BARBADOS CO-OPERATIVE & CREDIT UNION LEAGUE LTD

• REGISTERED 1957

ANNUAL REPORT 2021

BUILDING FINANCIAL HEALTH FOR A BRIGHTER TOMORROW

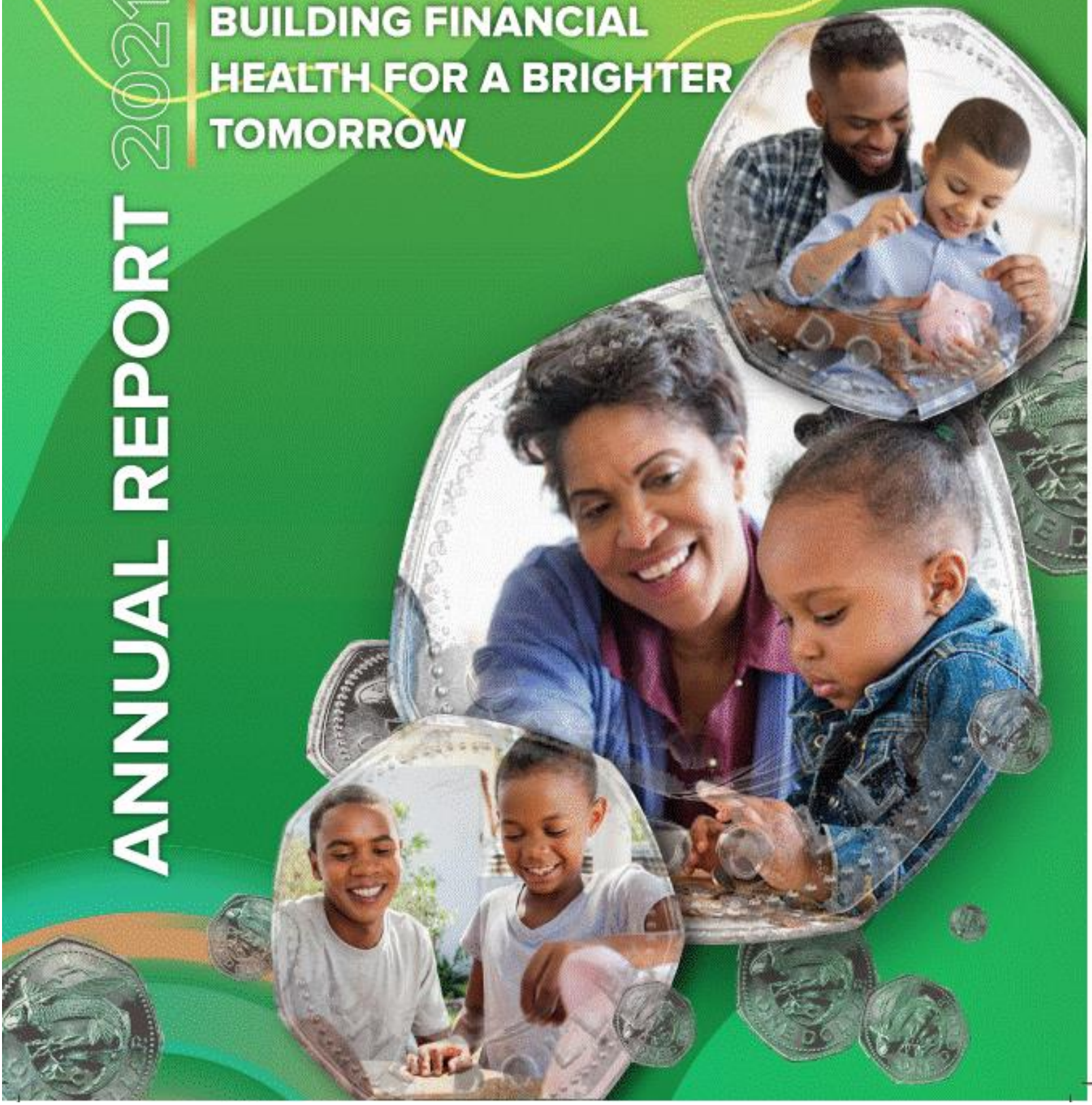


TABLE OF CONTENTS

Prayer of St. Francis of Assisi 2

Vision Statement 3

Mission Statement 3

Corporate Information 4

Credit Union Operating Principles 5

Our Team 7

Notice of Meeting 8

Minutes of the Annual General Meeting of October 31, 2020 9

Report of the Board of Directors 29

Report of the Supervisory Committee 44

Financial Statements 47

Statistical Information 67

Membership Shareholdings 68

Annual General Meeting Standing Orders 69

PRAYER OF ST. FRANCIS OF ASSISI

1

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

2

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

VISION STATEMENT

To be the Primary Trade Association and Provider of Developmental Solutions for our members in the Co-operative Movement.

MISSION STATEMENT

The BCCULL is committed to the supporting and developing of Co-operatives, and contributing to building the profile of the movement in Barbados, the region and beyond.

CORPORATE INFORMATION

BANKERS:

Republic Bank (Barbados) Ltd.
Broad Street
Bridgetown
BARBADOS

Republic Bank (Barbados) Ltd.
Wildey
St. Michael
BARBADOS

AUDITOR:

Peter J. Carter & Co.
Chartered Accountants
P.O. Box 78 WRD
Professional Business Centre
29 George Street, Belleville
St. Michael
BARBADOS

AFFILIATED TO:

Caribbean Confederation of Credit Unions (CCCU)
CCCU Co-operative Business Centre
P.O. Box 1213
Corner Wilkins Street & St. Johnston Avenue
Fortlands
Basseterre
ST. KITTS

World Council of Credit Unions Inc. (WOCCU)
P.O. Box 2982
5810 Mineral Point Road
Madison WI 53701-2982
USA

MEMBER OF:

Barbados Institute of Management & Productivity
BIMAP Drive
Wildey
St. Michael
BARBADOS

CREDIT UNION OPERATING PRINCIPLES

COOPERATIVE STRUCTURE

Member Owned

Credit unions and other cooperative financial institutions are owned by the consumers who use their services. All members are owners of the cooperative financial institution.

The credit union is an autonomous private enterprise, within the framework of law and regulation, recognizing the credit union as a cooperative, serving and controlled by its members.

Member Controlled

Credit unions and other financial cooperatives are democratic organizations which are controlled by their members who actively participate in electing their board representatives and participating in the governance of the institutions. Men and women serving as elected representatives are accountable to the membership.

Democratic Control

Credit union members enjoy equal rights to vote (one member, one vote) and participate in decisions affecting the credit union, without regard to the amount of savings or deposits or the volume of business.

SERVICE TO MEMBERS

Financial Inclusion

Membership in a credit union is voluntary and open to all within the accepted common bond of Association and are willing to accept the corresponding responsibilities. Credit unions and other cooperative financial institutions are non-discriminatory, on all grounds, including but not limited to race, nationality, sex, religion, and politics. Credit union services provide access to affordable financial services to all including the underserved.

Financial Sustainability

A prime concern of the credit union is to build the financial strength, including adequate reserves and internal controls that will ensure continued service to membership. The surplus arising out of the operations of the credit union after paying all operating and provision costs, providing a fair rate of interest on savings and deposits and after payment of fair dividends on members shares or equity capital, should ensure appropriate reserve levels.

Maximizing Member Economic Benefit

To encourage thrift through savings and thus to fund loans and other services, a fair rate of interest is paid on savings and deposits. While meeting the conditions of financial sustainability of the credit union, the provision and pricing of services seek to improve the economic and social well-being of all members.

SOCIAL RESPONSIBILITY

Financial Literacy

Credit unions provide relevant education to their members, officers, and employees for their economic, social, democratic and professional development. Training and education in financial literacy supports members' informed choices in thrift, debt, wise use of credit and financial planning and budgeting. Providing skill sets and knowledge that allow members to make informed and effective decisions with all of their financial resources are essential in serving member needs. Credit unions also provide education to their members in rights and responsibilities of members.

Network Cooperation

In keeping with their cooperative philosophy and to benefit from the economic and efficiency advantages of pooling resources and expertise, credit unions and other cooperative financial institutions cooperate with other credit unions, cooperatives and their associations at local, national, and international levels to best serve the interests of their members and their communities.

Community Responsibility

The cooperative ethos supports the ideals of self-help, mutual assistance and economic empowerment.

The vision of economic empowerment extends both to the individual members and to the larger community in which they work and reside. Credit unions support the growth of a broader just, healthy and prosperous community within which the credit union and its members reside.

Global Vision

The vision embodies building, championing, defending and growing a global community that improves lives through cooperative financial institutions.

OUR TEAM

BOARD OF DIRECTORS

NAME	TITLE	CREDIT UNION
Hally Haynes	President	Barbados Police
Sherwin Greenidge	1st Vice President	Barbados Workers' Union
Patrick McDonald	2nd Vice President	UWI (Cave Hill)
Susan Fitt	Secretary	Endeavour
Glendon Belle	Assistant Secretary	Barbados Public Workers'
Noel Nurse	Treasurer	Lifetime
Adlai Stevenson	Assistant Treasurer	City of Bridgetown
Kevin Lashley	Member	United Enterprise
Kelvin Whittaker	Member	The Light & Power Employees

SUPERVISORY COMMITTEE

NAME	TITLE	CREDIT UNION
Anthony Inniss	Chairman	Lifetime
Trevor Griffith	Assistant Chairman	Barbados Police
Faye Arthur	Secretary	Barbados Workers' Union
Marilyn Gittens	Assistant Secretary	Reliance
Dennis Holder	Member	Bottlers United

MEMBERS OF STAFF/CONSULTANT

NAME	TITLE
Anthony Pilgrim	General Manager
Wesley Bowen	Accountant/Finance Officer
Marisa Marshall	Training Officer
Roslyn Reid	Executive Secretary/Administrative Officer
Akera Browne	Administrative Assistant
Maxine Carrington	Administrative Assistant
Marguerita McClean	Office Assistant
Keith Bourne	Consultant

March 21, 2022

The Secretary
Member Societies

N O T I C E

In accordance with By-Law 17 (1) of the Barbados Co-operative & Credit Union League Limited, Sections 88 and 109 (1) of the Co-operative Societies Act 1990-23, **NOTICE** is hereby given that the Annual General Meeting of the Barbados Co-operative & Credit Union League Limited will be held on **Saturday, April 30, 2022** at the **Lloyd Erskine Sandiford Centre, Two Mile Hill, St. Michael** at **3:30 p.m.**

A G E N D A

1. Ascertainment of a Quorum
2. Call to Order
3. Prayers
4. Welcome and Opening Remarks
5. Presentation of Awards
6. Report of the Credentials Committee
7. Minutes of the Annual General Meeting of October 31, 2020
8. Matters Arising from Minutes of the Annual General Meeting of October 31, 2020
9. Reports:
    a. Board of Directors
    b. Supervisory Committee
    c. Auditor
10. Financial Statements
11. Declaration of Dividends
12. Fixing of Maximum Loan Liability
13. Appointment of Auditor
14. Report of the Nominating Committee
15. Elections
16. Resolutions
17. Any Other Business
18. Termination

Yours co-operatively
BARBADOS CO-OPERATIVE & CREDIT UNION LEAGUE LTD.

……..…
Susan Fitt
SECRETARY, BOARD OF DIRECTORS

MINUTES OF THE ANNUAL GENERAL MEETING OF
THE BARBADOS CO-OPERATIVE & CREDIT UNION LEAGUE LTD.
HELD ON SATURDAY, OCTOBER 31, 2020
AT THE LLOYD ERSKINE SANDIFORD CENTRE
TWO MILE HILL, ST. MICHAEL AT 3:30 P.M.

1. ASCERTAINMENT OF A QUORUM

1.1 The Chairman/President Bro. Hally Haynes of Barbados Police Credit Union stated that in accordance with By-Law 22(1) a quorum was present.

2. CALL TO ORDER

2.1 The Chairman called the meeting to order at 3:41 p.m.

NAME OF DELEGATE	CO-OPERATIVE SOCIETY
Hally Haynes	Barbados Police Credit Union
Trevor Griffith	Barbados Police Credit Union
Glendon A. Belle	Barbados Public Workers' Credit Union
Kieva Cadogan	Barbados Public Workers' Credit Union
Courtney Gibson	Barbados Public Workers' Credit Union
Mark Hope	Barbados Public Workers' Credit Union
Lydia Lewis	Barbados Public Workers' Credit Union
Troy White	Barbados Public Workers' Credit Union
Drayton Carter	Barbados Secondary Teachers' Union Credit Union
Mona Robinson	Barbados Secondary Teachers' Union Credit Union
Clayton Hope	Barbados Teachers' Credit Union
Faye Arthur	Barbados Workers' Union Credit Union
Carolyn Barton	Barbados Workers' Union Credit Union
Novaline Brewster	Barbados Workers' Union Credit Union
Dalton Medford	Barbados Workers' Union Credit Union
Sherwin Greenidge	Barbados Workers' Union Credit Union
Keith E. Jones	Bartel Credit Union
Marcia Dottin	Bartel Credit Union
Felton Burton	BET Credit Union
Dennis Vascoll Holder	Bottlers United Credit Union
Adlai Stevenson	City of Bridgetown Credit Union
Susan Fitt	Endeavour Credit Union
Andrea Phillips	Family Credit Union
Surleen Clarke	James Street Circuit Credit Union
Anthony Inniss	Lifetime Credit Union
Mary Inniss	Lifetime Credit Union
Noel Nurse	Lifetime Credit Union
Victor Carrington	Moravian Church Credit Union
Cecil Forde	Moravian Church Credit Union

NAME OF DELEGATE	CO-OPERATIVE SOCIETY
Jeffrey Husbands	One Heritage Credit Union
Henson Brathwaite	Public Transport Credit Union
Gregory Browne	Reliance Credit Union
Marilyn Gittens	Reliance Credit Union
John Chandler	Shamrock Credit Union
Duncan Cumberbatch	Shamrock Credit Union
Anderson Henry	The Light & Power Employees Credit Union
Kelvin Whittaker	The Light & Power Employees Credit Union
Kevin Lashley	United Enterprise Credit Union
Michelle Shepherd	United Enterprise Credit Union
Charles A. O. Alleyne	UWI (Cave Hill) Credit Union
Patrick McDonald	UWI (Cave Hill) Credit Union

NAME OF ALTERNATE	CO-OPERATIVE SOCIETY
Tricia Archer	Barbados Public Workers' Credit Union
Levere Catlyn	Barbados Public Workers' Credit Union
Quincy Yarde	Barbados Public Workers' Credit Union
Zandre Bowen	Barbados Workers' Union Credit Union
Janelle Edwards	Barbados Workers' Union Credit Union
Overton Franklyn	Barbados Workers' Union Credit Union
Shelley Nicholls-Hunte	Barbados Workers' Union Credit Union
Brenda Brathwaite	Bartel Credit Union
Daren Burke	Church of the Nazarene Credit Union
Norman Belgrave	City of Bridgetown Credit Union
Ottley Cox-Burrowes	Moravian Church Credit Union
Mechelle Thornhill	Public Transport Credit Union
Geralyn Edward	Reliance Credit Union
Alicia Yearwood	Shamrock Credit Union

NAME OF OBSERVER	ORGANISATION
Andrea Arthur	Bartel Credit Union
Shirley Hoyte-Boyce	Bottlers United Credit Union
Denise Haddock	St. Leonard's Credit Union
Sheila Holder	St. Leonard's Credit Union
Paul Maxwell	CAPITA Financial Services Inc.
Anton Lovell	Co-operators General Insurance Company Ltd.
Peter J. Carter	Peter J. Carter & Co.
Alisia Holder-Corbin	Peter J. Carter & Co.

STAFF	TITLE
Anthony Pilgrim	General Manager
Wesley Bowen	Accountant/Finance Officer
Marisa Marshall	Training Officer
Roslyn Reid	Executive Secretary/Administrative Officer
Maxine Carrington	Administrative Assistant
Akera Browne	Administrative Assistant
Keith Bourne	Consultant

3. PRAYERS

3.1 At the invitation of the Chairman, Bro. Anthony Inniss of Lifetime Credit Union led the meeting in prayer. The prayer of St. Francis of Assisi was recited, followed by a moment of silence for all co-operators who had died during the last year.

4. WELCOME AND OPENING REMARKS

4.1 The welcome and opening remarks were delivered by the Chairman Bro. Haynes who stated that the movement was meeting at a time when the world was confronted with the COVID-19 pandemic. He stated that he took his resolve in the words from Ecclesiastes Chapter 3, verse 1, "There is a time for everything, and a season for every activity under the heavens." He also referenced the saying "when the going gets tough, the tough gets going", which means that when situations become difficult, the strong and the motivated work harder and smarter to overcome the challenges.

4.2 He confirmed that until an effective treatment to manage the disease is discovered, to protect persons from getting infected, Barbadians were faced with the closure of national borders and stay-at-home restrictions to control the spread of the virus. He noted that the public policy measures had negatively impacted jobs, and globally many economies had been crippled. He indicated that the year in review had been very challenging for the sector, and thanked each member of the credit union family, as their response to COVID-19 and the challenges it presented, had made a difference in the livelihood of members.

4.3 The Chairman stated that as the movement navigated these difficult circumstances, the opportunity was there for the movement to work more collaboratively as the challenges to one credit union would affect the movement as a whole. He noted that as a result of the pandemic, several members (excluding Barbados Public Workers', Barbados Workers' Union and City of Bridgetown Credit Unions) did not have electronic access to financial services. He confirmed that the pandemic had caused the movement to move more aggressively to provide members with digital solutions. He stated that the Board would be working during the ensuing year to ensure that digital solutions were made available to meet the needs of members.

4.4 The Chairman thanked the Supervisory Committee members, the staff of the League and affiliates for working with the Board through the challenging period.

5. PRESENTATION OF AWARDS

5.1 The Awards were presented by the League's Secretary, Sis. Susan Fitt of Endeavour Credit Union:

NAME OF CREDIT UNION	NO. OF YEARS CELEBRATED	RECEIVED BY
Barbados Police	60	Bro. Trevor Griffith
Bottlers United	55	Bro. Dennis Holder
James Street Circuit	55	Sis. Surleen Clarke
Barbados Public Workers'	50	Bro. Mark Hope
St. Leonard's	45	Sis. Denise Haddock
Moravian Church	30	Bro. Cecil Forde

5.2 Sis. Fitt also presented tokens of appreciation to retiring Director Bro. Keith Jones of Bartel Credit Union who served six consecutive years on the Board of Directors, and to Sis. Carolyn Barton of Barbados Workers' Union Credit Union, who served six consecutive years on the Supervisory Committee.

6. REPORT OF THE CREDENTIALS COMMITTEE

6.1 The Chairman invited Bro. Kelvin Whittaker, of The Light & Power Employees Credit Union, the Chairman of the Credentials Committee, to present the Report.

6.2 Bro. Whittaker stated that the duly appointed members of the Committee were Sis. Brenda Brathwaite of Bartel Credit Union, Sis. Gabrielle Clarke of Family Credit Union and himself.

6.3 He stated that the Committee met virtually on October 23, 2020 and reviewed By-Law 9(1) which required that each member co-operative pay dues quarterly in advance on specified days in the months of January, April, July and October. He also noted that if such dues remained unpaid after the due date, such member co-operative may be prohibited from exercising its rights and privileges in the Society, in accordance with By-Law 9(2).

6.4 Bro. Whittaker noted that the source documents prepared by the League's office, detailing the status of members with respect to payment of dues were reviewed. He confirmed that twenty-nine (29) societies were in compliance with By-Law 9 (1).

6.5 He stated that By-Law 20(1) stipulated that the minimum period of notice was fourteen (14) days prior to the date of the convening of the Annual General Meeting of the Society;

and By-Law 20(2) required that notices be signed by the President and countersigned by the Secretary of the member co-operative.

6.6 He reported that the Committee conducted an analysis of the notices submitted by member societies to ascertain their compliance with By-Laws 20(1) and 20(2). It was confirmed that twenty (20) societies responded by the required date, and four (4) after the deadline date.

6.7 He further reported that in addition, the Committee conducted an analysis of the level of compliance with By-Law 8(8)(a) which requires member societies to purchase a minimum of twenty (20) qualifying shares valued at $10.00 each. He noted that all members had purchased the minimum number of shares required to qualify for membership.

6.8 Bro. Whittaker reported that of the twenty nine (29) societies which were in compliance with By-Law 9 (1), nine (9) had not submitted letters by the deadline date in accordance with By-Law 20(1).

6.9 On behalf of the Committee, Bro. Whittaker, drew to the membership's attention that the delegates and alternates appointed by societies, serve for the entire year, unless withdrawn by the society in writing, and not just for the Annual General Meeting. The Committee, therefore, recommended that societies appoint delegates and alternates in writing even if none of them is available to attend the Annual General Meeting. As a result, if any subsequent Special General Meetings are held during the year, societies would have duly accredited representatives who could attend and exercise the full rights and privileges of membership.

6.10 The Chairman moved a motion for the delegates from BET and James Street Circuit Credit Unions to be seated (their Delegates Nomination Forms were received after the printing of the Supplementary Report) and Bro. Nurse of Lifetime Credit Union seconded the motion. It was carried.

7. MINUTES OF THE ANNUAL GENERAL MEETING OF OCTOBER 26, 2019

7.1 The Minutes of the Annual General Meeting which was held on October 26, 2019 were found on pages 9 to 38 of the Annual Report. A motion that the Minutes be taken as read was moved by Bro. Kevin Lashley of United Enterprise Credit Union and seconded by Sis. Marcia Dottin of Bartel Credit Union. The motion was carried.

7.2 **Errors and Omissions**

Page **13**	6.2	remove of after comprised
Page **16**	8.6.2	Bro. instead of Mr. Bourne
Page **18**	10 1.5	disclose and not disclosure
Page **21**	11.9.4	hyphenate first come first served

Page **22**	11.10.1	insert comma before and after if confirmed
	11.11.1	comma after however
Page **24**	15.1	spell out the number 2
Page **29**	11.25.1	comma after union
Page **31**	12.1	comma after union
Page **33**	12.10.7	comma before which
	16.1	comma after Committee
Page **36**	19.1	change were to was

7.3 A motion for the adoption of the amended Minutes was moved by Bro. Kelvin Whittaker of The Barbados Light & Power Employees Credit Union and seconded by Bro. Keith Jones of Bartel Credit Union. The motion was carried.

8. MATTERS ARISING FROM MINUTES OF THE ANNUAL GENERAL MEETING OF OCTOBER 26, 2019

8.1 8.7 – *Setting up of a Hall of Fame*

8.1.1 The Chairman stated that as a result of the COVID-19 pandemic, this item was not actioned but would be addressed in the new fiscal year.

8.2 8.6 – *Deposit Insurance (DI)*

8.2.1 Sis. Novaline Brewster of Barbados Workers' Union Credit Union requested an update on the level of compliance with AML/CFT standards across the movement. She queried what were the issues preventing credit unions from becoming compliant, and what was being done to address the issues.

8.2.2 Bro. Dalton Medford of Barbados Workers' Union Credit Union suggested that it may be possible to get the trade union movement to join with the sector to lobby government for DI, as the sector now had a seat at the Social Partnership table.

The Chairman stated that these matters would be addressed in the Board Report.

8.3 8.8 – *Regional Disaster Relief Efforts*

8.3.1 The Chairman stated that more work to build this fund needed to be undertaken, and would be done in the next year.

8.4 8.9 – *CoopMed Advantage Plus Programme*

8.4.1 Bro. Dalton Medford of Barbados Workers' Union Credit Union requested an update on the Programme.

The General Manager stated that after Guardian conducted its review, a decision was taken to hold the rates constant. He noted that in these challenging times, increasing the rates would not benefit the plan.

He confirmed that there was no growth in the plan as some persons had ceased paying their premiums because of challenging circumstances. He noted that at the end of June 2020, there were 1,100 persons in the plan. He stated that the League would explore the possibility of making further adjustments going forward that would redound to the benefit of all the parties.

8.5 11.15 – *Social Partnership*

8.5.1 Sis. Novaline *B*rewster of Barbados Workers' Union Credit Union queried the benefit of the sector having a seat at the Social Partnership table, if it was proving so difficult to get a meeting with the powers that be.

The Chairman stated that the matter would be addressed in the Board Report.

8.6 12.10.7 – *Residue from the Institutional Strengthening Project*

8.6.1 Bro. Dalton Medford of Barbados Workers' Union Credit Union requested an update on the plans for these funds.

The General Manager stated that this matter was still being actively considered by the Board. He noted that the League had submitted a proposal to the FSC with reference to putting a resource at the disposal of the sector to assist in building AML/CFT risk management capacity.

He indicated that the FSC manages the Credit Union Development Fund and the Board was having ongoing discussions to ascertain if the Fund could be used for the benefit of the movement. He noted that it was not a large fund, therefore, the movement would have to sustain the initiative after the initial startup.

8.6.2 Sis. Novaline Brewster of Barbados Workers' Union Credit Union requested the General Manager to expand on how the fund could be sustained.

The General Manager stated that when everything was finalised with the FSC, the League would convene a meeting with members to see how best the fund could be sustained. He confirmed that discussions were ongoing for the past three (3) years.

8.6.3 Sis. Brewster queried if the services that would be provided by Allied Co-operators Inc. (ACI) were the same thing that would be provided by this initiative.

The General Manager stated that the two initiatives would work hand in hand. He indicated that given the state of AML/CFT risk mitigation across the movement, there was a critical role for ACI in the delivery of compliance services. He noted that when the ACI team conducts its analyses, and makes recommendations, most credit unions would still require assistance at the operational level as it relates to policy development, and onsite technical help, and the additional technical resource could fill that role.

9. REPORTS

9.1 Board of Directors' Report

9.1.1 The Chairman, Bro. Hally Haynes, presented the Board of Directors' Report which was found on pages 39 to 53 of the Annual Report.

9.1.2 A motion was moved by Bro. Sherwin Greenidge of Barbados Workers' Union Credit Union and seconded by Bro. Trevor Griffith of Barbados Police Credit Union that the report be taken as read. The motion was carried.

9. Overview of the Economy

9.2.1 The Chairman stated that economic activity continued to be sluggish during 2019 as it contracted by 0.1 percent. He noted that during the first half of 2020, the COVID-19 pandemic altered the global outlook and the country was faced with the prospect of a double-digit decline in economic activity.

9.2.2 He indicated that the sector was impacted by unprecedented levels of unemployment and responded as part of the national effort by providing relief to members in the form of loan moratoria, waiver of late fees and penalties for the breaking of fixed deposit contracts.

9.3 Performance of Affiliates

9.3.1 Membership increased by 3.56 percent
Savings increased by 7.85 percent
Loans increased by 1.27 percent
Total Assets increased by 8.04 percent

9.4 Training Programme

9.4.1 The Chairman stated that sixteen (16) workshops were conducted during the period. Of the three hundred and eighteen (318) persons registered for the workshops, only two hundred and twenty-eight (228) persons completed the course work.

9.4.2 The Chairman reported that there was a 21.1 percent decrease in registrations from the prior year which was primarily due to the fall-off in registrations during the COVID-19 lockdown period.

He stated that course completions increased, moving from 64.5 percent of total registrations in the prior year to 71.7 percent for this reporting period.

9.5 Education Fund

9.5.1 The Chairman stated that the Fund received contributions in the amount of $98,184 when compared to $128,453 in the prior year.

9.5.2 He stated that the Fund would be further challenged by COVID-19, and noted that education and training built the human resource capacities of the movement. He suggested that societies should maintain their level of contributions to the fund.

9.6 Technical Assistance

9.6.1 The Chairman confirmed that the consultant Bro. Keith Bourne continued to provide technical assistance to the smaller credit unions. He noted that some of the key outputs of the consultancy were assistance with providing guidance on mergers or other forms of consolidation, conducting in-house training and reviewing loan and delinquency policies.

9.6.2 He stated that over the next two to three (2-3) years, Bro. Bourne's services will be vital as the movement moved towards compliance with AML/CFT.

9.7 Shared Services (Internal Audit (IA) and Compliance)

9.7.1 The Chairman stated that during the reporting period, Barbados Public Workers' Credit Union (BPWCCUL) revived Allied Co-operators Inc. (the shared services company). He noted that administrative process issues had delayed the process.

9.7.2 The Chairman stated that BPWCCUL had applied to the FSC for permission to invest in ACI, but approval of the process was delayed due to COVID-19.

9.7.3 He stated that after five (5) years, the arrangements for ACI to offer the services had been completed and ACI's services would be launched in the first quarter of 2021. He then invited Bro. Mark Hope, of Barbados Public Workers' Credit Union to provide an update.

9.7.4 Bro. Hope stated that interviews were conducted, and offers had been made to the successful candidates. He stated that during the month of November 2020 formal invitation letters would be sent to credit unions outlining the services to be offered by ACI.

9.7.5 He confirmed that the services were tailored to allow credit unions to select the services that were critical to their operations, and additional services could be built out at a later stage. He noted that the ACI Board was actively looking at AML/CFT, to offer this area of service which would be provided by external contractors.

9.7.6 Bro. Hope stated that other credit unions would be able to take part in ownership of ACI at a later date.

The Chairman stated that after such a long gestation period, the parties were quietly confident of a rollout in the first quarter of 2021.

9.8 Advocacy

9.8.1 The Chairman stated that the highlight during the review period was the inclusion of the League as a member of the Social Partnership after several years of lobbying.

9.8.2 The Chairman confirmed that he and the General Manager attended their first meeting in October 2019, and he was invited to sit on the Finance and Insurance Subcommittee of the Social Partnership.

9.8.3 The Chairman stated that the sector was invited to name three (3) representatives to sit on the National Digital ID Steering Committee, and he, along with Bro. Glyne Harrison, of the Barbados Public Workers' Credit Union and the General Manager were the representatives selected.

9.8.4 The Chairman confirmed that through the League's engagement at multiple levels, CAPITA Financial Services Inc., had its forex licence approved, but the operational details had to be agreed.

9.8.5 The Chairman indicated that discussions were held with the FSC regarding migration of the sector to a risk-based capital framework. He noted that the League also lobbied for a liquidity backstop support mechanism as the emergence of the COVID-19 pandemic gave this a new urgency.

9.9 International Financial Reporting Standard (IFRS) 9

9.9.1 The Chairman stated that the Expected Credit Loss (ECL) shell models were circulated to affiliates for their use. He indicated that there had been some teething problems which had to be corrected through the issuance of other iterations by the consultants Deloitte.

9.9.2 He confirmed that the three (3) societies with December 31 year-ends achieved full compliance utilising the model.

9.9.3 The Chairman confirmed that the Board had determined that given the complexity of IFRS 9, societies would require assistance and had contracted the services of Mr. Adrian Lovell who was trained by Deloitte. He noted that after Mr. Lovell had completed his training, onsite technical implementation support was provided to credit unions.

9.10 Banking Services

9.10.1 The Chairman stated that although the Central Bank of Barbados (CBB) had approved CAPITA's application to be a forex services provider, the process would culminate in the listing of the entity in the Official Gazette as a foreign exchange dealer. He noted that, in an attempt to expedite the process, the Board engaged the Ministry of Finance, the Director of Finance & Economic Affairs and the CBB.

9.10.2 He stated that due to the repurposing of the CarIFS network, priority was given to implementing an Europay, Mastercard and Visa (EMV) card solution for the three (3) largest credit unions whose members would be disadvantaged if a solution was not found by the deadline date. He noted that the solution should be rolled out during the first quarter of 2021.

9.10.3 The Chairman stated that discussions to provide an EMV card product for the other credit unions was held, and this solution would be given greater priority in the near future. He noted that COVID-19 created a greater urgency for digital solutions, and in this context, pre-paid debit cards emerged as a possible solution.

9.10.4 The Chairman stated that commencing March 2020 for a six-month period, the Board retained the services of a Consultant, Frank Drakes to advise the Board on this matter. He then invited Bro. Paul Maxwell, CEO, of CAPITA Financial Services Inc. (CAPITA) to provide an update on the banking services solution for the movement.

9.10.5 Bro. Maxwell stated that two (2) years ago, CAPITA and the League signed a Memorandum of Understanding (MOU) to look at the rollout of an EMV card and related value-added services for the sector. He noted that initially the EMV card was to be a credit card solution, however, on the announcement of the repurposing of the CarIFS network, a decision was made to pursue a debit card solution, to replace the local card that was being used by the three largest credit unions.

9.10.6 He noted that while discussing related matters with the League's consultant, it was discovered that the movement did not have a forex licence, as this licence was only given to institutions that are regulated by the CBB. He confirmed that it was agreed that CAPITA would go forward and obtain the licence to operate on behalf of the movement. He noted that the forex licence would allow CAPITA to pay for purchases made with the debit cards as they would be able to source foreign exchange in the market to pay for purchases made with members' debit cards.

9.10.7 Bro. Maxwell noted that eventually, credit unions would have access to foreign exchange services and offer their members US Dollars for travel purposes through mechanisms set up at the individual credit unions.

9.10.8 Bro. Maxwell confirmed that CAPITA received its principal licence from Mastercard and would soon be receiving the cards for credit union members that currently have ATM cards. He also stated that CAPITA was granted a licence as co-issuer, which would allow it to issue foreign exchange to credit unions other than Barbados Workers' Union and Barbados Public Workers' Credit Unions.

9.10.9 He noted that the Exchange Control Order was signed by the Minister of Finance in August 2020, and CAPITA was in the process of staffing its Forex Department. He

stated that to be an equity participant in the automated clearing house (ACH), the cost would be $300,000.

9.10.10 Sis. Novaline Brewster of Barbados Workers' Union Credit Union stated that the efforts to upgrade the systems across the sector needed to be expedited, given the challenges that were posed during the COVID-19 pandemic, and queried what was being done to achieve same. She queried how the other credit unions would participate in the services being offered as a result of the banking services initiative. She further queried what was the status of deliverables on the interbank settlement fees.

Bro. Maxwell stated that the medium sized credit unions would be offered a pre-paid debit card, which would give persons the function of an online debit card without being connected to their account, as it would be a pre-loaded card. He noted that persons could use the card for local or international transactions. He also noted that Mastercard had confirmed that as soon as credit unions signed the agreement, it would take four to five (4 - 5) months for them to be provided with the cards.

The Chairman stated that the interbank settlements issue was still being discussed with The Barbados Bankers' Association, as some banks wanted to charge a fee, while others did not.

Bro. Maxwell stated that if credit unions wanted CAPITA or another entity to be their load point, that it could be achieved, provided that there was an MOU between the two (2) entities.

9.10.11 Sis. Brewster queried how the movement was preparing for the additional regulatory framework, and the high cost of technology associated with these services.

The Chairman stated that the League needed to have discussions with credit unions as the movement was now entering the digital space, and was moving from a user of services to being a provider of services. He noted that when the League met with the CBB with reference to the movement joining the ACH, it was informed that the cost to join was $250,000, but that cost was subject to review. He confirmed that discussions were ongoing with the principal parties.

Bro. Maxwell stated that although there was a cost to participating in these services, there were also opportunities to earn revenues from offering the services. He suggested that a modality should be created to enable the costs to be shared among the participating credit unions so that all can benefit.

He opined that the League's Banking Services Committee and the credit unions needed to create the scenarios to establish where the potential take up would be, as the services to be provided required transaction drivers. He indicated

that it was a marketing opportunity for the movement, but care must be taken as to how the sector entered the space, since missteps could be very costly. He noted that financial modelling had to take place, and the cost of the annual licence had to be included.

9.10.12 Bro. Dalton Medford of Barbados Workers' Union Credit Union queried which entity would be loading the prepaid cards for the smaller credit unions.

Bro. Maxwell stated that there were two models being considered; one where the credit union would determine which institution does its pre-loading or members would be allowed to load the card from their accounts.

9.11 Credit Bureau Services

9.11.1 The Chairman stated that a membership agreement was signed on July 1, 2020 with Creditadvice (Barbados) Limited, the League, Barbados Workers' Union, Barbados Public Worker's, City of Bridgetown, Endeavour, Lifetime and UWI (Cave Hill) Credit Unions. He suggested that in the new fiscal year more societies should come on board and enjoy the benefits of access to a robust database.

9.11.2 He stated that the government had reviewed the credit bureau legislation and Bro. Barry Hunte of Barbados Police Credit Union had been the League's representative on the Committee. He noted that when the legislation is passed, all financial institutions, including credit unions would be required to submit credit data to the credit bureau.

9.11.3 The General Manager stated that there were tremendous benefits to be gained from the services provided by the credit bureau. He noted that the League had negotiated an arrangement with Creditadvice, whereby it would be the sole member obviating the need for each credit union to pay a membership fee. He noted that credit unions would only pay the fees associated with the cost of the reports or other value-added services.

9.11.4 He noted that there would be volume discount packages, which would commence when the cumulative volumes reach the threshold level. He indicated that this had been deferred because of the low volumes, as only five (5) credit unions were participating.

9.11.5 He confirmed that it was critical for credit unions to get their data projects going so that their data could be uploaded to the database. He urged credit unions to treat this matter as a priority.

9.12 Deposit Insurance (DI)

9.12.1 The Chairman stated that in the initial stages of discussions with the government, the movement indicated that it needed seed capital to kick-start DI for the sector. He confirmed that due to the economic position of the country and the various austerity

measures, this might be a challenge for government. He noted that in light of this, the Board agreed to explore the option of a private scheme for the sector, and had engaged the services of Dave Grace & Associates as consultants. He noted that the principal, Dave Grace, possessed tremendous knowledge and experience in working with DI schemes across the world.

9.12.2 The General Manger stated that the first phase of the DI project was data gathering which had two (2) components:

1. Deposit stratification - the Consultants, had prepared a survey instrument which was disseminated to affiliates; sixteen (16) entities had provided the requested information.
2. Loan Book Information – the Consultant needed to be provided with a breakdown of the loan book information including non-performing loans.

9.12.3 The Chairman stated that the League met with the Minister of State in the Ministry of the Finance, the Honourable Ryan Straughn regarding the inclusion of the movement in the DI framework. He confirmed that the League was assured that a meeting would be scheduled to look at amendments to the **Barbados Deposit Insurance Act** and the **Co-operative Societies Act** to include credit unions in the DI scheme.

9.13 Digitizing the Sector

9.13.1 The Chairman stated that a mechanism needed to be developed for the sharing of information to credit union members, including the services and products offered by the sector and the benefits of membership. He noted that as a result of the COVID-19 pandemic, virtual Town Hall meetings would be scheduled.

9.13.2 Sis. Novaline Brewster of Barbados Workers' Union Credit Union queried if the moratoria information for the sector was collected, and how credit unions would be recording this item on their books. She also requested an update on the National Digital ID card initiative.

The General Manager stated that the moratoria information for the sector was collected and shared with the Social Partnership to confirm that the movement was offering relief to its members during the pandemic.

He stated that as it related to the loan portfolio, the League had commenced discussions with the Regulator, who had indicated that it would issue a guidance document on the matter to the sector.

The Chairman confirmed that when the card is rolled out, and persons seek to open an account with a financial institution, the Digital ID card would be accepted as authentication of their identity and also proof of address, as required under the Anti-Money Laundering and Countering Terrorist Financing Legislation.

He indicated that the Government's target was to have the initiative completed by December 2020. He noted that a specimen of the card was presented to the Committee, and a Digital ID Authority will be established to handle the administrative arrangements.

9.14 Bro. Anderson Henry of The Light & Power Employees Credit Union moved a motion for the adoption of the Board of Directors' Report and Bro. Anthony Inniss of Lifetime Credit Union seconded the motion. It was carried.

9.15 **Supervisory Committee's Report**

9.15.1 The Chairperson of the Committee, Sis. Carolyn Barton of Barbados Workers' Union Credit Union presented the report of the Supervisory Committee. The report was found on pages 54 to 55 of the Annual Report.

9.15.2 A motion was moved by Bro. Drayton Carter of Barbados Secondary Teachers' Union Credit Union and seconded by Bro. Anderson Henry of The Light & Power Employees Credit Union that the report be taken as read. The motion was carried

9.15.3 Sis. Barton stated that the Supervisory Committee examined the records of the League, along with contracts and the insurance policies and found no discrepancies with the League's operations.

9.15.4 She suggested that in light of the COVID-19 pandemic, the League should review its Disaster and Recovery Plan and build out the framework to ensure that it was operational.

The General Manager stated that this was a work in progress and as a result of COVID-19, the League had to work remotely. He noted that the League would continue to review and discuss the matter with its IT consultants, and progress would be accelerated in the new fiscal year

9.15.5 A motion was moved by Bro. Drayton Carter of Barbados Secondary Teachers' Union Credit Union and seconded by Sis. Faye Arthur of Barbados Workers' Union Credit Union for the adoption of the Supervisory Committee's Report. The motion was carried.

9.16 **Auditors' Report**

9.16.1 Bro. Peter Carter of Peter J. Carter & Co., presented the Independent Auditors' Report. The report was found on pages 57 to 59 of the Annual Report.

9.16.2 Bro. Carter stated that the report was an unqualified report which confirmed that the financial statements of the League had been prepared in accordance with International Financial Reporting Standards (IFRSs).

9.27.3 A motion was moved by Sis. Carolyn Barton of Barbados Workers' Union Credit Union and seconded by Bro. Anthony Inniss of Lifetime Credit Union for the adoption of the Auditors' Report. The motion was carried.

10. FINANCIAL STATEMENTS

10.1 The Treasurer, Bro. Noel Nurse of Lifetime Credit Union presented the financial statements which were found on pages 60 to 75 of the Annual Report.

10.2 Bro. Nurse noted that there was further consolidation in FY 2019 to 2020 and the League's balance sheet remained free of all third party liabilities with a very strong equity position.

Highlights of the Treasurer's presentation are shown below:

10.3 Balance Sheet

10.3.1 Total assets increased by 5.04 percent to reach $3,129,509, and total liabilities increased by 4.85 percent moving from $1,483,333 to $1,555,269.

10.3.2 Members' equity increased by 5.96 percent to reach $1,574,240.

10.4 Changes on the Assets Side of the Balance Sheet

10.4.1 The increase in assets was mainly due to an increase in non-current investments which moved from $547,090 to $1,168,364, an increase of 113.56 percent. Cash and cash equivalents also increased, moving from $555,507 to $617,514, an increase of 11.16%.

10.4.2 Conversely, current investments decreased by 32.11 percent, as they moved from $1,698,842 to $1,153,397.

10.5 Changes on the Liabilities Side of the Balance Sheet

10.5.1 In the category of current liabilities, accounts payable and accruals increased by 112.66 percent, moving from $97,117 to $206,529, while unearned revenue decreased by 16.78 percent, as it moved from $94,133 to $78,340.

10.5.2 The Development Fund had a net increase of 2.29 percent, as it moved from $216,551 to $221,504.

10.6 Institutional Strengthening Project (ISP)

10.6.1 The ISP Fund had a net increase of 2.09 percent, as it moved from $120,308 to $122,821.

10.7 Education Fund

10.7.1 This fund had a net decrease of 27.34 percent, as it moved from $107,349 to $78,000.

10.7.2 The Treasurer stated that the decrease in contributions received during the year resulted in a net payments position.

10.8 Equity Position

10.8.1 Total equity increased by 5.96 percent moving from $1,485,702 to $1,574,240. The special reserve of $275,265, which represents the gains from the liquidation of the HCF loan remained unchanged.

10.8.2 The capital-to-assets ratio at year-end stood at 50.3 percent.

10.9 Income Statement Highlights

10.9.1 Operating income decreased by 0.36 percent, as it moved from $848,928 to $845,908.

10.9.2 Membership dues increased by 2.25 percent, while administration and management fees decreased by 6.18 percent.

10.9.3 Staff costs decreased by 0.25 percent, moving from $367,184 to $366,266; and other operating expenses decreased by 10.96 percent, moving from $365,049 to $325,034.

10.9.4 For the ninth consecutive year, interest was paid on shares. Members earned a rate of return of 1.37 percent on their shares, which was equivalent to a payout of $11,597.

10.9.5 Net income of $60,305 was recorded for the year under review. This represented an increase of 192.15 percent when compared to the prior year's figure of $20,642.

10.9.6 Bro. Nurse declared that with the League's clean balance sheet, the financial goal continued to be the generation of a small surplus and the rewarding of members, who had contributed immeasurably to the turnaround effort.

10.9.7 A motion was moved by Bro. Drayton Carter of Barbados Secondary Teachers' Union Credit Union and seconded by Sis. Faye Arthur of Barbados Workers' Union Credit Union for the acceptance of the audited financial statements. The motion was carried.

11. DECLARATION OF DIVIDENDS

11.1 The Treasurer stated that there would be no dividend payments for the completed fiscal year.

12. FIXING OF MAXIMUM LOAN LIABILITY

12.1 Bro. Patrick McDonald of UWI (Cave Hill) Credit Union moved a motion that the maximum loan liability should remain at $1 Million, and Bro. Anderson Henry of The Light & Power Employees Credit Union seconded the motion. The motion was carried.

13. APPOINTMENT OF AUDITOR

13.1 Bro. Patrick McDonald of UWI (Cave Hill) Credit Union moved a motion that Peter J. Carter & Co., Chartered Accountants, be appointed as Auditors for the ensuing year. The motion was seconded by Bro. Noel Nurse of Lifetime Credit Union. The motion was carried.

14. REPORT OF THE NOMINATING COMMITTEE

14.1 The Chairman of the Nominating Committee, Sis. Fitt of Endeavour Credit Union, presented the report. Sis. Fitt stated that she, along with Bros. Denis Maynard and Asquith Reece were appointed as Committee members by the Board of Directors.

14.2 She reported that on October 19, 2020, the Committee received nominations from the Secretary as per By-law 29 (3) (iii), to consider the positions to be filled, and to ascertain the eligibility of the individuals and if elected, their willingness to serve.

14.3 She noted that Bro. Kevin Lashley had tendered his resignation from the Supervisory Committee, and therefore there were three (3) vacancies to be filled on that Committee.

14.4 Sis. Fitt reported that the Committee was satisfied that to the best of its knowledge and belief, all the nominees are qualified pursuant to section 57 of the Co-operative Societies Act, the Regulations and the By-laws.

14.5 Sis. Fitt stated that the following persons were duly nominated to fill positions on the Board of Directors and the Supervisory Committee:

BOARD OF DIRECTORS

NAME	CREDIT UNION
Bro. Glendon A. Belle	Barbados Public Workers*****
Bro. Dennis Holder	Bottlers United
Bro. Kevin Lashley	United Enterprise
Bro. Patrick McDonald	UWI (Cave Hill)

*****Guarantee seat

SUPERVISORY COMMITTEE

NAME	CREDIT UNION
Sis. Faye Arthur	Barbados Workers' Union
Bro. Dennis Holder	Bottlers United
Bro. Anthony Inniss	Lifetime

15. ELECTIONS

15.1 The Chairman, Bro. Hally Haynes of Barbados Police Credit Union presided over the election process.

15.2 Bro. Haynes stated that there were three (3) vacancies on the Board of Directors, and one was a guarantee seat, therefore persons were required to vote for two (2) of the other three (3) nominees, Bros. Dennis Holder, Kevin Lashley or Patrick McDonald.

15.3 Bro. Haynes stated that delegates were not required to vote for the three (3) vacant seats on the Supervisory Committee, as there were three (3) nominees.

The following amendments, were made for the use of alternates as delegates during the election process:

15.4 Barbados Public Workers' Credit Union
Bro. Quincy Yarde was seated.

15.5 City of Bridgetown
Bro. Norman Belgrave was seated.

15.6 Public Transport
Bro. Roderick Best was replaced by Sis. Mechelle Thornhill.

15.7 Ballots were cast and the results were as follows:

NAMES	**VOTES**
Bro. Patrick McDonald	36
Bro. Kevin Lashley	26
Bro. Dennis Holder	17

15.8 Bros. McDonald and Lashley were duly elected to serve on the Board of Directors for a three (3) year period.

15.9 The Chairman requested the nominees of the Supervisory Committee to draw lots to ascertain the number of years that they would serve.

15.10 Lots were drawn and the results were as follows:

NAMES	**YEARS**
Bro. Anthony Inniss	3
Bro. Dennis Holder	3
Sis. Faye Arthur	1

16. RESOLUTIONS

16.1 Bro. Anderson Henry of The Light & Power Employees Credit Union moved a motion for the reimbursement of expenses for each Director and Member of the Supervisory Committee for the fiscal year 2019/2020 as follows

Director - **$1,200.00** and Supervisory Committee Member - **$700.00**

16.2 The motion was seconded by Sis. Marcia Dottin of Bartel Credit Union and was carried.

17. ANY OTHER BUSINESS

17.1 There were no matters raised.

18. TERMINATION

18.1 There being no other business, the meeting was terminated at 6:58 p.m.

RECORDED BY: **Roslyn Reid**
Executive Secretary/Administrative Officer

REPORT OF THE BOARD OF DIRECTORS
OF THE BARBADOS CO-OPERATIVE & CREDIT UNION LEAGUE LTD.
FOR THE PERIOD AUGUST 1, 2020 TO JULY 31, 2021

The Directors and their attendance at meetings for the period under review are as exhibited below:

August 1, 2020 – October 31, 2020

POSSIBLE ATTENDANCE	NAME	POST	ATTENDED	EXCUSED
6	Hally Haynes	President	6	-
6	Sherwin Greenidge	1st Vice President	5	1
6	Patrick McDonald	2nd Vice President	6	-
6	Noel Nurse	Treasurer	6	-
6	Adlai Stevenson	Asst. Treasurer	4	1
6	Susan Fitt	Secretary	6	-
6	Keith Jones	Asst. Secretary	6	-
6	Glendon Belle	Member	3	-
6	Kelvin Whittaker	Member	6	-

October 31, 2020 – July 31, 2021

POSSIBLE ATTENDANCE	NAME	POST	ATTENDED	EXCUSED
12	Hally Haynes	President	12	-
12	Sherwin Greenidge	1st Vice President	12	-
12	Patrick McDonald	2nd Vice President	12	-
12	Noel Nurse	Treasurer	10	2
12	Adlai Stevenson	Asst. Treasurer	12	-
12	Susan Fitt	Secretary	11	-
12	Glendon Belle	Asst. Secretary	11	-
12	Kevin Lashley	Member	12	-
12	Kelvin Whittaker	Member	12	-

The Board appointed sub-committees during the period. The Committees formed were: Human Resources, Credentials, Finance, Nominating and Banking Services. All Committees are chaired by sitting Directors.

OVERVIEW

Economic Review and Impact on the Sector

As reported by the Central Bank, 2020 was an especially difficult year for the Barbados economy as COVID-19 triggered global recessionary conditions and curtailed international travel. Depressed tourism activity, a dampening of consumption, and delayed investment projects, led to a sharp contraction in economic activity, elevated unemployment, subdued government's revenues, and amplified economic vulnerabilities. However, the progress made under the 4-year IMF programme enabled the country to adapt economic policy, quickly mobilise external funding, build unprecedented reserve buffers, and close the financial gap that might otherwise have derailed the recovery efforts.

Estimates are that the real economy contracted by almost 18 percent during 2020. There was a modest pickup of tourism in the fourth quarter as airlift improved. However, a 90 percent decline in long-stay arrivals for the first three quarters, reduced arrivals by 71 percent for the year. The spillover effects of the downturn in tourism were especially felt in the wholesale and retail business, as well as the services sectors, including real estate, car rentals and other ancillary services. Reduced activity during the lockdown period and lower demand arising from the fall in incomes were largely responsible for the sharp decline.

For the first 6 months of 2021, the performance of Barbados' economy continued to be restrained by the protracted global COVID-19 pandemic. As a consequence, economic activity was dampened. However, following the sharp decline over the preceding 12 months, preliminary data suggested that the economic recovery had started. The economy grew by 5.5 percent during the second quarter. However, the moderate growth was not enough to offset the weak performance of the tourism sector in the first quarter and indicators suggest that activity for the first half of the year was 9.0 percent lower than for the same period in 2020.

The sector was impacted by job losses and under-employment. On a best-effort basis, member societies worked with their members, who were experiencing difficulty servicing their loans, on a case-by-case basis. Some borrowers who had been granted moratoria, had their loans restructured to accommodate their changed circumstances. As a result, the quality of the loan book declined, as non-performing loans increased from approximately 12.57 percent as at June 2020, to 14.11 percent at June 2021.

Review of Business Performance

The organisation remained stable during a very turbulent environment, with COVID-19 beginning to impact its affiliate bodies. Operations were disrupted from time to time due to compliance efforts with the health protocols, as management responded by implementing systems to facilitate remote work to the extent practicable.

The balance sheet remained sound as revenue streams held steady. At the same time, expenditure was tightly controlled, as the virtual meeting modality (including conferences) and remote work also led to significant cost savings. Net income increased by 16.38 percent to reach $70,182 at fiscal year-end.

MEMBERSHIP

There was no change to the membership of the League during the year, it remained at 30 active societies. There were ongoing attempts at amalgamation but none materialised. It is anticipated that in the ensuing year, regulatory approval may be given in a few cases. Additionally, one-member society is reportedly considering a voluntary liquidation process.

PERFORMANCE OF AFFILIATES

In the prevailing circumstances, for the period ended June 30, 2021 the sector still achieved growth in all the key areas as reported below.

Membership

The total membership of affiliated societies recorded year-on-year growth of 2.65 percent, moving from 218,579 to 224,375. This is lower than last year's growth rate of 3.56 percent, and is commendable in a fiercely competitive environment.

Savings

The total savings of affiliated societies recorded year-on-year growth of 5.56 percent, moving from $2,384,700,630 to reach $2,517,180,235. This is below last year's growth rate of 7.85 percent.

Loans

Year-on-year loan growth was recorded at 2.95 percent, moving from $1,749,824,802 to reach $1,801,499,967. This low rate of growth is due to the uncertainty associated with weak economic fundamentals. There was also a negative impact on the propensity of members to borrow due to lack of confidence or loss of ability to repay. Nevertheless, it was above last year's growth rate of 1.27 percent.

Assets

Year-on-year asset growth was recorded at 5.74 percent as total assets under management grew from $2,719,209,224 to reach 2,875,198,911. This is lower than last year's growth rate of 8.04 percent.

DISCUSSION AND ANALYSIS OF THE LEAGUE'S FINANCIAL CONDITION AND PERFORMANCE

Overview

For the period under review the organisation recorded net income of $70,182; this represented an increase of 16.38 percent over the prior year's figure of $60,305. The Board of Directors took a decision to pay members a rate of return on regular/non-qualifying shares. Interest on these liabilities was paid at the rate of 1.23 percent. The prior year's rate of return was 1.37 percent.

Balance Sheet Highlights

Total assets increased by 13.09 percent, moving from $3,129,509 at year-end 2020 to $3,539,078 at year-end 2021. The increase was mainly due to a 30.25 percent rise in non-current investments, which moved from $1,168,364 to $1,521,815. Cash and cash equivalents increased by 31.03 percent, as it moved from $617,514 to $809,112. Conversely, current investments decreased by 9.79 percent as it moved from $1,153,397 to $1,040,533; accounts receivable and prepayments decreased by 4.87 percent as it moved from $143,006 to $136,043.

Total liabilities increased by 17.92 percent, moving from $1,555,269 at year-end 2020 to $1,833,937 at year-end 2021. In the category of current liabilities, accounts payable and accruals increased by 26.77 percent, moving from $206,529 to $261,824; unearned revenue increased by 2.33 percent, moving from $78,340 to $80,164. In the category of non-current liabilities, the Education Fund increased by 124.7 percent, as it moved from $78,000 to $175,263; the Development Fund increased by 55.19 percent, as it moved from $221,504 to $343,758; and the Institutional Strengthening Project Fund increased by 1.65 percent, moving from $122,821 to $124,853.

Total equity recorded an increase of 8.32 percent, as it moved from $1,574,240 at year-end 2020 to $1,705,141 at year-end 2021. The statutory reserve balance was again held constant as there was no further allocation required in view of the adequacy of the organisation's capital position, given the current risk profile. However, the undivided surplus increased by 14.5 percent, moving from $902,793 to $1,033,694. The special reserve set up as a result of the gains of the liquidation of the HCF debt, a transaction which was fully completed in 2016, remained unchanged at $275,265 at year-end 2021.

Statement of Comprehensive Income Highlights

Operating income increased by 4.39 percent, as it moved from $845,908 in fiscal year 2020 to $883,033 for fiscal year 2021. Membership dues increased by 2.21 percent, while administration and management fees increased by 9.7 percent.

Operating expenses increased by 2.71 percent, as it moved from $822,247 in fiscal year 2020 to $844,556 in fiscal year 2021. Other operating expenses decreased by 1.1 percent, while Staff costs increased by 7.45 percent.

Other income decreased by 12.74 percent, as it moved from $48,241 in fiscal year 2020 to $42,095 in fiscal year 2021. The most significant item in this category, interest earned on investments, decreased by 5.58 percent, while dividend income increased by 2 percent.

For the fiscal year 2021, interest was paid on shares at the rate of 1.23 percent to the value of $10,390, based on the rate of return on average investments. The prior year's rate was 1.37 percent, to the value of $11,597.

Net income increased by 16.38 percent as it moved from $60,305 in fiscal year 2020 to $70,182 in fiscal year 2021. Total comprehensive income increased by 47.51 percent, as it moved from $88,738 in fiscal year 2020 to $130,901 in fiscal year 2021.

HUMAN RESOURCE MATTERS

During the period under review, the staff complement of seven persons, equivalent to the total number of established posts, was maintained. The Board continued to retain the services of a Human Resources Consultant on an as-needed basis.

The move to more flexible work arrangements occasioned by COVID-19, which was started in the prior year, continued during the period under review. There was no prolonged national lockdown as in the prior year, but public policy directives encouraged work-from-home arrangements as far as was practicable. Therefore, to protect the health of employees, the necessary tools were provided to facilitate remote work for all established full-time posts.

Great attention was paid to observing all the necessary public health protocols by social distancing and sanitising in situations where employees worked on-site. In addition, to avoid congregation in the lunch room area, there was a relaxation of rules regarding meal consumption in office spaces.

One of our Administrative Assistants was given the development opportunity to participate in the 2021 CCCU virtual Convention fully sponsored by the League. In addition, our Executive Secretary/Administrative Officer was given a similar opportunity to participate in the 2021 WOCCU virtual conference.

During the reporting period, the Board in a continuing effort to improve the terms and conditions of employment for staff, put in place additional benefits. A Gratuity Plan was implemented for employees with 10 years' service or more. In addition, an Employee Savings Fund was put in place for employees with five years' service or more. The League received a contribution of $30,000 from Co-operators General Insurance Company Ltd. in appreciation of the contribution that the employees of the League had made in support of the Company over the 30 years of its existence. The Company's contribution was utilised to start the Employee Savings Fund.

LEAGUE PROGRAMMES AND SERVICES

I. Training

Programme 1: Dollars & Sense

(Financial Literacy presentations to credit union general members focused on helping them to make the right financial decisions.)

Materials

Financial Literacy Materials continued to be available on our website. There was a brief disruption caused by a cyber-security breach.

Presentations

During March 2021, the Training Officer conducted a Financial Literacy orientation for the **Barbados Youth Advance Corp (BYAC)** Cohort 3 recruits. The session was recorded and shared with those who were absent from the online session. As requested by BYAC, the League submitted a proposal to facilitate an online Financial Literacy course which covers various financial situations to provide the recruits with adequate foundation knowledge.

Digital Entrepreneurship workshop

We disseminated the information for the Digital Entrepreneurship workshop by Genesis International Ltd. However, no credit union expressed an interest in sponsoring their members' attendance.

Programme 2: Leader's Insight

(Presentations to managers/volunteers focused on creating awareness of sector issues or best practices)

During the year **three (3) sessions** were held. The first introduced the Employment (Prevention of Discrimination) Act 2020, the second and third focused on the Financial Intelligence Unit (FIU) perspective on the sector in relation to AML. **Seventeen** (**17)** member societies registered at least one person for the instructor-led sessions.

Table1: Attendance by session

Leader's Insight	**Registrations**	**Completions**
Leader's Insight: Overview of Employment (Prevention of Discrimination) Act 2020	19	14
Leader's Insight: An Understanding of Barbados' Macro Anti Money Laundering Issues & Credit Union Positioning – October 22, 2021 (Managers)	39	28
Leader's Insight: An Understanding of Barbados' Macro Anti Money Laundering Issues & Credit Union Positioning – October 22, 2021 (Volunteers)	52	31
	110	**73**

Table 2: Attendance by Member Society

Member Society	Registrations	Completions	No Shows
Barbados Public Workers' Credit Union	21	13	38%
Barbados Police Credit Union Lt	3	1	67%
Barbados Seventh-day Adventists Credit Union	2	1	50%
Barbados Workers' Union Credit Union	2	1	50%
Bartel Credit Union	11	8	27%
Bottlers United Credit Union	6	6	0%
Endeavour Credit Union	2	0	100%
Family Credit Union	15	9	40%
James Street Circuit Credit Union	2	2	0%
Lifetime Credit Union	2	2	0%
Moravian Church Credit Union	1	0	100%
One Heritage Credit Union Ltd	7	4	43%
Reliance Credit Union	5	2	60%
St. Stephens Credit Union	1	1	0%
The Light & Power Employees Credit Union	6	4	33%
United Enterprise Credit Union	6	3	50%
UWI (Cave Hill) Credit Union	16	15	6%
Other Registrants	2	1	50%
	110	**73**	

Programme 3: CU@Training Blended
(Sessions for volunteers/managers/employees focused on knowledge and skill building to support credit union operations)

The League paused the instructor-led sessions to focus on restructuring the training programme to enable self-paced learning as well as blended learning approaches.

A Learning Management System (LMS), as well as authoring software were acquired to strengthen the knowledge base of the participants (especially the volunteers). During the reporting period, twenty-eight (28) courses were updated/reconfigured for an online format and a new bank of questions was developed to allow for post-course assignments. **Fifteen (15) of the twenty-eight micro sessions** were live on the LMS for a pilot period July – August 2021. On two occasions, all member credit unions were invited to submit their employee and volunteer listing for access to the LMS. In total, BCCULL received feedback from **13 member societies** with a list totalling **238 employees** and **175 volunteers.** All credit unions who submitted their information were sent links to the system.

	Member Society	**Employees**	**Volunteers**
1	Barbados Seventh-day Adventists Credit Union	0	11
2	Barbados Workers' Union Credit Union	59	17
3	Bartel Credit Union	2	13
4	City-of-Bridgetown Credit Union	115	17
5	Church of the Nazarene Credit Union	1	11
6	James Street Circuit Credit Union	0	11
7	Lifetime Credit Union	24	15
8	One Heritage Credit Union	3	11
9	Public Transport Credit Union	8	15
10	St. Mark’s Credit Union	0	14
11	Light & Power Employees' Credit Union	12	16
12	United Enterprise Credit Union	6	10
13	UWI (Cave Hill) Credit Union Ltd	8	14

Pilot Courses

Category: Credit Risk

1. Introduction to Credit Risk Management
2. Credit Portfolio & Delinquency Management
3. Investigating the Loan Application
4. Structuring the Loan
5. The Credit Decision

Category: Foundation

1. Credit Union Principles, Philosophy & Structure

Category: Finance

1. Financial Management in Credit Unions
2. The Financial Risks Facing Credit Unions
3. Operations Management
4. Understanding Credit Union Financial Statements
5. Financial Services Regulations & Financial Reporting
6. Managing Capital
7. Managing Financial Risks
8. Asset/Liability Management & Liquidity Management
9. Asset/Liability Management & Interest Rate Risk

II. Technical Assistance

During the period under review, our consultant Keith Bourne continued to provide technical assistance to member societies focusing primarily on those with assets below $20 million. The consultancy which was in its eleventh year, was impacted by the pandemic since visits to credit unions had to be curtailed.

Nevertheless, despite the constraints, the consultant focused his energies on the following:

Helping credit unions to devise creative strategies to mitigate the challenges associated with reduced investment returns, sluggish growth in loan portfolios and spikes in levels of delinquency. In this regard, some societies received assistance with respect to revisions of their loan and delinquency policies, especially in light of the loss of employment or under-employment due to the pandemic.

In cases where credit unions were continuing to explore consolidation opportunities as in the prior year, further assistance was provided. The benefits of mergers and other forms of consolidation were reinforced in an attempt to move things forward. The impact of the pandemic did appear to provide, in a few cases, a more fertile environment for consolidation.

As in prior years, in-house training was delivered in a few instances where the Directors of societies or staff could not avail themselves of the training opportunities provided by the League. Practical help was also provided in the area of understanding the PEARLS ratios.

The consultancy continued to be co-funded by the Barbados Public Workers' Credit Union and the League with a contribution split ratio of 70:30 respectively, during the reporting period.

III. CoopMed Advantage Plus

Premium rates were not adjusted at the anniversary date of June 1, 2021 despite the difficult environment. In addition, no changes were made to the schedule of benefits. It is noted that rates were last increased in 2019. The number of participants in the plan

has experienced some fluctuation in recent years, and as at the anniversary date, the number was approximately 1,300 persons.

IV. Shared Services (Internal Audit and Compliance)

During the reporting period, Allied Co-operators Inc. (ACI) and the League expended significant effort to document a framework for the delivery of the shared services by working collaboratively to develop a Shared Services Service Level Agreement. The document is intended to bring clarity and give comfort to all the parties. ACI, the League, and all credit unions who are desirous of utilising the services, are parties to the Agreement. It details inter alia, the services to be provided and the rights of the parties. Furthermore, it treats with sensitive matters such as reporting content explicitness, confidentiality, and warranties. ACI and the League, during a brief ceremony, signed the Agreement in October 2020.

We are pleased to report that after a 7-year gestation period, ACI launched the service offerings on May 20, 2021 via a virtual modality. Prior to the launch, the company recruited its first dedicated employee, an Audit Assistant. Recruitment activities were advanced to fill the vacancy for the post of Operations Manager, the preferred candidate accepted the offer and will assume duties in August 2021.

There was a slow start to the roll out, as time was taken to arrange an orientation session for the first employee. However, it is anticipated that with the onboarding of the Operations Manager in the new fiscal year, there will be an acceleration of implementation activities.

V. Credit Bureau Services

The League continued its collaboration with Creditadvice Barbados Ltd., the established credit bureau in the domestic space, in an effort to bring on board more member societies that would be granted access to this robust database of credit data. It is noted that the passage of **Credit Reporting Bill** which will require financial institutions, including credit unions to upload their data, remained a priority for The Barbados Bankers' Association. The League continues to urge its member societies to be proactive and not to wait until the legislation is passed to sign on to the arrangement through the League to access credit bureau services.

During the reporting period, some of the data projects were completed and some member societies commenced sharing their credit data with the credit bureau. In other cases, the data projects were not completed but substantial progress was made. Three additional member societies expressed an interest in accessing the credit bureau services; two of them completed the authorisation forms in the prescribed format, to start the process.

VI. Mutual Benefits Plan

During the reporting period, the League continued to provide administrative services for Co-operators General Insurance Company Ltd. The administrative services included but were not limited to the processing of claims from notification to adjudication and claim settlements. Further, League personnel responded to all claims-related queries.

In addition to the above, the following services were delivered:

1. In-house training sessions were conducted at the request of credit unions. These were delivered at the League's office, or virtually, as required.
2. Providing the relevant data that was requested, in support of the annual negotiations for the reinsurance treaty arrangements.

DEPOSIT INSURANCE (DI)

The Board contracted the services of Dave Grace & Associates to design a private scheme for the credit union sector in Barbados. It is noted that the principal of the firm Dave Grace was the lead consultant for the 2010 DI consultancy.

The consultants commenced their work by designing a deposit stratification survey instrument which was distributed to member societies. They also requested loan book data, including delinquency broken down into aged categories. The response rate was approximately 50 percent of member societies. The consultants analysed the data which was a critical input in designing a DI scheme. After analysing the data, the consultants produced the following deliverables, as per the contract:

1. Deposit insurance models for credit unions
2. Deposit insurance international examples
3. Proposed recommendations to amend the Barbados Deposit Insurance Act to include credit unions

Following the advice of consultants, the above documents were submitted to key stakeholders, namely - the Ministry of Finance, the Central Bank, the Barbados Deposit Insurance Corporation (BDIC) and the Financial Services Commission (FSC). The cover letter sent with the enclosures, requested a meeting. All requests for meetings were honoured. We are pleased to report that discussions were cordial and there was good support for the case to extend the DI safety net to include credit union members.

Of significance, the Ministry of Finance signalled its support for the inclusion of credit unions in the public DI scheme. This very welcome news from the Ministry resulted in an amendment to the terms of the consultancy to a shift away from designing a private DI scheme, to transitioning the sector for entry into the public DI scheme. Our consultants were requested to provide critical input to assist with the preparation of a Cabinet Paper on the subject matter for approval. The technical input was provided within the time frame required for the preparation of the Cabinet Paper. The Ministry indicated that the Chief Parliamentary Counsel's office had prepared a draft of the amendments to the relevant statute to facilitate the inclusion of credit unions in the public DI scheme.

Against the backdrop of a supportive public policy stance, our consultants proceeded to work on the main deliverable which was to design a DI scheme for the sector that would

provide for parity of treatment as far as is practicable. The final report titled: **Proposed Recommendations for Including Credit Unions in Barbados Deposit Insurance** was completed during the period under review. It included the key design features of the scheme, minimum standards for entry and a financial impact analysis predicated on the assumption that the sector's proposed initial seed capital contribution would be based on the same formula as was the case when the seed capital for the public DI scheme was computed. The analysis also took into account annual premiums. The consultants prepared a report on **Proposals for the Strengthening of Weak Credit Unions** which was a smaller consultancy as per the requirements of the contract.

The main report was submitted to the Ministry of Finance, the Central Bank of Barbados, the Barbados Deposit Insurance Corporation, and the FSC. The League requested meetings with these stakeholders but at the time of preparing this report, only the meeting with the FSC had been held. Regarding the meeting with the BDIC, this had to be delayed since the Chairman had tendered his resignation for health reasons, and the post of CEO was still vacant. It is anticipated that appointments to these key positions will be made in the new fiscal year.

ADVOCACY

Social Partnership Meetings

This tripartite forum was very active during the review period. Several meetings (both face-to-face and virtual) were held, and for very understandable reasons, often called at short notice to discuss and hopefully reach a consensus on matters that were potentially very contentious. COVID-19 featured prominently on the agenda and matters discussed included:

1. Tightening or relaxing protocols as circumstances so warranted
2. Mandatory vaccinations for health care and front line workers
3. Mandatory testing for some high-risk categories of employees

Against the backdrop of strong opinions in some quarters for mandatory testing or vaccinations, and the stance by some employers in the private sector to require front line employees to be vaccinated, Government requested prominent Attorney-at-Law, Leslie Haynes, QC to prepare a legal opinion on the contentious issues of mandatory vaccinations and testing. The 104-page opinion was widely circulated among the members of the Social Partnership at the request of the Prime Minister; this included the membership of the League facilitated by the secretariat.

A Prices and Income Protocol was also discussed and a working group from among the Social Partnership grouping was selected to advance this matter. Progress during the period was not at the pace expected, given the urgency of this matter in the face of increasing prices. It is anticipated that the Protocol would be completed early in the new fiscal year, then discussed and approved by the Social Partnership prior to implementation.

Ongoing Dialogue with the Ministry of Finance, Central Bank, the Financial Services Commission, and The Barbados Bankers' Association (TBBA)

Advocacy interactions with the relevant authorities took the form not only of formal correspondence and meetings, but also informal interactions. Key matters discussed are summarised below:

1. In response to a request by the three largest credit unions who were in the process of issuing international debit cards (IDCs) to their members, a letter was written to the Governor of the Central Bank requesting him to use his good offices to engage all financial institutions to negotiate a more reasonable fee structure for the use of ATMs and POS terminals in the new dispensation. Further, the League facilitated a meeting between the Governor and the affected credit unions, at which the matter was discussed and next steps agreed to. It is anticipated that in the new fiscal year, negotiations will be concluded on a more affordable fee structure for transactions utilising both the VISA and Mastercard rails.

2. Access to the ACH by all credit unions. Advocacy efforts included dialogue with The Barbados Bankers Association (TBBA) and the Central Bank. It was explained that there were challenges relating to the implementation of the real time ACH platform. Some of the challenges included integration of core banking systems with the new platform. In some cases, the integration projects were quite protracted. Further, it was clarified that the batch processing infrastructure was separate and distinct and would continue since the processing of low value transfers and salary lodgements etc. would continue in this modality given that the higher cost of real time processing of these items could not be justified. In addition, the commercial banks, who control Barbados Automated Clearing House Inc. stated unequivocally that the processing of cheques will continue in the batch processing modality for the foreseeable future.

   Given the delays associated with the sequential execution of projects, the time line for Barbados Public Workers' and COB Credit Unions to access the ACH was given a target date of mid-2022. Even though CAPITA, was given the green light to connect to the ACH to facilitate third party access, no definitive time line was given in light of the aforementioned challenges.
3. Migration from a leverage-based capital framework to a risk-based capital framework. This matter was again discussed with the FSC and the League continued to give its support to the implementation of a more progressive capital regime.

4. Formal communication was sent to the FSC requesting that it gives favourable consideration to an accountability arrangement in circumstances where it is being fully funded by regulated entities. The League advocated for an engagement session with regulated entities which would include discussions of financial results, strategic priorities and progress with respect to the building of capacity particularly in the area of prudential regulation. Engagement with the FSC on this matter will be amplified in the new fiscal year.

5. Lobby for a backstop liquidity support mechanism for the sector. This matter has been engaging the attention of the Board of Directors for some time.

6. The implementation of an exemption regime for credit unions that meet the required standards. This matter was discussed with the FSC and the League gave its full support. It is noted that the League has been advocating for some time now for

changes to the **Co-operative Societies Act** (CSA) which would create a more facilitative environment for credit unions with respect to timely investment decisions, in particular. Under this new regime, qualifying credit unions will be exempt from certain requirements under the CSA such as approval of investments, onboarding corporate members etc., provided that they report on a timely basis to the FSC.

2021 CCCU Convention

The Confederation held its first virtual Convention from June 21 to 24, 2021 due to the prevalence of the pandemic and the risks associated with travel to a host country hotel and conference facility. It should be noted that for the first time, the Convention and Annual Meeting will be held as separate and distinct activities. It is noted that the latter event is scheduled to be held in the new fiscal year.

The Board of Directors determined that given the significantly reduced cost associated with a virtual event, that it presented the opportunity to expose more persons to this developmental opportunity. In pursuance of this objective, the decision was taken to fully sponsor all Directors that were available to attend, one member of the Supervisory Committee, two employees including the General Manager, and representatives from three small credit unions. Regarding the small credit unions, the opportunity was offered to senior level employees who had been in the system for some time, but had never benefitted from such exposure due to the highly prohibitive cost factor.

2021 World Council of Credit Unions (WOCCU) Conference

WOCCU held its Conference via a virtual modality from July 14 to 21,2021 due to the prevalence of the pandemic. The Board of Directors determined that given the significantly reduced cost associated with a virtual event, that it presented the opportunity to expose more persons to this developmental opportunity. In pursuance of this objective the decision was taken to fully sponsor all Directors that were available to attend, one member of the Supervisory Committee, two employees including the General Manager, and representatives from three small credit unions. Regarding the small credit unions, the opportunity was offered to senior level employees or volunteers who had been in the system for some time but had never benefitted from such exposure due to the highly prohibitive cost factor.

ROLL-OUT OF INTERNATIONAL DEBIT CARDS (IDCs)

During the reporting period, the life of the CarIFS debit switch was extended on several occasions beyond the September 2020 date. This apparently was occasioned by the fact that some banks needed more time to roll out their IDC solutions. At the time of preparing this report, the date for the repurposing of CarIFS was still not certain. However, it appears that it may be extended into the third quarter of 2021.

The extension of the life of CarIFS presented an opportunity for the three largest credit unions to revisit and fine-tune their project plans for roll out of their IDC Mastercard solutions. They successfully concluded negotiations with Mastercard and their respective processors and tested their connectivity to the infrastructure. Thereafter, orders were

placed for the EMV cards, an initial batch for testing, and then replacement cards for the respective memberships.

With respect to the mid-sized and smaller credit unions, it was determined that a pre-paid debit card solution would be the most cost-effective option. The League continued its collaboration with CAPITA and discussions were held in furtherance of the objective of rolling out this pre-paid card product. In this connection, the League facilitated the distribution of a survey instrument designed to capture pertinent information to assist CAPITA in its negotiations with Mastercard to provide this product solution.

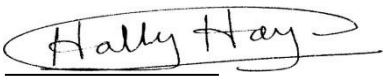
ACKNOWLEDGEMENTS

The Board wishes to express its sincerest gratitude to the Supervisory Committee, other appointed committees, management and staff for their hard work during the period. In addition, special thanks to member societies for their continued strong support demonstrated during the reporting period in an environment that is becoming more and more challenging.

The Board wishes to express its sincerest appreciation to the Board of Directors of Co-operators General Insurance Company Ltd. for its $30,000 contribution in appreciation of the support the League's employees had made over the 30 years of the Company's existence.

The Board extends its deepest condolences to the biological family and extended credit union family of any credit union stalwarts, officers or members who passed during the period under review. May all the departed rest in peace.

For and on behalf of the Board of Directors of the Barbados Co-operative & Credit Union League Ltd.



Hally Haynes
President

REPORT OF THE SUPERVISORY COMMITTEE
OF THE BARBADOS CO-OPERATIVE & CREDIT UNION LEAGUE LTD.
FOR THE PERIOD AUGUST 01, 2020 TO JULY 31, 2021

The Supervisory Committee for the period August – October 2020 comprised of the following persons:

Sis. Carolyn Barton	-	Chairman
Bro. Anthony Inniss	-	Assistant Chairman
Sis. Marilyn Gittens	-	Secretary
Bro. Kevin Lashley	-	Assistant Secretary
Bro. Trevor Griffith	-	Member

For the period November 2020 to July 2021, the committee comprised of the following persons:

Bro. Anthony Inniss	-	Chairman
Bro. Trevor Griffith	-	Assistant Chairman
Sis. Faye Arthur	-	Secretary
Sis. Marilyn Gittens	-	Assistant Secretary
Bro. Dennis Holder	-	Member

Attendance of our current members was as follows

	Meetings		
Committee Member	**# Held**	**# Attended**	**% attended**
Bro. Anthony Inniss	8	8	100%
Bro. Trevor Griffith	8	7	88%
Sis. Faye Arthur	8	7	88%
Sis. Marilyn Gittens	8	8	100%
Bro. Dennis Holder	8	8	100%

In accordance with the Co-operatives Societies Act Cap378A (as amended) and the BCCULL's By-Law 58(6), the Committee presents its Annual Report for the year ended July 31, 2021.

Operations

During the period under review, monthly committee meetings were held virtually due to the restriction imposed because of the Covid-19 Pandemic, as well as in person. The Committee fulfilled its mandate by conducting examinations of the following:

- Activity on all the Bank Accounts held by the League
- Monthly Financial Statements
- Bank Reconciliations
- Minutes of the Board of Directors' meetings
- Treasurer's Report

- Operations Report
- Reports to the Registrar of Co-operatives
- Organization structure & Segregation of duties
- Risks Assessment Review
- Assets register and labelling
- Contractual arrangements
- AML/CFT policies & contracts

For the period under review, the Supervisory Committee examined the records of the League and hereby reports that there were no discrepancies found with the League's operations. The Committee is satisfied that cheques written were appropriately disbursed with the accompanying vouchers, invoices and other documents adequately processed, and that all funds received were correctly deposited. Bank Reconciliation Statements were also found to be up-to-date and in good order.

Following its review of the Insurance Policies and Contracts, the Committee was satisfied that the assets were reinsured in a timely manner and that Contracts were in place for Consultancy Projects. The Committee was again satisfied that the portfolio was well managed.

Compliance
It was noted that the reports required by the Registrar of Co-operatives were submitted in a timely manner.

The Committee is pleased that the financial soundness and performance of the League was again reflected with growth in comprehensive net income of $131K compared to $89K prior year. The Committee wishes the League continued success.

Recommendation
The committee is recommending that in addition to the joint committee meeting held just prior to the AGM, a second joint committee meeting should be held at mid-year.

Conclusion
The League must be commended for its ability to adapt their operations to ensure safety as it relates to the Covid-19 Pandemic along with initiatives focused on rallying the movement to -

1. Contribute funds to aid in curbing the impact of the pandemic with a donation of $90K to the local vaccine initiative.
2. Support the local Financial Literacy Program.
3. The contribution of monetary aid to the St. Vincent & the Grenadines volcanic outreach initiative.

It is the opinion of the Committee that for the period under review, the operations of the League continued to be managed in a professional manner.

The Committee applauds the Board of Directors, Management and Staff for their continued dedication, and thanks them for the assistance offered, during the past year.

CHAIRMAN: …… ASSISTANT CHAIRMAN:……
Bro. Anthony Inniss Bro. Trevor Griffith

SECRETARY: …… ASSISTANT SECRETARY:……
Sis. Faye Arthur Sis. Marilyn Gittens

MEMBER:……
Bro. Dennis Holder

BARBADOS
CO-OPERATIVE & CREDIT UNION LEAGUE LTD.

FINANCIAL STATEMENTS
JULY 31, 2021

PJC

Chartered Accountants

Barbados

"we reckon but people count"

BARBADOS CO-OPERATIVE & CREDIT UNION LEAGUE LTD.

Financial Statements
July 31, 2021

CONTENTS

Independent Auditors' Report 48

Financial Statements

Balance Sheet 51
Statement of Changes in Equity 52
Statement of Comprehensive Income 53
Statement of Cash Flows 54
Notes to Financial Statements 55

Other Financial Information

Schedule of Other Operating Expenses 66

Since 1990
PJC Peter J. Carter & Co.
Chartered Accountants
"We reckon but people count"
P.O. Box 78WRD
Professional Business Centre
29 George Street, Belleville, St. Michael BB11114
Barbados, W.I.
Tel/Fax: (246) 429-7531
Email – pjcbarbados@gmail.com

Independent Auditors' Report

The Members
Barbados Co-operative & Credit Union League Ltd.

Opinion

We have audited the financial statements of Barbados Co-operative & Credit Union League Ltd., which comprise the Balance Sheet as of July 31, 2021, and Statement of Changes in Equity, Statement of Comprehensive Income and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the League as of July 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Credit Union in accordance with the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other 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 International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the League'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 League or to cease operations, or has no realistic alternative but to do so.

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

P.O. Box 78WRD
Professional Business Centre
29 George Street, Belleville, St. Michael BB11114
Barbados, W.I.
Tel/Fax: (246) 429-7531
Email – pjcbarbados@gmail.com

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the entity to cease to continue as a going concern.

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

Since 1990
PJC Peter J. Carter & Co.
Chartered Accountants
"We reckon but people count"
P.O. Box 78WRD
Professional Business Centre
29 George Street, Belleville, St. Michael BB11114
Barbados, W.I.
Tel/Fax: (246) 429-7531
Email – pjcbarbados@gmail.com

Other information
Management is responsible for any other information that is presented or distributed with the audited consolidated financial statements. Other information may comprise, for example, the content of a Company's Annual Report except for the consolidated financial statements and our Auditors' Report thereon.

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

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

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

PETER J. CARTER & CO.
Chartered Accountants
Barbados

October 05, 2021

BARBADOS CO-OPERATIVE & CREDIT UNION LEAGUE LTD.

Balance Sheet
July 31, 2021
Expressed in Barbados dollars

	2021	2020
Assets		
Current assets		
Cash and cash equivalents - Note 7	809,112	617,514
Accounts receivable and prepayments - Note 8	136,043	143,006
Current investments - Note 9	1,040,533	1,153,397
	1,985,688	1,913,917
Non-current assets		
Non-current investments - Note 9	1,521,815	1,168,364
Plant and equipment - Note 10	31,575	47,228
Total assets	3,539,078	3,129,509
Liabilities and equity		
Current liabilities		
Accounts payable and accruals - Note 11	261,824	206,529
Unearned revenue - Note 12	80,164	78,340
Non-qualifying shares payable - Note 13	848,075	848,075
	1,190,063	1,132,944
Non-current liabilities		
Development Fund - Note 14	343,758	221,504
Education Fund - Note 15	175,263	78,000
Institutional Strengthening Project - Note 16	124,853	122,821
Total liabilities	1,833,937	1,555,269
Equity		
Qualifying shares - Note 17	6,000	6,000
Special reserve - Note 18	275,265	275,265
Statutory reserve	390,182	390,182
Undivided earnings	1,033,694	902,793
Total equity	1,705,141	1,574,240
Total liabilities and equity	3,539,078	3,129,509

See notes to financial statements.

Approved by the Board of Directors, October 05, 2021, and signed on their behalf by:

President

Treasurer

BARBADOS CO-OPERATIVE & CREDIT UNION LEAGUE LTD.

Statement of Changes in Equity
Year ended July 31, 2021
Expressed in Barbados dollars

	Qualifying shares	Special reserve	Statutory reserve	Undivided earnings	Total equity
Balance - July 31, 2019	6,200	275,265	390,182	814,055	1,485,702
Net comprehensive income for year	-	-	-	88,738	88,738
Reduction in qualifying shares	(200)	-	-	-	(200)
Balance - July 31, 2020	6,000	275,265	390,182	902,793	1,574,240
Net comprehensive income for year	-	-	-	130,901	130,901
Balance - July 31, 2021	6,000	275,265	390,182	1,033,694	1,705,141

See notes to financial statements.

BARBADOS CO-OPERATIVE & CREDIT UNION LEAGUE LTD.

Statement of Comprehensive Income
Year ended July 31, 2021
Expressed in Barbados Dollars

	2021	2020
Operating income		
Administration and management fees	270,046	246,166
Membership dues	612,987	599,742
	883,033	845,908
Operating expenses		
Depreciation	28,573	30,006
Membership dues	100,941	100,941
Staff costs - Note 6	393,571	366,266
Other operating expenses	321,471	325,034
	844,556	822,247
Operating profit	38,477	23,661
Other income		
Interest earned - cash equivalents	0	1
Interest earned - investments	30,364	32,160
Bad debts recovered	800	1,250
Dividend income	10,734	10,524
Gain on disposal of plant & equipment	0	3,600
Sundry income	197	706
	42,095	48,241
Other expenses		
Interest on non-qualifying shares - 1.23% (prior year 1.37%)	10,390	11,597
Net income for year	70,182	60,305
Other Comprehensive Income		
Gain on revaluation of unquoted securities - Note 9	60,719	28,433
Total comprehensive income for year	130,901	88,738

See notes to financial statements.

BARBADOS CO-OPERATIVE & CREDIT UNION LEAGUE LTD.

Statement of Cash Flows
Year ended July 31, 2021
Expressed in Barbados dollars

	2021	2020
Cash provided / (used) by:		
Operating activities		
Total comprehensive income for year	130,901	88,738
Adjustments for items not involving cash:		
Depreciation	28,573	30,006
Gain on disposal of plant and equipment	0	(3,600)
	159,474	115,144
Change in non-cash operating items:		
Accounts receivable and prepayments	6,963	(27,863)
Accounts payable and accruals	55,295	109,412
Unearned revenue	1,824	(15,793)
Non-qualifying shares	0	200
Development Fund	122,254	4,953
Education Fund	97,263	(29,349)
Institutional Strengthening Project	2,032	2,513
Net cash provided by operating activities	445,105	159,217
Investing activities		
Increase in investments	(240,587)	(75,829)
Purchase of plant and equipment	(12,920)	(24,781)
Proceeds on disposal of plant and equipment	0	3,600
Net cash used by investing activities	(253,507)	(97,010)
Financing activities		
Reduction in qualifying shares	0	(200)
Net cash used by financing activities	0	(200)
Increase in cash and cash equivalents	191,598	62,007
Cash and cash equivalents - start of year	617,514	555,507
Cash and cash equivalents - end of year	809,112	617,514

See notes to financial statements.

BARBADOS CO-OPERATIVE & CREDIT UNION LEAGUE LTD.

Notes to Financial Statements
July 31, 2021
Expressed in Barbados dollars

1. Registration

BARBADOS CO-OPERATIVE & CREDIT UNION LEAGUE LTD. (The League) was registered on December 05, 1957 under the Co-operative Societies' Act, Cap 378. The Society was continued on May 26, 1995 under the Co-operative Societies' Act 1990. The principal place of business is located at 1st Floor, Patrick E. McDonald Building, Upper Collymore Rock, St. Michael, Barbados.

2. Principal activities

The principal activities are as follows:

(a) The promotion of interest and co-operation between and among members of local, regional and international co-operatives.

(b) Fostering the organization of new co-operatives.

(c) Representation of members before all competent authorities, including government.

(d) Contribution to the development of higher standards of co-operative management, operation and supervision.

3. Significant accounting policies

(a) Basis of accounting

These financial statements are stated in Barbados dollars and have been prepared in accordance with International Financial Reporting Standards ("IFRS").

(b) Critical accounting judgments and key sources of estimation uncertainty

(i) The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements and reported amounts of revenues and expenses during the period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(II) Key sources of estimation uncertainty include provision for bad debts, determination of appropriate rates for depreciation of plant and equipment and estimation of the fair value of unquoted equity investments. The credit union's critical accounting policies and estimates, and their application, are reviewed periodically by management.

3. Significant accounting policies - continued

(c) Measurement basis

The measurement basis used is historical cost except for equity investments which are stated at their fair values.

(d) Changes in accounting policies

Management has reviewed the new standards, amendments and interpretations to published standards that are not yet effective and which the League has not adopted early. Management has assessed the relevance of all such new standards, amendments and interpretations and has concluded that no such amendments are likely to have a material effect on its financial statements.

(e) Taxation

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

(f) Depreciation

Depreciation is provided on plant and equipment on a straight line basis at a rate designed to reduce the cost of assets to their residual value at the end of their useful lives in the business. The annual rates being used are: Furniture - 10%; computer equipment – 20% and 33.33%; other equipment - 12.5%, 20% or 25%.

(g) Investments

All investments are initially recorded at cost. For subsequent measurement, investments that are classified as being held to maturity are recorded at cost or amortised cost. Available-for-sale equity investments are shown at fair value. All investments are subject to adjustments for any impairment of value. Impairment occurs where the estimated recoverable amount of an assets is less than its carrying value. Management makes an assessment of whether any assets are impaired in value as at each Balance Sheet date.

(h) Statutory Reserve

The greater amount of either 0.5% of assets or twenty-five percent (25%) of surplus is to be transferred annually to a Reserve account until the capital of the society equals ten percent (10%) of the total assets of the Society, in accordance with the Co-operative Societies' legislation.

(i) Income recognition

Interest and other income are recognized on the accrual basis of accounting. Dividend income is recognized when it is declared by the investee company.

4. Fair value of financial instruments

(a) Financial Instruments

Financial instruments consist of financial assets and liabilities. Financial assets include cash and cash equivalents, accounts receivable and investments. Financial liabilities include accounts payable and accruals, unearned revenue, non-qualifying shares payable, Development Fund, Education Fund and the Institutional Strengthening Project (ISP) Fund.

(b) Fair Value

Fair Value represents the amount at which financial instruments could be realized in an exchange between knowledgeable, willing parties who are under no compulsion to act, and is best evidenced by a quoted market value where such exists. An estimate, based on assumptions, is made of the fair value of each class of financial instrument for which it is practical to make an estimate. The fair values of the financial instruments are estimated to be not materially different from their carrying values in the financial statements.

(c) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. As part of the risk management process, cash equivalents are placed only with reputable banking institutions. Credit risk on accounts receivable is limited by the provision made for doubtful debts.

(d) Liquidity Risk

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

(e) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes, inter alia, currency risk and interest rate risk. Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk of fluctuations in interest rates. The organisation’s exposure to market risk on its financial instruments is disclosed in the Notes 7 and 9.

5. Related parties

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

(b) Related parties of the business include directors, key management personnel, and the Central Fund Facility Trust (CFFT) whose directors are appointed by the League.

(c) Key management personnel compensation is included in Staff Costs, as follows:

	2021	2020
Employee benefits	192,396	192,396

(d) Management fees due from the CFFT are included in Accounts Receivable in the Balance Sheet, however no Management fees have been paid for the last three years.

6. Staff costs

	2021	2020
Operating expenses	393,571	366,266
Education Fund	80,081	80,195

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

7. Cash and cash equivalents

	2021	2020
Operating account (no interest)	225,410	293,209
Other accounts - 0.01% to 0.2% p.a. (prior year 0.01% to 0.2%)	583,202	323,805
Cash	500	500
	809,112	617,514

8. **Accounts receivable and prepayment**	2021	2020
Administration fees and membership dues	44,982	50,237
Interest	27,311	17,544
Security deposits and prepayments	63,750	75,225
	136,043	143,006

9. **Investments**	2021	2020
Current investments		
Held to maturity		
Term deposits:		
Barbados Public Workers Co-operative Credit Union Ltd. - 1.75% p.a. (prior year 1.5%)	100,000	376,584
Capita Financial Services Inc. - 1.9% p.a. (prior year 1.9% to 2.4%)	741,370	724,991
First Citizens Investment Services (Barbados) Ltd. - 2% p.a. (prior year 2%)	199,163	51,822
	1,040,533	1,153,397
Non-current investments		
Held to maturity		
Term deposits:		
Barbados Public Workers Co-operative Credit Union Ltd. - 2% p.a. (prior year 1.75% to 2%)	864,573	582,341
Available-for-sale		
Co-operators General Insurance Company Limited: - 1,824 common shares (prior year 1,789)	657,242	586,023
	1,521,815	1,168,364
	2,562,348	2,321,761

9. Investments – continued

(a) The League adopted the International Financial Reporting Standard #9 (IFRS9), which took effect for accounting periods beginning on or after January 01, 2018. Accordingly, the available-for-sale, unquoted equity investments are shown at their fair value and the resulting unrealized gain is included in the Statement of Comprehensive Income.

(b) The fair value of unquoted equity investments is based on a valuation done by the Consulting Division of the Cave Hill School of Business (CHSOB). CHSOB performed a valuation as at May 31, 2020 for the unquoted investments, using a range of generally accepted valuation models. The "best estimate" of the fair market value was estimated as the median value of the fair market values generated from the various models used. The valuation models used were Book Value, Market to Book, Trailing Price Earnings, Price to Sales, Price to Earnings Before Tax and Dividend Growth, Price to Earnings Before Tax, Depreciation and Amortization, Dividend Growth Model and Free Cash Flows to Equity. The Directors consider that the valuation of the unquoted equity investments arrived at by the process described above reflects their fair value as at the balance sheet date.

10. Plant and equipment	2021	2020
(a) Gross carrying amount		
Cost	225,028	212,108
Accumulated depreciation	(193,453)	(164,880)
Net book value	31,575	47,228
(b) Reconciliation of Net Book Values		
Balance - start of year	47,228	52,453
Purchases	12,920	24,781
Depreciation charge for year	(28,573)	(30,006)
Balance - end of year	31,575	47,228

11. Accounts payable and accruals	2021	2020
Interest on shares	10,425	11,754
Other accounts payable and accruals	251,399	194,775
	261,824	206,529

12. **Unearned revenue**	2021	2020
League dues	80,164	78,340

Unearned revenue consists of League dues paid in advance. League dues are payable by member credit unions at the start of the quarter to which the dues relate.

13. **Non-qualifing shares payable**	2021	2020
Regular shares	848,075	848,075

(a) There is no pre-determined rate of interest payable on non-qualifying shares. The rates are set from time to time by the Board of Directors.

14.	**Development Fund**	2021	2020
	Receipts		
	Regular contributions received in year	118,041	136,953
	Contributions for:		
	AML/CFT Risk Mitigation Project	100,000	0
	Small Credit Unions Development	42,000	42,000
	Hurricane Dorian Relief Donations	0	23,055
	National Vaccination Fund Donations	86,000	0
	St. Vincent & The Grenadines Volcanic Relief Donations	30,000	0
	Interest received	460	397
	Total receipts	376,501	202,405
	Payments		
	Administrative fees	17,706	20,543
	Bank charges	203	238
	CARIBDE Sponsorship	0	1,000
	CARTAC Seminar	0	1,343
	CCCU Development Foundation Sponsorship	2,068	2,117
	Co-operative Bank services consultancy	6,333	74,679
	Deposit Insurance services consultancy	53,010	0
	Hurricane Dorian Relief	0	32,608
	IFRS 9 Expected Credit Loss	0	6,950
	MasterCard Innovation Forum	0	7,060
	National Vaccination Fund	89,015	0
	Small Credit Unions Development - consultancy and administrative support fees	42,182	49,811
	St. Vincent & The Grenadines Volcanic Relief	30,818	0
	Website development & maintenance	1,485	1,103
	World Council of Credit Unions - conference	11,427	0
	Total payments	254,247	197,452
	Net receipts for year	122,254	4,953
	Balance - start of year	221,504	216,551
	Balance - end of year	343,758	221,504

(a) The Development Fund is financed primarily by contributions from member credit unions, using a formula based on assets and membership. Cash equivalents include the Fund's balance as at the balance sheet date.

15.	**Education Fund**	2021	2020
	Receipts		
	Contributions received in year	212,426	89,712
	Interest earned	7	12
	Other income	26,988	8,460
	Total receipts	239,421	98,184
	Payments		
	Bank charges	275	238
	Facilitators' fees	26,275	28,860
	General and administrative	21,243	8,971
	Refreshments	0	7,323
	Software costs	13,784	0
	Staff costs	80,081	80,195
	Stationery	500	1,946
	Total payments	142,158	127,533
	Net receipts / (payments) for year	97,263	(29,349)
	Balance - start of year	78,000	107,349
	Balance - end of year	175,263	78,000

(a) The Education Fund is financed through contributions from member credit unions, primarily by way of an appropriation of three percent (3%) of the net income for each year. Cash equivalents include the Fund’s balance as at the balance sheet date.

16.	**Institutional Strengthening Project**	2021	2020
	Receipts		
	Interest received	2,212	2,678
	Total receipts	2,212	2,678
	Payments		
	Bank charges	180	165
	Total payments	180	165
	Net receipts for year	2,032	2513
	Balance - start of year	122,821	120,308
	Balance - end of year	124,853	122,821

(a) The League served as the Executing Agency for the Institutional Strengthening Project (ISP) for local Credit Unions. The project was financed by the Inter-American Development Bank (59%) and by contributions from the League and participating credit unions. The Project was launched in June 2007 and was completed on January 21, 2013. Cash equivalents and Investments include the Fund's post-project counterpart funds balance as at the balance sheet date.

17.	**Qualifying shares**	2021	2020
	Qualifying shares	6,000	6,000

(a) The League is authorized to issue an unlimited number of shares of $10 par value each.

(b) The League's By-Laws provide for the issuance of a class of shares called qualifying shares. Each member is required to hold a minimum of twenty qualifying shares valued at $10.00 each, which shall be considered capital of the Society and be not withdrawable but transferable. At the balance sheet date, the total number of members with qualifying shares was 30 (prior year 30).

18. Special Reserve

(a) The Special Reserve was created from funds received from Co-operators General Insurance Co. Ltd. to assist the League in paying off the Housing Credit Fund (HCF) loan payable to the Government. The funds received from the HCF loan were used for on-lending to individuals.

(b) At the balance sheet date, the amount outstanding from the individuals to whom the League had on-lent the HCF funds was $423,229 (prior year $424,029). No further interest is being accrued on these loans receivable since a bad debt provision has been made in full for the outstanding amount.

BARBADOS CO-OPERATIVE & CREDIT UNION LEAGUE LTD.

Schedule of Other Operating Expenses
Year ended July 31, 2021
Expressed in Barbados dollars

	2021	2020
Advertising	4,843	6,037
Bank charges	4,153	4,747
Cleaning	7,304	2,829
Committee reimbursement	14,300	15,550
Convention - Caribbean Confederation Credit Unions	7,268	0
Convention - other	0	5,586
International Credit Union Day	6,805	4,649
Insurance	10,759	10,761
Meeting expenses	20,896	26,974
Office supplies and stationery	23,326	26,685
Postage, courier and mail distribution	8,222	6,320
Professional fees	21,194	16,725
Rent	120,247	120,247
Repairs and hire of equipment	22,755	23,966
Software	3,971	6,164
Subscriptions	719	1,556
Telephone and internet	21,253	21,380
Utilities - Electricity	23,456	24,858
	321,471	325,034

Statistical Information

As at June 30, 2021						
NAME OF SOCIETY	**MEMBERSHIP**	**LIABILITIES**			**ASSETS**	
		Deposits	Members' Shares	Share Capital	Loans to Members	Total Assets
B.E.T	851	17,707,793	17,415,817	102,120	15,074,267	40,103,814
Bartel	749	9,594,046		109,487	3,426,304	12,289,835
B'dos Police	1,567	6,016,171	17,540,040	422,600	25,361,499	34,543,551
B'dos Public Workers'	103,848	1,383,730,779		12,461,760	1,091,506,472	1,603,576,740
B'dos Secondary Teachers' Union	416	1,971,028	-	78,812	2,586,476	2,464,371
B'dos Seventh-day Adventist	404	2,933,029	-	482,635	1,441,381	3,342,160
B'dos Teachers'	2,561	16,527,970	68,491,124	128,050	37,261,325	105,294,834
B'dos Workers' Union	27,212	168,600,714	-	2,557,736	126,866,460	186,043,299
Bethel Circuit	110	22,643	-	244,397	193,405	388,603
Bottlers United	483	3,045,674	-	23,450	1,632,699	3,756,657
Caribank	379	15,566,824	92,311	154,574	5,179,485	17,776,063
Church of Nazarene	365	1,868,880		36,610	653,057	2,072,509
City of Bridgetown	67,804	440,036,333	94,324,379	3,409,850	361,496,217	587,939,204
Courtesy	289	149,944	946,455	19,900	549,553	1,741,584
Endeavour	568	7,007,900	-	76,335	6,667,325	9,959,319
Family	555	3,014,854	-	63,000	1,219,418	3,989,129
James Street Circuit	177	737,035	-	17,700	200,720	1,183,918
Lifetime	5,985	45,095,975	17,896,777	299,250	40,949,432	67,360,675
Moravian Church	284	192,509	23,050	759,119	216,201	1,113,712
One Heritage	1,011	4,110,665	2,139,491	50,969	2,067,813.00	7,301,287
Progressive	261	4,128	-	99,908	34,196	97,889
Public Transport	1,099	5,204,927	-	127,777	7,782,734	9,819,391
Reliance Co-op	703	11,501,346	-	35,150	9,259,561	14,052,792
Shamrock	317	428,302	464,282	22,312	85,098	1,142,864
St. Leonard's	241	303,713	619,637	11,951	419,995	1,193,860
St. Mark's	687	2,159,664	-	53,078	948,841	2,933,550
St. Stephen's	572	1,253,073	1,178,954	39,690	994,463	3,261,005
The Light & Power Employees'	1,916	23,282,284	27,054,378	191,600	27,046,209	59,818,567
U.W.I.(Cave Hill)	1,945	7,190,405	56,307,654	533,990	21,748,395	77,160,579
United Enterprise	1,016	6,201,535	4,611,934		8,630,966	13,477,150
TOTAL	**224,375**	**2,185,460,142**	**309,106,283**	**22,613,810**	**1,801,499,967**	**2,875,198,911**

Membership Shareholdings

BARBADOS CO-OPERATIVE & CREDIT UNION LEAGUE LTD July 31, 2021			
NAMES	MEMBERSHIP SHARES	ORDINARY SHARES	TOTAL INVESTMENT
BET	200.00	23,980.00	24,180.00
BARTEL	200.00	890.00	1,090.00
BARBADOS PUBLIC WORKERS'	200.00	50,940.00	51,140.00
BARBADOS TEACHERS'	200.00	201,330.00	201,530.00
BARBADOS WORKERS' UNION	200.00	50,820.00	51,020.00
BARBADOS POLICE	200.00	800.00	1,000.00
BARBADOS SEVENTH-DAY ADVENTISTS	200.00	-	200.00
BARBADOS SECONDARY TEACHERS' UNION	200.00	-	200.00
BETHEL CIRCUIT	200.00	-	200.00
BOTTLERS UNITED	200.00	990.00	1,190.00
CARIBANK	200.00	1,350.00	1,550.00
CHURCH OF THE NAZARENE	200.00	320.00	520.00
CITY OF BRIDGETOWN	200.00	49,800.00	50,000.00
COURTESY	200.00	69,690.00	69,890.00
ENDEAVOUR	200.00	152,180.00	152,380.00
FAMILY	200.00	2,300.00	2,500.00
JAMES STREET CIRCUIT	200.00	900.00	1,100.00
LIFETIME	200.00	17,300.00	17,500.00
MORAVIAN CHURCH	200.00	-	200.00
ONE HERITAGE	200.00	11,960.00	12,160.00
PIG FARMERS	-	55.00	55.00
PROGRESSIVE	200.00	830.00	1,030.00
PRUDENTIAL	-	100.00	100.00
PUBLIC TRANSPORT	200.00	99,920.00	100,120.00
RELIANCE	200.00	-	200.00
SHAMROCK	200.00	-	200.00
ST. LEONARD'S	200.00	4,800.00	5,000.00
ST. MARK'S	200.00	8,200.00	8,400.00
ST. STEPHEN'S	200.00	850.00	1,050.00
THE LIGHT & POWER EMPLOYEES'	200.00	59,170.00	59,370.00
U.W.I. (CAVE HILL)	200.00	34,800.00	35,000.00
UNITED ENTERPRISE	200.00	3,800.00	4,000.00
TOTAL	6,000.00	848,075.00	854,075.00
	0.70%	99.30%	100.00%

ANNUAL GENERAL MEETING STANDING ORDERS

ORDER OF BUSINESS

- An Agenda shall be prepared by the Chairperson and Secretary, and all items thereon shall take precedence over all other business. Any member desirous of introducing business for the consideration of the meeting may do so after the business on the Agenda has been completed, or may give notice of the motion to be discussed at a further meeting.

- No motion or discussion shall be allowed on the Minutes except in regard to their accuracy. After the confirmation of the Minutes, they shall be signed by the Chairperson, and the members shall then be at liberty to ask any questions in regard to matters arising out of them. Such questions shall be allowed for purposes of information only, and no debate on the policy outlined in the Minutes shall take place.

- All persons desiring the Floor shall rise and address themselves to the Chairperson. They shall state their business and which credit union they represent; if recognized by the Chairperson, they shall have the privilege of the Floor and the right thereof.

- Should two or more persons rise at the same time, the Chairperson shall decide, without debate, who is entitled to the floor.

- Accredited members shall have the right to speak and vote on all issues coming before the meeting. Persons other than accredited members, so certified, may speak with the permission of the Chairperson, but shall not vote on any issue.

SPEECHES

- No member shall be allowed to speak more than once upon any motion before the meeting, unless in Committee or on a point of order, or explanation, except the mover of the original Motion.
- However, on the amendment being moved, any member even though he has spoken on the Original Motion, may speak again on the amendment. No member shall speak for more than five minutes at one time.

- No person shall interrupt another who is speaking except to a point of order or a point of information.

- 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 Order.)
- A member shall not call another member to order but may draw the attention of the Chairperson to a breach of order as soon as it occurs.

- On no account can a member call the Chairperson to order.

- If it should come to pass that a speaker is called to order while speaking, the speaker shall take his seat until the question of order is determined.

CHAIRPERSON'S RULING

- The ruling of the Chairperson on any question under the Standing Orders, or on points of order or explanation, shall be final, unless challenged by not less than four members, and unless two-thirds of the members present vote to the contrary.

- Only one amendment shall be before the meeting at one and the same time. When a motion is withdrawn, any amendment to it fails.

- If there is an equality of voting on an amendment, and if the Chairperson does not exercise his casting vote, the amendment is lost.

- Provisions shall be made for protection by the Chairperson from vilification (personal abuse).

- No member shall impute improper motives against another.

Your Credit Union

You may have seen this symbol before, on our posters perhaps, or in our newsletters, or even on Credit Union Buildings island wide, but you may not know what it means.

We think it's important that you know and we'd like to give you a formal introduction. The "hands, family and globe" symbol, as it is called, stands for Credit Unions everywhere - whether it's a Credit Union where you work or live, no matter if you work or live in Timbuktu or Barbados.

Credit Unions are world-wide financial organizations. That's why we've included a globe as part of the overall symbol. As a matter of fact, there are more than 38,000 Credit Unions all over the world.

The four silhouettes represent the family unit - the family of mankind working for the mutual benefit of all. Care was taken in the actual design to avoid differences between national dress or custom and other details because Credit Unions serve all people all over the world.

A pair of hands? The hands represent the self-help nature of all Credit Unions. When you become a Credit Union member you become part of a group of people who save together and make low-cost loans plus several other services to each other from the accumulated funds. Credit Unions engender democracy in the truest sense of the word - as a member you are part owner of the business and exercise control of its policies. It is your organization.

Altogether now the "hands, family and globe" symbol was selected as a trademark that stands for Credit Unions in any language, in any country. The theme is universal and conveys the image of all Credit Unions graphically, accurately and instantly.

Your Credit Union -
It's where you belong!

BARBADOS CO-OPERATIVE & CREDIT UNION LEAGUE LTD.
1st Floor, Co-operators General Insurance Building
Upper Collymore Rock, St. Michael
Tel. (246) 429-7075

www.barbadoscoopleague.org