's office, the President called for the meeting to accept treating the Resolutions

under one motion. Having been so moved by Director Martin Minguell and seconded by Director Sherwin Williams, the motion was put to the vote and carried.

**14.2** The President tabled the following Resolutions for consideration:

### **Appointment of The Auditors**

**Be it resolved** that the firm of Chartered Accountants BDO be appointed as Auditors of the Society for the financial year ending December 31, 2024.

### **Maximum Liability**

**Be it resolved** that pursuant to Bye-Law 6(d), the Maximum Liability that the Credit Union may incur in respect of loans or deposits, whether from members or non-members be increased from \$200,000,000 to \$250,000,000.

### **Dividend on Shareholdings**

**Be it resolved** that a dividend of 3.50% be declared on the average monthly share balance held by each member for the year ended December 31, 2023, and that the proceeds if [sic] this dividend distribution be credited as 70% to members' share savings accounts and 30% to their deposit savings accounts.

### **Patronage Refund**

**Be it resolved** that a Patronage Refund of 2.50% be declared on

the loan interest paid for each qualified member with loans that were 31 days or less past due as at December 31, 2023, distributed as 70% to members' share savings accounts and 30% to their deposit savings accounts.

### **Honoraria**

**Be it resolved** that honoraria in the gross sum of \$306,667 (\$230,000 net of income tax liability), be declared for the year ended December 31, 2023.

- 14.3** The Resolutions were adopted as presented during the meeting. Director Martin Minguell moved the motion, which was seconded by substitute Director, Linda Renaud-Medford. After a vote, the motion was duly carried.

## **15.0 RESOLUTION NO. 6**

- 15.1** The President yielded to the Vice President, who then invited Director David Maynard to present his Resolution for the record. Director Maynard explained that his motion, brought in accordance with Bye Law 16(b), should have been considered earlier, in the segment for motions before the Resolutions. He had indicated this earlier in the presence of the Commissioner's Office representative.

Following discussions with the CCD's office (Ms. N. McLeod), the President humbly apologized to Director Maynard for incorrectly tabling the motion as a resolution. The Vice President then invited

Director Maynard to address the motion, but Director Maynard declined the invitation, leading to the motion being considered withdrawn.

- 15.2** Member Thecla Member Huggins-Stanley interjected, suggesting that presenting the motion under the correct heading would have helped clarify the matter.

Mrs. Huggins-Stanley also remarked that distributing dividends in the ratio of 70% to shares and 30% to savings restricted members from having more cash in hand. In response, General Manager Andrews explained that due to the capital projections for the upcoming year, there was a need to adopt a more conservative approach in cash distribution.

- 15.3** Tobago member Sheena Stephen also asked about the reasoning behind allocating 70% of the dividend payout to shares instead of splitting it evenly as 50% on shares and 50% on deposits. The General Manager explained that this allocation was based on a recommendation from the finance team, which was then presented to the Board for the final decision.

## **16.0 OTHER BUSINESS**

- 16.1** Member Thecla Huggins-Stanley stood to advise against members withdrawing their shares and opting instead for savings



through a deposit account for withdrawals, as this action impacts the overall dividend payments.

- 16.2** Member Shian Morris, speaking through the moderator, inquired, “If your account is in arrears, will the person still be given dividends?” The General Manager responded that while the account will be credited with the funds, access may be denied.
- 16.3** The Moderator relayed Member Irwin De Gannes’ question: “Is there a plan to allow online and mobile banking users to easily transfer their funds between RHAND accounts and accounts at other financial institutions like Republic Bank, without needing to contact RHAND staff?” The General Manager affirmed, stating that the aim is to enhance the capability for efficient uploading of ACH transactions or online transfers, akin to LINC.U.

## **17.0 ELECTION RESULTS OF OFFICERS FOR THE 2024/2025 TERM**

- 17.1** The following persons were elected to the Board of Directors, the Credit Committee and the Supervisory Committee:

<b>Board of Directors</b>	<b>Credit Committee</b>	<b>Supervisory Committee</b>
Brian Bernard Caesar	Carolyn Byer	Sparkle Inniss
Simone Petal Dawn Huggins	Keisha Latoya Martin	Michelle Lisa Burris
Desiree Hackett-Murray	Tesfa Eyesus Harayo Watson	Erica Charles
Joy Benjamin	Shelé Johnson-Edwards	Renatta Moore Dindyal
Linda Renaud-Medford	Craig Neal M. Forbes-Warner	Davy Gerard Rajah
Zwade Smith		

- 17.2** With members having accepted the election results, member Emmanuel Walker proposed a motion for the destruction of the digital ballots, which was seconded by Treasurer Dave Williams. After being moved and seconded, the motion for the Destruction of the Digital Ballots was put to a vote and carried.

## **18.0 OTHER BUSINESS CONTINUED**

### **Delinquency**

- 18.1** Mr. Kenrick Sealey, Manager of Credit Administration, was invited by the President to address the meeting regarding his experiences managing delinquency at RHAND. Credit Manager Sealey outlined the significant challenge of dealing with over \$30 million in unmoved balances that were delinquent for over a year. However, through concerted efforts, this amount had been reduced to \$28 million. Recovery tasks included the

re-engagement of external collectors, making personal daily phone calls, sending letters, placing whereabouts ads, and encouraging members to contact the organization to discuss repayment options. Additionally, daily and weekly team meetings were held to track progress, and the delinquency policy rigorously followed. Escalation methods include reporting to the Commissioner's Office and considering potential actions against any security attached to loans.

In conclusion, the Credit Manager highlighted RHAND's gradual progress made in its commitment to reducing delinquency rates, while exploring all legal avenues to recover outstanding funds. He emphasized that member support and co-operation were crucial in achieving these goals. Questions were then entertained.

**18.2** Member Lana O'Keefe inquired whether the loan rate had decreased due to the high delinquency. Credit Manager Sealey responded that loan approvals are now conducted with greater discernment, particularly for new members, addressing the issue through both diligent follow-up and stricter loan underwriting processes.

**18.3** Through the moderator, Member Leslie Attong asked: "What are the KPIs for the Credit Department; reduction of the

debt by how much and within what period?" Credit Manager Sealey replied that the mandate is to reduce the delinquency ratio to 5% and bring the total outstanding amount below \$40 million. While the Board has set a one-year timeframe to improve the year-over-year figures, the focus will be on achieving these targets within six months.

**18.4** Member Angela Redhead-Patterson commented on RHAND being granted more authority by the Co-operative Division to pursue delinquent members through legal means for recoveries. In response, Credit Manager Sealey stated that discussions will be held with the Commissioner's Office to explore additional mechanisms for repayment enforcement strategies.

**18.5** Member Susan Hinds Morgan questioned via online: "The whereabouts list is posted online?" The Credit Manager replied that the list was currently published in print media and displayed at the physical office locations. However, plans were underway to expand the list to additional locations.

**18.6** The Moderator conveyed Member Irwin De Gannes' question as: "If they borrow against their own shares and then don't make payments after a significant period of time, can the payments be taken from their shares?" In answer, Credit Manager Sealey said that

according to the policy, a certain number of days in arrears can trigger the application of shares to offset the outstanding balance for collection purposes.

- 18.7** Member Emmanuel Walker asked how good someone can be in discerning a member who does not want to pay, who will not pay and who when they come to you that thought is in their head that “I am not going to repay this loan?” Credit Manager Sealey stated that currently, there is no known credit prediction tool available for this purpose. However, he emphasized that the policy will be strictly adhered to without any relaxation.
- 18.8** Member Lana O’Keeffe considered giving lie detector tests that asks the question specifically “Will you repay the loan?” The Credit Administration Manager reiterated that there is no provision for debt forgiveness within the scope of his responsibilities. However, he emphasized that individuals with malicious intentions will be dealt with accordingly. In conclusion, the membership was encouraged to refer individuals on the delinquency list to the Credit Union for resolution.

#### **GENMED**

- 18.9** The General Manager summarized that in 2021, RHAND transitioned from Sagicor to the Beacon-based

plan, opting for Genesis through GenMed due to its superior benefits. This change led to faster turnaround times for settling claims and enhanced support for members. However, the plan remains unattractive to insurance companies due to the high loss ratio (129%), which compares the percentage of funds paid out to the percentage of premiums received. Therefore, increasing the number of subscribers to the plan is essential to maintain stable premiums and wider benefits.

#### **19.0 VOTE OF THANKS**

- 19.1** The President extended gratitude during the vote of thanks in Trinidad and congratulated all the newly elected officers. Subsequently, Director Pamela Ogiste was invited to extend the vote of thanks on behalf of Tobago. Director Ogiste expressed sincere appreciation to the Regulators, the CCD representatives, the Credit Union League, the Returning Officer, the moderators and team, and both the Police Credit Union and Shaw Park for their hosting facilities. Additionally, thanks were extended to all members, RHAND’s staff and service providers for their attendance and participation in the 76th Annual General Meeting of RHAND Credit Union Society Co-operative Limited.
- 19.2** There being no further business, the meeting concluded at 8:05 p.m.



# REPORT OF THE BOARD OF DIRECTORS

## 1.0 INTRODUCTION

- 1.1 The Board of Directors is pleased to present to the general membership, its Report on the affairs of RHAND Credit Union Co-operative Society Limited for the year ended December 31, 2024

## 2.0 COMPOSITION OF THE BOARD OF DIRECTORS

- 2.1 The following Members were elected to the Board of Directors at the 76th Annual General Meeting held on Saturday April 20th, 2024.

- Joy Benjamin
- Desiree Hackett-Murray
- Linda Renaud-Medford
- Zwade Smith

- 2.2 Mrs. Linda Renaud Medford was elected as the 1st Substitute Member while Zwade Smith was elected as the 2nd Substitute Member.

- 2.3 The full Board comprised the following Members (listed in alphabetical order):

- Joy Benjamin
- Brian Bernard Caesar
- Charlene Davidson
- Martin Gibbs
- Desiree Hackett-Murray
- Kristed Herbert
- Simone Huggins
- Martin Minguell
- Desmond Noel
- Pamela Ogiste
- Tracy-Ann Riley-McLeod
- Sherwin Williams

### Substitute Members

- Linda Renaud Medford
- Zwade Smith

- 2.4 The term of office of Directors – Ms. Charlene Davidson, Mr. Kristed Herbert, Mr. Martin Minguell and Mr. Sherwin Williams comes to an end at this 77th Annual General Meeting.

## 3.0 EXECUTIVE COMMITTEE

- 3.1 As mandated by the Bye-laws, at the Inaugural Meeting, the Members of the Board elected an Executive Committee. The Executive Committee for the 2024/2025 Term comprised the following:

- Simone Huggins: *President*
- Brian Caesar: *Vice President*
- Martin Minguell: *Secretary*
- Kristed Herbert: *Assistant Secretary*
- Sherwin Williams: *Treasurer*







**3.2** In order to discharge its responsibility during the period under review, the Executive Committee met weekly and whenever necessary for a total of forty-eight (48) meetings.

**4.0 MEETINGS OF THE BOARD OF DIRECTORS**

**4.1** The Board held Thirteen (13) Regular and Seven (7) Extraordinary meetings during the period January 01, 2024 to December 31, 2024. Attendance of Members at Board Meetings are detailed at Table B1.

**5.0 MEMBERSHIP**

**5.1** During the year 2024, nine hundred and seventy-seven (977) Adults and thirty-six (36) Youth Applicants were admitted to Membership. A total of four hundred and thirteen (413) members, excluding the one hundred and seventeen (117) who passed away (Appendix 1), ceased membership in 2024. As of December 31, 2024, the total membership of RHAND Credit Union stood at 24,648.

**5.2** The Members of the Board of Directors, Members of the Statutory Committees, Management and Staff of RHAND Credit Union, wish to extend condolences to the family and friends of the above deceased members of the extended RHAND family.

**TABLE B1: ATTENDANCE AT BOARD MEETINGS**

Member	Regular			Special			Remarks
	P	Ex	A	P	Ex	A	
Simone Huggins	13	-	-	7	-	-	
Brian Caesar	13	-	-	6	1	-	Elected as Director at the 2024 AGM
Desmond Noel	11	2	-	7	-	-	
Martin Gibbs	13	-	-	5	2	-	
Pamela Ogiste	11	2	-	7	-	-	
Tracy-Ann Riley-Mc Leod	7	6	-	5	2	-	
Martin Minguell	12	1	-	7	-	-	
Kristed Herbert	12	1	-	7	-	-	
Sherwin Williams	13	-	-	7	-	-	
Charlene Davidson	12	-	1	7	-	-	
Desiree Hackett-Murray	6	1	2	2	1	1	Elected as Director at the 2024 AGM
Joy Benjamin	5	1	3	4	-	-	Elected as Director at the 2024 AGM
Linda Renaud-Medford	13	-	-	6	1	-	Elected as 1st Substitute at the 2024 AGM
Zwade Smith	9	-	-	3	1	-	Elected as 2nd Substitute at the 2024 AGM
Dave Williams	2	1	1	3	-	-	End of Term in Office
Ivor Superville	4	-	-	3	-	-	End of Term in Office
David Maynard	3	1	-	3	-	-	End of Term in Office

## 6.0 GLOBAL MACROECONOMIC ENVIRONMENT OVERVIEW

**6.1** Global economic activity in 2025 is projected to grow at 3.3%, consistent with previous forecasts. This stability reflects an upward revision for the United States, offsetting downward adjustments in other major economies. However, medium-term risks to growth remain tilted to the downside, with renewed inflationary pressures posing potential challenges. <https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>

**6.2** The global economic landscape continues to be influenced by geopolitical tensions, particularly in the Middle East and Eastern Europe. These conflicts have the potential to disrupt global trade and economic activities, necessitating close monitoring by financial institutions.

**6.3** Inflation remains a central concern for major economies. While global headline inflation is expected to decrease from 5.7% in 2024 to 4.2% in 2025, underlying inflationary pressures persist. Central banks may need to implement additional measures to manage these pressures, which could impact global growth trajectories. <https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>

economic-outlook-update-january-2025

**6.4** The IMF has raised its U.S. growth forecast to 2.7% for 2025, citing stronger-than-expected economic performance. Conversely, growth projections for the euro area, Germany, and France have been revised downward due to weakened manufacturing sectors and policy uncertainties. China's forecast has seen a slight upgrade, supported by fiscal stimuli. <https://www.reuters.com/markets/us/imf-lifts-us-outlook-warns-countries-against-protectionism-subsidies-2025-01-17/>

## 6.5 Interest Rates: A Critical Tool for Central Banks

**6.5.1** Central banks worldwide are balancing the need to control inflation with the goal of sustaining economic growth. In response to persistent inflationary pressures, many have maintained elevated interest rates. The U.S. Federal Reserve, for instance, has signalled a cautious approach, indicating that while current rates may be appropriate, future adjustments will depend on evolving economic data.

**6.5.2** The potential for a U.S. recession in 2025 remains, influenced by previous interest rate hikes, global economic slowdowns, and ongoing geopolitical uncertainties.



Indicators such as a strong labour market and resilient consumer spending provide some optimism, but the overall outlook necessitates careful monitoring.

**6.5.3** Despite economic headwinds, certain sectors are poised for growth. Companies focusing on technology and renewable energy are expected to report strong earnings, driven by increased demand and supportive policies. Investors are advised to consider these sectors when making portfolio decisions.

**6.6** RHAND's equity portfolio has benefited from recent market volatility, particularly in the U.S. foreign equity market. The Credit Union will continue to strategically rebalance its portfolio, closely monitoring both local and international markets to optimize returns for our members.

## **7.0 DOMESTIC MACROECONOMIC ENVIRONMENT OVERVIEW**

**7.1** The local economy has demonstrated resilience amid global challenges. In 2024, Trinidad and Tobago's GDP expanded by 2.8%, driven by robust performance in the non-energy sector. This growth is expected to continue into 2025, with projections indicating a 3.0% increase, supported by ongoing investments in infrastructure and services.

**7.2** Headline inflation in Trinidad and Tobago has moderated, reaching 4.0% in December 2024, down from 4.7% earlier in the year. This deceleration is attributed to stabilized food prices and effective monetary policies implemented by the Central Bank.

**7.3** The Central Bank of Trinidad and Tobago has maintained the Repo rate at 3.50%, citing a balanced approach to fostering economic growth while keeping inflation in check. This policy stance aims to support credit expansion and stimulate investment across various sectors.

**7.4** RHAND will continue to incorporate the Central Bank's government yield curve into its investment strategies to account for inflationary trends. On the lending side, the Credit Union remains committed to monitoring inflation closely, absorbing shocks where possible to benefit its members. Strategic initiatives will focus on member education, attracting quality memberships, expanding loan services, and effectively managing delinquencies.

## **8.0 DOMESTIC FINANCIAL SYSTEM OVERVIEW**

### **8.1 Liquidity Conditions and Market Trends**

Liquidity in the domestic financial system remained ample throughout 2024, with commercial banks' daily average excess liquidity increasing by 30%

over the past year. This was driven by fiscal injections and net redemptions of open market operation instruments, enabling banks to carry a high supply of capital to extend loans at aggressively low rates in the consumer market.

## 8.2 Interest Rate Disparity and Credit Union Challenges

While commercial banks benefited from ample liquidity and access to lower-cost funding, Credit Unions faced significant competitive pressures due to traditionally higher cost of funds. Commercial banks' loan interest rates averaged 700 basis points (7.0%) lower than those offered by Credit Unions, a disparity that eroded the borrowing appeal of Credit Unions despite their member-centric model.

This widening gap in loan pricing was influenced by:

- **Access to Lower-Cost Funding:** Commercial banks leverage interbank lending, foreign credit lines, and institutional deposits, allowing them to offer lower loan rates. Credit Unions, relying primarily on member deposits, could not feasibly match these rates.
- **Public Perception & Competition:** Despite offering personalized service, lower processing fees and profit-sharing via dividends, Credit Unions saw declining new loan applications as consumers gravitated towards banks' lower rates. Additionally, banks began to implement extended loan repayment tenures, mirroring the Credit Union model.

## 8.3 Consumer Credit Growth and Mortgage Lending

Consumer credit expanded by 7.0% in the twelve months leading up to November 2024, reflecting increased demand for debt consolidation, personal loans, and credit card financing. However, Credit Unions saw the demand in for Debt Consolidation and home renovations but with much slower credit growth compared to banks, largely due to their higher lending rates.

Real estate mortgage lending activity remained strong, with a 5.8% increase in total mortgage loans. However, Credit Unions struggled to compete with commercial banks' mortgage offerings, as banks aggressively reduced mortgage rates and extended flexible payment terms.

## 8.4 RHAND Credit Union's Strategy Amid Banking Sector Dominance

RHAND Credit Union acknowledges the intensifying competitive landscape in the financial services sector, particularly the disadvantageous interest rate gap and the dominance of commercial banks in lending markets. To mitigate these challenges and sustain relevance, RHAND will:

- **Enhance Digital Lending Capabilities:** Invest in technology-driven loan processing and member engagement tools to improve service efficiency.
- **Introduce Differentiated Loan Products:** Develop tailored lending solutions that provide unique value propositions for members.
- **Leverage an Engagement Team for Member Outreach:** RHAND has deploy a dedicated Engagement Team to proactively reach out to both existing and potential members. This team will focus on strengthening member relationships, identifying evolving financial needs, and enhancing RHAND's responsiveness to market shifts. Through a combination of digital engagement, community outreach, and in-branch consultations, RHAND aims to reinforce its value proposition and member-centric approach.
- **Maximize Opportunities from RHAND's New Branch:** The new San Fernando branch, presents a strategic avenue for membership growth and loan expansion.

By proactively addressing these challenges and capitalizing on growth opportunities, RHAND Credit Union aims to fortify its market presence, sustain financial stability, and continue delivering unparalleled value to its members.

## 9.0 REGULATORY DEVELOPMENTS

- 9.1** Progress continues towards establishing a new regulator, the Independent Co-operative Authority, to govern the Credit Union Movement more efficiently. Key developments include:
- 9.1.1** The Policy Proposal Document (PPD) for the Independent Co-operative Authority has been finalized and submitted to the line Ministry for consideration. Diagnostic exercises are ongoing
- 9.2** RHAND has continued to play an active role both directly and indirectly in these developments as a valuable contributor in shaping the Sector's future.

## 10.0 FINANCIAL INCLUSION INITIATIVES

- 10.1** Financial inclusion ensures that individuals and businesses have access to affordable and useful financial products and services that meet their needs—such as transactions, payments, savings, credit, and insurance—delivered responsibly and sustainably. It is a catalyst for economic growth, resilience, and job creation, enhancing household welfare and supporting livelihoods. <https://www.finance.gov.tt/2024/08/20/feature-address-by-the-honourable-colt-imbert-minister-of-finance-at-the-official-launch-of-the-national-financial-inclusion-survey-report-2023-at-one-fintech-avenue-on-tuesday-20th-august-2024/>

- 10.2** In Trinidad and Tobago, the government, through the Ministry of Finance and the Trinidad and Tobago International Financial Centre (TTIFC), has committed to promoting greater financial inclusion. Initiatives are designed to increase access to knowledge and technology, thereby improving equality and supporting economic development. <https://www.ttifc.co.tt/strategic-pillars/financial-inclusion/>
- 10.3** A notable initiative is the collaboration between the Co-operative Credit Union League of Trinidad and Tobago (CCULTT), Telecommunications Services of Trinidad and Tobago (TSTT), and TTIFC. This partnership aims to enhance service delivery and attract younger generations to credit unions. Central to this effort is the introduction of PAYPR, a mobile wallet platform by TSTT, which allows users to store and transfer money and make and receive payments via mobile phones. Such innovations are expected to streamline financial processes and bolster long-term sustainability within the sector.
- 10.4** RHAND Credit Union is actively contributing to the national financial inclusion effort. As an implementing partner of the Caribbean FinTech Sprint for Financial Inclusion, RHAND is a lead collaborator with other credit unions and the Co-operative Credit Union League of Trinidad and Tobago to develop and implement solutions addressing financial inclusion challenges, to the benefit of our members.

<https://www.uncdf.org/inclusiveinnovation/caribbean-fintech-sprint-for-financial-inclusion>

## 11.0 ASSET BASE

- 11.1** RHAND experienced near flat net asset growth of \$8.8M or 1.09% (compared to 3.78% in 2023) for the year ended December 31, 2024 (Table B2). Through our strategic initiatives, the Credit Union is targeting an asset base growth for 2025 of \$57.1M or 7.00% (compared to the 8.00% targeted for 2024).

**TABLE B2 TOTAL ASSETS – 2020 - 2024**

Year	Total Asset (\$)	Increase/(Decrease) (\$)	(%)
2020	721,897,994	37,117,764	5.42
2021	786,097,214	64,199,270	8.89
2022	778,053,377	(8,043,837)	(1.02)
2023	807,469,075	29,415,698	3.78
2024	816,288,094	8,819,019	1.09



12.0 LOANS PORTFOLIO

12.1 Competitive pressures in the domestic financial sector, coupled with rising inflation and stagnant wages, challenged RHAND’s loan performance in 2024. The persistent interest rate gap between commercial bank and Credit Union loan rates made borrowing from banks more attractive, leading to increased loan runoff as members sought lower rates and refinancing options. Despite demand for credit, RHAND faced heightened competition, limiting its ability to sustain loan growth.

12.2 New loans booked totalled \$174M, falling short of the budgeted \$215M. This underperformance stemmed from aggressive bank competition, shifting consumer borrowing preferences, and weaker demand in key segments. As a result, the gross loan portfolio declined to \$503M, reflecting a net contraction of 0.8%, as loan migration to competitors outpaced new loan bookings.

12.3 To revitalize loan growth in 2025, RHAND will implement key interventions:

- **Repricing & Retention Strategies:** Refining loan structures to improve competitiveness while enhancing early intervention engagement and refinancing incentives for at-risk loans.
- **Digital Branch Lending Expansion:** Leveraging RHAND’s new digital-first branch to target communities in southern Trinidad and MSMEs with tailored lending solutions.
- **Proactive Member Engagement:** Deploying a dedicated outreach team to re-engage existing members and attract new borrowers through targeted financial solutions.

RHAND remains committed to strengthening its loan portfolio through innovation, engagement, and strategic lending initiatives in 2025 and beyond.

TABLE B3: GROSS LOAN PRINCIPAL BALANCES OUTSTANDING 2020 – 2024

Year	Balances Outstanding (\$)	Increase/(Decrease) (\$)	(%)
2020	413,615,935	13,834,019	3.46
2021	459,354,554	45,738,618	11.06
2022	474,424,720	15,070,166	3.28
2023	507,184,271	32,759,551	6.91
2024	503,597,239	(3,587,032)	(0.07)

## 12.4 LOAN DELINQUENCY

RHAND achieved significant improvements in its delinquency ratios in 2024, demonstrating the effectiveness of its enhanced loan monitoring and recovery strategies. As of December 31, 2024, the gross delinquency ratio (all loans in arrears) improved from 8.08% in 2023 to 6.90%, reflecting a notable reduction in both the number and value of delinquent loans. The total value of loans in arrears declined to \$34.7M, with 560 loans classified as delinquent.

Further improvements were recorded under the WOCCU Standard, which measures non-performing loans (90+ days past due). The non-performing delinquency ratio dropped from 6.20% in 2023 to 5.05% in 2024, moving RHAND closer to the standard of 5.00%. This reduction was driven by intensified recovery efforts, strengthened member engagement, and to a lesser extent, proactive restructuring of at-risk loans.

Building on this momentum, your Credit Union will sustain an aggressive, yet member-centric delinquency management approach in 2025 to further reduce arrears, support responsible borrowing, and maintain portfolio health. We will also be pursuing an aggressive initiative to boost collections on the approximate \$16M in charged-off loan balances.

**TABLE B4: DELINQUENCY STATISTICS (TOTAL AND NON-PERFORMING)**

Year	Number of Delinquent Loans	Total of Delinquent Loan Balances (\$)	Delinquency Ratios	
			Total	Non-Performing
2020	580	39,714,235	9.60	6.93
2021	574	40,961,189	8.92	6.41
2022	586	38,719,345	8.16	6.27
2023	572	40,965,317	8.08	6.20
2024	560	34,733,350	6.90	5.05

## 12.0 SHARE SAVINGS PORTFOLIO

- 12.1** As of December 31, 2024, the total share capital savings of RHAND Credit Union stood at \$494.49M, reflecting an increase of \$10.96M or 2.27% over the previous year (Table B5). While growth remained positive, it fell short of the targeted increase of 3.20%, primarily due to increased loan runoff to competitors.

As members refinanced existing RHAND loans with commercial banks and other financial institutions offering lower interest rates, a portion of their

share savings was used to settle outstanding loan balances, offsetting share growth achievements.

While competition in the financial sector continues to pose challenges, RHAND remains committed to strengthening its deposit base and reinforcing the Credit Union movement's value proposition.

**TABLE B5: SHARE SAVINGS 2020 – 2024**

Year	Share Savings (\$)	Increase (\$)	(%)
2020	428,028,705	16,331,710	3.97
2021	455,977,910	27,949,205	6.53
2022	467,983,415	12,005,505	2.63
2023	483,542,493	15,559,078	3.32
2024	494,497,506	10,955,013	2.27

**13.0 EARNINGS PERFORMANCE AND OPERATING EFFICIENCY PROFILE**

**13.1** For the financial year ended December 31, 2024, RHAND Credit Union realized an operating surplus of \$27,158,719 (Table B6), representing a Net Profit Margin of 42.91%. While this reflects a slight decline from 43.95% in 2023, the Credit Union demonstrated resilience amidst a challenging financial environment.

Interest income on loans grew to \$50.02M, primarily driven by the loan portfolio growth achieved in 2023. However, total income fell to \$63.29M, down from \$64.61M in 2023, due to a \$2.21M decline in investment income and reduced other income.

Despite a marginal reduction in total expenses to \$36.13M, the lower income resulted in an expenses-to-income ratio increase to 57.09% from 56.05% in 2023. This indicates the need to balance improved revenue generation while continuing to maintain cost control efforts.

**13.2** Comprehensive income for 2024 totalled \$21,844,936, a slight decline from \$22,463,046 in 2023, primarily due to unrealized investment losses of \$5.31M.

RHAND achieved a Return on Assets (ROA) of 2.69%, falling short of the target of 4%. Although total assets increased to \$811.98M, up from \$792.76M in 2023, the lower ROA underscores the need to improve revenue growth while maintaining operational efficiency.

**TABLE B4: DELINQUENCY STATISTICS (TOTAL AND NON-PERFORMING)**

Income/Expenses Captions	2020 (\$)	2021 (\$)	2022 (\$)	2023 (\$)	2024 (\$)
Interest on loans	40,447,069	41,492,313	45,304,356	48,492,549	50,019,742
Investment securities	11,132,044	10,488,764	6,955,783	13,307,032	11,100,893
Other income	1,655,813	1,518,346	1,918,294	2,814,437	2,165,452
Total Income	53,234,926	53,499,423	54,178,433	64,614,018	63,286,087
Total Expenses	31,786,475	32,785,422	40,947,905	36,240,974	(36,127,368)
Operating Surplus	21,448,451	20,714,001	13,230,528	28,397,304	27,158,719
Net Profit Margin	40.29%	38.72%	24.42%	43.95%	42.91%
Expenses to Income Ratio	59.71%	61.28%	75.58%	56.05%	57.09%

**TABLE B7: COMPREHENSIVE INCOME AND RETURN ON ASSETS 2020 - 2024**

Income/Assets/Return Captions	2020 (\$)	2021 (\$)	2022 (\$)	2023 (\$)	2024 (\$)
Operating Surplus	21,448,451	20,714,001	13,230,528	28,397,304	27,158,719
Unrealized/Actuarial Gain (Loss)	(1,809,521)	18,568,081	(10,284,536)	(5,934,258)	(5,313,783)
Comprehensive Income	19,638,930	39,282,082	2,945,992	22,463,046	21,844,936
Average Assets	703,339,087	753,997,604	782,075,296	792,761,226	811,980,710
Return On Assets	2.79%	5.21%	0.38%	2.83%	2.69%

**13.2** The year 2024 presented several noteworthy variances in both income and expense lines compared to budget projections.

- **Unrealized Gains on Investments (FVTPL):** Unrealized gains on investments classified as Fair Value Through Profit & Loss (FVTPL) were negligible in 2024, consistent with cautious market expectations. This contrasts with significant market performance in 2023.
- **Realized Gains on Investment Securities:** Realized gains continued at a stable level in 2024, with no significant mandatory conversions or one-off impacts, as seen in the prior year.
- **Salaries & Benefits:** Salaries and staff benefits totalled \$15.51M, a modest 3% increase compared to 2023, driven by the filling of outstanding vacancies and contractual obligations.
- **Expected Credit Loss (ECL):** The ECL expense experienced a 98.6% reduction to \$57K following a recalibration of provisioning requirements, a direct result of the significant reduction in delinquency ratios.



- **Advertising and Promotions:** Expenses rose to \$2.13M, a notable increase of 71.7% over 2023, attributed to approved expanded campaigns to attract new members, ramp up member engagement, and support the launch of the new South office.

**13.3** Additional insights into the significant movements in expenditure include:

- **Unrealized Loss Erasure:** Unrealized losses on investments remained at \$0 in 2024, maintaining the complete reversal of the \$4.67M loss recorded in 2022.
- **Loss on Disposal of Property and Equipment:** Fell by 93.3% to \$7,146 from \$106,314 in 2023, reflecting a slower pace in the disposal of outdated and dilapidated items across the organisation.
- **Repairs, Maintenance, and Cleaning Expenses:** These expenses increased by approximately 42.5% to \$2.77M, driven by the execution of previously deferred ICT and infrastructure upgrades in addition to the preparation of the San Fernando branch.
- **Loan Protection Expense:** This expense increased to \$1.80M, largely due to the usual unpredictable fluctuation in member claims.
- **Advertising and Promotions:** This was 20% over budget at \$2.13M, compared to \$1.77M driven by the need to aggressively ramp up efforts to engage the existing membership and attract new members (in the face of the observed pattern of stagnation in loan portfolio growth), support the opening of the new branch and to take advantage of presented deals for some 2025 traditional media packages.
- **Education Committee Expenses:** Increased by 40.6% to \$1.81M, up from \$1.28M in 2023, reflecting higher participation in events and increased costs of goods and services.
- **Expected Credit Loss Expenses:** Decreased significantly by 98.6% to \$57K, down from \$3.97M in 2023, following recalibration of the provision based on the significant reduction in delinquency.
- **Stationery, Printing, and Related Expenses:** Increased by 31.7% to \$1.13M, up from \$859K in 2023, due to higher cost of goods.
- **Board & Committees' Expenses:** Increased by 34.8% to \$1.94M, up from \$1.44M in 2023, primarily driven by expanded training and development programs for elected officers.
- **Annual and Special General Meeting Expenses:** Decreased by 24.1% to \$764K, down from \$1.01M in 2023, reflecting cost optimization of hybrid meeting formats and event planning.

Table B8 details these and other major cost items.

**TABLE B8: EXPENSES HIGHLIGHTING MAJOR COST ITEMS 2020 – 2024**

Expense Line Items	2020 (\$)	2021 (\$)	2022 (\$)	2023 (\$)	2024 (\$)
Salaries & staff benefits	15,171,557	13,693,917	14,098,396	15,060,903	15,505,959
Unrealised gain/(loss) on FVTPL securities	-	-	4,668,265	-	-
Loss on disposal of property and equipment	6,619	2,034	2,593,876	106,314	7,146
Interest on Savings and Time Deposits	2,162,017	2,269,756	2,226,743	2,129,181	2,094,497
Repairs, maintenance and cleaning	1,740,868	1,799,761	2,201,060	1,942,652	2,767,335
Loan protection expense	1,516,324	1,791,615	2,541,537	1,007,807	1,796,819
Advertising and Promotions	923,838	1,079,928	1,320,129	1,238,435	2,126,203
Education Committee expenses	147,660	402,740	918,797	1,284,760	1,805,670
Expected Credit Loss Expenses	1,939,900	3,166,471	1,984,774	3,971,410	57,235
Stationery, printing and related expenses	923,838	650,075	930,186	858,569	1,130,881
Board & Committees' Expenses	850,614	848,247	1,142,320	1,440,290	1,940,854
Annual and Special general meetings	331,430	426,059	586,369	1,007,865	764,843
Other expenses	6,071,810	6,654,819	5,735,453	6,192,788	6,129,926
Total Expenses	31,786,475	32,785,422	40,947,905	36,240,974	36,127,368

## 14.0 EFFICIENCY, PROFITABILITY AND FINANCIAL STRENGTH AND SOUNDNESS REVIEW

**14.1** As a guide for assessing the strength of the Credit Union's balance sheet, the safety and soundness of the Credit Union's financial structure and the efficiency and profitability of the Credit Union's operations, the following ratios are presented in Table B9.

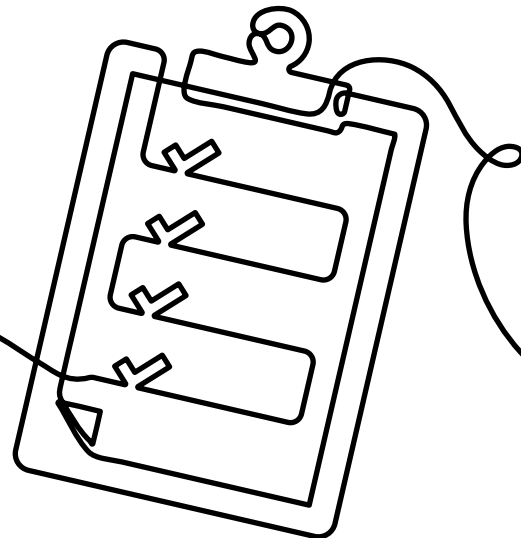


TABLE B9: PEARLS AND EFFICIENCY RATIOS

Financial Ratio Equation					RHAND's Performance		Standard of Excellence	Comment
					2023	2024		
<b>1 Net Institutional Capital Ratio</b>								
$\frac{\text{Fund Balances} + \text{Undivided Earnings}}{\text{Total Assets}} = \frac{\$ 121,948,729}{\$ 816,492,346} \times 100$					14.07%	14.94%	Minimum of 10.00%	RHAND value more favourable than standard
Fund Balances = Reserve, Education & Building Funds								
<b>2 Liquidity Adequacy Ratio*</b>								
$\frac{\text{Cash, Cash Equivalents} + \text{Inv. Securities < 1 yrs}}{\text{Total Assets}} = \frac{\$ 147,959,483.32}{\$ 816,492,346} \times 100$					15.89%	18.12%	Maximum of 20.00	RHAND value more favourable than standard
<b>3 Asset Quality Ratio</b>								
$\frac{\text{Total Delinquent Loans}}{\text{Gross Loans}} = \frac{\$ 34,733,350}{\$ 503,597,239} \times 100$					8.08%	6.90%	Maximum of 5.00%	RHAND value less favourable than standard with significant improvement
<b>4 Total Operating Expenses To Average Asset Ratio*</b>								
$\frac{\text{Total Operating Expenses}}{\text{Average Assets}} = \frac{\$ 36,127,368}{\$ 811,980,711} \times 100$					4.57%	4.45%	Maximum of 5.00%	RHAND value more favourable than standard
<b>5 Efficiency Ratio</b>								
$\frac{\text{Non-Interest Expenses} - \text{IFRS9 Expenses}}{\text{Total Income} - \text{Interest Expenses}} = \frac{\$ 34,032,871 - \$ 57,235}{\$ 63,286,087 - 2,094,497} \times 100$					48.20%	55.52%	Maximum of 55.00%	RHAND value less favourable than standard
<b>6 Return On Equity **</b>								
$\frac{\text{Surplus}}{\text{Members' Equity}} = \frac{\$ 27,158,719}{\$ 141,895,818} \times 100$					22.50%	19.14%	Minimum of 20.00%	RHAND value less favourable than standard

\*RHAND Credit Union has updated the metric used to calculate its liquidity ratio. Previously, the ratio was based on cash and cash equivalents, along with securities with an initial tenor of under two years. Now, the calculation includes cash and cash equivalents, which includes the UTC Growth & Income Fund (UTC G&I)—given its high liquidity and the guarantee of cash upon unit repurchase by UTC—and all fixed-income securities with a maturity of less than one year.

\*\* In an effort to more effectively determine a national Credit Union yardstick for measuring and comparing Return on Equity (ROE), RHAND has upgraded from historic formulae and use the practical standard formula of Surplus over Members Equity. Based on an evaluation of peer performances, an ROE of 20% was assessed as the base metric.

## 15.0 ACTIVITIES AND SIGNIFICANT ACCOMPLISHMENTS

2024 Marked a year of significant accomplishments and invaluable lessons for your Board:

- 15.1** For the second consecutive year, we expect to report elevated profits, rising from an average (2017-2021) of \$21M to \$28M. While this growth was not entirely organic, it underscored the need for a concerted focus on sustainable revenue streams.
- 15.2** Achieved improved asset quality through:
- i. The disposal of our Tragarete Road property at a premium and reinvest the USD proceeds for a higher return
  - ii. The aggressive and sustained efforts of our Delinquency Management team which allowed us to impressively reduce our Total delinquency from 8.08% to 6.89% and non-performing delinquency 6.20% to 5.05%
- 15.3** Expanded Member-Centric Services through:
- i. Successfully open of our new San Fernando Branch to close our Credit Union month activities
  - ii. Simultaneously implemented the first phase of the RHAND Interactive Service Experience (RISE) Hub
  - iii. Our institution of our Outreach project with a Member Engagement Team also allowed us to begin meeting members (and potential members) where they are
- 15.4** We were a lead collaborator in initiatives such as the TTIFC/UNCDF/ TSTT mobile wallet development and the National Youth Sustainability and ESG Pilot Project which highlighted our commitment to aligning with global goals while driving local impact for Financial Inclusion.
- 15.5** Enhanced Governance capacity through:
- i. Our continued use of training and conferences to expose members of the Board and Committees to professional development opportunities thereby improving the quality of the Credit Union's oversight competence
  - ii. Participation in the annual Anti-Money Laundering, Counter Financing of Terrorism, and Counter-Proliferation of Financing (AML/CFT/CPF) training for all elected officers.
  - iii. Conducting a robust review of our governance framework, with a focus on improving accountability of elected officers, which will result



in a more robust and effective Governance Policy and recommended bye-law amendments.

iv. Policy reviews and formulation resulting in the following outputs:

- Records Management and Retention Policy (New)
- Loan Protection Coverage Policy (Updated)
- Teller Cash Outage Policy (New)
- Credit Administration Policy (Updated)
- Investment Policy Statement (Updated)

**15.6** We have been able to demonstrate our commitment to staff by successfully bringing our collective agreements up-to-date for the very first time.

**15.7** We successfully completed our inclusively developed 2025-2027 Strategic Plan.

**15.8** We updated our Vision and Mission Statements, allowing for a better alignment with our required path and focus for RHAND's long term sustainability.

**15.9** Earned National Recognition as our efforts culminated in awards for "Most Outstanding Credit Union Overall" and "Best Financial Performance 2023" at the National CU Awards Ceremony, solidifying our reputation as an industry leader.

## **16.0 RELATED COMPANIES**

### **16.1 Cummings Fraser Foundation**

The Cummings Fraser Foundation, an independent non-profit organization, has been established to support RHAND Credit Union members and approved cooperatives during times of need. RHAND Credit Union proudly serves as the Foundation's sole financial member, reinforcing its commitment to the welfare of its members and the cooperative community.

The Foundation has achieved significant milestones, including the appointment of a full Board of Directors to provide governance and strategic leadership. Additionally, the application for official non-profit status is progressing, positioning the Foundation to expand its impact and operational capacity. The Foundation has successfully provided financial assistance to three members in 2024, exemplifying its mission to deliver meaningful support in areas such as health challenges, personal disasters, and natural calamities.

We encourage all RHAND members to learn more about the Cummings Fraser Foundation by visiting the Foundation's dedicated webpage via RHAND's website. Explore how the Foundation operates, the assistance it offers, and how it can serve you or someone in need. Together, we can continue building a resilient and supportive community.

## 16.2 ONERHAND Company Limited

OneRHAND Wealth Management Services Limited is an asset management subsidiary established by RHAND Credit Union Co-operative Society Limited. The creation of this subsidiary was highlighted in the President's message during the 73rd Annual General Meeting in 2021, emphasizing its role in exploring and pursuing new income streams for the benefit of RHAND members.

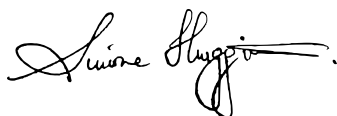
In November 2024, RHAND Credit Union conducted a survey in collaboration with Lucient Research TT to gather members' opinions as part of a new and exciting project. While specific details about the project were not disclosed, it reflects RHAND's commitment to involving members in its decision-making processes.

OneRHAND has made significant progress towards its operationalization and support RHAND Credit Union in generating supplemental returns and indirectly for the membership through increased dividends. Following the comprehensive market survey and stakeholder consultations, a strategic business plan is being finalized for OneRHAND to support an eventual funding proposal for the consideration of the membership.

## 17.0 RECOGNITION AND BEST WISHES

- 17.1** The Board of Directors wishes to recognize all the individuals who have contributed to the many successes achieved by RHAND Credit Union in the Year 2024 – Members of the Joint Management Team (Board of Directors and Statutory Committees), Management, Members of Staff and most importantly you, our members.

Best wishes and God's blessings to everyone for the 2025-2026 term and continue to keep yourselves and your loved ones safe.



**SIMONE PETAL DAWN HUGGINS**  
*President – Board of Directors*



**MARTIN MINGUELL**  
*Secretary – Board of Directors*

# REPORT OF THE EDUCATION COMMITTEE

## 1.0 INTRODUCTION

The Education Committee of RHAND Credit Union Co-operative Society Ltd is delighted to present a comprehensive report to the Membership, highlighting the various activities and initiatives undertaken throughout the year from January to December 2024. This report aims to provide an overview of our educational programs, member engagement efforts, workshops, and community outreach initiatives, illustrating our commitment to fostering financial literacy, growth and empowering our members during this period. We look forward to sharing our successes and learning experiences that have contributed to the growth and development of our cooperative community.

## 2.0 OBJECTIVES OF THE COMMITTEE

- a. The Education Committee is a Board-Appointed Committee

that is governed by Bye-Law 21(a) of RHAND Credit Union Co-operative Society Ltd which states,

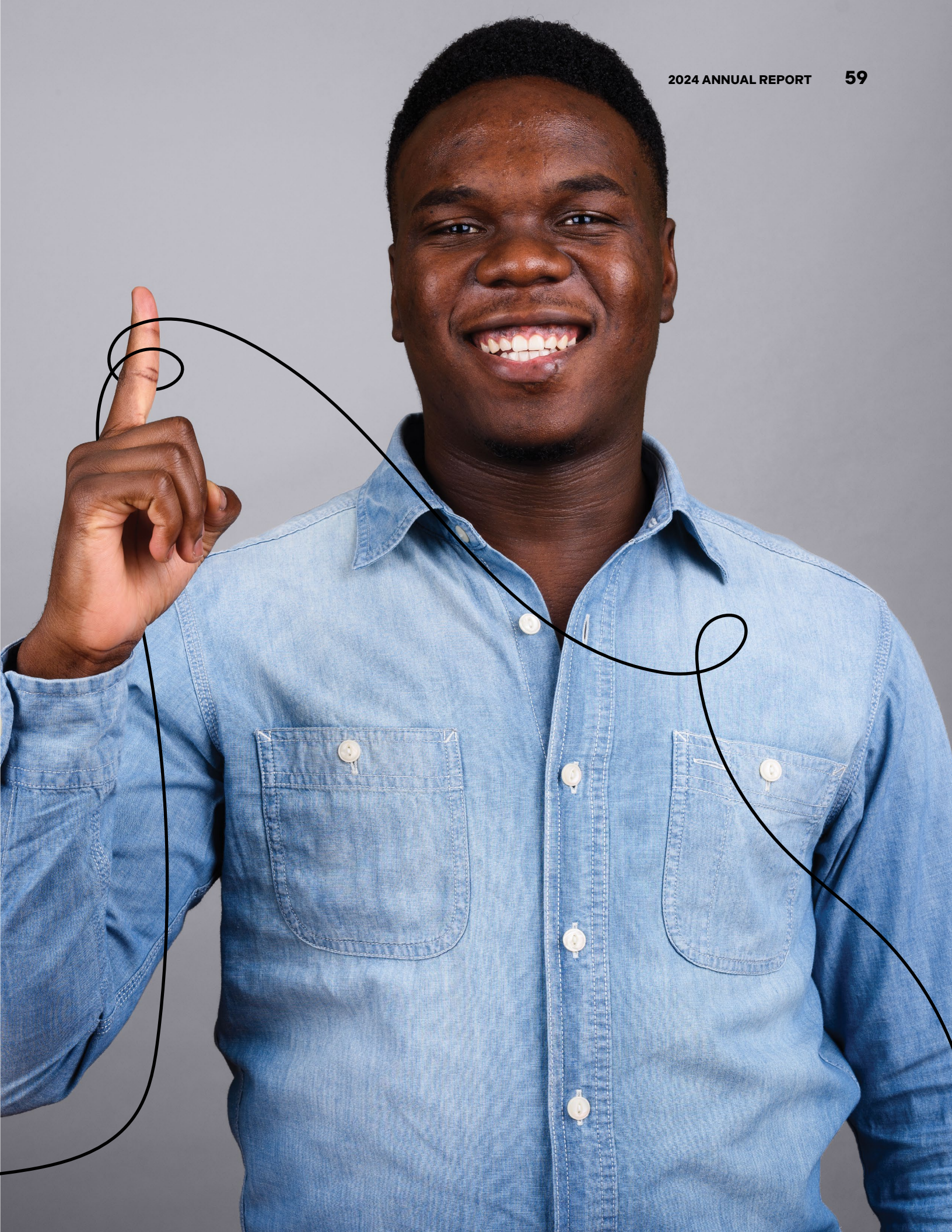
- b. The Mandate: It is "in charge of publicity and education and shall supply strategic support to the Board of Directors in achieving the objectives of the Society".
- c. Publicity and education are therefore made available not only to the Board of Directors and Statutory Committees but also to staff, membership, and members of the public via its advertisements.
- d. Therefore, the main purpose of this Committee is to link the Mission, Vision and Strategic direction of the Credit Union and at the same time, enhance the knowledge of its staff and by extension, its membership and others in the public domain.

## 3.0 FORMATION DETAILS

The under-mentioned members were appointed to the Education Committee for 2024 by the Board of Directors (BOD):

- Brian Bernard Caesar: *Vice President of RHAND/Chair of the Committee*
- Linda Renaud-Medford: *Secretary of the Education Committee/1st Alternate BOD*
- Pamela Ogiste: *Board Member, Convenor for Social Affairs and MSDP*
- Joy Benjamin: *Board Member, Convenor for Youth Sub-Committee*







- Gerard Sampson: *Marketing Manager*
- Thecla Huggins-Stanley: *Co-opted Member*

The Education Committee is pleased to present a comprehensive report to the Membership detailing the activities and initiatives that took place from January to December 2024. This report outlines the various functions and responsibilities of the committee during this period.

Throughout the year, the Education Committee has strived to fulfil its mission by operating several key Sub-Committees, each focusing on specific educational objectives. These Sub-Committees have worked diligently on a range of initiatives, contributing to the overall effectiveness of our educational programs.

We have successfully executed numerous activities designed to enhance member engagement, promote continuous learning, and support the professional development of our community. The collaboration among these Sub-Committees has played an essential role in achieving our goals and fulfilling our commitment to providing high-quality educational opportunities.

As we reflect on the accomplishments of 2024, we are excited to share the highlights of our activities and the impact they have had on our Membership.

#### **i. Social Affairs Sub-Committee:**

A formal justification was presented to the Board of Directors for their consideration regarding a proposed increase in the ticket price for the Children's Christmas Party. The ticket price was proposed to be increased from \$100.00 to \$150.00 due to ongoing inflationary pressures and a significant rise in the costs of goods and services associated with organizing the event.

The Sub-Committee overseeing this initiative is tasked with managing RHAND's flagship event, 'The Children's Christmas Party', which takes place in both Trinidad and Tobago. Despite facing several challenges, both events in the respective locations were ultimately successful and well-received by the Membership. The increase in ticket price is deemed essential to ensure the continued quality and sustainability of this beloved annual event.

#### **ii. Education Assistance Sub-Committee:**

The Sub-Committee is dedicated to the distribution of Scholarships specifically aimed at supporting two distinct age groups of children,



providing a total of thirty (30) scholarships at the Secondary Education Assessment (SEA) level, alongside three (3) May Cherrie Awards designed for students transitioning into Primary School. The details of these awards are outlined below:

**a. Secondary Education Assessment (SEA) Awards:** The SEA Awards are allocated based on two criteria:

1. *Merit (Academic Performance):* This year, eighteen (18) scholarships were awarded to students who excelled academically, marking an increase of six (6) scholarships compared to the previous year. This enhancement reflects our commitment to recognizing and encouraging academic excellence among students.
2. *Merit and Need (Academic Performance and Financial Need):* In addition to merit-based scholarships, twelve (12) awards were granted this year to students who demonstrated both commendable academic performance and financial need. This represents an increase of two (2) scholarships from the prior year, highlighting our initiative to support those in greater need.

*Increased Grant Amount:* The financial assistance for each S.E.A Awardee has been raised from seven hundred dollars (\$700.00) to one thousand dollars (\$1,000.00) per academic year. This increase aims to alleviate some of the financial burdens faced by scholarship recipients and ensure they can focus on their studies.

**b. May Cherrie Awards:** The May Cherrie Awards were granted to three (3) deserving students. This year, the grant amount for these awards has seen an increase from five hundred dollars (\$500.00) to seven hundred dollars (\$700.00) for each recipient per academic year. This change is intended to better support students who are making their initial educational transitions.

**c. Counselling Services:** In addition to the scholarship awards, counselling sessions were provided to three (3) students identified as needing additional support due to a noticeable decline in their academic standards. These sessions aim to address their challenges and help them regain their footing in their studies, ensuring they receive the necessary guidance and resources to succeed.

Overall, these initiatives represent the Sub-Committee's ongoing commitment to fostering academic achievement and providing essential support to students at critical stages of their educational journeys.

### iii. Membership Skills Development Sub-Committee:

This Sub-Committee is dedicated to the continuous improvement and enhancement of education and skills development opportunities for both its members and the wider public. In the recent reporting period, we successfully offered several specialised skills development programs aimed at equipping participants with essential knowledge and practical skills.

The programmes were as follows:

1. **Personal Safety:** This programme was designed to empower individuals with essential safety skills and awareness to enhance their personal safety knowledge.
2. **Corporate Governance:** Aimed at professionals aiming to understand best practices in governance and compliance.
3. **Basic Makeup:** This creative workshop focused on fundamental makeup techniques and tips for participants who were keen to learn about beauty skills.
4. **Introduction to Demystifying Artificial Intelligence:** Debiting in 2024, this new offering aimed to clarify complex concepts surrounding artificial intelligence, making them accessible to all.
5. **Intermediate Sewing:** Tailored for individuals with a basic understanding of sewing, this programme catered to participants who wished to refine their sewing skills and explore intermediate techniques.
6. **Financial Forum – “Bigger Pockets: The Social Shift – Redefining Work:** This engaging, two-hour forum attracted impressive participants, highlighting the community’s strong interest in financial literacy and discussions about the evolving nature of work in today’s society.
7. **Defensive Driving:** A crucial programme focused on enhancing road safety awareness and skills, this course attracted participants who were committed to becoming safer drivers.

These initiatives underscore our dedication to fostering a robust culture of continuous learning and professional development within the community. By equipping individuals with critical competencies, we facilitate enhancements in both their personal growth and career ultimately driving greater collective efficacy.

### iv. Youth Sub-Committee:

Activities undertaken by this Sub-Committee were as follows:

- On Sunday, September 15th, 2024, an informative training session was held for the Sub-Committee Members, focusing on critical areas such as the structure of International Credit Unions, established protocols and procedures within credit unions, effective public speaking techniques, and proposal writing skills. This comprehensive training took place at the scenic Emporis Resort, providing an ideal environment for learning and collaboration among members.
- Following the training, a meaningful initiative was launched on Saturday, October 26th, 2024, as part of the International Beach/Coastal Clean-Up Campaign. Volunteers gathered at the foreshore in Cocorite, Trinidad. This community effort aimed to enhance the natural beauty of the beach while promoting environmental stewardship among participants.
- In celebration of International Credit Union Day, youth members actively participated in the festivities by engaging with the community at three strategic locations, our POS, Arima and Tobago branches. They were tasked with distributing tokens to credit union members, fostering a spirit of appreciation and connection among the membership.
- The spirit of giving continued with the volunteer support provided at the Children's Christmas Party held in Tobago on Sunday, December 1st, 2024, at Shaw Park, as well as a similar event in Trinidad on Sunday, December 8th, 2024, at Queens Park Savannah. These joyful gatherings brought holiday cheer and shared experiences to local children, creating lasting memories.
- In a gesture of goodwill, a charity presentation was made on Saturday, December 14th, 2024, to Jairah Raffa House, a children's home situated in D'Abadie. The generous contribution, valued at \$1,200.00 in grocery vouchers, aimed to support the ongoing needs of the residents, ensuring that the children had access to essential supplies during the festive season.

#### 4.0 OTHER ACTIVITIES OF THE EDUCATION COMMITTEE

The Committee was also engaged in the following activities:

- An orientation session for Board and Statutory Committee Members, facilitated by Mr. Jerome Chambers of the Co-operative Credit Union League of Trinidad and Tobago



**BRIAN BERNARD CAESAR**  
Chairperson



**LINDA RENAUD - MEDFORD**  
Secretary

# REPORT OF THE CREDIT COMMITTEE

## 1.0 INTRODUCTION

**1.1** For the fiscal year ended December 31, 2024, the Credit Committee is pleased to report on its statutory role as outlined in Regulation 34 of the Co-operative Societies Act and Section 23 (a) of the Bye-laws of the Society, that is, the Supervision of Credit.

## 2.0 COMPOSITION OF THE CREDIT COMMITTEE

**1.2** At the 76th Annual General Meeting held on Saturday 20th April 2024 the following members were elected to serve on the Credit Committee.

- Ms. Carolyn Byer: *Member*
- Mr. Tesfa Watson: *Member*
- Ms. Keisha Martin: *Member*
- Mrs. Shelé Johnson-Edwards: *1st Substitute*
- Mr. Craig Forbes-Warner: *2nd Substitute*

**2.2** At the first meeting of the Credit Committee held on 22nd April 2024, Ms. Inesha Clauzel and Ms. Carolyn Byer were elected

as Chairperson and Secretary, respectively.

**2.3** The full Committee for the 2024/2025 Term comprised the following members:

- Ms. Inesha Clauzel: *Chairperson*
- Ms. Carolyn Byer: *Secretary*
- Ms. Stacy Monroe-Frank: *Member*
- Mr. Tesfa Watson: *Member*
- Ms. Keisha Martin: *Member*
- Mrs. Shelé Johnson-Edwards: *1st Substitute*
- Mr. Craig Forbes-Warner: *2nd Substitute*

**2.4** The term of office of the following members of the Credit Committee ends at this 77th Annual General Meeting:

- Ms. Stacy Monroe-Frank
- Ms. Inesha Clauzel

## 3.0 ATTENDANCE AT MEETINGS

**3.1** The members of the Credit Committee attended ninety-seven (97) Regular Meetings and five (5) joint Management Committee Meetings. The attendance of members of the Credit Committee at Meetings is detailed at Table C1.





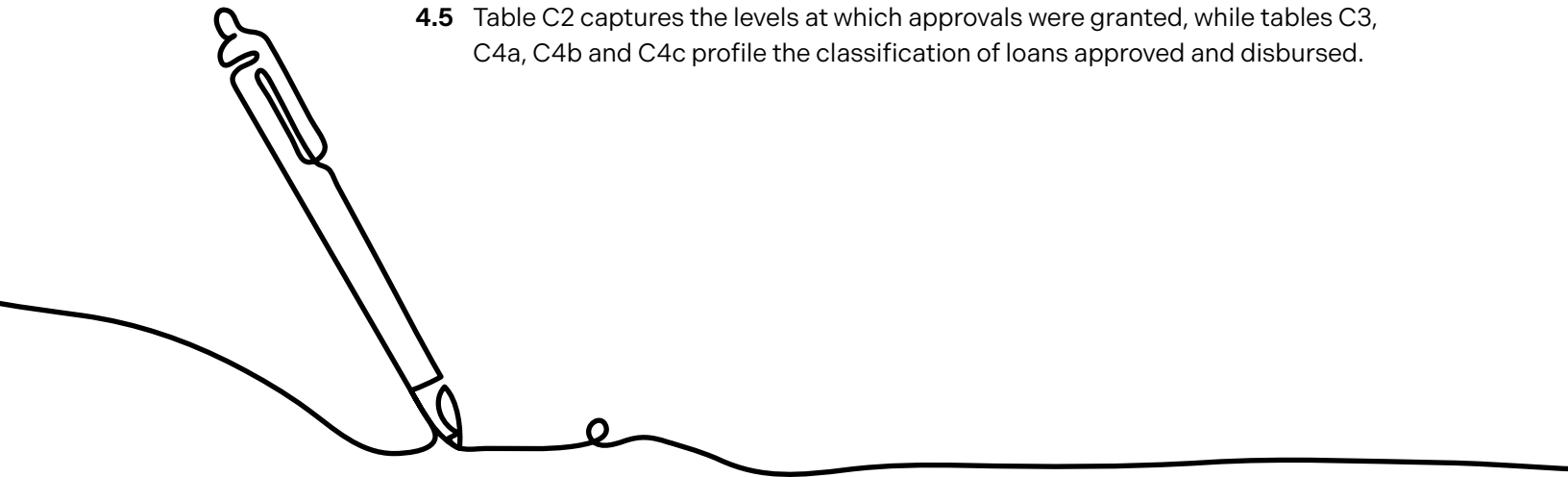


TABLE C1: ATTENDANCE AT CREDIT COMMITTEE MEETINGS

Member	Regular			Special			Remarks
	P	Ex	A	P	Ex	A	
Inesha Clauzel	87	10		5			
Carolyn Byer	94	3		4	1		Elected Full Member at the 2024 AGM
Stacy Monroe-Frank	77	20		3	2		
Tesfa Watson	87	10		1	4		Elected Full Member at the 2024 AGM
Keisha Martin	67	1					Elected Full Member at the 2024 AGM
Shelé Johnson-Edwards	59	9					Elected 1 <sup>st</sup> Substitute at the 2024 AGM
Craig Forbes-Warner	59	9					Elected 2 <sup>nd</sup> Substitute at the 2024 AGM

4.0 CREDIT SUPERVISION

- 4.1 The Credit Committee processed one hundred and fifty-nine (159) loan applications.
- 4.2 Three (3) of the said loan applications required authorization by the Board of Directors as the loans were not fully secured.
- 4.3 Thirty-seven (37) of said loans required the recommendation of the Internal Risk Review Committee (IRRC) and were approved by the Credit Committee.
- 4.4 For the fiscal year, other approving agents namely: *General Manager; Credit Manager; Branch Manager, Tobago; Branch Manager, Arima; Supervisor II; Credit Officer Tobago; Supervisor I; Senior Clerk - Lending; and Clerk – Lending*, approved three thousand five hundred and four (3504) loan applications.
- When added to the loan applications approved by the Credit Committee, the total loans granted in 2024 were Three thousand six hundred and sixty-three (3663).
- 4.5 Table C2 captures the levels at which approvals were granted, while tables C3, C4a, C4b and C4c profile the classification of loans approved and disbursed.



**TABLE C2: APPROVING AUTHORITY FOR LOANS GRANTED**

<b>Loan Approved By</b>	<b># of loans</b>	<b>% of Loans</b>	<b>Approved Limits (\$)</b>
Credit Committee	159	4.34	1,000,000.00
General Manager	37	1.01	500,000.00
Credit Manager	908	24.79	500,000.00
Manager - Tobago	391	10.67	200,000.00
Manager - Arima	490	13.38	200,000.00
Senior Supervisor	301	8.22	200,000.00
Clerk 11 Tobago	68	1.86	75,000.00
Supervisor I	342	9.34	100,000.00
Senior Clerk- Lending	967	26.40	75,000.00
Clerk- Lending	0		50,000.00
<b>Total</b>	<b>3663</b>	<b>100.00</b>	

**TABLE C3: PARTICULARS OF ALL LOANS APPROVED AND DISBURSED BY CREDIT UNION**

<b>Loan Category</b>	<b>2024</b>		<b>2023</b>		<b>YOY Difference (%)</b>
	<b>Number of Loans</b>	<b>Cash in Hand (\$)</b>	<b>Number of Loans</b>	<b>Cash in Hand (\$)</b>	
Consumer Expenses	2799	91,839,443.81	3050	106,515,323.06	-14
Debt Consolidation	195	18,849,954.78	291	28,400,361.34	-34
Education and Training Financing	23	823,909.11	33	1,214,418.01	-32
Home Improvement	525	28,937,348.44	681	37,973,768.10	-24
Investment in Financial Assets	3	39,148.86	5	227,354.73	-83
Medical Expenses Financing	21	625,492.54	40	1,527,907.67	-59
Motor Vehicle Financing	44	7,325,938.40	35	5,558,112.96	32
Real Estate Financing	51	25,404,634.77	35	21,047,440.48	21
SME and Other Entrepreneurial Ventures	2	68,623.24	29	468,199.61	-85
<b>Total</b>	<b>3,663</b>	<b>173,914,493.95</b>	<b>4199</b>	<b>202,932,885.96</b>	<b>-14</b>

**TABLE C4A: PARTICULARS OF LOANS DISBURSED BY THE TOBAGO BRANCH OFFICE**

<b>Loan Category</b>	<b>2024</b>		<b>2023</b>		<b>YOY Difference</b>	
	<b>Number of Loans</b>	<b>Cash in Hand (\$)</b>	<b>Number of Loans</b>	<b>Cash in Hand (\$)</b>	<b>Number of Loans</b>	<b>Cash in Hand (\$)</b>
Consumer Expenses	641	32,049,577.84	447	16,242,657.00	194	15,806,920.84
Debt Consolidation	9	489,451.65	141	16,267,487.00	-132	-15,778,035.35
Education and Training Financing	0	-	48	2,075,880.00	-48	-2,075,880.00
Home Improvement	27	965,095.78	155	11,270,832.00	-128	-10,305,736.22
Investment In Financial Assets	2	24,148.86	19	1,435,322.00	-17	-1,411,173.14
Medical Expenses Financing	2	19,537.38	18	1,250,870.00	-16	-1,231,332.62
Motor Vehicle Financing	8	659,795.46	36	4,988,418.00	-28	-4,328,622.54
Real Estate Financing	12	6,480,056.00	5	383,940.00	7	6,096,116.00
SME And Other Entrepreneurial Ventures	1	47,153.69	0	-	1	47,153.69
<b>Total</b>	<b>702</b>	<b>40,734,816.66</b>	<b>869</b>	<b>53,915,406.00</b>	<b>-167</b>	<b>-13180589.34</b>



**TABLE C4B: PARTICULARS OF LOANS DISBURSED BY ARIMA BRANCH OFFICE**

Loan Category	2024		2023		YOY Difference	
	Number of Loans	Cash in Hand (\$)	Number of Loans	Cash in Hand (\$)	Number of Loans	Cash in Hand (\$)
Consumer Expenses	816	20,054,193.41	686	12,681,314.00	130	7,372,879.41
Debt Consolidation	158	14,918,790.83	230	22,752,492.00	-72	(7,833,701.17)
Education and Training Financing	2	89,656.13	50	676,803.00	-48	(587,146.87)
Home Improvement	314	17,205,043.50	385	24,178,997.00	-71	(6,973,953.50)
Investments in Financial Assets	0	-	1	36,000.00	-1	(36,000.00)
Medical Expenses Financing	1	40,000.00	44	618,785.00	-43	(578,785.00)
Motor Vehicle Financing	9	1,119,576.26	35	3,132,336.00	-26	(2,012,759.74)
Real Estate Financing	3	2,080,963.91	4	1,337,000.00	-1	743,963.91
SME and Other Entrepreneurial Ventures	0	-	17	955,563.00	-17	\$ (955,563.00)
<b>Total</b>	<b>1303</b>	<b>55,508,224.04</b>	<b>1462</b>	<b>66,369,292.00</b>	<b>-159</b>	<b>(10,861,067.96)</b>

**TABLE C4C: PARTICULARS OF LOANS DISBURSED BY SAN FERNANDO BRANCH OFFICE**

Loan Category	2024	
	Number of Loans	Cash in Hand (\$)
Consumer Expenses	5	157,056.88
Debt Consolidation	1	150,000.00
<b>Total</b>	<b>6</b>	<b>307,056.88</b>

## 5.0 LOAN PAYMENT DEFERRALS

**5.1** There were six (6) applications for deferral of payments processed by the Credit Committee for the period ending December 31st, 2024.

## 6.0 DELINQUENCY

**6.1** For the financial year ending December 31st 2024, there were five hundred and sixty (560) delinquent loans, with a value of \$34,733,350 on the books of the Society, resulting in a total delinquency ratio of 6.90% (Non-Performing at 5.05%). Underperforming loans, that is loans > 31 – 89 days arrears, accounted for 2.17% of the total loans portfolio and 30% of the delinquent loans. Non-performing loans, that is >90 days of arrears, accounted for the remaining 2.88% of delinquent loans on the books of the Society.

## 7.0 ADMINISTRATION OF LOAN PROTECTION BENEFITS

The Credit Committee advised the Board of Directors on the settlement of thirty-eight (38) Death Benefit Claims with a dollar value of one million, three hundred and six thousand, nine hundred and sixty-two dollars and three cents (\$1,306,962.03), along with one disability claim in the sum of one hundred thousand dollars (\$100,000).



## **8.0 SHARE SAVINGS WITHDRAWAL APPLICATIONS**

The Credit Committee processed six hundred and sixty-four (664) share savings withdrawal applications for the period ending December 31st, 2024. Four hundred and eighty-three (483) applications with a dollar value of one million five hundred and seventy-two thousand, eight hundred and twenty-seven dollars and eighty-nine cents (\$1,572,827.89) were approved. One hundred and eighty-one (181) share savings withdrawal applications with a dollar value seven hundred and ninety-seven thousand six hundred and sixty-one dollars and seventy-seven cents (\$797,661.77) were denied. When compared to last year (2023), there was a 46% increase in request for share savings withdrawals. This increase was attributed to agreed dividends allocation of 70% to shares and 30% to deposits which was voted upon at the last AGM. Many members indicated they were not in agreement and as such exercised their rights to withdrawal of their dividends earned. The Committee noted an increase in requests commencing immediately after the AGM held in April 2024. Eighty-six (86) applications were received in April and one hundred and sixty-seven (167) applications in May 2024. A total of two hundred and fifty-three (253) applications within two months, which accounted for 38% of all the applications received or the year ending December 31st, 2024.

## **9.0 MONITORING OF FILES**

**9.1** The Credit Committee monitored Fifty-three (53) files in keeping with the loan policies set out by the Board of Directors.

## **10.0 TRAINING**

**10.1** During the period under review, members of the Credit Committee also participated in the following training workshops:

- Understanding Financial Statements Workshop hosted by CCULTT
- Loan Delinquency hosted by CCULTT
- The Annual AML/CFT Training Session
- The Annual BOD and Statutory Committee Training Session
- Office 365/ Juice Training (in-house training)
- Changing the roles of the Credit Committee hosted by CCULTT
- Pearls and Camel Monitoring Tools Workshop hosted by CCULTT
- 24th CCULTT Leadership Conference held in Cancun Mexico
- 48th Caribbean Credit Union Development Education Programme (CaribDE) Leadership Training



## 11.0 CONCLUDING REMARKS

- 11.1** Whilst the committee saw a decrease in share withdrawal requests in 2023 compared to previous years, there was a notable increase in applications for the year ending 31st December 2024, as stated this was as a result of dividends allocated for the 2023 period. The committee however continued to educate our members on the importance of maintaining adequate share balances and the need to utilize their deposit accounts for funds required for any emergencies, thereby increasing dividends earning power. Recommendations was also made to the heads of Credit Administration and Member Relations to ensure employees present and explore loan options to members before any applications for share withdrawals are considered.
- 11.2** Although the Society recorded reduction in loans granted for the 2024 period compared to 2023, we expect to see an increase for the upcoming year with recently approved amendments to the Credit Policy. The reduced rates on RORO vehicles and mortgages will allow the Society to better compete with other financial institutions and provides the membership with more options. Also, the approved increase in loan term limits for branch managers and for credit supervisors I and II should yield positive results for both the membership and the Society. These amendments continue to make the society stronger and sustainable in the ever-increasing competitive market.
- 11.2** The Credit Committee expresses their heartfelt thanks to our members for the opportunity to serve you. We also thank the Board of Directors, the Statutory and Board-Appointed Committees, the General Manager and his Management Team and Staff for their unwavering support. It has indeed been a pleasure working with you and for the benefit of all members.



**INESHA CLAUZEL**

Chairperson



**CAROLYN BYER**

Secretary

# REPORT OF THE SUPERVISORY COMMITTEE

## 1.0 INTRODUCTION

Greetings to the Membership of RHAND Credit Union. It is with great honour and pride that the Supervisory Committee submits to you our report for the Fiscal Year of 1st January 2024 to 31st December 2024.

The work undertaken during the period was in keeping with the Bye Laws of the Credit Union, which mandates the Supervisory Committee as the Internal Auditors of the Society. This was to ensure compliance with policies, procedures and laws governing this prestigious and noble Society are preserved.

Additionally, our reports capture; findings and provide recommendations which seek to continuously improve weaknesses and increase adequacy, efficiency and effectiveness, so that our RHAND Credit Union remains the model Credit Union throughout the Country and by extension the Region.

## 2.0 COMPOSITION OF THE SUPERVISORY COMMITTEE

At the 76th Annual General Meeting held on 20th April 2024, the following members were elected to serve on the Supervisory Committee:

- Ms. Erica Charles
- Ms. Michelle Burris
- Ms. Sparkle Inniss

Ms. Renatta Moore-Dindyal and Mr. Davy Gerard Rajah were elected as 1st and 2nd Substitutes, respectively.

In accordance with Bye Law 24(c)(iii), the Inaugural meeting of the Committee was held on 24th April 2024. Ms. Claudette Brown and Ms. Erica Charles were elected in the positions of Chairperson and Secretary, respectively.

Further, in accordance with Bye Law 24(c)(i), the five (5) members who comprise the Supervisory Committee for the 2024/2025 term were as follows:

- Ms. Claudette Brown:  
*Chairperson*



- Ms. Erica Charles: *Secretary*
- Rev. Dr. Mary Lou Edmund-Marcano: *Member*
- Ms. Michelle Burris: *Member*
- Ms. Sparkle Inniss: *Member*

At this 77th Annual General Meeting of 2025, the term of office for the following members comes to an end:

- Ms. Claudette Brown
- Rev. Dr. Mary Lou Edmund-Marcano.

3.0 THE AUTHORITY OF THE SUPERVISORY COMMITTEE

Bye Law 24 (a) states that the Supervisory Committee is the Statutory Internal Auditors of the Credit Union and as such, have the following powers and duties:

- Make an examination of the affairs of the Society, including an examination of its books, at least semi-annually and, if the Committee thinks it necessary, make a report of its findings to the Commissioner for Co-operative Development.
- Make an annual report of its audit and submit same to the Annual General Meeting of the members.
- Attest (at least one (1) member) the monthly statement prepared by the General Manager of the Society.

4.0 MEETINGS AND ATTENDANCES

4.1 Regular and Special Meetings

The Supervisory Committee held nine (9) Statutory and three (3) Special meetings as of the time of reporting.

A record of attendance is as follows:

TABLE XX: ATTENDANCE AT SUPERVISORY COMMITTEE MEETINGS

Name of Member	Regular				Special				Remarks
	P	V	Ex	Ab	P	V	Ex	Ab	
Claudette Brown	9	-	-	-	2	-	1	-	End of Term of Office as a full Member
Erica Charles	9	-	-	-	2	-	1	-	Elected as a Member at the 2024 AGM
Mary Lou Edmund-Marcano	9	-	-	-	3	-	-	-	End of Term of Office as a full Member
Michelle Burris	9	-	-	-	3	-	-	-	Elected as a Member at the 2024 AGM
Sparkle Inniss	9	-	-	-	3	-	-	-	Elected as a Member at the 2024 AGM
Renatta Moore-Dindyal	9	-	-	-	3	-	-	-	End of Term of Office as 1st Substitute
Davy Gerard Rajah	8	-	1	-	3	-	-	-	End of Term of Office as 2nd Substitute

## 4.2 MACRO COMMITTEE MEETINGS

The Supervisory Committee was invited to Macro Committee Meetings called by the Board of Directors to discuss the following:

- Consideration of the 2024 Budget Proposal and Implementation Plan.
- Education Committee Action Plan and Budget Presentation.
- The granting and approval of loans to Statutory Members.
- Consideration of the 2025 Budget Projections for RHAND.

## 4.3 Other Meetings

Members of the Supervisory Committee participated in the work of the Board Appointed AGM Planning Committee. These meetings were for collaboration and information sharing which redounded to the benefit of RHAND.

## 5.0 WORK PROGRAMME OF THE COMMITTEE FOR THE PERIOD JANUARY, 2024 TO DECEMBER 2024.

For the period under review the following key areas of the operations of the Credit Union were examined and reports and recommendations were submitted to the Board of Directors:

- Attestation of monthly Financial Statements
- Credit Administration Review
- Conduct of Cash Counts
- Review of Anti-Money Laundering/Counter Financing of Terrorism and Counter Proliferation Financing (AML/CFT/CPF) Compliance
- Review of Branch Operations
- Review of Delinquency Portfolio
- Review of Education Committee Activities
- Review of Human Resource Practices
- Review of Minutes of Meetings of the Board of Directors
- Review of existing Policies
- Review of Verbatim Notes of the 2024 Annual General Meeting (AGM)

## 6.0 OBSERVATIONS ON AREAS OF EXAMINATION

### 6.1 Examination of Financial Records and Attestation of Monthly Statements

The monthly records and supporting documents were examined by the Committee to ensure that a reliable basis existed for the preparation of the Financial Statements.

In this regard, the Committee looked at the recommendations of the Internal Auditor Reports and the External Auditor's Management Letter



and sought consultations with the General Manager and Manager of Finance to ascertain the plan of action to address the cited recommendations.

Considering the above the Committee is of the opinion that the books and records form a reliable basis for the preparation of the Financial Statements.

## **6.2 Credit Administration Review**

Audits were conducted on the Loan Portfolio during the period under review to ensure that:

- There was adherence to the Co-operative Societies Act and its supporting Regulations, RHAND's Bye Laws and the Credit Administration Policy Manual.
- Securities held for Mortgage Loans were valid and adequate, as well as collateral and other prerequisites were in place for other categories of loans.

### **Methodology**

A random sample of approved loans were selected for auditing in accordance with the provisions of Bye Law 24(b) and the Programme of Work of the Supervisory Committee.

### **Observation**

The approved audited loans were found to be granted in adherence with the provision of the Co-operative Societies Act and Regulations, RHAND's Bye Laws,

and the Credit Administration Policy Manual. The audits conducted were satisfactory and recommendations made were brought to management's attention.

## **6.3 Conduct of Cash Counts**

Surprise and Statutory Cash counts were conducted at Head Office, Tobago and Arima Branch Offices on 26th and 29th July as well as 31st December, 2024 respectively. No excesses or shortages of cash were observed in the conduct of the exercises.

## **6.4 Review of Anti-Money Laundering/Counter Financing of Terrorism and Counter Proliferation Financing (AML/CFT/CPF) Compliance**

The "Anti-Money Laundering (AML)/Counter Financing of Terrorism (CFT) and Counter Proliferation Financing (CPF)" Compliance Audit for the period January 2024 to December 2024 focused on compliance with the Financial Intelligence Unit of Trinidad and Tobago's (FIUTT) rules and regulations as it relates to the implementation of measures to mitigate risks associated with AML/CFT/CPF. RHAND has ensured that appropriate measures are in place to protect its members' financial interests.

## **6.5 Review of Branch Operations**

An Audit examination was undertaken of the Loan Portfolio, Management of Cash and General



Operations at the Port of Spain, Arima and Tobago branch offices respectively for the financial year which ended on 31st December 2024.

The audit was conducted in keeping with the general provision of Bye Law 24(b) and the Programme of Work for the Supervisory Committee. The objective was to ensure adherence to the Bye Laws, Co-operative Societies Act 22 of 1971, approved policies and procedures, as well as to ensure compliance with internal controls and standard operating procedures.

The Committee confirms compliance with the stipulated policies, procedures and established operational protocols at the above branches during this review period.

Heartfelt thanks are extended to the Managers of these branches for their cooperation during the conduct of these audits.

#### **6.6 Review of Delinquency Portfolio**

Audits conducted on the delinquency portfolio were done to determine the success of implemented measures in reducing the number of non-performing loans.

As of 31st December, 2024 there were 560 non-performing loans with a value of \$34,733,350.00 on the books of RHAND Credit Union. This represents a

Delinquency Ratio of 6.90%, which is still above the PEARLS Ratio of 5% but is an improvement on last year's ratio. The corresponding period of 2023 showed a figure of 572 non-performing loans with a value of \$40,965,317.00 and a delinquency ratio of 8.08%

Commendations to the Manager of Credit Administration and his Staff regarding this achievement and may they continue to work diligently to reduce this portfolio to the acceptable PEARLS Standards. The Committee will continue to monitor this portfolio.

#### **6.7 Review of Education Committee Activities**

Section 21 (a) of the Bye Laws of RHAND Credit Union states the role of the Education Committee is as follows:

"This Committee shall be in charge of publicity and education and shall supply strategic support to the Board of Directors in achieving the objectives of the Society..."

The Education Committee has fixed events which they undertake each year. Additionally, an action plan for the period 2024-2025 was established to assist with the social needs of the membership. These events contribute positively to members by aiding, educating and fostering unity amongst the society. Some main events facilitated and achieved successfully by the Education Committee were as follows:

- SEA & May Cherrie Awards Ceremony
- Youth Strategic Training Retreat
- Credit Union Day Activities
- Bigger Pockets: The Social Shift
- Recycling Initiative
- RHAND's Annual Children's Christmas Party

## **6.8 Review of Human Resource Practices**

A follow-up review was undertaken in the areas previously examined to ascertain whether the recommendations with the necessary remedial action found were adhered to. A sample of employee files was selected and reviewed.

Observations were brought to the attention of the Manager. The Committee, in the conduct of its work, will continue monitoring this area.

## **6.9 Review of Minutes of Meetings of the Board of Directors**

A review of the minutes of the Meetings of the Board of Directors was conducted by the Committee. The main objective of the review was to ensure that decisions implemented were in accordance with the Co-operative Societies Act and Byelaws of RHAND Credit Union.

## **6.10 Review of Policies**

### **• Occupational Safety & Health (OSH) Policy**

The Supervisory Committee confirms that the systems and procedures governing the Occupational Safety and Health Policy were reviewed, and our findings indicate that its stated objectives as well as roles and responsibilities were clearly defined. The policy is strategically hinged to the Trinidad and Tobago Occupational Safety and Health (OSH) Act of 2004.

RHAND's Board of Directors and Management must be highly commended for the demonstration of due diligence in their commitment to employees and general membership by ensuring that measures are in place to ensure their safety as well as compliance with the Occupational Safety and Health laws of Republic of Trinidad and Tobago.

### **• Credit Card Policy**

An audit of the Personal Credit Card Policy was undertaken, and transactions covering the period highlighted were examined, accounted for and found to be attributed to the business of RHAND. This audit



confirms that the approved listing of users as per the policy were the users of the card during the period under review.

The Supervisory Committee is satisfied with the Credit Card Policy of RHAND and commends the Board of Directors and Management for the existence of this policy. The activation and utilization of established controls within this policy is in keeping with both global financial standards as well as the use of up-to-date payment instruments.

#### **6.11 Review of Verbatim Notes of the 2024 Annual General Meeting (AGM)**

A review of RHAND's Credit Union Cooperative Society Limited 76th Annual General Meeting's verbatim notes was undertaken. It revealed several concerns raised by the membership during the presentation of the various reports. However, the membership was particularly concerned with the management of delinquency.

These concerns were addressed by the General Manager who outlined the vigorous approach to be undertaken, and the strong mandate given to the operational team to deal with the reduction of delinquency within the year.

The Committee recommended that concerns raised by the membership be taken into consideration by the Board of Directors to remain accountable and transparent to the owners of the Credit Union.

### **7.0 TRAINING**

Members of the Supervisory Committee participated in several training and workshop exercises, which emphasized their statutory responsibilities on the Committee. These training exercises also allowed members to become aware of current trends and activities occurring in the Financial Services Sector. Listed hereunder are the training and workshops exercises which were undertaken by the Committee:

1. Training in Office 365, Flex and other related matters hosted by RHAND's ICT Department
2. The Annual Anti-Money Laundering/Countering Financing of Terrorism/Counter Proliferation Financing (AML/CFT/CPF) Training
3. Understanding Financial Statements hosted by the Co-operative Credit Union League of Trinidad and Tobago (CCULTT)
4. Loan Assessment hosted by CCULTT
5. 24th CCULTT Leadership Conference held in Cancun Mexico
6. The Annual Board and Committees Training Session
7. IFRS9 Awareness workshop hosted by CCULTT
8. The Fundamentals of Taxation Workshop hosted by CCULTT

9. PEARLS and Camels Monitoring Tools hosted by CCULTT
10. ICT Annual Security Awareness Training and Cyber Campaign
11. Educational Training Programme hosted by Tobago Regional Chapter of CCULTT
12. 48th Caribbean Credit Union Development Education Programme (CaribDE) Leadership Training

The Committee wishes to thank the Board of Directors for their focus on continuous training and development, which serves as a catalyst for the achievement of the objectives outlined, over the medium to long term, in the Strategic Plan.

## 9.0 APPRECIATION

The members of the Supervisory Committee wish to express our sincerest gratitude to the membership for entrusting us with the responsibility to serve within the past year.

We extend our appreciation for giving us the opportunity to review the operations of the Credit Union. We are extremely grateful to the Almighty for the ability to work together and allowing us to meet our objectives.

We sincerely wish to thank our Board of Directors, Credit Committee, Management and members of staff for supporting us throughout the term. The combination of efforts and facilitation ensured that RHAND Credit Union achieved its vision of building futures and honouring traditions.

May God continue to grant us the grace as we continue to work to achieve the goals and objectives of RHAND in 2025 and beyond.

Respectfully submitted,

Ms. Claudette Brown: *Chairperson*

Ms. Erica Charles: *Secretary*

Rev. Dr. Mary Lou Edmund-Marcano: *Member*

Ms. Michelle Burris: *Member*

Ms. Sparkle Inniss: *Member*

Ms. Renatta Moore-Dindyal: *1st Substitute*

Mr. Davy Gerard Rajah: *2nd Substitute*



**MS. CLAUDETTE BROWN**  
*Chairperson*



**MS. ERICA CHARLES**  
*Secretary*

# REPORT OF THE NOMINATIONS COMMITTEE

## 1.0 NOMINATIONS COMMITTEE

This Nominations Committee ("the NC") was appointed by the Board of Directors and executed its functions in accordance with section 17 of the Bye Laws of RHAND Credit Union Cooperative Society Limited ("RHAND"). The inaugural meeting of the NC was held on July 30th, 2024 where the Chairperson and members elected the Secretary. The members of the NC are:

- i. Ms. Jeneece Isaac: *Chairperson*
- ii. Ms. Eleanor Wells: *Secretary*
- iii. Ms. Avelon Perry: *Member*
- iv. Ms. Mary A. Placide: *Member*
- v. Mr. Victor Kirton: *Member*

In executing our mandate, the NC operated with strict confidentiality, transparency and diligence to ensure that the members nominated for election to the Board of Directors and Statutory Committees at the 77th Annual General Meeting (AGM) are suitably qualified and well presented to the membership. The

key activities of the NC, detailed below, were to:

- a. Solicit nominations from membership;
- b. Screen nominees for eligibility; and
- c. Prepare nominees for presentation at AGM.

## 2.0 SOLICITATION OF NOMINATIONS

The NC was advised of the vacancies and outgoing Officers from the Board of Directors, Credit, and Supervisory Committees (Table 1). The term of all substitutes on the Board of Directors and Statutory Committees will also expire. To ensure adequate nominees were obtained, the nominations notice was posted in daily newspapers, at all offices of RHAND, on the Credit Union's social media pages, as well as via electronic communications to members. The nomination campaign commenced on November 11th, 2024. Members were invited to submit completed nomination packages, which included guidelines for completion, by January 3rd, 2025.







**TABLE 1 – OUTGOING OFFICERS AND VACANCIES**

Committee	Board of Director	Credit Committee	Supervisory Committee
Names of Outgoing Officers	Charlene Davidson*	Inesha Clauzel	Claudette Brown
	Kristed Herbert	Stacy Monroe-Frank	Mary Lou Edmund-
	Martin Minguell		Marcano
	Sherwin Williams		

\*Officer at the conclusion of their second term in office and not eligible for election at this AGM

At meetings held on January 7th and 10th, 2025 nomination packages submitted via email and the nomination boxes posted, at the offices of RHAND were opened. A total of forty (40) nomination packages were received. A representative of RHAND's Internal Audit department and a representative of the Supervisory Committee witnessed the opening and emptying of nomination boxes and verified the number of nominations received.

**3.0 SCREENING OF NOMINEES**

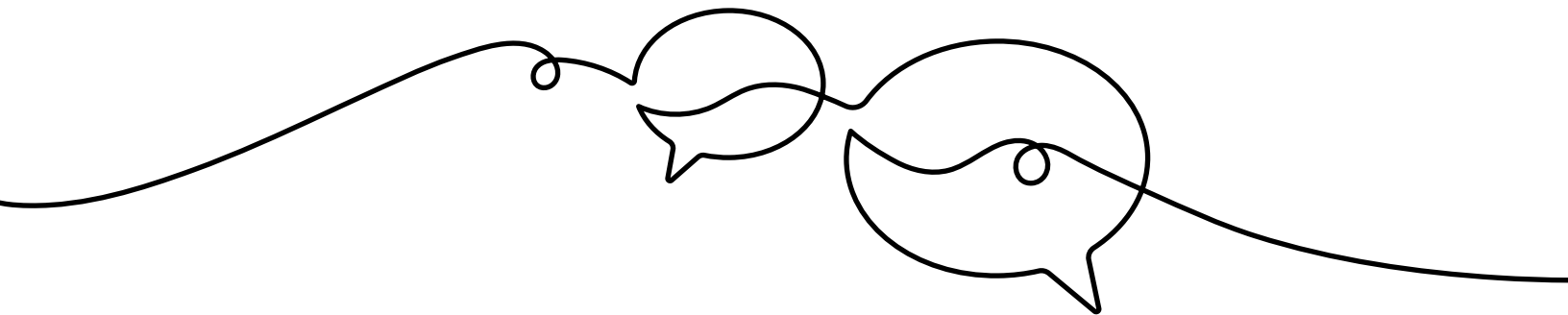
The NC reviewed the nomination packages received to ensure they were accurately completed and that nominees met the criteria outlined in the Bye Laws of RHAND (sections 23(c), 24(d), 25(a)). The review found that eight (8) nominee applications did not meet the required criteria, as detailed below:

- i. Five (5) nominations did not include a proposer and/or seconder.
- ii. Two (2) nominees submitted duplicate nomination packages for the same Committee. However, the nominees met all other criteria.
- iii. One (1) nomination was unsigned by the nominee.

After this initial review, a request via the Board of Directors for checks to be conducted on thirty-two (32) nominees confirmed that all members nominated were in good standing (section 25(a)(ii) of the Bye Laws).

**4.0 PREPARATION OF NOMINEES FOR PRESENTATION AT THE AGM**

After screening the nomination packages, nominees were invited to participate in an interview, attend an orientation session, record a video



message, pose for a professional portrait photo and submit a profile for presentation at the AGM.

Firstly, as is the practice, nominees were invited to meet either in person or virtually (for nominees based in Tobago) for the NC to ascertain their interests, understand their motivation for service, and respond to concerns. These interviews were conducted from January 20th – 31st, 2025. Twenty-nine (29) of the then thirty-two (32) nominees eligible for election presented themselves to be interviewed. After these interviews, two (2) nominees withdrew their nominations for personal reasons and one (1) nominee was disqualified for not including a valid proposer and seconder.

Secondly, nominees were given the opportunity to record a forty second video presentation and have their portrait taken to accompany personal details that will inform members during the election process.

Lastly, an orientation session was conducted on March 8th, 2025 to familiarise nominees with the roles and functions of the Committees, the culture of RHAND, as well as an opportunity to network with fellow candidates. Twenty-six (26) nominees benefitted from this exercise, inclusive of the two (2) nominees from Tobago.

Table 2 below is a summary of the twenty-nine (29) nominees being presented, showing the breakdown of nominations by Statutory Committee.

<b>Statutory Committee</b>	<b>Nominations Received</b>	<b>Nominations rejected /disqualified</b>	<b>Nominations withdrawn</b>	<b>Nominees eligible for election</b>
Board of Directors	14	3	1	10
Credit Committee	11	3	1	7
Supervisory Committee	15	3	0	12
<b>Total</b>	<b>40</b>	<b>9</b>	<b>2</b>	<b>29</b>

At the end of the process, the twenty-nine (29) nominees listed at Table 3 below were screened and have been deemed suitably qualified for election at the 77th AGM.

**TABLE 3 – NAME OF NOMINEES BEFORE THE 77TH AGM**

<b>Board of Directors</b>	<b>Credit Committee</b>	<b>Supervisory Committee</b>
1. Brinnelle Kelly-Simmons	1. Akil Sterling	1. Claudette Brown
2. Cheryl Ann Bruce Metivier	2. Andrew Best	2. Jillian Bedeau-Callender
3. David Maynard	3. Inesha Clauzel	3. Kimilye Blake
4. Davy Gerard Rajah	4. Kabrina Morris-Jack	4. Kirk Pantin
5. Kristed J Herbert	5. Patrice Joy King	5. Kwame Hannibal
6. Marisha Alexander	6. Rawlins Paul	6. Mary-Lou Edmund Marcano
7. Martin Anthony Minguell	7. Shele Johnson-Edwards	7. Nadine Ellis
8. Shalene Suchit-Dwarika		8. Oriyomi Eastman
9. Sherwin David Williams		9. Pabitrie Ali
10. Zwade Smith		10. Renatta Moore-Dindyal
		11. Shaunelle Chinapoo
		12. Timothy Pariag

The NC thanks the Board of Directors and the membership for the opportunity to serve for this term and offers sincere wishes and good fortune to all nominees. Heartfelt thanks are also extended to management and staff for their cooperation and efficiency that facilitated the work of this Committee.

Cooperatively,



**MS. JENECE ISAAC**  
Chairperson



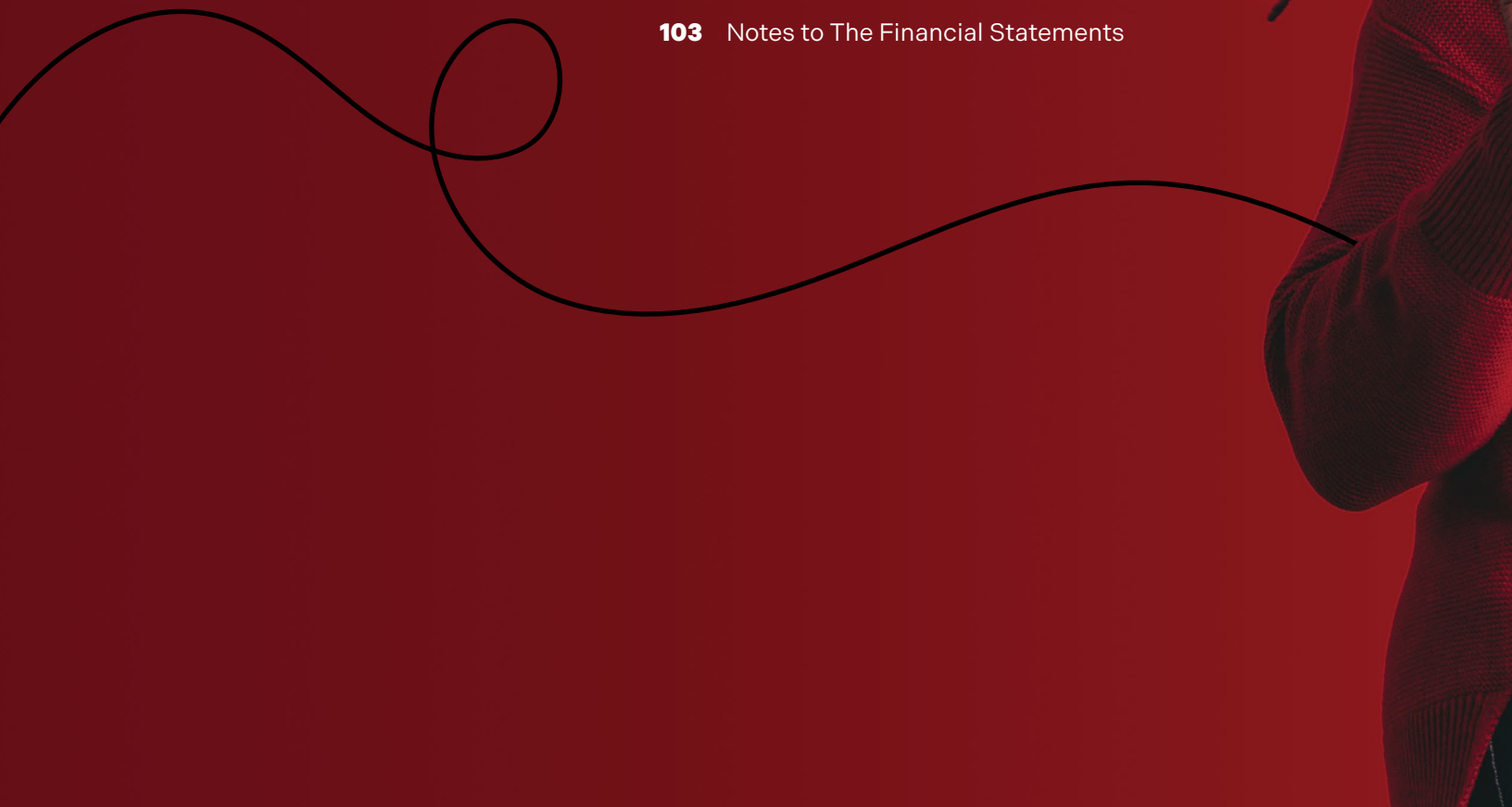
**MS. ELEANOR WELLS**  
Secretary





# AUDITED FINANCIAL STATEMENTS CONTENTS

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# STATEMENT OF MANAGEMENT'S RESPONSIBILITY

As at December 31, 2024  
*(Expressed in Trinidad and  
Tobago Dollars)*





Management is responsible for the following:

Preparing and fairly presenting the accompanying financial statements of RHAND Credit Union Co-operative Society Limited (the "Credit Union") which comprise the statement of financial position as at December 31, 2024, the statement of comprehensive income, the statement of changes in members' equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

Ensuring that the Credit Union 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 the security of the Credit Union's assets, detection/prevention of fraud, and the achievement of the Credit Union's operational efficiencies;

Ensuring that the system of internal control operated effectively during the reporting period;

Producing reliable financial reporting that comply with laws and regulations; and

Using reasonable and prudent judgement in the determination of estimates.

In preparing these financial statements, management utilised 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 Credit Union will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying financial statements have been authorised for issue, if later.

Management affirms that it has carried out its responsibilities as outlined above.



**AINSLEY ANDREWS**

*General Manager*

11th March, 2025



**LISTER PUCKERIN**

*Manager, Finance*

11th March, 2025



# INDEPENDENT AUDITOR'S REPORT

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





## OPINION

We have audited the financial statements of RHAND Credit Union Co-operative Society Limited (the "Credit Union"), which comprise the statement of financial position as at December 31, 2024, and the statement of comprehensive income, statement of changes in members' equity, statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Credit Union as at December 31, 2024, and of its financial performance and its cash flows for the year then ended in accordance with Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

## 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Credit Union in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") and we have fulfilled our ethical responsibilities in accordance 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 IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

## 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 auditor's 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism 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 Credit Union'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 Credit Union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Credit Union 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.

**BDO**

Port of Spain,  
Trinidad, West Indies



# STATEMENT OF FINANCIAL POSITION

As at December 31, 2024  
*(Expressed in Trinidad and  
Tobago Dollars)*





	Notes	2024 (\$)	2023 (\$)
<b>Assets</b>			
Cash and cash equivalents	7	49,231,773	50,885,627
Investment securities	8	222,935,022	209,085,267
Accounts receivable and prepayments	9	5,594,217	6,731,149
Net loans to members	10	488,124,468	492,009,088
Property and equipment	11	50,606,864	48,757,944
<b>Total Assets</b>		<b>816,492,344</b>	<b>807,469,075</b>
<b>Members' Equity And Liabilities</b>			
<b>Members' Equity</b>			
Reserve fund		44,190,692	41,351,325
Education fund		3,823,376	4,282,360
Loan protection fund	14	5,236,139	4,339,586
Building fund		17,500,000	17,500,000
Investment re-measurement reserve		14,688,450	20,002,233
Undivided earnings		56,232,159	50,179,893
<b>Total Members' Equity</b>		<b>141,670,816</b>	<b>137,655,397</b>
<b>Liabilities</b>			
Accounts payable and accruals	12	14,847,591	16,511,454
Members' deposit savings		90,630,697	90,024,576
Members' time deposits		74,845,734	79,735,155
Members' share savings	13	494,497,506	483,542,493
<b>Total Liabilities</b>		<b>674,821,528</b>	<b>669,813,678</b>
<b>Total Members' Equity And Liabilities</b>		<b>816,492,344</b>	<b>807,469,075</b>

The accompanying notes form an integral part of these financial statements. On 11th March 2025, the Board of Directors of RHAND Credit Union Co-operative Society Limited authorised these financial statements for issue.



President



Treasurer



Chairperson,  
Supervisory Committee



# STATEMENT OF COMPREHENSIVE INCOME

As at December 31, 2024  
*(Expressed in Trinidad and  
Tobago Dollars)*





	Notes	2024	2023
<b>Income</b>			
Loan Interest income calculated using the effective interest rate method		50,019,742	48,492,549
Investment securities interest income calculated using the effective interest rate method		7,546,409	6,404,329
Unrealised gain on investment securities at FVTPL		3,951,156	4,252,569
Realized gain on investment securities		-	2,650,134
Other income	18	2,165,452	2,814,437
<b>Total income</b>		<b>63,682,759</b>	<b>64,614,018</b>
<b>Expenditure</b>			
Administrative expenses	19	(12,565,946)	(10,553,036)
Board and committees' expenses	20	(1,940,854)	(1,440,290)
Life savings insurance expense		(394,756)	(594,932)
Loan protection expense	14	(1,796,819)	(1,007,807)
Expected credit loss expense - loans to members	10	(163,033)	(3,715,591)
Expected credit loss expense - investment securities		105,798	(255,819)
Interest on members' deposits		(2,094,497)	(2,129,181)
Member education, training, and development expenses		(1,805,670)	(1,284,760)
Salaries and staff benefits	21	(15,505,959)	(15,060,903)
Green fund levy		(190,634)	(174,395)
Realised loss on investment securities at FVTPL		(396,672)	-
<b>Total expenditure</b>		<b>(36,749,042)</b>	<b>(36,216,714)</b>
<b>Net surplus for the year</b>		<b>26,933,717</b>	<b>28,397,304</b>
Other comprehensive income			
Items that may be reclassified to profit or loss			
Unrealised loss on investment securities at FVOCI	22	(5,313,783)	(5,934,258)
<b>Total other comprehensive loss</b>		<b>(5,313,783)</b>	<b>(5,934,258)</b>
<b>Total comprehensive income for the year</b>		<b>21,619,934</b>	<b>22,463,046</b>

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

# STATEMENT OF CHANGES IN MEMBERS EQUITY

As at December 31, 2024  
*(Expressed in Trinidad and  
Tobago Dollars)*





	Reserve Fund (\$)	Education Fund (\$)	Loan Protection Fund (\$)	Building Fund (\$)	Investment Re-measurement Reserve (\$)	Undivided Earnings (\$)	Total (\$)
<b>Year ended December 31, 2024</b>							
Balance as at January 1, 2024	41,351,325	4,282,360	4,339,586	17,500,000	20,002,233	50,179,893	137,655,397
<b>Total comprehensive income for the year</b>	-	-	-	-	<b>(5,313,783)</b>	<b>26,933,717</b>	<b>21,619,934</b>
Appropriations for the year:							
- 10% to the Reserve Fund	2,693,372	-	-	-	-	(2,693,372)	-
- 5% to the Education Fund	-	1,346,686	-	-	-	(1,346,686)	-
- 10% to the Loan Protection Fund	-	-	2,693,372	-	-	(2,693,372)	-
	<b>44,044,697</b>	<b>5,629,046</b>	<b>7,032,958</b>	<b>17,500,000</b>	<b>14,688,450</b>	<b>70,380,180</b>	<b>159,275,331</b>
Dividends and patronage refund	-	-	-	-	-	(17,604,515)	(17,604,515)
Entrance fees	145,995	-	-	-	-	(145,995)	-
Member education, training and development expenses	-	(1,805,670)	-	-	-	1,805,670	-
Loan protection expense	-	-	(1,796,819)	-	-	1,796,819	-
<b>Balance as at December 31, 2024</b>	<b>44,190,692</b>	<b>3,823,376</b>	<b>5,236,139</b>	<b>17,500,000</b>	<b>14,688,450</b>	<b>56,232,159</b>	<b>141,670,816</b>
<b>Year ended December 31, 2023</b>							
Balance as at January 1, 2023	38,340,179	4,147,256	2,507,663	17,500,000	25,936,491	39,123,297	127,554,886
<b>Total comprehensive income for the year</b>	-	-	-	-	<b>(5,934,258)</b>	<b>28,397,304</b>	<b>22,463,046</b>
Appropriations for the year:							
- 10% to the Reserve Fund	2,839,731	-	-	-	-	(2,839,731)	-
- 5% to the Education Fund	-	1,419,864	-	-	-	(1,419,864)	-
- 10% to the Loan Protection Fund	-	-	2,839,730	-	-	(2,839,730)	-
	<b>41,179,910</b>	<b>5,567,120</b>	<b>5,347,393</b>	<b>17,500,000</b>	<b>20,002,233</b>	<b>60,421,276</b>	<b>150,017,932</b>
Dividends and patronage refund	-	-	-	-	-	(12,362,535)	(12,362,535)
Entrance fees	171,415	-	-	-	-	(171,415)	-
Member education, training and development expenses	-	(1,284,760)	-	-	-	1,284,760	-
Loan protection expense	-	-	(1,007,807)	-	-	1,007,807	-
<b>Balance as at December 31, 2023</b>	<b>41,351,325</b>	<b>4,282,360</b>	<b>4,339,586</b>	<b>17,500,000</b>	<b>20,002,233</b>	<b>50,179,893</b>	<b>137,655,397</b>

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

# STATEMENT OF CASH FLOWS

As at December 31, 2024  
*(Expressed in Trinidad and  
Tobago Dollars)*



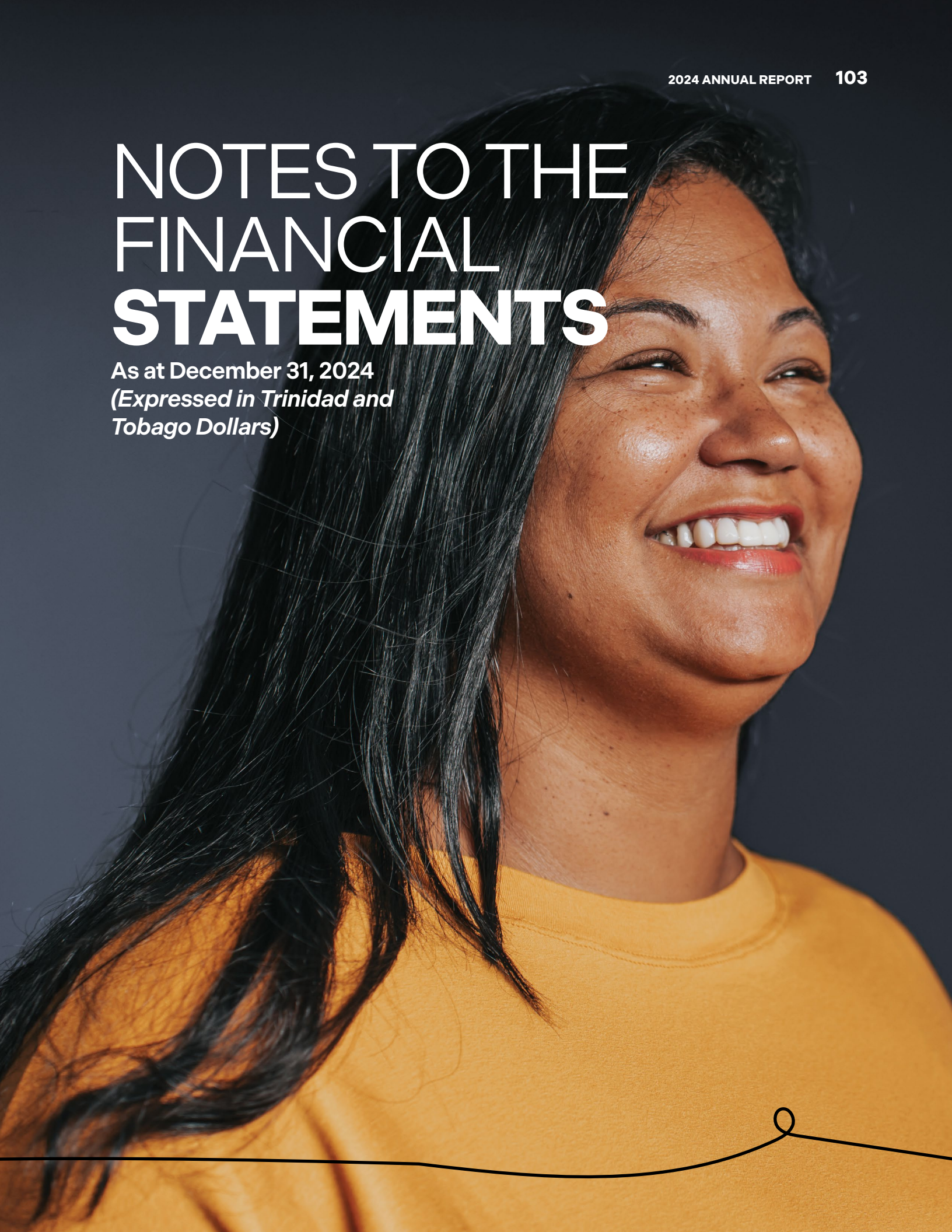
	2024 (\$)	2023 (\$)
<b>Cash flows from operating activities</b>		
Net surplus for the year	26,933,717	28,397,304
Adjustments for non-cash items:		
Depreciation	1,016,103	1,145,435
Expected credit loss adjustment on loans to members	163,033	3,715,591
Expected credit loss adjustment on investment securities	(105,798)	255,819
Loss/(gain) on disposal/write-off of property and equipment	7,146	(337,077)
Realized loss/(gain) on investment securities	396,672	(2,650,134)
Unrealised gain on investment securities at FVTPL	(3,951,156)	(4,252,569)
<b>Operating cash flow before changes in operating assets and liabilities</b>	<b>24,459,718</b>	<b>26,274,369</b>
Decrease/(increase) in accounts receivable and prepayments	1,136,932	(153,835)
Decrease/(increase) in net loans to members	3,721,587	(36,258,679)
(Decrease)/increase in accounts payable and accruals	(1,663,863)	888,701
<b>Net cash provided by/(used in) operating activities</b>	<b>27,654,373</b>	<b>(9,249,444)</b>
Cash flows from investing activities		
Proceeds from disposal of property and equipment	60,773	11,331,414
Purchase of property and equipment	(2,932,942)	(669,842)
Net proceeds from sale or maturity of investments (net of purchases of investments)	(15,503,256)	11,121,594
<b>Net cash (used in)/provided by investing activities</b>	<b>(18,375,425)</b>	<b>21,783,166</b>
Cash flows from financing activities		
Increase in members' deposit savings	606,121	3,486,407
Decrease in members' time deposits	(4,889,421)	(618,999)
Increase in members' share savings	10,955,013	15,559,078
Dividends and patronage refund distribution	(17,604,515)	(12,362,535)
<b>Net cash (used in)/provided by financing activities</b>	<b>(10,932,802)</b>	<b>6,063,951</b>
(Decrease)/increase in cash and cash equivalents	(1,653,854)	18,597,673
Cash and cash equivalents, beginning of year	50,885,627	32,287,954
<b>Cash and cash equivalents, end of year</b>	<b>49,231,773</b>	<b>50,885,627</b>

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



# NOTES TO THE FINANCIAL STATEMENTS

As at December 31, 2024  
*(Expressed in Trinidad and  
Tobago Dollars)*





## **1.0 INCORPORATION AND BUSINESS ACTIVITIES**

RHAND Credit Union Co-operative Society Limited (the “Society” or “Credit Union”) was registered under the Co-operative Societies Act of Trinidad and Tobago Ch: 81:03 on March 27, 1947. The registered office of the Credit Union is located at 57-61 Abercromby Street, Port of Spain, with branch operations in Arima, San Fernando and Scarborough, Tobago. Its objectives are to promote the economic and social welfare of its members, to encourage the spirit and practice of thrift, self-help and co-operation among members and to promote the development of co-operative ideas.

## **2.0 BASIS OF ACCOUNTING**

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and are stated in Trinidad and Tobago dollars. These financial statements are stated on a historical cost basis, except for the measurement at fair value of investments securities and certain other financial instruments.

## **3.0 USE OF JUDGEMENTS AND ESTIMATES**

The preparation of the financial statements in conformity with IFRS 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.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in Note 6.

## **4.0 USE OF JUDGEMENTS AND ESTIMATES**

### **a. Property and equipment**

Property and equipment are stated at historical cost less accumulated depreciation. Depreciation is provided using both the reducing balance method and the straight-line method. Land is not depreciated.

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

Car park	10%	Straight line
Building	2%	Straight line
Furniture, fixtures and fittings	10%	Reducing balance
Office equipment	20%	Reducing balance
Telephone equipment	33 $\frac{1}{3}$ %	Reducing balance
Other equipment	12 $\frac{1}{2}$ %, 33 $\frac{1}{3}$ %	Reducing balance
Motor vehicles	25%	Reducing balance
Computers	20%	Reducing balance

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.

## **b. Financial instruments**

Financial instruments carried on the statement of financial position include cash and cash equivalents, investment securities, loans to members, accounts receivable, accounts payable, members' deposit savings, members' time deposits and members' share savings. The standard treatment for recognition, derecognition, classification and measurement of financial instruments is described in notes (i) – (iv) below.

### **i. Recognition and initial measurement**

The Society initially recognises financial instruments on the date on which they are originated.

A financial asset or financial liability is measured initially at fair value less transaction costs. However, for an item not measured at Fair Value through Profit or Loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue are included in the carrying value initially recognised.

### **ii. Classification**

The Society classifies all of its financial assets based on the business model for managing the asset and the asset's contractual terms, measured at either:

- Amortised cost
- Fair Value through Other Comprehensive Income (“FVOCI”)
- FVTPL

The Society only measures cash and cash equivalents and loans to members and other financial investments at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold the financial asset in order to collect contractual cash flows;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. The details of these conditions are outlined below.

#### **Business model assessment**

The Society determines its business model at the level that best reflects how the Society manages its financial assets to achieve its business objective.

The Society’s business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported by the Society’s key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed;
- The expected frequency, value and timing of sales are also important aspects of the Society’s assessment.

The business model assessment is based on reasonably expected scenarios without taking ‘worst case’ or ‘stress case’ scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Society’s original expectations, the Society does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.



### The SPPI test

As the second step of its classification process, the Society assesses the contractual terms of financial instruments to identify whether they meet the SPPI test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount). The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Credit Union applies judgement and considers relevant factors such as the currency in which the financial asset is denominated and the period for which the interest rate is set. In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

### Financial assets or financial liabilities held for trading

The Society classifies financial assets or financial liabilities as held for trading when they have been purchased or issued primarily for short-term profit-making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is evidence of a recent pattern of short-term profit-taking. Held-for-trading assets and liabilities are recorded and measured in the statement of financial position at fair value. Changes in fair value are recognised in the statement of comprehensive income. Interest and dividend income or expense are recorded in the statement of comprehensive income according to the terms of the contract, or when the right to payment has been established.

### iii. Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Society has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Society measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Society uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Society determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Society measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The Society recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

#### **iv. Impairment**

The Society recognises loss allowances for Expected Credit Loss ("ECL") on the following financial instruments that are not measured at FVTPL:

- financial assets that are debt instruments;
- financial guarantee contracts issued; and
- loan commitments issued.

No impairment loss is recognised on equity investments.

The Society measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- debt investment securities that are determined to have low credit risk at the reporting date; and
- other financial instruments on which credit risk has not increased significantly since their initial recognition.

### Measurement of ECL

ECL is a probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Society expects to receive);
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;
- undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Society if the commitment is drawn down and the cash flows that the Society expects to receive.

### Restructured financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised (see (iv)) and ECL is measured as follows.

- If the expected restructuring will not result in the derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected restructuring will result in the derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is

included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

### **Credit-impaired financial assets**

At each reporting date, the Society assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are creditimpaired. A financial asset is 'creditimpaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- the significant financial difficulty of the borrower or issuer;
- a breach of contracts such as a default or past due event;
- the restructuring of a loan or advance by the Society on terms that the Society would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

### **Presentation of allowance for ECL in the statement of financial**

Loss allowances for ECL are presented in the statement of financial position as follows:

- financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- loan commitments: generally, as a provision;
- where a financial instrument includes both a drawn and an undrawn component, and the Society cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Society presents a combined loss allowance for both components. The



combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision, and

- debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the investment remeasurement reserve.

### **Write-off**

Loans and debt securities are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Society determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

Recoveries of amounts previously written off are included in 'impairment losses on financial instruments' in the statement of comprehensive income.

Financial assets that are written off could still be subject to enforcement activities in order to comply with the Society's procedures for recovery of amounts due.

### **c. Dividends payable to members**

Dividends are computed on the basis of the average value of shares held throughout the year, the average being determined on the basis of the value of shares held at the end of each month. Dividends are recognised when declared.

### **d. Foreign currency**

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

**e. Taxation**

The profits arising from the Society are exempt from income tax, as per the Corporation Tax Act section 6 (1) (d). The Society pays Green Fund Levy at 0.3% of its gross receipts.

**f. Cash and cash equivalents**

Cash and cash equivalents are short-term, highly liquid investments readily convertible to known amounts of cash and subject to insignificant risks of change in value. These are shown at cost, which is equivalent to fair value.

Cash and cash equivalents also comprise cash balances that are payable on demand and deposits with maturities of three months or less from the date of acquisition. Bank overdrafts are disclosed as current liabilities.

**g. Members' deposit savings and time deposits**

Members' deposits are initially measured at fair value, net of any transaction costs directly attributable to the issuance of the instrument. Members' deposits are subsequently measured at amortised cost, using the effective interest rate method.

**h. Members' shares**

Upon opening an account at the Society, new members are required to subscribe for a minimum of one share. Subsequently, every member subscribes at least twelve shares per annum to his/her share capital in the Society. Members can withdraw all or any portion of their unencumbered shares from the Society at any time.

Members' shares are classified as other financial liabilities under the International Accounting Standard (IAS) 32 Financial Instruments: Disclosure and Presentation and are measured at par value.

**i. Accounts payable and accruals**

Liabilities for creditors and other payables are classified as accounts payable and accruals and initially measured at fair value net of any transaction costs directly attributable to the issuance of the instrument and subsequently carried at amortised cost using the effective interest rate method.

**j. Funds and reserves**

Included within this financial statement caption are the following funds and reserves:

**i. Reserve Fund**

In accordance with the Act (Section 47(2)) and Bye-Law 58 of the Society, at least 10% of the net surplus of each year is transferred to the Reserve Fund. The reserve fund is indivisible, and no member is entitled to any specific share thereof.

Under Regulation 47 of the Co-operative Society Act 1971, the Reserve Fund of a Society may, with the approval of the Commissioner, be applied to meet bad debts or losses sustained through extraordinary circumstances over which the Society has no control.

**ii. Education Fund**

In accordance with Bye-law 12 (A) (v.) of the Credit Union, an amount of 5% of the net surplus for the year, is transferred to the education fund. This fund is to be used for educational purposes.

**iii. Loan Protection Fund**

The Loan Protection Fund provides loan protection coverage for members, which allows the loan balance, up to a maximum of \$100,000, to be liquidated in the event of the death of the member before his/her indebtedness to the Credit Union has been repaid.

**iv. Building Fund**

The building fund was established for the construction and or expansion of the Society's offices, in accordance with Bye-law 12 (A) (v.) of the Credit Union. No amounts were transferred during the year ended December 31, 2024 and 2023.

**v. Investment measurement reserve**

The Society created an investment measurement reserve to include unrealised gain/losses on investments recorded as fair value through other comprehensive income.

**k. Revenue recognition**

Revenue comprises interest on loans to members, which is computed on the effective interest rate method, as well as income from investments.

The interest charged on loans to members is calculated at rates varying between 0.41% and 1.39% per month on the reducing balance and is recognised on the accrual basis net of provisions for expected credit losses.

All other income is recognised on an accrual basis.

**l. New, revised and amended standards and interpretations not yet effective**

**i. New and amended standards adopted by the Society**

The Society adopted the following new Standard and amendments with a transition date of January 1, 2024. There were no significant changes made to these financial statements resulting from the adoption of this new standard/amendment

- The IFRS Interpretations Committee issued an agenda decision in June 2020 – Sale and leaseback with Variable Payments. The Amendments provide a requirement for the seller-lessee to determine ‘lease payments’ or ‘revised lease payments’ in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee.
- The IASB issued amendments to IAS 1 - Classification of Liabilities as Current or Non-current in January 2020, which have been further amended partially by amendments Non-current Liabilities with Covenants issued in October 2022. The amendments require that an entity’s right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement for at least twelve months after the reporting period.
- Subsequent to the release of amendments to IAS 1 Classification of Liabilities as Current or Non-Current, the IASB amended IAS 1 further in October 2022. If an entity’s right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists



at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period. The amendments also provide clarification on the meaning of 'settlement' for the purpose of classifying a liability as current or non-current.

- On May 25, 2023, the IASB issued Supplier Finance Arrangements, which amended IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures (the Amendments). The Amendments require entities to provide certain specific disclosures (qualitative and quantitative) related to supplier finance arrangements. The Amendments also provide guidance on characteristics of supplier finance arrangements.

## **ii. New standards, amendments and interpretations issued but not 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 Society intends to apply these standards from application date as indicated in the note below.

- On August 15, 2023, the IASB issued Lack of Exchangeability which amended IAS 21 The Effects of Changes in Foreign Exchange Rates (the Amendments). The Amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not. The Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. The amendments are effective for annual reporting periods beginning on or after January 1, 2025.
- In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments. The Amendments modify the following requirements in IFRS 9 and IFRS 7:
  - Derecognition of financial liabilities settled through electronic transfers.
  - Elements of interest in a basic lending arrangement (the solely payments of principal and interest assessment – 'SPPI test')

- Contractual terms that change the timing or amount of contractual cash flows
- Financial assets with non-recourse features
- Investments in contractually linked instruments
- Disclosures in investments in equity instruments designated at fair value through other comprehensive income and contractual terms that could change the timing or amount of contractual cash flows.

The Amendments may significantly affect how entities account for the derecognition of financial liabilities and how financial assets are classified.

The Amendments permit an entity to early adopt only the amendments related to the classification of financial assets and the related disclosures and apply the remaining amendments later. The amendments are effective for annual reporting periods beginning on or after January 1, 2025.

- On December 18, 2024, the IASB issued amendments to improve the reporting by companies of the financial effects of nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs). Nature-dependent electricity contracts assist companies to secure their electricity supply from wind and solar power sources. Since the amount of electricity generated under these contracts may vary based on uncontrollable factors related to weather conditions, current accounting requirements may not adequately capture how these contracts affect a company's performance. In response, the IASB has made targeted amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to improve the disclosure of these contracts in the financial statements. The amendments include clarifying the application of the 'own-use' requirements; permitting hedge accounting if these contracts are used as hedging instruments; and adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

These amendments are effective for annual reporting periods beginning on or after January 1, 2026. Early application of the amendments is permitted.

- IFRS 18 Presentation and Disclosure in Financial Statements replaces IAS 1 Presentation of Financial

Statements and is mandatorily effective for annual reporting periods beginning on or after January 1, 2027.

IFRS 18, which was published by the IASB on April 9, 2024, sets out significant new requirements for how financial statements are presented, with particular focus on:

- The statement of profit or loss, including requirements for mandatory sub-totals to be presented. IFRS 18 introduces requirements for items of income and expense to be classified into one of five categories in the statement of profit or loss. This classification results in certain sub-totals being presented, such as the sum of all items of income and expense in the operating category comprising the new mandatory 'operating profit or loss' sub-total.
- Aggregation and disaggregation of information, including the introduction of overall principles for how information should be aggregated and disaggregated in financial statements.
- Disclosures related to management-defined performance measures (MPMs), which are measures of financial performance based on a total or sub-total required by IFRS Accounting Standards with adjustments made (e.g. 'adjusted profit or loss'). Entities will be required to disclose MPMs in the financial statements with disclosures, including reconciliations of MPMs to the nearest total or sub-total calculated in accordance with IFRS Accounting Standards.

The aim of the IASB in publishing IFRS 18 is to improve comparability and transparency of companies' performance reporting. IFRS 18 has also resulted in narrow changes to the statement of cash flows.

- On May 9, 2024, the International Accounting Standards Board (IASB) issued IFRS 19 Subsidiaries without Public Accountability: Disclosures, which permits eligible subsidiaries to provide reduced disclosures while applying the recognition, measurement and presentation requirements in IFRS Accounting Standards.

The eligibility criteria for an entity to apply IFRS 19 are the entity is a subsidiary (as defined in Appendix A of IFRS 10 Consolidated Financial Statements); the entity does not

have public accountability; and the entity has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards. An entity has public accountability if its debt or equity instruments are traded in a public market, or it is in the process of issuing such instruments for trading in a public market; or it holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses.

An entity is permitted to elect to apply IFRS 19 more than once. An entity that has elected to apply IFRS 19 may later revoke that election.

IFRS 19 is effective for annual reporting periods beginning on or after January 1, 2027.

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.

## **5.0 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 the financial instruments that it holds. The risk management policies employed by the Society to manage these risks are discussed below:

**a. Interest rate risk**

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

The Society is exposed to interest rate risk through the effect of fluctuations in the prevailing levels of interest rates on interest-bearing financial assets and liabilities, including investments in bonds, loans, customer deposits and other funding instruments.



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

**i. Investment securities**

The Society invests mainly in medium-term bonds consisting of fixed-rate instruments. The market values of the fixed-rate bonds are not very sensitive to changes in interest rates. The market values of the floating rate bonds are sensitive to changes in interest rates. The longer the maturity of the bonds, the greater is the sensitivity to changes in interest rates. Because these assets are not traded, any changes in market values will not impact the statement of comprehensive income.

**ii. Loans to members**

The Society generally invests in fixed-rate loans for terms not exceeding five years, however, the Society has a significant mortgage loan portfolio with terms ranging from 6 to 30 years. All loans are funded mainly from members' deposits and shares.

**b. Credit risk**

Credit exposures arise principally in lending activities that lead to loans. Credit risk relates to the failure by counterparties to discharge their obligations and could reduce the amount of future cash inflows from financial assets on hand at the statement of financial position date. All lending activities are conducted with various counterparties and it is in pursuing these activities that the Society becomes exposed to credit risk.

It is expected that this area of business will continue to be the principal one for the Society in the future and with loans currently comprising a significant portion of the Society's assets and being responsible for a substantial portion of the revenue generated, it is anticipated that the Society will continue to be exposed to credit risk well into the future. The management of credit risk is therefore of utmost importance to the Society and an appropriate organizational structure has been put in place to ensure that this function is effectively discharged; management therefore carefully manages its exposure to credit risk. Exposure to credit risk is managed through appropriate credit policies, procedures, practices and audit functions, together with approved limits. Exposure is also managed by obtaining tangible collateral.


**i. Credit risk management**

In its management of credit risks, the Society has established an organizational structure that supports its lending philosophy. This structure comprises the Board of Directors, the Credit Committee, the Internal Risk Review Committee (IRRC), the General Manager, the Credit Administration Department, the Internal Audit Department, and the Supervisory Committee. The Board of Directors maintains general oversight to ensure that policies and procedures are consistent with the strategic direction and credit philosophy of the Society and that they serve to bring the required level of protection over assets that are exposed to credit risks. The Board also sanctions amendments to credit policies, the delegation of lending authority to senior management and credit requests exceeding the authority of management.

The Credit Committee, the statutory body appointed by the membership to approve loans and to provide oversight of the loan portfolio, has delegated authority for specific areas to the General Manager, with an appropriate reporting system, to facilitate day to day decision making and timely implementation of decisions. The IRRC reviews all credit requests exceeding the authority of the General Manager. The major focus of the Manager, Credit Administration Department is to formulate credit policies, monitor compliance with them and on a continuous basis to assess their relevance to the changing business environment. Most of these policies and procedures are established and communicated through the Society's written Credit Policy Manual and Credit Procedures & Guidelines Manual. These documents set out in detail the current policies governing the lending function and provide a comprehensive framework for prudent risk management of the credit function. Major areas of focus are general credit criteria and control risk mitigants over the Credit Portfolio among others. The Internal Audit Department monitors the effectiveness of credit procedures and policies and may recommend changes to strategies to improve the effectiveness of policies.

**ii. Credit risk measurement**

As part of the on-going process of prudent risk management, the Society's policy is to perform Credit Bureau credit checks at the time of approval in addition to a pre-set ranking (Credit Classification System). The ranking is guided by a model



developed for the Society for this purpose. The model utilizes a scale incorporating a rating of 0 to 15 with 0 being too new to rate. These have been consolidated into five (5) rating bands which have been set in relation to the total credit portfolio. The rating process is exercised at the discretion of the Delinquency Control Unit of the Credit Administration Department.

### iii. Credit classification system

The Society's Credit Classification System is outlined as follows:

Classification	Description	Rating
Pass	Standard/Pass	1, 2, 3
SM	Special mention	0, 4, 5, 6, 12
SS	Substandard	7, 8, 13, 14
D	Doubtful	9, 10
L	Loss	11, 15

### iv. Risk limit control and mitigation policy

The Society structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower. The Society monitors its concentration of credit exposure so that no single borrower default will have a material impact on the Society. These limits are implemented and monitored by the Manager, Credit Administration via the stipulations of the Society's Credit Policy Manual. In instances where it is strategically beneficial and adequately documented, the Society would seek approval on an exception basis for the variation to its standard approved limits from the Board of Directors.

#### Collateral

The principal collateral types for loans and advances are:

- Cash deposits;
- Cash equivalents such as cash surrender values of life insurance policies and shares listed on the TTSE;
- Mortgage Bills of Sale over motor vehicles; and
- Mortgages over residential properties.

The Society does not take a second or inferior collateral

position to any other lender on advances outside the lending value calculated as per the Society's stipulated guidelines. The Society recognizes that the value of items held as collateral may diminish over time resulting in loans being less protected than initially intended. To mitigate the effect of this, margins are applied to security items in evaluating coverage. The Society assesses the collateral value of credits at the point of inception and monitors the market value of collateral during periodic review of loan accounts in arrears as per the Credit Policy.

#### **v. Impairment and provisioning policies**

The Society's impairment policy is covered in detail in Note 4(b).

The Society's impairment provisioning model was developed using a multi-criteria decision-making model for determining Expected Credit Loss. The data used to develop this model are based on records and data of the Society backed by economic and financial estimates based on management's experience and professional judgment.

The model calculates an unbiased and probability-weighted estimation of Expected Credit Loss utilizing the following approach:

$$\text{Expected Credit Losses (ECL)} = \text{EAD} \times \text{LGD} \times \text{PD}$$

Where,

- EAD – Exposure at Default
- LDG - Loss Given Default
- PD – Probability of Default

The model utilized the following inputs:

1. The paper from the World Council of Credit Unions (WOCCU) on IFRS 9 Loan Loss Accounting for Cooperative Financial Institutions;
2. Expert judgment - As provided by the internal (and MBA qualified) IFRS 9 Project team comprising the General Manager (former Credit Manager), Finance Manager, the Senior Supervisor in charge of delinquency management and the Acting Senior ICT Administrator.



3. The implementation of IFRS 9 impairment requirements by banks, detailed by the Global Public Policy Committee of representatives of the six largest accounting networks (GPPC).

### Exposure at Default (EAD)

The Exposure at Default is the principal amount that is estimated to be at risk of non-recoverability at default. This is reflective of the carrying value of the asset adjusted for the expected changes in the exposure after the reporting date. These changes are influenced by various factors given that each loan type has unique features and equally unique credit exposures. The Society's Exposure at Default (EAD) factors these variables by firstly stratifying the portfolio of assets by type.

In assessing the Society's loan portfolio it was determined that all loans fall into three broad categories/ types based on the interest rate, contractual period, collateral, and purpose. These types are:

- *Instalment* - for which loans are typically partially secured by the assignment and typically experience reducing exposures over the life of the loan.
- *Motor Vehicles* - for which loans are typically fully secured by the assignment and typically remain with coverage at par or with small exposures over the life of the loan.
- *Real Property (Mortgages)* - for which loans are typically fully secured by the assignment and typically remain with a buffer of coverage during the life of the loan.

### *Adjusting for value of member shares held*

The Society's standing policy on loans requires the drawdown on shareholdings (cash) associated with a given loan upon delinquency (30 days past due). Further to this, once encumbered, members are not permitted to withdraw shares that are held against borrowings.

As such, according to policy and operating practice, the credit loss exposure is reduced by the carrying value of the encumbered shares being that encumbered shares would be liquidated by the time default occurs.

Type	Balance (\$)	Shares held (\$)	EAD (\$)
<b>As at December 31, 2024</b>			
<b>Stage 1: Performing Loans</b>			
Consumer	271,512,172	171,277,932	135,411,888
Motor Vehicle	17,580,567	7,001,405	11,685,907
Mortgage	179,784,175	54,989,630	137,289,316
<b>Total Performing Loans</b>	<b>468,876,914</b>	<b>233,268,967</b>	<b>284,387,111</b>
<b>Stage 2: Under Performing Loans</b>			
Consumer	5,599,296	2,515,872	3,278,092
Motor Vehicle	752,642	140,065	612,577
Mortgage	2,925,486	570,836	2,407,774
Total Under Performing Loans	9,277,424	3,226,773	6,298,443
<b>Stage 3: Non-performing Loans</b>			
Consumer	15,398,060	3,671	15,394,389
Motor Vehicle	697,330	153	697,178
Mortgage	9,347,512	14,948	9,332,564
<b>Total Non-Performing Loans</b>	<b>25,442,902</b>	<b>18,772</b>	<b>25,424,131</b>
<b>TOTAL</b>	<b>503,597,240</b>	<b>236,514,512</b>	<b>316,109,685</b>
<b>As at December 31, 2023</b>			
<b>Stage 1: Performing Loans</b>			
Consumer	276,372,029	153,198,646	151,471,978
Motor Vehicle	17,932,618	8,322,106	10,960,284
Mortgage	171,961,974	54,898,290	128,849,251
<b>Total Performing Loans</b>	<b>466,266,621</b>	<b>216,419,042</b>	<b>291,281,513</b>
<b>Stage 2: Under Performing Loans</b>			
Consumer	6,315,811	2,612,611	4,007,520
Motor Vehicle	70,285	13,110	57,175
Mortgage	3,102,669	730,890	2,391,498
<b>Total Under Performing Loans</b>	<b>9,488,765</b>	<b>3,356,611</b>	<b>6,456,193</b>
<b>Stage 3: Non-performing Loans</b>			
Consumer	16,235,295	1,618,779	14,640,223
Motor Vehicle	1,240,970	64,152	1,176,818
Mortgage	13,952,621	459,672	13,499,404
<b>Total Non-Performing Loans</b>	<b>31,428,886</b>	<b>2,142,603</b>	<b>29,316,445</b>
<b>TOTAL</b>	<b>507,184,271</b>	<b>221,918,256</b>	<b>327,054,151</b>

### Probability of Default (PD)

This is the likelihood of a member defaulting (90 days past due). In estimating the likelihood of a borrower's default (PD), the Society used an internal benchmark which examined the delinquency rate of each loan type portfolio stratified by stages for the period 2020-2024.

For stages 1 and 2, the probability of default was calculated using a linear regression equation that includes a slope, intercept, and economic factors historically shown to have a material impact on RHAND's credit quality.

$Y=MX+C$  Where,

- M = The slope shows the impact of changes in the unemployment rate on the delinquency rate.
- X = Economic Factors (An average of unemployment, inflation, and Gross Domestic Product rates).
- C = The intercept serves as a reference point for understanding the baseline level of the dependent variable and aids in interpreting the effects of changes relative to the independent variable.

For stage 3, 100% probability.

### Loss Given Default (LGD)

This is the share of a member's loan principal that is expected to be unrecoverable if a borrower defaults, expressed as a percentage (or expected loss percentage). The Default is defined as 90 days or more past due.

LGD was determined for each of the 9 sub-buckets based on a different rationale applied to each of the 3 primary buckets. The respective details follow:

#### *Calculation of Loss Given Default (LGD)*

Using WOCCU's guidelines for establishing expected loss percentages, the option of a 3-Year Weighted Average approach was determined to be best. The formula was expressed as:

$$ex = (3L0 + 2L1 + L2)/6$$

Where:

- $ex$  = the expected loss percentage for each Sub-bucket.
- $L0$  = losses as a percentage of face value incurred on similar loans over the previous 12 months.
- $L1$  = losses as a percentage of face value incurred on similar loans 12-24 months ago
- $L2$  = losses as a percentage of face value incurred on similar loans 24-36 months ago

This metric was calculated using information extracted from the Society's Annual Report for the year ended December 31, 2023 (Note 5(b)(vii)(c)-Individually Impaired).

$L0$  was represented by the ratio of Impairment allowance / Loans to members for 2024.

$L1$  was represented by the ratio of Impairment allowance / Loans to members for 2023.

$L2$  was represented by the ratio of Impairment allowance / Loans to members for 2022.

### Expected Credit Loss

The final ECL is measured in a way that reflects the time value of money. This meant that cash shortfalls associated with default are discounted back to the statement of financial position date, using the effective interest rate (EIR) (i.e. the same rate used to recognize interest income) or an approximation and the weighted average time to maturity on the portfolio.

The ECL for Stage 1 of the portfolio (12 Month ECL) was calculated by dividing the average ECL (ECLA) balance for these assets by the portfolio. Stage 2 and 3 (Lifetime ECL) incorporated the weighted average time to maturity as its time factor (6.9 years).

Thus  $ECL = ECL / (1+EIR)^t$

The ECL provision for the loan portfolio of the Society for the year ended December 31, 2024, is estimated to be \$15,472,771 (2023: \$15,175,183).



**vi. Maximum exposure to credit risk before collateral held or other credit enhancement**

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.

	<b>2024 (\$)</b>	<b>2023 (\$)</b>
Cash and cash equivalents with banks and other financial institutions	48,757,232	49,960,371
Investment securities	223,436,204	209,692,246
Accounts receivable	4,401,606	6,158,403
Loans to members (gross)	503,597,240	507,184,271
	<b>780,192,282</b>	<b>772,995,291</b>

The above table represents a worst-case scenario of credit risk exposure to the Society without taking account of any collateral held or other credit enhancements attached.

Financial assets that are neither past due nor impaired.

	<b>2024 (\$)</b>	<b>2023 (\$)</b>
Cash and cash equivalents	48,757,232	49,960,371
Investment securities	223,436,204	209,692,246
Accounts receivable with full repayment expected	4,401,606	6,158,403
Loans to members	468,876,914	466,266,620
	<b>745,471,956</b>	<b>732,077,640</b>

**vii. Loans to members and other financial assets**

**a. Neither past due nor impaired**

The composition of the portfolio of loans to members that were neither past due nor impaired on an individual basis is illustrated below by loan type.



	2024 (\$)	2023 (\$)
Consumer	271,512,172	276,372,028
Motor vehicles	17,580,567	17,932,618
Mortgages	179,784,175	171,961,974
<b>Total</b>	<b>468,876,914</b>	<b>466,266,620</b>

**b. Past due but not impaired**

Loans to members less than 90 days past due are not considered impaired unless other information is available to indicate the contrary. The gross amount of loans to customers that were past due but not impaired on an individual basis are as follows:

	Up to 31 days (\$)	32 to 61 days (\$)	62 to 90 days (\$)	Total (\$)
<b>As at December 31, 2024</b>				
Consumer	3,246,346	2,365,975	-	5,612,321
Motor vehicles	592,824	159,819	-	752,642
Mortgages	2,545,834	379,652	-	2,925,486
<b>Total</b>	<b>6,385,003</b>	<b>2,905,445</b>	<b>-</b>	<b>9,290,448</b>
<b>Fair value of collateral</b>	<b>3,854,254</b>	<b>126,042</b>	<b>-</b>	<b>3,980,296</b>
<b>As at December 31, 2023</b>				
Consumer	4,628,451	1,687,359	-	6,315,810
Motor vehicles	12,849	57,435	-	70,285
Mortgages	2,501,207	649,129	-	3,150,336
<b>Total</b>	<b>7,142,507</b>	<b>2,393,923</b>	<b>-</b>	<b>9,536,430</b>
<b>Fair value of collateral</b>	<b>3,452,250</b>	<b>260,000</b>	<b>-</b>	<b>3,712,250</b>

**c. Individually impaired**

	Consumer (\$)	Motor Vehicles (\$)	Mortgages (\$)	Total (\$)
<b>As at December 31, 2024</b>				
Loan to members	15,398,060	697,330	9,347,512	25,442,902
Fair value of collateral	109,097	119,443	7,771,274	7,999,814
Impairment Allowance	12,116,706	451,527	3,378,130	15,946,363
<b>As at December 31, 2023</b>				
Loan to members	16,235,295	1,240,970	13,952,621	31,428,886
Fair value of collateral	985,541	362,299	13,655,761	15,003,601
Impairment Allowance	(11,599,068)	(778,033)	(2,503,003)	(14,880,104)

Upon initial recognition of loans to customers, the fair value of the collateral is based on valuation techniques commonly used for the corresponding assets. In the subsequent periods, the fair values are referenced by market values for cash and cash equivalents; written down market value for motor vehicles based on annual discounting, and written down market value (at initial assignment) as outlined in the Credit Policy for real property.

**d. Loans to customers restructured**

Restructuring activities include extended payment arrangements and modification of payment. Restructuring policies and practices are based on indicators or criteria that, in the judgment of management, indicate that payment will most likely continue. These policies are kept under continuous review. Restructuring is most commonly applied to instalment loans. In some cases, restructuring results in the assets continuing to be impaired but in most cases, restructuring is geared to facilitate correction of the root cause of impairment which eventually improves collectability of the assets.

	2024	2023
Number of loans restructured	92	96
Value of restructured loans	\$13,262,170	\$10,226,293

**viii. Repossessed collateral**

Reposessed properties are sold as soon as practicable, with the proceeds used to reduce the outstanding indebtedness. The Society does not assume the title of these assets, and as a result, they are not included in the statement of financial position.

Real and personal properties valued at \$204,463 which were as held collateral, were reposessed during the year ended 2024 (2023: \$212,313) and efforts ongoing to liquidate for value by mortgage sale.

**c. Liquidity risk**

Liquidity risk is the risk that arises when the maturity dates of assets and liabilities do not match. An unmatched position potentially enhances profitability but can also increase the risk of losses. The Society has procedures with the object of minimising such losses such



as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

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

### Risk management

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

### Liquidity gap

The Society's exposure to liquidity risk is summarized in the table below which analyses the discounted cash flow of financial assets and liabilities based on the remaining period from the statement of financial position date to the contractual maturity date.

	Up to 1 year (\$)	1 to 5 years (\$)	Over 5 years (\$)	Total (\$)
<b>As at December 31, 2024</b>				
<b>Financial Assets</b>				
Cash and cash equivalents	48,757,232	-	-	48,757,232
Investment securities	169,837,746	28,543,841	24,553,435	222,935,022
Accounts receivable	4,401,606	-	-	4,401,606
Loans to members (gross)	16,308,877	202,336,747	284,951,616	503,597,240
<b>Total financial assets</b>	<b>239,305,461</b>	<b>230,880,588</b>	<b>309,505,051</b>	<b>779,691,100</b>
<b>Financial liabilities</b>				
Members' savings and time deposits	165,476,431	-	-	165,476,431
Members' shares	494,497,506	-	-	494,497,506
Accounts payable	12,003,384	-	-	12,003,384
<b>Total financial liabilities</b>	<b>671,977,321</b>	<b>-</b>	<b>-</b>	<b>671,977,321</b>
<b>Net position</b>	<b>(432,671,860)</b>	<b>230,880,588</b>	<b>309,505,051</b>	<b>107,713,779</b>

	Up to 1 year (\$)	1 to 5 years (\$)	Over 5 years (\$)	Total (\$)
<b>As at December 31, 2023</b>				
<b>Financial Assets</b>				
Cash and cash equivalents	49,960,371	-	-	49,960,371
Investment securities	149,711,790	29,872,118	29,501,359	209,085,267
Accounts receivable	6,158,403	-	-	6,158,403
Loans to members (gross)	17,896,879	199,481,891	289,805,501	507,184,271
<b>Total financial assets</b>	<b>223,727,443</b>	<b>229,354,009</b>	<b>319,306,860</b>	<b>772,388,312</b>
<b>Financial liabilities</b>				
Members' savings and time deposits	169,759,731	-	-	169,759,731
Members' shares	483,542,493	-	-	483,542,493
Accounts payable	13,296,999	-	-	13,296,999
<b>Total financial liabilities</b>	<b>666,599,223</b>	<b>-</b>	<b>-</b>	<b>666,599,223</b>
<b>Net position</b>	<b>(442,871,780)</b>	<b>229,354,009</b>	<b>319,306,860</b>	<b>105,789,089</b>

#### d. Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and 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.

#### e. Operational risk

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

#### f. Compliance risk

Compliance risk is the risk of financial loss, including fines and other penalties, which arise from non-compliance with laws and regulations of the state. The risk is limited to a significant extent due to the supervision applied by the Commissioner of Co-operative Development in the Ministry of Labour and Small and Micro

Enterprise Development, as well as by the monitoring controls applied by the Society.

#### g. Reputation risk

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

#### h. Fair value

The following table summarizes the carrying amounts and fair values of the Society's financial assets and liabilities:

	Carrying Value (\$)	Fair Value (\$)
<b>As at December 31, 2024</b>		
<b>Financial assets</b>		
Cash at bank	48,757,232	48,757,232
Investment securities	222,935,022	220,006,909
Accounts receivable	4,401,606	4,401,606
Loans to members	503,597,240	503,597,240
	<b>779,691,100</b>	<b>776,762,987</b>
<b>Financial liabilities</b>		
Members' savings and time deposits	165,476,431	165,476,431
Members' shares	494,497,506	494,497,506
Accounts payable	12,003,384	12,003,384
	<b>671,977,321</b>	<b>671,977,321</b>
<b>As at December 31, 2023</b>		
<b>Financial assets</b>		
Cash at bank	49,960,371	49,960,371
Investment securities	209,085,267	207,496,501
Accounts receivable	6,158,403	6,158,403
Loans to members	507,184,271	507,184,271
	<b>772,388,312</b>	<b>770,799,546</b>
<b>Financial liabilities</b>		
Members' savings and time deposits	169,759,731	169,759,731
Members' shares	483,542,493	483,542,493
Accounts payable	13,296,999	13,296,999
	<b>666,599,223</b>	<b>666,599,223</b>

## 6.0 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions in the process of applying the Society's accounting policies. See Note 4.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Society makes estimates and assumptions concerning the future. However, actual results could differ from those estimates as the resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Changes in accounting estimates are recognised in the statement of comprehensive income in the period in which the estimate is changed if the

change affects that period only, or in the period of the change and future periods if the change affects both current and future periods.

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

- i. Classification of financial assets: assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are SPPI on the principal amount outstanding.
- ii. Establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition, determining the methodology for incorporating forward-looking information into the measurement of ECL and selection and approval of modes used to measure ECL.
- iii. Impairment of financial instruments: determining inputs into the ECL measurement model, including the incorporation



- of forward-looking information. Determination of fair value of financial instruments with significant unobservable inputs.
- iv. Impairment of financial instruments: key assumptions used in estimating recoverable cash flows.
  - v. Which depreciation method for property and equipment is used.

The key assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date (requiring management's most difficult, subjective or complex judgements) that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

i. **Impairment of assets**

IFRS 9 dictates that entities are to develop an impairment model that would reflect the general pattern of deterioration in the credit quality of financial instruments and in which the amount of expected credit losses recognized as a loss allowance or provision would depend on the level of deterioration in the credit quality of financial instruments since initial recognition. As such, RHAND has developed a three-stage model for its loan portfolio stratified (as defined by Note 4)

ii. **Property and equipment**

Management exercises judgement in determining whether future economic benefits can be derived from expenditures to be capitalised and in estimating the useful lives and residual values of these assets.

## 7.0 CASH AND CASH EQUIVALENTS

	2024 (\$)	2023 (\$)
Cash in hand and at bank	12,606,930	22,532,204
Money market mutual fund holdings and fixed deposits	36,503,602	26,091,050
Cash at broker	121,241	2,262,373
	<b>49,231,773</b>	<b>50,885,627</b>

## 8.0 INVESTMENT SECURITIES

	2024 (\$)	2023 (\$)
Investment securities measured at FVTPL	35,541,978	59,736,376
Investment securities measured at FVOCI	89,468,468	93,974,114
Investment securities measured at amortised cost	97,924,576	55,374,777
	<b>222,935,022</b>	<b>209,085,267</b>
<b>Investment securities measured at FVTPL</b>		
First Citizens Investment Services Limited Medium-Term Fixed Rate Notes	5,023,897	4,868,498
Bourse Securities Limited - Repurchase Agreement	3,949,342	29,751,795
KCL Capital Market Brokers Limited – Assets Under Management	-	4,371,427
Abbvie Inc.	1,056,482	1,228,460
Adobe Systems Inc	542,803	-
Alibaba Group Holding Limited	-	301,582
Alphabet Inc.	1,358,670	1,340,595
Amazon.Com, Inc.	1,072,459	742,738
Cel-Sci Corporation	7,769	52,844
Chipotle Mexican Grill	16,332	-
Constellation Energy Corp.	13,300	-
CrowdStrike Holdings Inc - A	678,082	-
Dell Technologies Inc.	532,885	-
Eli Lilly & Company	438,579	-
Esperion Therapeutics, Inc.	-	12,187
Fedex Corporation	399,564	360,429
Illumina, Inc.	82,978	86,462
India Fund	-	147,886
iShares: Biotechnology	-	174,995
iShares: MSCI Brazil	-	329,786
iShares's Em Mkts	367,424	353,279
Maplebear Inc.	18,332	-
Micron Technology Inc.	617,663	-
Microsoft Corporation	1,325,368	1,182,423
Nanobiotix Sa	283,190	-
Nvidia Corp	1,286,304	-
Palo Alto Networks, Inc.	1,370,291	1,478,492
Paypal Holdings, Inc.	-	189,447
Sel Sector: Finl S Spdr	798,158	496,764
Sel Sector: Tech Spdr	2,912,263	2,410,771
Shopify Inc.	547,876	-
Soundhound Ai, Inc.	282,043	-
Spdr S&P 500	6,844,801	5,601,913
The Boeing Company	467,698	688,758
The Home Depot, Inc.	1,284,815	1,144,637
The Walt Disney Company	-	322,081
Trade Spotify Technology Sa	26,598	-
Unitedhealth Group Incorporated	1,336,664	1,391,123
Visa Inc.	597,090	491,876
Wisdomtree: Eu Hdg Eq	-	215,128
Zeta Global Holdings Corp	2,258	-
<b>Total investment securities measured at FVTPL</b>	<b>35,541,978</b>	<b>59,736,376</b>

	2024 (\$)	2023 (\$)
<b>Investment securities measured at FVOCI</b>		
<b>Quoted equities:</b>		
Republic Bank Limited	2,176,685	2,357,643
Prestige Holdings Limited	2,054,182	1,690,610
Grace Kennedy Company Limited	555,000	657,000
Guardian Holdings Limited	284,050	359,670
Massy Holdings Limited	1,249,385	1,385,394
West Indian Tobacco Company Limited	391,440	622,110
One Caribbean Media Limited	101,520	136,800
Sagicor Financial Corporation	317,478	304,656
Jamaica Money Market Brokers Limited	243,639	307,395
Ansa McAl Limited	871,286	787,654
Scotiabank Trinidad and Tobago Limited	893,256	1,087,320
Royal Bank of Canada	257,133	215,782
National Commercial Bank of Jamaica	119,500	170,000
Angostura Holdings Limited	297,000	439,000
First Citizens Bank Limited	11,550,357	14,005,877
Trinidad and Tobago NGL Limited	395,934	913,055
<b>Exchange traded funds (ETF):</b>		
First Citizens Investment Services Limited	9,146,780	7,613,561
<b>Mutual fund units:</b>		
<b>Trinidad and Tobago Unit Trust Corporation</b>		
- Calypso Macro Index Fund	4,713,975	4,680,119
- Growth and Income Fund	53,849,868	56,240,468
<b>Total investment securities measured at FVOCI</b>	<b>89,468,468</b>	<b>93,974,114</b>
<b>Investment securities measured at Amortised cost</b>		
<b>Bonds:</b>		
Government of the Republic of Trinidad and Tobago	13,342,863	13,393,462
Housing Development Corporation	2,611,460	3,245,552
National Insurance Property Development Company	1,316,447	1,246,245
National Infrastructure Development Company Limited	3,955,996	4,034,441
Trinidad and Tobago Mortgage Finance Company Limited	13,778,718	5,153,980
National Investment Fund	5,064,684	5,056,005
Guardian Holdings Limited	4,981,525	4,994,230
Police Credit Union Co-operative Society Limited	4,303,254	4,670,511
First Citizens Investment Services	1,359,798	1,357,995
HADCO Holdings Limited	11,564,576	12,826,959
Bourse Securities Limited	23,616,695	-
US Government	8,523,180	-
Urban Development Corporation	4,006,562	-
Less: Allowance for expected credit loss	(501,182)	(606,979)
<b>Total investments securities measured at amortised cost</b>	<b>97,924,576</b>	<b>55,374,777</b>

## 9.0 ACCOUNTS RECEIVABLE AND PREPAYMENTS

	2024 (\$)	2023 (\$)
Other receivables and prepayments	2,196,995	1,546,939
Interest receivable on loans	1,875,496	2,008,058
Interest receivable on investments	265,044	1,852,298
CUNA Payment Protector & FIP Claims & FIP Payable	755,196	725,302
LINCUS Settlement Advance & Reserve	450,000	450,000
Staff members' loans	51,486	148,552
	<b>5,594,217</b>	<b>6,731,149</b>

## 10.0 NET LOANS TO MEMBERS

### a. Loans to Members

Member loans are initially measured at cost, net of loan origination fees and inclusive of transaction costs incurred. They are subsequently measured at amortised cost, using the effective interest rate method, less any impairment losses. Loans to members are reported at their recoverable amount representing the aggregate amount of principal, less any allowance or provision for impaired loans.

Impairment provisions for loans to members are recognised based on the three-stage approach within IFRS 9 as follow:

#### Stage 1 represents 12 months expected credit losses

- Applicable when no significant increase in credit risk;
- Entities continue to recognise 12-month expected losses that are updated at each reporting date;
- Presentation of interest on a gross basis.

#### Stage 2 represents lifetime expected credit losses

- Applicable in case of a significant increase in credit risk;
- Recognition of lifetime expected losses;
- Presentation of interest on a gross basis.



**Stage 3 represents - lifetime expected credit losses (net interest)**

- Applicable in case of credit impairment;
- Recognition of lifetime expected losses;
- Presentation of interest on a net basis.

The table below shows the staging of loans to members and the related expected credit losses based on the Society's adoption of IFRS

	<b>Stage 1 0-90 days in arrears (\$)</b>	<b>Stage 2 91-120 days in arrears (\$)</b>	<b>Stage 3 &gt;120 days in arrears (\$)</b>	<b>Sum Total (\$)</b>
<b>As at December 31, 2024</b>				
Gross loan	468,876,914	9,277,424	25,442,902	503,597,240
Expected Credit losses	(8,021,095)	(106,404)	(7,345,273)	(15,472,772)
<b>As at December 31, 2023</b>				
Gross loan	466,266,620	9,488,765	31,428,886	507,184,271
Expected Credit losses	(7,834,397)	(106,394)	(7,232,206)	(15,175,183)

**b. Loans to members are stated at principal outstanding net of allowance for expected credit losses.**

	<b>2024 (\$)</b>	<b>2023 (\$)</b>
Loans to members	503,597,240	507,184,271
Less: allowance for expected credit loss	(15,472,772)	(15,175,183)
	<b>488,124,468</b>	<b>492,009,088</b>

**c. Analysis of movement in allowance for expected credit loss**

	<b>2024 (\$)</b>	<b>2023 (\$)</b>
Expected credit loss at beginning of the year	15,175,183	14,958,720
ECL adjustment	134,555	(3,499,128)
Expected credit loss expense for the year	163,033	3,715,591
Allowance for Expected credit loss at end of the year	15,472,772	15,175,183

## 11.0 PROPERTY & EQUIPMENT

	Land (\$)	Car Park (\$)	Building (\$)	Work in Progress (\$)
Cost				
Balance as at January 1, 2024	30,864,472	186,868	20,232,503	1,174,120
Additions	-	-	704,825	487,616
Disposals	-	-	-	-
Transfers	-	-	-	(8,076)
<b>Balance as at December 31, 2024</b>	<b>30,864,472</b>	<b>186,868</b>	<b>20,937,328</b>	<b>1,653,660</b>
Accumulated Depreciation				
Balance as at January 1, 2024	-	(186,868)	(6,869,472)	-
Charges for the year	-	-	(407,572)	-
Disposals	-	-	-	-
<b>Balance as at December 31, 2024</b>	<b>-</b>	<b>(186,868)</b>	<b>(7,277,044)</b>	<b>-</b>
<b>Net book value</b>	<b>30,864,472</b>	<b>-</b>	<b>13,660,283</b>	<b>1,653,660</b>
Cost				
Balance as at January 1, 2023	41,644,808	186,868	14,799,299	6,624,706
Additions	-	-	-	410,157
Disposals	(10,765,704)	-	-	(110,873)
Transfers	(14,632)	-	5,433,204	(5,749,870)
<b>Balance as at December 31, 2023</b>	<b>30,864,472</b>	<b>186,868</b>	<b>20,232,503</b>	<b>1,174,120</b>
Accumulated Depreciation				
Balance as at January 1, 2023	-	(186,868)	(6,391,125)	-
Charges for the year	-	-	(478,347)	-
Disposals	-	-	-	-
<b>Balance as at December 31, 2023</b>	<b>-</b>	<b>(186,868)</b>	<b>(6,869,472)</b>	<b>-</b>
<b>Net book value</b>	<b>30,864,472</b>	<b>-</b>	<b>13,363,031</b>	<b>1,174,120</b>

	Furniture, Fixtures and Fittings (\$)	Office Equipment (\$)	Telephone equipment (\$)	Other Equipment (\$)	Motor Vehicles (\$)	Computers (\$)	Total (\$)
	3,641,177	569,997	324,371	3,074,625	303,727	9,571,149	69,943,009
	152,507	4,188	5,000	48,951	-	1,529,855	2,932,942
	-	-	-	-	-	(38,725)	(38,725)
	-	8,076	-	-	-	-	-
	<b>3,793,684</b>	<b>582,261</b>	<b>329,371</b>	<b>3,123,576</b>	<b>303,727</b>	<b>11,062,279</b>	<b>72,837,226</b>
	(2,638,970)	(499,038)	(316,843)	(2,448,694)	(275,303)	(7,949,877)	(21,185,065)
	(99,732)	(15,021)	(2,468)	(104,958)	(6,344)	(380,008)	(1,016,103)
						(29,194)	(29,194)
	<b>(2,738,702)</b>	<b>(514,059)</b>	<b>(319,311)</b>	<b>(2,553,652)</b>	<b>(281,647)</b>	<b>(8,359,079)</b>	<b>(22,230,362)</b>
	<b>1,054,982</b>	<b>68,202</b>	<b>10,060</b>	<b>569,924</b>	<b>22,080</b>	<b>2,703,200</b>	<b>50,606,864</b>
	3,613,364	787,999	326,240	3,077,732	303,727	9,626,005	80,990,748
	3,988	4,188	-	30,125	-	221,384	669,842
	(181,860)	(222,190)	(1,869)	(33,232)	-	(401,853)	(11,717,581)
	205,685	-	-	-	-	125,613	-
	<b>3,641,177</b>	<b>569,997</b>	<b>324,371</b>	<b>3,074,625</b>	<b>303,727</b>	<b>9,571,149</b>	<b>69,943,009</b>
	(2,666,415)	(687,577)	(315,621)	(2,356,923)	(267,133)	(7,891,212)	(20,762,874)
	(119,991)	(19,973)	(3,045)	(120,267)	(8,170)	(395,642)	(1,145,435)
	147,436	208,512	1,823	28,496	-	336,977	723,244
	<b>(2,638,970)</b>	<b>(499,038)</b>	<b>(316,843)</b>	<b>(2,448,694)</b>	<b>(275,303)</b>	<b>(7,949,877)</b>	<b>(21,185,065)</b>
	<b>1,002,207</b>	<b>70,959</b>	<b>7,528</b>	<b>625,931</b>	<b>28,424</b>	<b>1,621,272</b>	<b>48,757,944</b>

## 12.0 ACCOUNTS PAYABLE AND ACCRUALS

	2024 (\$)	2023 (\$)
Other payables and accruals	10,178,019	11,997,313
Death/disability claims payable	1,377,426	1,461,059
Interest payable on members' time deposits	1,123,045	1,082,086
Cummings/ Fraser Foundation Account	1,078,035	1,060,000
Unclaimed members' deposits	547,730	547,730
Vacation pay accrual	453,052	266,687
Non-members receipts	65,462	71,757
Unclaimed members' share savings	24,595	24,595
Sharon FYFE "Coopers" Account	227	227
	<b>14,847,591</b>	<b>16,511,454</b>

Included in other payables and accruals are accruals for retroactive salaries ("backpay") to be made by the Credit Union. This amount represents an estimate of the retroactive salaries due upon the conclusion of the collective bargaining agreements between the Society and the respective employees.

## 13.0 MEMBER' SHARE SAVINGS

The By-Laws of RHAND Credit Union Co-operative Society Limited allows for the issue of an unlimited number of shares valued at \$5.00 each, which are redeemable. In accordance with the International Financial Reporting Interpretation Committee (IFRIC) Interpretation #2 redeemable shares have been treated as liabilities.

## 14.0 LOAN PROTECTION FUND

The Loan Protection Fund provides loan protection coverage for members, which allows the loan balance, up to a maximum of \$100,000, to be liquidated in the event of the death of the member before his/her indebtedness to the credit union has been repaid. For the year ended December 31, 2024, \$1,796,819 (2023: \$1,007,807) was expensed from the Fund and \$2,715,872 (2023: \$2,839,730) was allocated to the Fund. As at December 31, 2024, the balance stood at \$5,258,639 (2023: \$4,339,586).

## 15.0 RELATED PARTY TRANSACTIONS

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:

	2024 (\$)	2023 (\$)
Assets, Liabilities and Members' Equity		
Loans and other receivables		
Due from Directors, committee members, key management personnel	15,004,307	11,355,667
Due from LINC Limited	450,000	450,000
Shares, deposits and other liabilities		
Directors, committee members, key management personnel	3,002,552	2,927,100
Cummings/Fraser Foundation Account	1,078,035	1,060,000
Interest and other income		
Directors, committee members, key management personnel	862,097	707,058
Interest and other expenses		
Directors, committee members, key management personnel	79,257	54,135
Key management compensation		
Short-term benefits	2,796,625	3,033,659

## 16.0 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, the 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:

### a. Accounts receivable and Accounts payable

The carrying amounts of accounts receivable and accounts payable are a reasonable approximation of the fair values because of their short-term nature.

### b. Members' loans

Loans are net of specific allowances 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.

**c. Investment securities**

The fair values of investments are determined on the basis of market prices available at December 31, 2024.

**d. 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 that approximate carrying values.

**e. Members' share savings**

The carrying amounts of members' share savings are a reasonable approximation of the fair values because they are due on demand.

**f. 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.

**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 fair values of financial assets and financial liabilities, including their level in the fair value hierarchy. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
<b>As at December 31, 2024</b>				
<b>Financial assets measured at fair value</b>				
Investment securities	21,757,845	103,252,601	-	125,010,446
<b>Financial assets not measured at fair value</b>				
Investment securities	-	-	97,924,576	97,924,576
Loans to members	-	-	488,124,468	488,124,468
<b>Financial liabilities not measured at fair value</b>				
Members' deposits	-	-	(165,476,431)	(165,476,431)
Members' share savings	-	-	(494,497,506)	(494,497,506)
	<b>21,757,845</b>	<b>103,252,601</b>	<b>(73,924,893)</b>	<b>51,085,553</b>
<b>As at December 31, 2023</b>				
<b>Financial assets measured at fair value</b>				
Investment securities	25,439,966	128,270,524	-	153,710,490
<b>Financial assets not measured at fair value</b>				
Investment securities	-	-	55,374,777	55,374,777
Loans to members	-	-	492,009,088	492,009,088
<b>Financial liabilities not measured at fair value</b>				
Members' deposits	-	-	(169,759,731)	(169,759,731)
Members' share savings	-	-	(483,542,493)	(483,542,493)
	<b>25,439,966</b>	<b>128,270,524</b>	<b>(105,918,359)</b>	<b>47,792,131</b>

## 17.0 CAPITAL RISK MANAGEMENT

The Society manages its capital to ensure that it will be able to continue as a going concern while maximising the return to members, whilst providing value to its members by offering loan and savings facilities. The Society's overall strategy remains unchanged from previous years.

The capital structure of the Society consists of equity attributable to members, which comprises reserves and undivided earnings.

**18.0 OTHER INCOME**

	<b>2024 (\$)</b>	<b>2023 (\$)</b>
CUNA Commissions	1,333,814	1,300,104
MSDP registration and education	379,306	326,382
Rental Income	222,750	421,125
Entrance Fees	145,995	171,415
Other Commissions	40,951	200
Miscellaneous Income	37,874	141,134
Service Charges	4,762	10,686
Gain on disposal of property and equipment	-	443,391
	<b>2,165,452</b>	<b>2,814,437</b>

**19.0 ADMINISTRATIVE EXPENSES**

	<b>2023</b>		<b>2024</b>		<b>2025</b>
	<b>Budgeted (\$)</b>	<b>Actual (\$)</b>	<b>Budgeted (\$)</b>	<b>Actual (\$)</b>	<b>Budgeted (\$)</b>
<b>Administrative Expenses</b>					
Advertising & Promotions	1,600,220	1,238,435	1,772,055	2,126,203	1,829,118
Annual and Special general meetings	852,950	1,007,865	1,003,800	776,971	985,325
Bank charges	378,000	437,977	422,460	440,417	422,460
Ceremonial branch expenses	0	0	0	61,475	0
Debt collector's commissions	552,000	297,064	462,000	249,268	462,000
Depreciation	1,020,000	1,145,436	1,181,091	1,016,103	1,181,091
Donations	60,000	35,400	60,000	57,960	60,000
Electricity	288,270	265,663	511,200	268,212	596,400
Insurances	385,371	408,084	339,564	414,596	339,564
Legal and professional services	944,800	1,198,731	1,169,100	1,410,453	2,126,500
LINCUS Debit Card expenses	162,000	161,944	162,000	161,810	162,000
Loss on disposal of fixed assets	60,000	106,314	60,000	7,146	60,000
Miscellaneous expenses	203,065	192,618	195,165	317,137	186,980
Rates and taxes	25,632	65,968	13,866	9,395	13,866
Property rental	158,004	144,837	358,004	261,054	320,004
Repairs, maintenance and cleaning	2,997,189	1,942,652	3,060,824	2,797,260	2,873,716
Security	270,099	473,854	612,232	522,955	131,117
Stationery, computer supplies, printing and postage	794,017	858,569	429,960	1,130,881	1,276,386
Telephone	379,200	467,181	384,000	432,370	432,000
Surepay fees & expenses	30,000	4,444	6,000	4,280	6,000
Software & project development	0	0	139,038	0	0
Cummings Fraser Foundation	100,000	100,000	100,000	100,000	100,000
<b>Total</b>	<b>11,260,816</b>	<b>10,553,036</b>	<b>12,442,358</b>	<b>12,565,946</b>	<b>13,564,527</b>



## 20.0 BOARD AND COMMITTEES' EXPENSES

	2024 (\$)	2023 (\$)
Meeting	548,437	423,743
Subsistence	356,794	336,331
Conferences	356,387	158,886
Honoraria	301,800	293,984
Training	207,769	68,746
Entertainment and duty allowance	159,467	152,600
Travelling	10,200	6,000
	<b>1,940,854</b>	<b>1,440,290</b>

## 21.0 SALARIES AND BENEFITS

	2024 (\$)	2023 (\$)
Salaries and other staff benefits	15,177,821	14,960,982
Training and subsistence	328,138	99,921
	<b>15,505,959</b>	<b>15,060,903</b>

## 22.0 UNREALIZED GAIN/(LOSS) ON INVESTMENT SECURITIES AT FVOCI

For the year ended December 31, 2024, the net unrealized loss on investment securities at FVOCI totalled \$5,313,783 (2023: loss of \$5,934,258). This amount represents the change in the fair value of investment securities held as FVOCI during the year.

## 23.0 CONTINGENT LIABILITIES

The Society is involved in various claims and litigations and there are legal proceedings to which the Society is a party that, in the Society's opinion, would not have a significant effect on the Society's financial position or results of operations. No provision has been made in these financial statements as the Society's management do not consider that there is any probable loss.

## 24.0 SUBSEQUENT EVENTS

There were no events occurring after the reporting 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.





# 2025 QUANTITATIVE OBJECTIVES, PROPOSED CAPITAL EXPENDITURE AND FINANCIAL PROJECTIONS

*(Expressed in Trinidad and Tobago Dollars)*

## 1.0 2025 QUANTITATIVE OBJECTIVES

Key Results Area	Budgeted 2025 (\$)	Actual 2024 (\$)	Increase/(Decrease) (\$) (%)	
Share capital portfolio	514,674,453	494,497,506	20,176,947	4.08
Time deposits portfolio	76,365,121	74,845,734	1,519,387	2.03
Savings deposits portfolio	92,605,808	90,630,697	1,975,111	2.18
Loans portfolio (Gross)	562,460,410	503,597,239	58,863,171	11.69
Total Delinquent loans	38,809,768	34,733,350	4,076,418	11.74
Investment Securities	246,685,889	222,935,022	23,750,867	10.65

Building on our 2024 successes and lessons and guided by our new Strategic Plan, the following are the strategic priorities for the Credit Union during the year 2025:

1. Drive Sustainable Growth: Focused efforts to increase net loans, reduce reliance on investment income, and move closer to our \$1 billion asset base target by 2027.
2. Enhance Member Engagement: Launching sustainable value-added products, further implementing the CRM platform and rebranding to reflect our dual commitment to tradition and innovation.

3. Strengthen Digital Infrastructure: Completing digitization projects, advancing cybersecurity, and launching mobile wallet partnerships and online payment solutions.
4. Develop Our Workforce: Revamping performance management, increasing training investments, and fostering a high performing, engaged team.
5. Advance Operational Efficiency: Renovating the POS branch, automating risk-based loan processing, and expanding cross-departmental collaboration.
6. Improving our competitiveness in the Lending Industry:
  - i. Roll-out of our approved Defender Loan product – this will allow us to offer our members an attractive alternative to the offerings in circulation by the banks and larger credit unions, while allowing RHAND to lend at above average interest rates.
  - ii. Supporting the country’s Micro and Small Business development through the launch of our own MSME programme
7. Deepened Strategic Partnerships:
  - i. We will be partnering with the TTIFC to support our operational strengthening with a process improvement exercise in the first instant
  - ii. We intend to engage Ministry of Education and the Ministry of Youth Development and National Service to identify opportunities for reaching potential youth members while contributing to national development of our youth population.
8. Improving the integrity of RHAND’s governance through the implementation of new value driven policies.
9. Complete the operationalization of the Cummings Fraser Foundation (the nonprofit company set up to support credit union members in genuine need) and OneRHAND (the for-profit subsidiary of the Credit Union set up to invest in wealth creation initiatives).

## 2.0 2025 PROPOSED CAPITAL EXPENDITURE WITH 2024 COMPARISONS

Project/Item of Expenditure	Budgeted 2024 (\$)	Actual 2024 (\$)	Budgeted 2025 (\$)
Buildings	16,000,000	1,222,113	20,155,000
Computer facilities	1,068,116	1,529,855	2,001,990
Furniture, fixtures and fittings	535,000	122,838	216,000
Office equipment	19,190	17,744	13,300
Other equipment	132,838	40,395	35,000



### 3.0 2025 FINANCIAL PROJECTIONS WITH BUDGETED AND ACTUAL RESULTS FOR 2024 AND 2023

	2023		2024		2025
	Budgeted (\$)	Actual (\$)	Budgeted (\$)	Actual (\$)	Budgeted (\$)
<b>Income</b>					
<b>Interest Income Calculated using the effective Interest Method</b>					
- Interest on loans	47,002,750	48,492,549	50,803,656	50,019,742	51,364,299
- Investment Securities	6,317,764	6,404,329	7,312,872	7,546,409	8,208,261
Unrealised Gain on FVTPL	697,696	4,252,569	1,023,238	3,951,156	2,487,759
Investment income (net)	-	-	-	-	-
Realized gain on investment securities	-	2,650,134	-	-	-
Other income *	2,339,830	2,814,437	2,192,280	2,165,452	2,157,155
<b>Total Income</b>	<b>56,358,040</b>	<b>64,614,018</b>	<b>61,332,046</b>	<b>63,682,759</b>	<b>64,217,474</b>
<b>Expenditure</b>					
Administrative expenses **	11,260,816	10,553,036	12,442,358	12,565,946	13,564,527
Board and committees' expenses	1,472,618	1,440,290	2,275,989	1,940,854	2,615,806
Life savings insurance expense	672,000	594,932	602,400	394,756	420,000
Loan protection expense	2,000,000	1,007,807	1,500,000	1,796,819	1,500,000
Loan loss expense	2,113,138	3,715,591	411,825	163,033	214,255
Expected credit loss	70,475	255,819	123,170	-105,798	109,656
Unrealised loss on FVTPL	-	-	-	396,672	-
Interest on members' deposits	2,183,816	2,129,181	2,183,091	2,094,497	2,237,666
Member education, training and development expenses	1,248,990	1,284,760	1,621,440	1,805,670	1,683,912
Finance Cost	-	-	-	-	315,000
Salaries and benefits	16,923,435	15,060,903	15,669,330	15,505,959	16,867,976
Green Fund Levy	180,000	174,395	180,000	190,634	180,000
Foreign exchange loss	-	-	-	-	-
<b>Total expenditure</b>	<b>38,125,288</b>	<b>36,216,714</b>	<b>37,009,603</b>	<b>36,749,042</b>	<b>39,708,798</b>
<b>Net surplus for the year</b>	<b>18,232,752</b>	<b>28,397,304</b>	<b>24,322,443</b>	<b>26,933,717</b>	<b>24,508,676</b>

#### \* OTHER INCOME DETAILS

	2023		2024		2025
Other Income	Budgeted (\$)	Actual (\$)	Budgeted (\$)	Actual (\$)	Budgeted (\$)
Rental Income	613,000	421,125	243,000	222,750	243,000
CUNA Commissions	1,200,000	1,300,104	1,302,000	1,333,814	1,302,000
Other Commissions	0	200	0	40,952	0
Service Charges	4,800	10,686	3,240	4,762	3,000
Entrance Fees	118,000	171,415	120,000.00	145,995	120,000.00
MSDP registration and education	376,030	769,773	498,500	379,306	463,375
Miscellaneous Income	28,000	141,134	25,540	37,874	25,780
<b>Total</b>	<b>2,339,830</b>	<b>2,814,437</b>	<b>2,192,280</b>	<b>2,165,452</b>	<b>2,157,155</b>

	2023		2024		2025
	Budgeted (\$)	Actual (\$)	Budgeted (\$)	Actual (\$)	Budgeted (\$)
<b>Administrative Expenses</b>					
Advertising & Promotions	1,600,220	1,238,435	1,772,055	2,126,203	1,829,118
Annual and Special general meetings	852,950	1,007,865	1,003,800	776,971	985,325
Bank charges	378,000	437,977	422,460	440,417	422,460
Debt collector's commissions	552,000	297,064	462,000	249,268	462,000
Depreciation	1,020,000	1,145,436	1,181,091	1,074,495	1,181,091
Donations	60,000	35,400	60,000	57,960	60,000
Electricity	288,270	265,663	511,200	268,212	596,400
Insurances	385,371	408,084	339,564	414,596	339,564
Legal and professional services	944,800	1,198,731	1,169,100	1,185,519	2,126,500
LINCUB Debit Card expenses	162,000	161,944	162,000	161,810	162,000
Loss on disposal of fixed assets	60,000	106,314	60,000	7,146	60,000
Miscellaneous expenses	203,065	192,618	195,165	258,677	186,980
Rates and taxes	25,632	65,968	13,866	9,395	13,866
Property rental	158,004	144,837	158,004	261,054	320,004
Repairs, maintenance and cleaning	2,997,189	1,942,652	3,060,824	2,767,335	2,873,716
Security	270,099	473,854	612,232	522,955	131,117
Stationery, computer supplies, printing and postage	794,017	858,569	429,960	1,130,881	1,276,386
Telephone	379,200	467,181	384,000	432,370	432,000
Surepay fees & expenses	30,000	4,444	6,000	4,280	6,000
Software & project development	0	0	139,038	0	0
Cummings Fraser Foundation	100,000	100,000	100,000	100,000	100,000
<b>Total</b>	<b>11,260,816</b>	<b>10,553,036</b>	<b>12,242,359</b>	<b>12,249,544</b>	<b>13,564,527</b>



# RESOLUTIONS

## Appointment Of Auditors

Be it resolved that the firm of Chartered Accountants – BDO, be appointed as the Auditors of the Society for the financial year ending December 31, 2025.

## Dividend On Shareholdings

Be it resolved that a dividend of 3.35% be declared on the average monthly share balance held by each member for the year ended December 31, 2024, and that the proceeds if this dividend distribution be credited as 25% to members' share savings accounts and 75% to their deposit savings accounts.

## Patronage Refund

Be it resolved that a Patronage Refund of 2.25% be declared on the loan interest paid for each qualified member with loans that were 31 days or less past due as of December 31, 2024, distributed as 25% to members' share savings accounts and 75% to their deposit savings accounts.

## PROPOSED BAD DEBT WRITE-OFF AGAINST THE LOAN PORTFOLIO

### Composition of Loans to be written off:

Status	No. of Accounts	Loan Balance (\$)
Arbitration	59	2,389,099.00
Uneconomical To Pursue	24	1,133,593.94
Irrecoverable	4	5,665.21
<b>Total</b>	<b>87</b>	<b>3,528,358.15</b>



**Status Definitions:**

- **Arbitration:** internal efforts to recover the funds exhausted, matter before or to be presented to Commissioner's office to elicit payment
- **Uneconomical To Pursue:** cost to continue pursuing recovery exceeds the respective loan balances
- **Irrecoverable:** primarily where member is unemployed, unable to work, known to be residing abroad, or whereabouts unknown, and any other qualifying reason for which a debt may be deemed irrecoverable

Whereas RHAND Credit Union Co-operative Society Limited (RHAND) makes every effort to recover non-performing loans in pursuance of the Delinquency Control policies and procedures of the Society.

And Whereas RHAND 87 non-performing loans valued \$3,528,358.15 are more than 365 days past due and the efforts to recover have been deemed futile thus far.

And Whereas RHAND has previously made loan loss provisions which fully cover the amount of \$3,528,358.15.

And Whereas the Board continues to pursue the recovery of non-performing loans even after they have been written off from the active loan portfolio.

Be it resolved that 87 accounts, reviewed and approved by the Board of Directors, in the sum \$3,528,358.15 be written-off during the 2025 financial year.

**HONORARIA**

Be it resolved that honoraria in the gross sum of \$306,667 (\$230,000 net of income tax liability), be declared for the year ended December 31, 2024.



# APPENDIX

## MEMBERS

### WHO DIED IN

### 2024



	ACCT.#	SURNAME	1ST NAME	DATE
1	7032	Joseph	Victoria	1.1.2024
2	26214	Ayres	James	1.16.2024
3	5429	Williams-Smith	Magna	1.24.2024
4	7499	Marcano	Leonora	1.24.2024
5	15655	Francis-Chedu	Sharon	1.26.2024
6	18139	Roopchan	Ravi	1.28.2024
7	4063	Lashley	Annette	1.28.2024
8	10342	Baptiste	Jonathan	1.29.2024
9	675	Garcia	Marva	1.30.2024
10	1565	Roberts-Campbell	Esther	2.1.2024
11	3871	Coa	Yvonne	2.6.2024
12	1692	Mitchell	Harold	2.6.2024
13	2631	Marquis	John	2.10.2024
14	9160	Mieres	Janette	2.12.2024
15	11196	Cain	Irma	2.13.2024
16	6098	Alfred	Irma	2.14.2024
17	13837	Williams	Monica	2.27.2024
18	11081	Huggins	Joyce	3.10.2024
19	5787	Jones	Sheila	3.13.2024
20	5954	Bernadine	Edison	3.13.2024
21	21423	Thomas	Cynaka	3.15.2024
22	25739	Lindsey	Lynette	3.22.2024
23	21252	Husband	George	3.23.2024
24	12992	Mc Kell	Wavell	3.26.2024
25	15035	Grant	Hugh	3.30.2024
26	17971	Dowlath	Joyce	4.1.2024
27	33376	Regis	Randy	4.7.2024
28	4043	Charles	Kirt	4.10.2024
29	4751	Melville	Kathleen	4.13.2024
30	5684	St. Rose	Jean	4.14.2024
31	10284	Arthur	Earl	4.15.2024
32	7357	Cornelius-Wilkinson	Lorna	4.21.2024
33	15522	Cain	Mona	4.22.2024
34	13451	Scindian	Henry	4.26.2024
35	5289	Ogiste	Wendy	5.1.2024
36	1133	Ashby	Melville	5.2.2024
37	13906	Burnett	Courtney	5.7.2024
38	20960	Mahase-Blake	Helen	5.9.2024
39	21896	Gonzales	Jaime	5.12.2024

					ACCT.#	SURNAME	1ST NAME	DATE	
					77	443	Urquhart	George	8.24.2024
					78	11364	Mc Millan-Brebnor	Sandra	8.25.2024
ACCT.#		SURNAME	1ST NAME	DATE	79	17	Thompson	Yvonne	8.27.2024
					80	614	Anatol	Earl	8.29.2024
40	13431	Cochrane	Linton	5.15.2024	81	29926	Forbes	Keston	8.31.2024
41	15101	Plowden	Stanley	5.21.2024	82	154	Springer	Yvonne	8.31.2024
42	429	Sayers	George	5.30.2024	83	3108	Jemmott	Valentine	9.2.2024
43	23622	Purcell	Rawle	5.31.2024	84	10885	Brown	Rosemarie	9.3.2024
44	1532	Greaves	Merle	6.5.2024	85	33596	Henry	Kevin	9.3.2024
45	5234	Maloney	Victor	6.7.2024	86	9068	Walters	Clyde	9.7.2024
46	12181	Fraser	Gail	6.8.2024	87	8426	Barman	Orson	9.8.2024
47	21072	Andrews	Eric	6.14.2024	88	6200	Sinaswee-Gervais	Angela	9.9.2024
48	12974	Charles-Montique	Annette	6.17.2024	89	1020	Knights	Marie Ange	9.9.2024
49	24352	Huggins	Roma	6.24.2024	90	18510	Joseph	Carol	9.12.2024
50	6915	Laptiste	Conrad	6.25.2024	91	7081	Maurice	Frederick	9.13.2024
51	17503	Hayde	Richard	7.1.2024	92	15238	Moore	Marlon	9.20.2024
52	9405	Lopez	Valarie	7.3.2024	93	3399	Pollonais	Deryck	9.22.2024
53	6080	Brown	Sonny	7.3.2024	94	15772	Faria	Ronald	9.28.2024
54	22712	Sinnette	Yvonne	7.4.2024	95	4880	Francis-Mills	Joan	10.7.2024
55	17880	Alexander-William	Marilyn	7.5.2024	96	10723	Lynch	Stanislaus	10.16.2024
56	17724	Thomas	Arlene	7.5.2024	97	14848	Parsons	Joel	10.23.2024
57	4934	Ruiz-James	Ann	7.8.2024	98	300	Danglad	Angela	10.23.2024
58	2596	Chulhan	Heralal	7.9.2024	99	20	Adams	Carlyle	10.23.2024
59	15162	Ram	Roland	7.9.2024	100	3230	Wong-Shing	Jean	10.26.2024
60	30479	Edwards	Kernette	7.9.2024	101	8997	Phillips	Laurice	10.29.2024
61	10015	Romain	Claire	7.10.2024	102	14304	Frontin	Selma	11.6.2024
62	10517	Mc Kie	Idabell	7.10.2024	103	10673	Henry-Aquan	Marva	11.9.2024
63	6917	Nagessar	Sheila	7.20.2024	104	23336	Greaves	Franklyn	11.13.2024
64	1691	Mc Letchie	Yvonne	7.24.2024	105	15069	Mitchell	Charles	11.14.2024
65	9179	Bharath	Ruth	7.25.2024	106	1121	Grimes	Marlene	11.17.2024
66	22471	Bridgewater	Veronica	7.29.2024	107	2912	Charles	June	11.19.2024
67	2030	Kassie	Ronald	7.31.2024	108	464	Isaac	Eurice	11.28.2024
68	6425	Antoine	Michael	8.3.2024	109	26253	De Freitas	Justin	12.5.2024
69	23264	Mc Vorrnan	Lauren	8.3.2024	110	8322	Hamilton	Claudius	12.14.2024
70	24637	Hercules-Glace	Avril	8.6.2024	111	20826	Roberts	Dennis	12.15.2024
71	17391	Lewis	Errol	8.7.2024	112	1592	Bux	June	12.16.2024
72	22080	Bruce	Jean	8.8.2024	113	14819	Evans	Christina	12.16.2024
73	492	Forbes	Patricia	8.10.2024	114	14330	Peters	Barbara	12.19.2024
74	1737	Tobias	Merle	8.11.2024	115	10385	Linton	Shirley	12.21.2024
75	4565	Maxime	Pollyneta	8.11.2024	116	4501	Rooplal-Deonarine	Vidya	12.28.2024
76	24926	Peters	Fitzroy	8.22.2024	117	14132	Thomas	Janet	12.28.2024

# CLOSING MESSAGE

We close this year with profound gratitude for our incredible members, dedicated partners, and passionate staff. Your contributions are the foundation of our success, reminding us that our work is fundamentally about people. Together, we are actively building a more prosperous future, driven by a deep sense of purpose. Thank you for being a vital part of our journey.





