



ANNUAL REPORT
THE POWER OF
PERSISTENCE



Vision Statement

**To empower
our members
to improve
their lives.**

The image features a large abstract graphic composed of several overlapping semi-circular and circular shapes. The colors used are a deep teal, a vibrant orange, and a light cream. The shapes are arranged in a way that creates a sense of depth and movement, with some shapes appearing to be in front of others. The overall composition is clean and modern.

Mission Statement. •

To provide financial services applying cooperative principles in an environment of integrity, passion and commitment.

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National Anthem.

Forged from the love of liberty
In the fires of hope and prayer,
With boundless faith in our destiny
We solemnly declare

Side by side we stand
Islands of the blue Caribbean sea
This our native land
We pledge our lives to thee.

Here every creed and race
find an equal place,
And may God bless our nation.

Credit Union Prayer.

Lord, make me 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 is darkness, light and Where there is sadness, joy. O Divine Master Grant that I may not so much seek to be consoled as to console. To be understood as to understand, To be loved as to love For it is in giving that we receive. It is in pardoning that we are pardoned and it is in dying that we are born to eternal life.

Amen.

NOTICE OF THE 37TH ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty-Seventh Annual General Meeting of the Progressive Credit Union Co-operative Society Limited will be held at Signature Hall, LP #63 Main Road Montrose, Caparo Valley Brasso Road, Montrose, Trinidad, and Tobago, on Saturday 13th April 2024.

Registration begins at 9:00 a.m. and the AGM starts at 10:00 a.m.

AGENDA

1. Call to order – National Anthem
2. Invocation/Credit Union Prayer/Minute of Silence
3. Reading of the Notice convening the 37th Annual General Meeting
4. First Credentials Committee Report
5. Adoption of Standing Orders
6. Confirmation of Minutes of the 36th Annual General Meeting
7. Matters arising out of the Minutes of the 36th Annual General Meeting
8. Greetings
9. President's Address
10. Presentation of Reports – 2023
 - Board of Directors
 - Credit Committee
 - Supervisory Committee
 - Education Committee
11. Nominating Committee's Report
12. Second Credentials Committee Report
13. Election of Officers
14. Financials
 - Auditor's Report
 - Financial statement
 - Budget for the Year Ending 2024 December 31
15. Resolutions
16. General Business
17. Vote of Thanks and Formal Closure

By order of the Board



Ian De Boulet

Secretary

STANDING ORDERS.

1.
 - a. A member shall stand when addressing the Chair.
 - b. Speeches shall be clear and relevant to the subject before the Meeting.
2. A member shall address the Meeting, when called upon by the Chairman to do so, after which he/she shall immediately take his/her seat.
3. No member shall address the Meeting except through the Chairman.
4. A member shall not speak twice on the same subject except:
 - a. As a mover of a motion who has a right of reply.
 - b. He / She rises to object or explain (with the permission of the Chair).
5. No speeches shall be made after the “Question” has been put and carried or negated.
6. The Mover of a “Procedural Motion” - (Adjournment, lay on the Table, Motion to post-pone) shall have no right to reply.
7. A member rising on a “Point of Order” shall state the point clearly and concisely. (A “Point of Order” must have relevance to the standing orders).
8.
 - a. A member shall not “call” another member “to order” - but may draw the attention of the Chair to a “Breach of Order”.
 - b. On no account can a member call the Chair to order.
9. Only one (1) amendment shall be before the Meeting at any one time.
10. When a motion is withdrawn, any amendment to it fails.
11. The Chairman has the right to a “Casting Vote”.
12. If there is equality of voting on an amendment, and if the chairman does not exercise his casting vote, the amendment is lost.
13. Provision should be made for protection by the Chairman from vilification (personal abuse).
14. No member shall impute improper motives against another member.

MINUTES OF THE 36TH ANNUAL GENERAL MEETING OF THE PROGRESSIVE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED.

HELD ON SATURDAY, MAY 06, 2023

AT THE CLR JAMES AUDITORIUM, CIPRANI COLLEGE OF LABOUR AND CO-OPERATIVE STUDIES,
CHURCHILL ROOSEVELT HIGHWAY, VALSAYN

1.00 CALL TO ORDER/NATIONAL ANTHEM

At 10.00 a.m. the President, Mr. Erskine Abel, called the meeting to order. Members were then invited to sing the National Anthem.

2.00 PRAYERS/MINUTE OF SILENCE/CREDIT UNION PRAYER

Director Mrs. Sabrina Peters Russel offered the opening prayer for the successful conduct of the day's proceedings after which one minute of silence was observed for members who passed away since the last annual general meeting. Members then recited the Credit Union Prayer.

3.00 1st CREDENTIAL COMMITTEE REPORT

The President reported that at 10.08am there were 108 members, and 12 guests present. In accordance with Standing Order 14(b)(i), the meeting was duly constituted.

4.00 NOTICE OF MEETING

The Notice of the 36th Annual General Meeting of the Progressive Credit Union Co-operative Society Limited, as stated on page 2 of the Annual Report, was read by Mr. Michael Hernandez, Secretary to the Board.

The President then introduced the members of the Board who were seated at the Head Table.

5.00 ANNUAL REPORT

The Annual Report was taken as read on a motion moved by Mr. Errol Thomas and seconded by Ms. Ann Marie Campbell and approved by a majority.

6.00 ADOPTION OF STANDING ORDERS

Members' attention was drawn to the Standing Orders, as stated on page 3 of the Annual Report.

6.01 Acceptance

A motion for the adoption of the Standing Orders was moved by Ms. Ginelle Small-Cummings and seconded by Ms. Adeleine Gittens and approved by a majority.

7.00 MINUTES OF THE 35TH ANNUAL GENERAL MEETING

A motion for the entertainment of the Minutes and all Reports was moved by Mr. Errol Thomas and seconded by Mr. Gerald Antoine and approved by a majority.

The President, Mr. Erskine Abel, took members through the Minutes of the 35th Annual General Meeting as stated at pages 4 to 21 of the Annual Report.

There were no corrections or omissions.

7.01 Confirmation

A motion for the confirmation of the Minutes of the 35th Annual General Meeting was moved by Ms. Neisha Cudjoe and seconded by Ms. Racheal Austin and approved by a majority.

8.00 GREETINGS

Director Mr. Stephen Fraser, Master of Ceremony, welcomed specially invited guests and invited them to bring short greetings on behalf of their respective organizations.

8.01 Mr. Marlon Pierre brought greetings to the credit union on behalf of the Co-operative Credit Union League of Trinidad and Tobago, and as President of the Northwest Regional Chapter, on the hosting of its 36th Annual General Meeting. He applauded the organization on the timely hosting of its meeting and its work over the past two years on behalf of its membership. He offered his congratulations.

8.02 Ms. Aazida Mohammed brought greetings on behalf of the Commissioner for Co-operative Division on the hosting of its Annual General Meeting. She noted that the Board of Directors reported growth in membership, as well as increases in shares, profits and loans. She acknowledged that attention was being paid to delinquency, which she found was commendable in light of Covid-19. She also highlighted the Credit Union's consistency in meeting its statistical ratio in respect of PEARLS and commended the Board on its emphasis on customer service which she believed set the organization apart from other financial institutions.

8.03 Mr. Dexter Sealey, President TATECO (Port of Spain) Credit Union congratulated the organization on the hosting of its Annual General Meeting on time and extended wishes for a successful meeting.

8.04 Mr. Evans Codogan, President of Zenith Credit Union, Fyzabad, congratulated the organization on the hosting of its 36th Annual General Meeting and offered best wishes for success in the day's proceedings.

8.05 Mr. Imtiaz Mohammed, Vice-President of Trintoc/Penal Credit Union, and President of Southwest Regional Chapter, expressed pride in being able to attend the day's proceedings and that co-operators needed each other at this time. He also commented on the fact that the organization was able to hold its AGM on time and was able to declare a 3% dividend. He wished the Board continued success.

8.06 Mr. Fraser thanked the guests for their best wishes and extended appreciation for their presence.

8.07 The President took the opportunity to recognize Mr. Edward King who had been attending meetings for over 25 years and Mrs. Marcia Goodridge – Constantine.

9.00 PRESIDENT'S ADDRESS

9.01 Referring to the theme of the address, “Exceeding the Vision”, the President, Mr. Abel gave the philosophy behind the formation of the organization some 38 years ago, when the vision of the first Board of Directors was to “nurture financial wellness of its members and become a powerful financial institution that operates effectively within the sector.” He continued by stating that vision looked inward and became duty; vision looked outward and became aspiration; and vision looked upward and became faith. He added that the vision statement pointed out not only where to go and when, but also how the credit union was going there, as it was about CCQI—Customer, Centricity, Quality and Innovation.

9.02 The vision, he continued, considered the values desired of and for the organization and with a single unifying vision, employees can march with the same drumbeat. The organization’s vision was its North Star for the future. Back in 1984, he continued, the Board realized that it was a big thing among employees of MTS for whom financial assistance was highly constrictive and at times inaccessible at traditional financial institutions.

9.03 Further, he stated, that the organization was established with one employee and a board of directors and went on to explain that vision was more than what one saw with the naked eye and that it was the ability to close one’s eyes and envision things that were yet to come. He said that vision was infinite; it was the capacity to see beyond the real and mundane and that without vision, execution was nothing short of a delusion.

9.04 Mr. Abel stated that as the organization had moved from its first 100 members to just over 7,000 with an asset base of over \$100,000,000, he would ask what the vision for the future was. He urged members to think big in order to exceed the organization’s vision. Courage, he added, was the willingness to find new dreams when the first ones came true and encouraged members to look towards the greater goals and broader definitions of their dreams. He added that he believed that purpose, mission, vision, values and behaviours created a strong place from which stories could be told to encourage employee and customer loyalty and create sustainable business success. He continued and stated that purpose was the reason the organization existed, and behaviours were how everyone in the organization must act to demonstrate their commitment to the purpose.

9.05 The organization, the President continued, was on the verge of something epic which was the surpassing of its vision, for which he believed God had been preparing members for when they were not satisfied with their accomplishments and to strive forward united and with a greater responsibility. Mr. Abel reminded that to whom much was given, much was expected and stated that this unprecedented event must bring about change to the way we govern ourselves. Noting that change was never easy, the President stated that he believed God would guide members to embrace all that was necessary to be more effective and to function as the great organization it is.

9.06 He ended with a quote from Pope John XXIII:

“Consult not your fears but your hopes and your dreams. Think not about your frustrations, but about your unfulfilled potential. Concern yourself not with what you tried and failed in, but with what it is still possible for you to do.”

10.00 PRESENTATION OF REPORTS**10.01 Board of Directors Report 2022**

The President, Mr. Erskine Abel presented the Report of the Board of Directors as stated on pages 24 to 35 of the Annual Report and highlighted the following:

10.02 Economic Overview

Headline inflation stood at 6.2% year on year and core inflation measured 4.8%.

10.03 Governance Structure

The Board of Directors was supported by the various committees and appointed several management committees to assist in its activities.

10.04 Outgoing Members

Two of the four outgoing members of the Board, Ms. Veronica Jacob and Ms. Gemma Ottley indicated their interest in continuing to serve the organization; Mrs. Candice Haynes-Roban and Mrs. Sabrina Peters Russel were statute barred.

10.05 Membership

Active membership at the end of the year totalled 8,093.

10.06 Financial Performance Highlights

Total income increased by 2.9% or \$.4M, the main contributor was generated by the loan portfolio. While total expenditure increased by \$1.1M or 14% which moved from \$8.2M in 2021 to \$ 9.4M in 2022.

Total assets as at year ended 2022 amounted to \$128.5M, an increase of \$3.1M or 2.5% when compared to year ended 2021. This growth can be attributed to the growth in the loan portfolio.

10.07 Member Loan Growth

The loan portfolio showed a small increase, which moved from \$93.4M in 2021 to \$103.2M in 2022. The Society's loan portfolio has now crossed \$100M, which reflected continuous growth in that area.

Member Shares growth increased from \$91.2M in 2021 to \$93.2M in 2022.

10.08 Pearls Ratio

Growth in Total Assets	
2022	2.5% (reduction)
2021	3.8%

10.09 Delinquency Ratio

Delinquency ratio stood at 12.3%, an increase from last year due to the prevailing financial environment and the organization's assistance to same members who were having difficulties.

10.10 Projections :See below

PROJECTIONS 2022	STATUS	PROJECTIONS 2023
New member growth target 300	New members admitted 189	New member growth target of 300
Net share growth of \$2.5M	\$3.1M share increase	Net share growth of \$4.0M
Loan disbursement of \$42.5M	Loan disbursement of \$38.2M	Loan disbursement of \$45M
Increase in investment to \$20M	Total investments to \$16.38M	Increase in investments to \$20m
Surplus \$3.2M	Surplus \$4.5M	Surplus \$3.8M
Dividend payment 3%	Board recommends 2.5%	Dividend Payment 3%
Delinquency 5%	Delinquency 12%	Delinquency 5%

10.11 Strategic Plan 2022 – 2025

The Strategic Plan was completed since June 2022 and there were high hopes by operations and management that the plans and projections stated can be achieved.

10.12 Human Resource

The President noted that the society was an equal-opportunity organization that understood the importance of human capital which provided a safe environment for staff and customers.

10.13 Automatic Clearing House (ACH)

The President announced that the credit union was now processing transactions through the ACH system which facilitated electronic transfer of funds to members' accounts and vice versa. He stated that when loans were approved the funds were deposited directly to members' accounts instead of cheques being prepared. He further stated that this system helped the credit union to manage its cash flow, particularly in respect of money from members' balances.

10.14 Home/Online Banking Platform

The President encouraged members to register for the home/online banking platform which provided members with the ability to view balances; transfer funds from deposit to shares, to loans; and view statements and account history.

10.15 Corporate Responsibility

As part of the organization's corporate responsibility, a donation was made to the Carapichaima Anglican Primary School to assist in its ongoing rebuild and refurbishment project after the school had been shut down.

10.16 38th Anniversary Celebrations

As part of its 38th Anniversary Celebrations, the first three members, listed below, to have enrolled in the online banking platform were awarded an appliance:

Ms. Venus James	-Barataria
Ms. Marsha Ogiste	-Tobago
Ms. Antoinette Ferreira	-San Fernando

10.17 Upcoming Events 2023

Upcoming activities between June and September include Father's Day Appliance Sale and Boat Ride.

10.18 Cooperative Involvement

Five members of the Board have been active in the Chapter and League's activities.

Mr. Michael Hernandez	Secretary, SERC Board, and Treasurer of the Credit Union League of Trinidad and Tobago
Ms. Gem Saunders-Le Maitre	President, Southeast Regional Chapter
Ms. Sabrina Peters	Assistant Secretary, SERC
Ms. Gemma Ottley	Director, SERC
Mrs. Marilyn John - Fahey	Secretary, Supervisory Committee, SERC

There were no questions, concerns, or issues.

10.19 Acceptance

A motion for the acceptance of the Report of the Board of Directors was moved by Mr. Dillion Lazarus and seconded by Mrs. Patricia Claxton-Francois. The motion was approved by a majority.

10.20 Credit Committee Report

The Report of the Credit Committee, as stated on pages 39 to 42 of the Annual Report, was presented by Ms. Adeleine Gittens.

In closing Ms. Gittens thanked God for another successful year despite the many challenges and expressed gratitude to the general membership and the various boards.

10.21 Acceptance

The Credit Committee Report was accepted on a motion moved by Mr. Clarence Duke and seconded by Mr. William Solomon. The motion was approved by a majority.

10.22 Supervisory Committee Report

The Report of the Supervisory Committee, as stated on pages 43 and 44 of the Annual Report, was presented by Mr. William Solomon.

In conclusion the member thanked God for granting health and strength to render services and extended heartfelt gratitude to members who gave them the opportunity to serve.

10.23 Acceptance

The Supervisory Committee Report was accepted on a motion moved by Mr. Holly Francois and seconded by Mr. Gerald Antoine. The motion was approved by a majority.

10.24 Education Committee Report

The Education Committee Report, as stated on pages 45 and 46 of the annual Report, was presented by Mrs. Marilyn John-Fahey. She gave a brief history of the introduction of credit unions to Trinidad and Tobago, noting that the Progressive Credit Union continued to be a part of that great movement keeping alive one of its principles of ongoing education.

In closing the officer thanked Almighty God for steering the credit union during the period; the valued members who continued to keep the credit union's flag flying high; the Board and Statutory Committees and the dedicated staff.

10.25 Acceptance

The Report of the Education Committee was accepted on a motion moved by Mr. Marlon Sylvester and seconded by Mrs. Kaveeta Ramjattan-De Boulet. The motion was approved by a majority.

10.26 Nominating Committee Report

Mr. Michael Hernandez presented the Nominating Committee Report as stated on pages 47 to 49 of the Annual Report.

The Committee comprised the following members :

Mr. Michael Hernandez	Chairman
Mrs. Marilyn John-Fahey	Member
Mr. Dexter Walters	Member
Mr. Malcolm Alexander	Member
Mr. Yul Layne	Member

Mr. Hernandez informed that advertisements inviting applications from interested members were placed in the daily newspapers, at the various MTS offices and on social media. A breakdown of applications received was as follows:

Board of Directors	- 6
Credit Committee	- 8
Supervisory Committee	- 5

The membership was informed by Mr. Hernandez that one application could not be considered as that member was not in good standing with the credit union. The following members were put forward as nominees for election:

Board of Directors

Ms. Neisha Cudjoe
Mr. Holly Francois
Mr. Errol Thomas
Ms. Gemma Ottley
Ms. Veronica Jacob
Ms. Janelle Quash

Credit Committee

Ms. Adeleine Gittens
Ms. Anne Marie Campbell
Ms. Natalie Jack
Mrs. Candice Haynes Roban
Mr. William Solomon
Mr. Heeralal Sookhai
Mr. Clarence Duke
Mr. Christon Castillo

Supervisory Committee

Mr. David Quamina
Mr. Clinton Warren
Ms. Racheal Austin
Ms. Lydia Neaves
Mrs. Ginelle Small-Cummings

The Chairman of the Committee encouraged the younger members to offer themselves to serve in whatever areas of expertise they possessed. He also urged the Education Committee to provide avenues for more training for members as this, he indicated, would only redound to the growth of the Society.

In closing, Mr. Hernandez thanked the Board for the confidence placed in the Nominating Committee to seek out leaders to serve the Credit Union. He also extended his appreciation for the cooperation provided by the staff of the Marketing Department and the candidates themselves for their willingness to serve.

10.27 Acceptance

The Report of the Nominating Committee was accepted on a motion moved by Mr. Lorris Benjamin and seconded by Mrs. Jennifer Walters. The motion was approved by a majority.

11.00 ELECTION OF OFFICERS

Mrs. Marcia Goodridge-Constantine, the Returning Officer and her team conducted the election process. The candidates were introduced to the meeting and members were advised to vote as follows:

Supervisory Committee -3 persons
Credit Committee -5 persons
Board of Directors -4 persons

12.00 2ND CREDENTIAL COMMITTEE REPORT

The President reported that at 11.36am there were 197 members, and 14 guests present.

13.00 ELECTION OF OFFICERS (cont'd)

- At 11.37am. Mrs. Goodridge-Constantine invited members to proceed with the voting process.
- Members voted.
- Mrs. Goodridge-Constantine declared the voting closed at 12.01pm.
- The President noted that the number of eligible members to vote stood at 198 as one member arrived late and was added.

14.00 INDEPENDENT AUDITORS' REPORT

The President informed the meeting that the Auditor was not present but that the report was submitted and was before the meeting. Mr. Abel then read the Opinion of the Independent Auditors' Report, which he said was the most important aspect of the report.

The President noted that in preparing the audited financial statements management had utilized the International Financial Reporting Standards and that where those standards presented alternative accounting treatment, management chose those which were most appropriate in the circumstances.

[Independent Auditor's Report read]

15.00 FINANCIAL STATEMENTS

The Treasurer, Ms. Veronica Jacob, presented the Financial Statements for the year ended December 31, 2022 and highlighted the following:

Total Revenue-\$13.9M (increase by 3 per cent)

Expenses-\$9.3M (increase by 14 per cent)

Surplus-\$4,030,832M

15.01 Statement of Financial position on December 31, 2022 (BalanceSheet)

Total Assets **-\$128.4M**

Accounts Receivable and Repayments **-\$3.8M**

15.02 Members Equity and Liabilities

Current liabilities **-\$4M**

Bank advance currently not in overdraft **-\$120,000**

15.03 Non-current liabilities

Members' shares **-\$93.2 (increase)**

Total equity and liabilities **-\$128M**

Bank charges and interest **-\$132,454**

Total expenditure **-\$9.3M**

15.04 Referring to increased security costs pertaining to the building in Barataria, Ms. Jacob urged members to purchase their appliances from the organization as it was on their persistence that the organization embarked on this venture noting that any surplus would return to members. Members were also encouraged to repay their loans as that was the only way for the credit union to survive.

15.05 Questions & Answers

Ms. Beverly West enquired about the figure for the funeral arrangement. The Treasurer explained that the figure did not affect the FIP and gave the example of if someone died leaving \$20,000 in shares, the credit union would match it up to \$35,000.

15.06 Mr. Troy Hayes enquired about the absence of a rebate on deposits for the year. The Treasurer explained that a rebate was usually based on the surplus, so the fact that the surplus dropped in 2022 by \$2.5M the organization was unable to entertain a rebate but managed to pay a 3% dividend.

15.07 Ms. Dianne Holdford from Tobago queried the length of time it took for a loan to be processed, especially in Tobago. The President noted the member's concern and agreed to deal with it under General Business.

15.08 Acceptance

The Financial Statements were accepted on a motion moved by Ms. Allyson White and seconded by Mrs. Patricia Claxton-Francois and approved by a majority.

16.00 BUDGET 2023

The Budget 2023 as stated at page 100 of the Annual Report was presented by the Treasurer, Ms. Jacob, who highlighted the following projections:

Total Income	-\$14.4 M
Total Expenditure	-\$10.6M
Net Surplus	-\$3.8M

16.01 Acceptance

A motion for the acceptance of Budget 2023 was moved by Ms. Christiana Gittens and seconded by Mr. Holly Francois and approved by a majority.

17.00 AMENDMENT TO BYE-LAW 34

Mr. Erskine Abel, President, on behalf of the Board of Directors, moved the following amendment and explained that it needed to be passed by three-fifths of the members present.

Whereas Bye-law 34 of the revised Bye-Law – Audit of Accounts state “the Board shall submit the books of accounts of the Society within two (2) months of the close of the financial year.”

And whereas, the Co-operative Societies Act Regulation 48 (1) was amended via No. 5 Legal Notice No. 289 of 2020 to extend the period of submission.

Be it resolved that Bye-law 34 be amended to read: “The Accounts of the Society shall be audited within four (4) months of the end of the financial year and submitted to the Commissioner for Co-operative Development.”

The proposed amendment was seconded by Mr. Claude Dillion

At this point the President, Mr. Erskine Abel, reported that at 12.15pm there were 214 members and 15 guests present.

They voted and the proposed amendment to Bye-law 34 was accepted by a vote of:

136	-	In favour
0	-	Against
0	-	Abstentions

18.00 RESOLUTIONS

Mr. Erskine Abel, President, on behalf of the Board of Directors, moved the following Motions:

18.01 No. 1 Appointment of Auditors

Whereas every Society is required to appoint an auditor in accordance with section 51(1) of the Co-operative Societies Act and Regulations Chapter 81:03

And Whereas Bye-law 15(b)(iv) of the Society's Bye-laws required the Annual General Meeting to appoint an auditor for the ensuing term

Be it resolved that the firm Maharaj Mohammed and Company be appointed Auditors for the Progressive Credit Union Cooperative Society Limited for the year ending December 31, 2023.

Mr. Antoine questioned whether it was in the best interest of the organization to retain the Auditors in light of their absence from the day's proceedings. The President expressed the view that the Society was satisfied with the good work by the Auditors over the past two years and hinted that their absence could be due to a communication problem. He added that the auditors had done their part and submitted their report and that the Board was satisfied.

18.02 Acceptance

The Motion for the acceptance of Resolution 1, Appointment of Auditors, was seconded by Mr. Heeralal Sookhai. The motion was approved by a majority.

18.03 No. 1 Dividend:

Whereas Progressive Credit Union Co-operative Society Limited realized a net surplus as at December 31, 2022 in the sum of \$4,030,832.00

And whereas Bye-law 15(b)(iv) required the Annual General Meeting to approve the distribution of the surplus:

Be it resolved, that after statutory deductions the remaining net surplus for the year ended December 31, 2022 be divided in accordance with Bye-Law 15 as follows –

1. Dividend of 3% - \$2.8M be credited to members' share account.

18.04 Acceptance

The Motion for the acceptance of Resolution No. 2, Dividend, was seconded by Mr. Marlon Sylvester and approved by a majority.

18.05 No. 3 Honoraria

Honoraria in the sum of \$130,000 to be distributed among members of the Board and Statutory Committees

18.06 Acceptance

The Motion for the acceptance of Resolution No. 3, Honoraria, was seconded by Mr. Holly Francois and approved by a majority.

18.07 No. 4 Write Off Non-Performing Loans

Preamble

It is considered normal business practice to write-off bad debts once, where in the opinion of the organization, all steps have been taken to recover that debt. It is also Progressive Credit Union's Board policy to write-off non-performing loans (bad debts) once these loans are in arrears for a period exceeding seven years.

While this write-off is normal business practice and in accordance with International Accounting Convention IAS 37 and the Co-operatives Societies Act, Chapter 81:03 of 1971, and paragraph 32 of the Regulations, it has always been the practice of the Board of Directors of Progressive Credit Union to seek and obtain prior approval of the Annual General Meeting to write-off all such delinquent loans. Under the circumstances and with the guidance of the Office of the Commissioner for Co-operatives, your Board humbly seek that the membership consider and approve the understated Resolution.

Resolution to Write-off Bad Debts

"Whereas, Regulation 32 of the Co-operative Societies Act, Chapter 81:03 required the approval of the general meeting to write-off bad debts from the books of the society, And whereas it required every effort be made to recover bad debts or delinquent loans in pursuance of recoveries procedure of the society, And whereas efforts to recover bad debts in the sum of TTD \$300,000.00 had proven futile. And whereas, the Board continued to pursue the recovery of bad debts or delinquent loans even after they had been written off. Be it resolved that the bad debts in the sum of \$300,000.00 be written off.

18.08 Acceptance

The Motion for the acceptance of Resolution No. 4, Write-off Bad Debts, was seconded by Mr. Dillion Bachus and approved by a majority.

19.00 ELECTION RESULTS

Mrs. Marcia Goodridge-Constantine announced the following results:

Supervisory Committee

Officer	Votes
Ms. Racheal Austin	170
Mr. Clinton Warren	96
Ms. Ginelle Small Cummings	95
Mr. David Quamina	86(1 st substitute)
Ms. Lydia Neaves	78(2 nd substitute)

Board of Directors

Officer	Votes
Mr. Holly Francois	142
Mr. Errol Thomas	127
Ms. Veronica Jacob	106
Ms. Gemma Cheryl Ottley	100
Ms. Neisha Cudjoe	67(1 st substitute)
Ms. Janelle Quash	61(2 nd substitute)

Credit Committee

Officer	Votes
Mr. William Solomon	130
Mr. Clarence Duke	123
Ms. Anne Marie Campbell	117
Ms. Adeleine Gittens	117
Mrs. Candice Haynes-Roban	107
Mr. Christon Castillo	76(1 st substitute)
Ms. Natalie Jack	52(2 nd substitute)

20.00 DESTRUCTION OF BALLOTS

A Motion for the destruction of the ballots was moved by Mr. Claude Dillion and seconded by Mr. Gerald Antoine and approved by a majority.

21.00 GENERAL BUSINESS

In response to the issue raised, regarding the length of time it took for loan disbursement and share withdrawals from Tobago, the President, Mr. Erskine Abel, stated that the organization was aware of the problem and assured members that all efforts were being made to shorten the period of time for the processing of loans from Tobago.

He indicated that within the next month loan applications would be processed on a more timely basis.

With respect to share withdrawals, he stated that management tried to accommodate as many as possible within a fortnight and noted that members accessed share withdrawals rather than utilizing the loan portfolio. He also stated that in order to manage cash flow there had to be a hold on share withdrawals. He then added that with the introduction of the ACH members can access their funds faster and that management would be able to entertain share withdrawals within a shorter time frame.

22.00 PRESENTATION BY YOUTH ARM

Noting that management encouraged, supported, and helped to establish a vibrant, active youth arm, as succession was one of the main themes in the organization's strategic plan and management wanted the youths to participate in as many activities as possible, the President invited the PRO of the Youth Arm to update the membership on its activities.

22.01 Ms. Wonder John, PRO of the Youth Arm, informed members that the group visited the Samsara Nature Park and the Pioneer Dragon Fruit Farm during the past year. She stated that among the proposed activities planned for July/August 2023 was a hike and a beach clean-up and urged members to show up and support the Youth Arm in its endeavours.

22.02 The President, Mr. Abel, recommitted management's support of the youths in their planned activities for the rest of the year.

22.03 Mr. Jaylon Winston reminded the meeting of the credit union's efforts in assisting members in their educational progress. One such initiative, Mr. Winston, revealed was the Excellence Awards through which members can access financial support. The appropriate notice, he continued, would be advertised whereby members would be invited to participate. He encouraged members who were pursuing further studies to come into the organization to learn what facilities were available.

23.00 DISTRIBUTION OF DOOR PRIZES

Members holding the following numbers received door prizes:

Ticket Nos.	Members
30	Abu Mohammed
54	Marlon Sylvester
193	Evelyn George (Tobago)
56	Tricia Popwell
152	Valarie Williams
10	Sherry Alleyne Harris
99	Dexter Walters
216	Tania Nelson
53	Russel Paul
202	Jaylon Winston

23.01 COOLER BOAT CRUISE TICKETS

Recipients of the Cooler Boat Cruise tickets were:

Ticket Nos.	Members
199	Laura John
62	Claire Williams

24.00 AGM TOKEN DEPOSIT

The President announced that in lieu of a physical token, \$75 would be deposited to the share accounts of members who attended the meeting.

25.00 CLOSING REMARKS

25.01 Mr. Clinton Hendrickson thanked all guests, members of the Credit Union League and the Office of the Commissioner for Co-operative Development for their presence and past president Mr. Malcolm Alexander for his support over the years. Members of the Board and various committees, management and staff were thanked for their hard work which ensured that the credit union functioned effectively. Officials of the Cipriani College of Labour and Co-operatives were thanked for the use of its facilities.

25.02 Mr. Hendrickson thanked Mr. Fraser and fellow co-operators for their attendance and indicated that he looked forward to their continuous support and cooperation. He noted that the Credit Union was about helping others and referenced the following Chinese proverb:

“If you want happiness for one hour, take a nap
If you want happiness for one day, go fishing
If you want happiness for a year, inherit a fortune
But if you want happiness for a lifetime, help someone.”

There being no further business the Meeting ended 1.57pm.



Ian De Boulet
Secretary
Board of Directors

PRESIDENT'S MESSAGE

The Power of Persistence

Persistence denotes single-mindedness towards achieving a goal. Persistence means continuing in a course of action without regard to discouragement or opposition, and without changing your direction and speed. This quality is vital for accomplishing any long-term goal or meaningful objective. Consider the example of the great inventor Thomas Edison, who conducted over 10,000 failed experiments before inventing the light bulb. He kept trying, kept on experimenting and because of his persistence we have light today.

Entrepreneurship Persistence

Starting a business involves overcoming obstacles. An entrepreneur persists by adapting to setbacks, seeking solutions, and staying committed to their vision. The Progressive Credit Union Society Limited is a financial institution committed to providing financial services to its members. Established since 1984, the Progressive Credit union Society Limited, with a membership then of just 97 has continued its vision is to promote “thrift” among employees and members within the organization. Today, with a total of over seven thousand members, the society has demonstrated persistence in its objectives of providing sound financial services to its shareholders.

Global Economic Persistence

Today, the global financial environment has to face challenges never before experienced. In October 2023, the IMF released its annual economic outlook which projected weak growth across the world. It placed particular emphasis on three issues: high inflation and central bank tightening, Russia’s invasion of Ukraine, and the continued effects of Covid-19, especially in China.

This present global economic climate calls for persistence in navigating these challenges. However all is not lost as the experts has advanced the theory that economic policy makers must find ways for people to produce more rather than consume less.

Progressive Credit Union Persistence

The Board of Directors, Management and Staff, Committees and shareholders of Progressive Credit Union Society Limited, has been and continue to be persistent over the years in navigating the social, political and economic environment. Our strategic plan 2022-2025 highlights the vision and the goals, to help the Society realize its fullest potential and better its mission to serve our members, stakeholders and the wider community. This calls for persistence as the implementation of the initiatives in the strategic plan will result in “Institutional strengthening.”

**To empower
our members
to improve
their lives.**

How to Persist and Overcome Financial/Economic Depression

One of the most significant obstacles to perseverance is depression. Depression is a mental health condition that can make it difficult to find motivation and energy to pursue your goals. However, there are two types of depression that can have a debilitating effect on our financial health. The first one is known as “Financial Depression.” This occurs when individuals or families experience depression due to economic struggles. Financial stress, debt, and money-related worries can lead to anxiety, low self-esteem, and emotional distress. Sometimes, this is specifically called debt depression. The second one is called “Economic depression.” An economic depression is a severe and prolonged downturn in economic activity. It goes beyond a typical recession.

Steps to take in dealing with Financial/Economic Depression:-

1. FOCUS ON DEBT REDUCTION

It is difficult for someone who is already dealing with depression to fend off negative thoughts and moods when debt, poor credit, and overwhelming financial obligations are daily realities compounding stress. First, assess the situation and devise a plan of reducing your debt gradually. It does not necessarily mean that you have to pay off your debt at once but a plan will certainly keep you on track of having a bad cloud of debt hanging over your head.

2. STAY POSITIVE

Stay Positive: Be in the company of upbeat individuals who inspire and support you. Steer clear of negative people and events that could depress you. Pay attention to your development and the little victories you've had along the way.

3. ACKNOWLEDGE YOUR FAILURES AND FOCUS ON MAKING PROGRESS

Making mistakes is a necessary part of the path to success. Accept failure as a chance to improve and learn. Examine the mistakes you made and how you can do better the next time and focus on making progress.

4. REMAIN COMMITTED

Persistence necessitates dedication. Remain dedicated to your objectives and never give up. Make a plan and follow it through, even on difficult days. Keep moving forward and never forget why you first started.

5. PRACTICE BUDGETING

Behavior patterns that compel some to spend without restraint can drive a person into debt just as surely as a financial emergency caused by a car crash. Comprehensive budgeting is one of the tools you can use to avoid the compulsive spending habits that depression often encourages. Keeping a tally of everything, creating, and using a spending log, not only helps you keep your finances organized it is an easy tool to use to prevent excessive spending.

Our forefathers persevered in forming our Credit Union movement, moving from sou-sou to a financial institution. Through the power of persistence, we will achieve our mission, vision, and passion statements, together with our motto “Your success, our goal.” The power of persistence is the tool we apply to overcoming financial challenges and obstacles to our goals. Individually, and through the support of our society let us continue to demonstrate persistence as we navigate through this ever evolving economic environment.

Thank you, may God bless you, our Credit Union and the country.



Clinton Hendrickson
President

Progressive Credit Union



THE BOARD OF DIRECTOR'S REPORT.

1.0 Introduction

The Board of Directors of the Progressive Credit Union Cooperative Society Limited is pleased to report to our valuable shareholders on the performance of the Society for the year ended 2023. The Board holds the ultimate fiduciary responsibility for overseeing the Credit Union's operations, strategic direction and governance. As dedicated protectors of the membership's interests, the Board plays a pivotal role in the prudent management of Progressive's business, in alignment with the Credit Union's strategic priorities.

Several meetings were conducted either in-person, virtual or hybrid. These meetings were held as regularly as necessary to effectively manage the Credit Union affairs ensuring robust governance and comprehensive oversight. These meetings served as crucial forums for strategic discussions, decision-making and the review of key operational matters.

Progressive is also committed to protecting investors and our organisation from the effects of financial crime by increased vigilance and compliance with the relevant laws and regulations. While implementing the guidelines issued by the Central Bank to make access to the financial system easier for the unbanked and financially marginalised, we have strengthened our compliance mechanisms through staff training and certification to ensure we can quickly detect money laundering, terrorist financing and other offenses.

We also continue to upgrade our technological capacity and policy framework to secure the organisation against cybercrime and ever evolving technological threats such as ransomware.

As we continue to build our technological infrastructure to offer members better, faster and more responsive service, be assured that Progressive will proactively engage in partnerships and empower our staff with the skills that prevent, protect against, and combat e-banking crimes and other attacks.

2.0 Economic Overview

With inflation easing faster than anticipated and prospects for a 'soft landing' gaining momentum across several advanced and emerging market economies, international macroeconomic conditions appear relatively less constrained towards the end of 2023. According to the International Monetary Fund's October 2023 World Economic Outlook, global growth is forecast to slow to 2.9 per cent in 2024 compared to 3.0 per cent in 2023.

On the domestic front, the latest data from the Central Statistical Office (CSO) indicated that real GDP expanded by 3.0 per cent (year-on-year) during the first quarter of 2023. Indicators monitored by the Central Bank suggest steady economic recovery during the first nine months of 2023, led by the non-energy sector. Activity in the Transportation and Storage, Wholesale and Retail Trade (excluding Energy), Electricity and Water (excluding Gas) and Construction sectors continued to underpin the non-energy sector's positive performance. Labour market statistics show that the unemployment rate declined to 3.7 per cent in the second quarter of 2023 compared with 4.9 per cent one quarter earlier.

Meanwhile, inflation continued to moderate. According to the CSO, headline inflation measured 1.1 per cent (year-on-year) in November 2023 compared with 4.1 per cent three months earlier. The deceleration was driven by lower food inflation which slowed to 0.8 per cent from 5.6 per cent over the same period. Core inflation (which excludes food items) slowed to 1.2 per cent from 3.7 per cent, as the full pass-through of higher fuel prices implemented in late 2022 was complete.

With respect to financial indicators, liquidity remains ample. Commercial banks' excess reserves at the Central Bank stood at a daily average of \$4.9 billion in November 2023 and hovered around this level up until December 22, 2023. The repo window was also accessed on one occasion at the end of November 2023 – the first time since January 2022.

The momentum in private sector credit was sustained. In the twelve months to October 2023, financial system credit grew by 7.7 per cent. Spurred in part by a resurgence in motor vehicle loans, consumer lending growth reached 8.9 per cent in October 2023 – surpassing the rate of business credit expansion in August 2023. Business lending increased by 7.6 per cent during the same period, while real estate mortgage credit growth slowed somewhat (5.8 per cent in October 2023 compared with 6.8 per cent in August 2023).

In reviewing external developments, the Monetary Policy Committee (MPC) took particular note of the rapid slowdown in global inflation and the less aggressive monetary stance adopted by major Central Banks. Domestically, macroeconomic conditions appear favourable based on the retreat of inflation, sustained private sector credit growth and robust non-energy sector activity. Short-term TT/US interest rate differentials remain a concern as regards external balance but could narrow further based on the projected downward path of foreign rates. Taking all these factors into account, the MPC agreed to maintain the repo rate at 3.50 per cent. The Central Bank will continue to carefully monitor and analyse international and domestic developments and prospects. (Sourced- Central Bank of Trinidad and Tobago, Monetary Policy Announcement December 29th, 2023)

3.0 GOVERNANCE STRUCTURE

The inaugural meeting of the Board was held on the 10th May, 2023. The elected Executive Committee for the 2023/2024 team comprised of:

Mr. Clinton Hendrickson	- President
Mrs. Gem Saunders – Le Maitre	- Vice President
Mr. Ian Peter De Boulet	- Secretary
Mr. Stephen Fraser	- Assistant Secretary
Mr. Holly Francois	- Treasurer

Directors:

Ms. Gemma Ottley	- Director
Mrs. Marilyn John – Fahey	- Director
Ms. Veronica Jacob	- Director
Mr. Erskine Abel	- Director
Mr. Michael Hernandez	- Director
Ms. Georgiana Cudjoe	- Director
Mr. Errol Thomas	- Director

Substitute Directors:

Ms. Neisha Cudjoe	- 1st Substitute.
Ms. Janelle K. Quash	- 2nd Substitute.

The Board of Directors also appointed the following Management Committees.

Education Committee:

Mrs. Gem Saunders-Le Maitre	- Chairperson
Ms. Veronica Jacob	- Director/Secretary
Ms. Georgiana Cudjoe	- Director/Member
Mr. Anthony Perry	- Co-opted Member
Mrs. Kaveeta Ramjattan-De Boulet	- Co-opted Member
Ms. Neisha Cudjoe	- Co-opted, Youth Arm Liaison
Mr. Pierre Sookdar	- Staff Representative

Human Resource Committee:

Mr. Stephen Fraser	- Chairperson
Ms. Veronica Jacob	- Secretary
Ms. Gemma Ottley	- Director/Member
Mrs. Camille Joseph-Dipnarine	- General Manager

Properties Committee:

Mr. Holly Francois	- Chairperson
Ms. Georgiana Cudjoe	- Secretary
Mr. Errol Thomas	- Member
Mr. Miguel Hernandez	- Co-opted Member
Ms. Janelle Quash	- Co-opted Member
Mr. Lyndon Julien	- Co-opted Member

Health, Safety and Security Committee:

Mr. Ian De Boulet	- Chairperson
Ms. Georgiana Cudjoe	- Secretary
Ms. Gemma Ottley	- Director
Mr. Heeralal Sookhai	- Co-opted Member
Mr. Christon Castillo	- Co-opted Member
Ms. Tshiann Hamid	- Staff Representative

Finance Committee:

Mr. Holly Francois	- Chairperson
Mrs. Marilyn John-Fahey	- Secretary
Mr. Erskine Abel	- Member
Mr. Malcolm Alexander	- Co-opted Member
Mr. Wilfred Wallace	- Co-opted Member

Delinquency Committee:

Mr. Ian De Boulet	- Chairperson
Mr. Errol Thomas	- Secretary
Mrs. Marilyn John – Fahey	- Member
Ms. Lesley – Ann Halls	- Co-opted Member
Ms. Kahidja John	- Senior Recovery Officer
Mr. William Solomon	- Chairperson Credit Committee

Marketing and Communication Committee:

Mrs. Gem Saunders-Le Maitre	- Chairperson
Mr. Michael Hernandez	- Secretary
Mr. Stephen Fraser	- Member
Ms. Veronica Jacob	- Member
Ms. Lesley-Ann Halls	- Co-opted member
Ms. Gianna Guevara	- Marketing Coordinator/Staff Representative

Strategic Plan Committee:

Mr. Clinton Hendrickson	- Chairperson
Mr. Michael Hernandez	- Secretary
Mr. Erskine Abel	- Member
Mrs. Camille Joseph-Dipnarine	- General Manager

OUTGOING BOARD MEMBERS

There are four (4) outgoing Board Members; three (3) of whom are eligible for re-election to the Board and have indicated their willingness in continuing to serve the Society and they are: Mr. Clinton Hendrickson, Mrs. Gem Saunders – Le Maitre, Mrs. Marilyn John – Fahey and Mr. Michael Hernandez. Mrs. John-Fahey is statute barred having served three consecutive terms. The Board thanks them for their service and contribution to the growth of the Society and we wish them God’s speed.

4.0 MEETINGS

During the period under review a total of thirty-nine (39) meetings were held. There were thirteen (13) Board Meetings, twelve (12) Executive Meetings, seven (7) Special Meetings and seven (7) Joint Meetings.

NAME	BOARD	JOINT	SPECIAL	EXEC.	EXC./ ABSENT	TOTAL
Mr. Clinton Hendrickson	12	7	7	12	1	38
Mrs. Gem Saunders – Le Maitre	13	7	7	12	NIL	39
Mr. Ian Peter De Boulet	13	7	7	12	NIL	39
Mr. Stephen Fraser	13	7	7	12	NIL	39
Mr. Holly Francois	12	7	7	12	1	38
Ms. Gemma Ottley	13	6	6	N/A	2	25
Mrs. Marilyn John – Fahey	13	7	7	N/A	NIL	27
Ms. Veronica Jacob	13	6	6	N/A	2	25
Mr. Erskine Abel	12	6	7	N/A	2	25
Mr. Michael Hernandez	11	6	5	N/A	6	22
Ms. Georgiana Cudjoe	13	7	7	N/A	NIL	27
Mr. Errol Thomas	13	7	7	N/A	NIL	27

5.0 MEMBERSHIP

Progressive continued in its pursuit to attract and recruit new members during the fiscal year as membership growth remains a priority for the society. This resulted in the acceptance of two hundred and thirty-eight (238) new members which expanded our membership base. Our total membership at the end of the year now stands at 8,486 active members.

6.0 FINANCIAL PERFORMANCE HIGHLIGHTS

The financial year 2023 was a year of mixed results as it was an extension of the recovery period coming out of the two-year period of stagnation during the battle with a global pandemic. There was some evidence globally and locally of the easing of inflation pressures, a stabilising of higher energy prices and monetary policy tightening measures.

However, for the Progressive Credit Union this did not result in the improvement of the purchasing power of our membership. This was demonstrated throughout the period by very sluggish borrowing patterns, this rebounded towards the year's end. The Board is ever mindful of the challenges faced by our membership and endeavours to provide solutions that meet their growing needs.

The Board reports on the key details of our financial performance for the period:

Year	Shares	Deposits	Loans	Surplus	Assets
2023	91,465,841	7,637,771	106,327,920	4,039,641	129,357,819
2022	93,256,353	7,232,354	103,158,500	4,554,257	128,488,036
2021	91,231,983	8,188,207	93,408,695	5,315,993	125,353,926
2020	87,952,530	7,620,754	89,200,638	5,651,446	120,787,161
2019	86,692,322	7,900,400	84,317,084	4,716,367	117,434,828

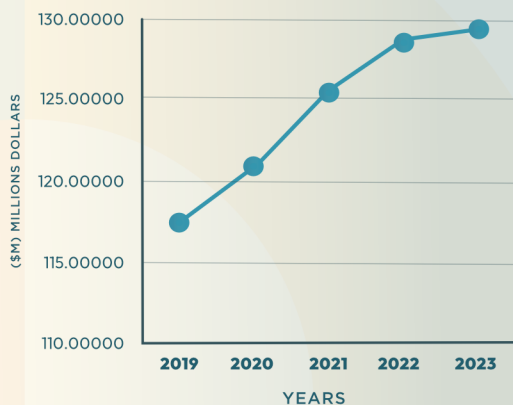
FINANCIAL HIGHLIGHTS

INCOME AND EXPENDITURE

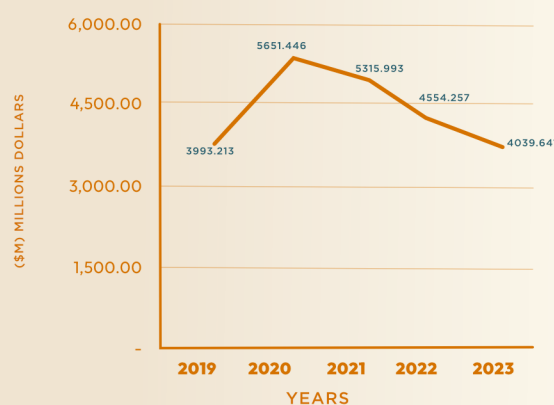
Total income for 2023 increased by 14% or \$2m. The main contributor to income for the Society is that generated by the loan portfolio. This was supported by the return on the investment portfolio which while declining in value from \$16.4m to \$13.4 increased to 4% from 3%.

The total expenditure increased by \$2.5m or 26.3% moving from \$9.4mn in 2022 to \$11.8m in 2023. The increase can be attributed to a variety of areas, principal of which is the Expected Credit Loss.

The resultant surplus before changes in equity declined by \$.5m or 11% moving from \$4.5m in 2022 to \$4m in 2023. There was a further decline in the net surplus due to the changes in the equity.



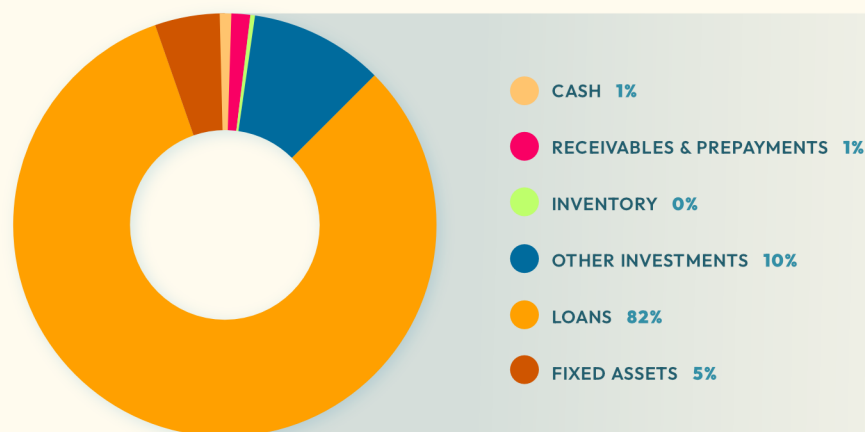
TOTAL ASSETS



SURPLUS

TOTAL ASSETS GROWTH

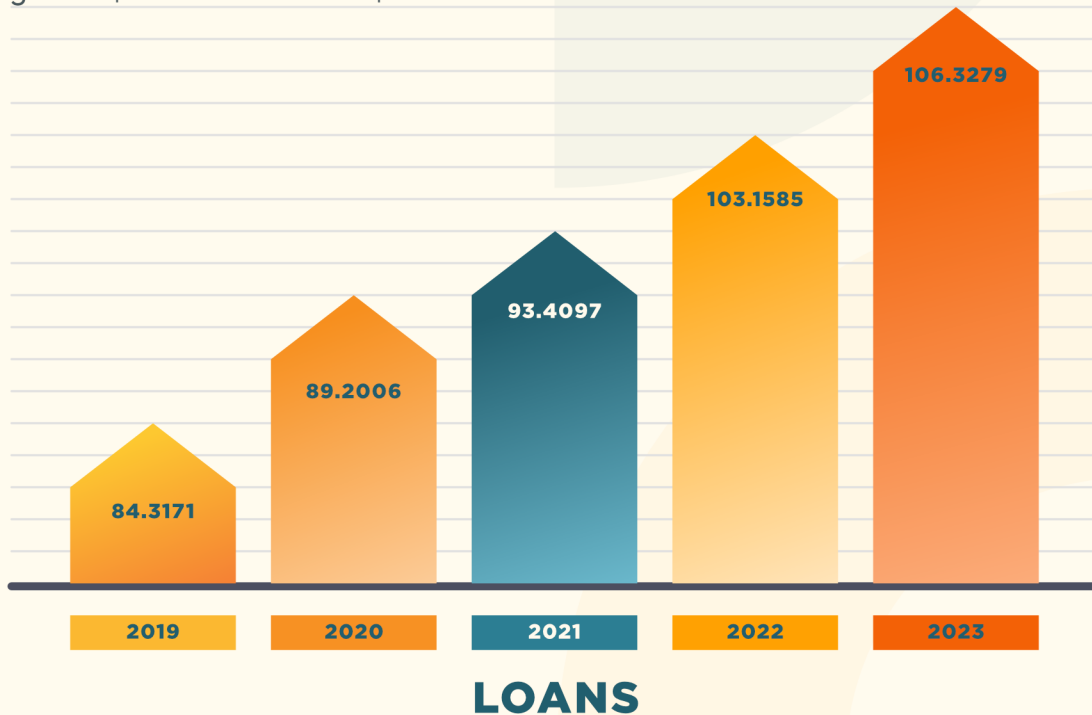
Total assets as at year end 2023 amounted to \$129.4 million, an increase of \$.9m or 1% when compared to year end 2022. The growth in Total assets can be attributed to the growth in the loan portfolio. The return on assets for 2023 compared with 2022 were 3% and 4% respectively.



TOTAL ASSETS

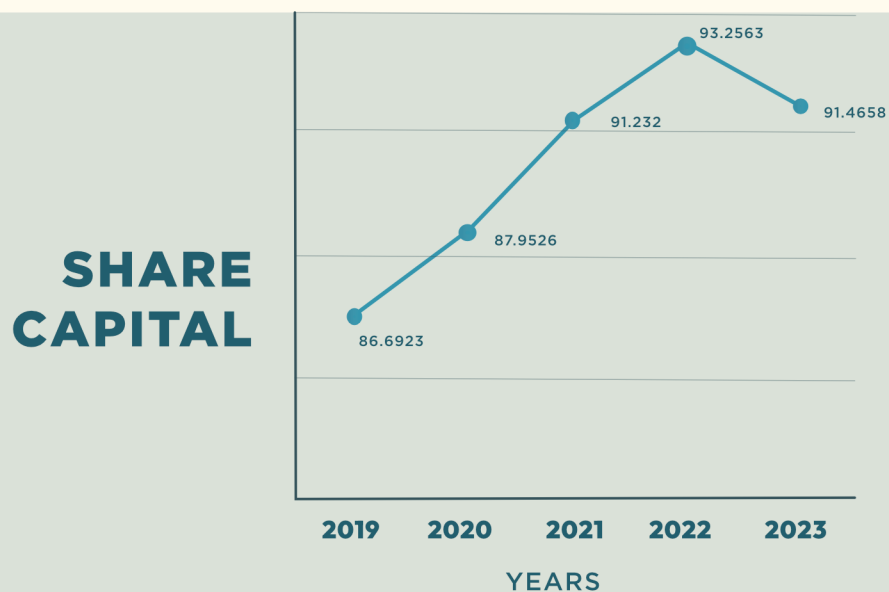
MEMBER LOANS GROWTH

The loans to members portfolio accounted for 82% of the total assets of the Society in 2023 increasing from 80% in 2022. The growth in the total loan portfolio was measured during the period and increased by \$3.2m or 3.1% moving from \$103.2m in 2022 to \$106.3m in 2023.



MEMBER SHARES GROWTH

There was a decline in the overall Shareholding which moved from \$93.2m in 2022 to \$91.5M in 2023.



PEARLS RATIO

The following table highlights the major performance indicators using the PEARLS system as a guide to assess the operations of the Credit Union for 2022 as compared with 2023

	RATIO	PEARLS STANDARD	2023	2022
P	Prov. Allowances > 1yr	100%	68%	72%
E	Net Loans to Total Assets	70-80%	82.2%	80.4%
	Institutional Capital/Total Assets	>10%	17.7%	17.5%
A	Total Delinquency	<=5%	10.6%	12.3%
R	Net Loan Income/Loan Portfolio	Entreup. Rate	12.6%	12.6%
	Total Operating Exp/Total Assets	<5%	9.6%	7.0%
L	Cash Resources/Total Assets	>20%	6.3%	9.7%
S	Growth in Loans	>Inflation Rate	3.1%	10.6%
	Growth in Total Assets	>Inflation Rate	1%	2.5%

7.0 DELINQUENCY

In 2023, the Society continued with its efforts in this department. However, whilst most of our members kept their commitment to service their loans during the period under review, the Society was faced with several hurdles in getting delinquent members to honour their obligations. The non-performing loan exposure as a percentage of total loans stood at 10.6% at the end of the fiscal year and this was a decrease over the period. The ratio was based on the calculations performed in determining the expected loss as per IFRS9.

Progressive is urging all members who obtain loans, please honour your commitments and repay your loans. The delinquency of one member affects every other member of the society since the cost of providing these loans are high and negatively affects the surplus generated and declared Dividend. The Recoveries Committee continues to be available to meet and assist members experiencing loan repayment difficulties. The total loan provision loss as of December 2023 was \$8,095,844.16.

The delinquency portfolio as at December 31st, 2023, is as follows:

Loan	Total	Shares / Collateral	Exposure
Total Delinquency	18,384,388.27	(6,232,075.80)	12,152,312.59
Total Loans O/S			114,421,587
Delinquency Ratio			10.6%

8.0 PROJECTIONS 2024

Projections 2023	Status	Projections 2024
New member growth target of 300	New members admitted - 238	New member growth target 300
Net share growth of \$4.0M.	(\$1.7M) share decrease	Net share growth of \$2.5M
Loan disbursement of \$45M	Loan disbursement of \$36.3M.	Loan disbursement of \$42.5M
Increase in investments to \$20M.	Total Investments to \$13.3M.	Increase in investments to \$20M
Surplus \$3.8M.	Surplus - \$4.0M.	Surplus \$3.7m
Dividend payment 3%.	Board recommends 2.5%	Dividend payment 3%
Delinquency 5%	Delinquency 10.62%	Delinquency 5%

9.0 STRATEGIC PLAN 2022-2025

The vision, goals and strategic objectives are being achieved gradually and systematically as the society aims realize its full potential and better fulfil its mission to serve our members, stakeholders and the wider community.

A review of the strategic objectives I to III was conducted by the Strategic Plan Committee and a number of initiatives were identified and executed within the deadline. However, there are other matters pending that needs to be addressed within the period as identified on the 2022 – 2025 timeline. Our “Guiding Principles and Core Values” will play an integral role in developing the operational standard of service delivery that meets and exceeds the expectations of our shareholders.

10.0 HUMAN RESOURCES

The Progressive Credit Union places significant value on its human capital and their contribution to the Society and the service of our membership. As such, the Society was extremely proud to receive the award for Best Human Resource Development (Large) at the Credit Union League's National Awards Ceremony held in October 2023.

During the period there were a few staff changes which included the following additions:

- Mr. Anthony Rampersad - **Driver**
- Mrs. Dara Haywood Baptiste - **Senior Accounts Clerk**
- Ms. Shanice Morris - **Receptionist**
- Ms. Mia Davis - **Filing Clerk**

We take this opportunity to extend thanks to the staff who left the employ of the Society during the period, Mr. Shorn Bholá, Ms. Joanne Meade, Ms. Gianna Guevara and Mr. Anthony Perry for their contribution to the Society.

We also congratulate all the various staff members who were promoted during the period and now function in a elevated capacity.

The various training initiatives that were conducted during the period included the following:

- **Customer Service**
- **Internal Staff training:**
- **Compliance Officers Training**
- **FIU - AML/CFT/TF**
- **ICATT Accountancy Conference**
- **Delinquency Training - Cooperative Division**

A team building activity was also held at the end of the term for all staff members at the South Ranch facility in Debe. This activity blended fun and entertainment while promoting teamwork, communication, and interaction to foster a morale boost, growth, and team development.



11.0 MARKETING

11.1 36TH ANNUAL GENERAL MEETING

For the first time in three (3) years, the 36th Annual General Meeting was held in person. The meeting took place on Saturday 6th May 2023 at the Cipriani College of Labour and Co-operative Studies, Churchill Roosevelt Highway, Valsayn, St. Joseph, Trinidad, and Tobago. The theme of the event was “Exceeding the Vision”.

There were two hundred and thirty members (230) and fourteen (14) guests in attendance. The meeting was held at the Cipriani Labour College and started at 10:00 a.m. and concluded at 1:57 p.m. During that time, members voted on the board and statutory committee nominees and were updated on the financial and otherwise performance of their Credit Union. The token distributed for 2023 was a \$75 contribution to the share account of the members in attendance.

The election process was supervised by Marcia Goodridge and Associates. Ten (10) members were awarded hampers.

11.2 HOME/ONLINE BANKING PLATFORM

During the July to August months, interns were hired to assist The Marketing Department in signing up members to the online banking app. Some of the locations visited were as follows:

- MTS Plaza
- Pleasantville Secondary School
- MTS South Office (Security)
- MTS South Office (Maintenance)
- San Fernando Central Secondary School
- San Fernando West Secondary School
- MTS North Office
- VAT Office
- Births and Deaths
- St. Gabriel's Girls R.C.

The process increased the enrolments on the system and members were able to voice their queries regarding their accounts. Throughout the course of the year, we uploaded and pinned to our pages the enrolment instructions so that members would have easy access to the information. We also continued with the use of two (2) cell phones for WhatsApp, to encourage members that were experiencing issues with the enrolment process to message and get the help they needed to achieve access to the system. The system allows members to access their account balances as well as transfer funds from their deposit account to shares.

We advise all members to enrol in the system as it will allow for easier access to their balances.

11.3 BOAT CRUISE 2023

Progressive Credit Union hosted its Annual Boat Cruise on board the Sea Champion on Saturday 20th May 2023 from 8 pm to 11 pm. The theme was “Vintage in White”. The DJ for the event was DJ Whiz. Door prizes were awarded to one (1) male and one (1) female ticket holder.

11.4 ANNIVERSARY AND INDEPENDENCE APPLIANCE SALE

The Anniversary appliance sale took place during the month of July and the Independence Day appliance sale was held on Wednesday 30th August. During the promotion, items were sold at the Barataria and San Fernando branches only. Items such as refrigerators, microwaves, air fryers and more were purchased during these sales. The sale applied to all appliances in our very extensive appliance catalogue and is now an annual event on our calendar. Look out for the start dates in 2024.

11.5 SHARE DRIVE PROMOTION

The registration process for the Share Drive Promotion began on Tuesday 26th September 2023 and closed on Friday 3rd November 2023. Thirteen (13) members registered to participate by increasing the amount of their contribution from different denominations. The increase would have to be maintained for a one (1) year period. The main benefit for members was the enhancement of their share value and the stimulation of additional savings, thereby improving their opportunities for obtaining larger loans.

11.6 BRAND AWARENESS

The Marketing Department was invited by the HR department at the National Maintenance Training & Security Company Limited (NMTS), to an event called Money and You, which was held at the MTS Plaza, Aranguéz Main Road, San Juan, on December 1st, 2023, from 9am to 2pm. Members and potential members visited the Progressive table, and asked questions or completed application forms for themselves and or their children. We spoke to or assisted approximately twelve (12) persons.

In summary our strategies are working well. We have received positive feedback from our members. However, there's still room for improvement, particularly in reaching new audiences and enhancing our online presence. By focusing on these areas and continuing to listen to our members, we can further strengthen our brand and drive even more success in the future.

11.7 2024 UPCOMING EVENTS:

The following is a preview of Progressive's planned marketing efforts in this regard for the year 2024:

1. **APRIL** Brand Ambassador Programme
2. **MAY** 40th Anniversary & Mother's Day Boat Ride 2024
3. **JUNE** TIC 2024
4. **JULY** 40th Anniversary Awards Dinner/Dance
5. **SEPTEMBER** Southex 2024
6. **OCTOBER** Health Fair
7. **DECEMBER** Spin the Wheel

12.0 PARTNERSHIP WITH THE COMMUNITY.

The Society was able to provide aid to persons and organisations in the following categories:

1. Ms. Chequeda Deboulet who won the Women Single, Doubles and Mixed titles Women badminton Trinidad and Tobago.
2. San Fernando Boys RC who placed 3rd in Panorama School Championship.
3. Master Shian Griffith who received 5 gold, 2 silver and a bronze medal, in various categories at the Goodwill Swimming Championship held in Jamaica in August.

13.0 COOPERATIVE INVOLVEMENT

The Society continues its involvement with our cooperative partners within the Credit Union Sector. The Society members serve in many capacities which includes Mrs Gem Saunders- Le Maitre, our Vice President is the President of the South East Regional Chapter (SERC). Board of Director - Mr. Michael Hernandez is the Chapter Secretary and serves as Treasurer of the Credit Union League of Trinidad and Tobago. Director Mrs. Gemma Ottley serves as the Director on the Board of the SERC and Director Mrs. Marilyn John-Fahey serves on the Supervisory Committee.

14.0 / Obituaries

The Board of Directors, Management Committees, Manager, Staff and Members of our Credit Union, join in extending sincerest condolences to the loved ones of our departed members and we continue to wish you peace and the strength to carry on.

14.0 CONCLUSION

As the Progressive Credit Union continues to grow and develop, we are as passionate about your finances as you are. The Society stands out as one of the financial institutions charged with the onerous and sacred responsibility of their unwavering commitment, expertise, and dedication to delivering excellent service; qualities which have been instrumental in steering our financial institution along the path of success. Our priority is to make your financial experiences great, starting the moment you enrolled as a member and continuing through each and every memorable experience with us.

It is a privilege once more to express our deep appreciation for the contribution of these exceptional individuals who have left an indelible mark within our institution. The Board wishes to thank the General Manager and Staff for their consistent and reliable services to our valued members having performed with a passion, second to none. We also want to say a big thank you to all members of the Board of Directors, Statutory Committees and Co-Opted Members of all Board appointed committees who would have performed with vigour and enthusiasm – Going beyond for you.

Progressive is also proud to be influenced and guided by our strategic goals, laid out in the Progressive Credit Union Strategic Plan 2022-2025. We persist in our efforts to transform our Credit Union into a modern organization, while continually strengthening our relationships with members and our stakeholders, and we employ where necessary the use of new technological solutions to optimize and improve the delivery of our service to our members.

In closing, 2023 was a year where we still had minor effects of the covid 19 pandemic and we delivered bearing in mind that the members are the cornerstone of the society's success and as we look ahead, we are eagerly anticipating the forthcoming years to be marked by continued sustainable growth and prosperity for the organization and our valued membership. We are looking forward to celebrating our 40th anniversary in 2024, remaining committed to the principles of integrity and prudence that has brought our Credit Union this far.

The year ahead is filled with promise, purpose and positive change but only with the help of members, dedicated staff and stakeholders can our goals be achieved.

Cooperatively Yours



Ian De Boulet
Secretary

CREDIT COMMITTEE REPORT.

INTRODUCTION

The Credit Committee is pleased to present to you, our esteemed membership, the following report on its performance for the term 2023 to 2024.

CREDIT COMMITTEE MEMBERS

The names mentioned hereunder are the members who were elected to serve for the period under review.

1. Mr. William Solomon - **Chairperson**
2. Mrs. Candice Haynes-Roban - **Secretary**
3. Ms. Anne Marie Campbell - **Member**
4. Ms. Adeleine Gittens - **Member**
5. Mr. Clarence Duke - **Member**

Mr. Solomon and Mrs. Haynes-Roban were elected Chairperson and Secretary respectively, at the Inaugural meeting which was held at the Corporate Head Office, 48- 50 Chacon Street, San Fernando on Monday 08th May, 2023.

Meetings

A total of thirty-nine (39) meetings were held in accordance with the bye-laws and guidelines of the Society. Meetings were held every Tuesday and were rescheduled whenever the carded date fell on a Gazetted public holiday or otherwise.

The attendance of the term is listed hereunder:

Name	Position	Present	Excused
Mr. William Solomon	Chairperson	37	02
Mrs. Candice Haynes-Roban	Secretary	39	Nil
Ms. Anne Marie Campbell	Member	38	01
Ms. Adeleine Gittens	Member	39	Nil
Mr. Clarence Duke	Member	37	02

The main reasons for loans being denied were due to high debt service ratio, members refinancing loans within the three (03) months period and the inability to demonstrate capacity to repay which is contrary to Bye-laws.

TRAINING

All members of the Credit Committee attended the AML/CFT/PF Workshop which was conducted by the Co-operative Credit Union League of Trinidad and Tobago.

SITE VISITS/ INTERVIEWS

These assessments were conducted to evaluate the relative importance of the application made by members for house renovation, construction and extensions. Interviews were conducted based upon requests made by members or when the Committee had to acquire further information from the members which would have aided in our decision-making process.

LOANS APPROVED	# OF LOANS -2023	2,023	2,022
Bills	13	159,351.00	350,280.00
Business	5	139,469.00	282,560.00
Christmas Shopping	156	1,494,817.00	1,032,577.00
Debt Consol.	88	3,083,880.00	578,404.00
Education	101	917,975.00	1,306,650.00
Funeral	7	55,765.00	174,495.00
Furn. &Appl.	72	1,092,400.00	4,366,916.00
House Renovations	605	16,747,531.00	16,956,195.00
House Purchase	1	16,795.00	1,362,107.00
Legal Fees, Insurance and Investment	57	916,802.00	1,246,610.00
Medical	19	277,640.00	261,795.00
Personal	1,939	8,416,248.00	7,430,683.00
Travel	28	725,256.00	310,590.00
Vehicle Purchase	8	635,655.00	1,002,154.00
Vehicle Repairs	43	850,214.00	679,885.00
Xmas Box	191	843,884.00	929,545.00
TOTAL	3,333	36,373,682	38,271,446

DELINQUENCY

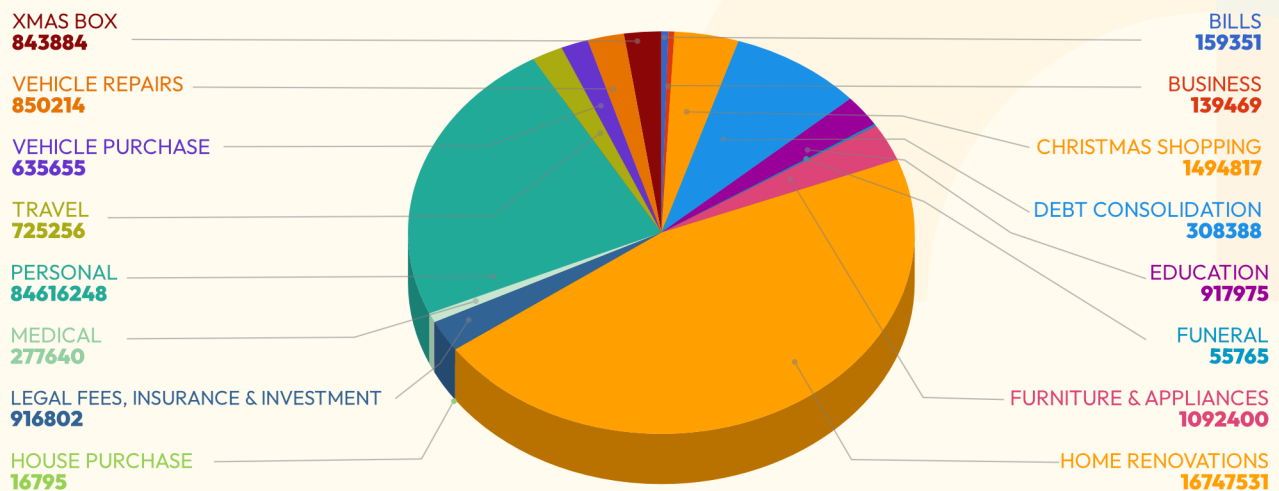
The Credit Committee continues to work closely in tandem with the Delinquency Committee, Board of Directors, the General Manager as well as Loans Officers with regards to delinquency.

Tobago

The Credit Committee visited Tobago twice during the fiscal year, to address some of the issues along with other concerns that the members were experiencing, to interview members and conduct site visits.

CONCLUSION

The Credit Committee would first like to thank GOD for granting us life for another year to serve the members, notwithstanding the minor challenges we encountered. In addition, we take this opportunity to express our gratitude to thank our esteemed membership, the Board of Directors, Supervisory Committee, the General Manager and staff for your continued support in making this another successful year. Furthermore, we pray that Almighty GOD continues to grant us the wisdom, understanding and strategic direction to expand our Society.



Cooperatively Yours,

William Solomon

Chairperson

Candice Haynes- Roban

Secretary

SUPERVISORY COMMITTEE REPORT.

The Supervisory Committee brings greetings to all members, prospective members, guests, and all well-wishers present at the 37th Annual General Meeting of the Progressive Credit Union Co-operative Society Limited.

The following Members were elected at the 36th Annual General Meeting which was held on the 6th May 2023, at the Cipriani College of Labour and Co-operative Studies, Churchill Roosevelt Highway, Valsayn.

The Supervisory Committee served during the 2023/2024 term in the following positions:

- Ms. Racheal Austin **Chairperson**
- Ms. Ginelle Small- Cummings **Secretary**
- Mr. Clinton Warren **Member**
- Mr. David Quamina **1st Substitute**

INTRODUCTION

The Supervisory Committee, which is deemed the Internal Auditors of the Society, is charged with the responsibility of ensuring that proper internal control measures are in place to maintain a smooth operation of the Society and to secure the assets of the Credit Union. The Committee remains fully informed as to the financial conditions and stability of the Credit Union.

ATTENDANCE AT MEETINGS

NAMES	PRESENT	EXCUSED	ABSENT
Racheal Austin	11	-	-
Ginelle Small-Cummings	10	01	-
Clinton Warren	09	02	-

AIMS & OBJECTIVES

The Supervisory Committee has the following aims and objectives:

- Examined all bank reconciliations to ensure all transactions and returned cheques were accounted for.
- Identified weaknesses in the organization and make necessary recommendations for improvement.
- Visited all branches and conducted cash checks.
- Examined the Fixed Assets Register and conducted physical checks.
- Made sure the Society adhered to the Bye-laws.
- Reviewed and monitored the delinquency portfolio paying special attention to the economic climate.

SEMINARS & WORKSHOPS

Members of the Supervisory Committee attended the following workshops and training programmes:

- Internal Audit Function:
- The role of Board and Committees
- What is the Supervisory Committee?
- AML/CFT/PF Role of Audit Committee

FINDINGS

The Supervisory Committee visited all the Society's Branches and achieved the objectives that were set out for the term with no obstacles.

The Supervisory Committee had a presence at Board Meetings, submitted quarterly reports as to the findings, and made recommendations for improvements where necessary.

We the members of the Supervisory Committee are pleased to report that the management and staff operated within the Bye-laws and the Co-operative Societies Act.

VISITS

The Committee visited the Barataria, San Fernando and Tobago offices to monitor all cash transactions as well as checks to the furniture and appliances on sale. Random meetings were held with members of staff who were interviewed regarding the operations of the Society.

COMMENDATIONS

It must be noted and commended that the Credit Committee members were very vigilant in the granting of loans, paying close attention to the economic climate.

The Board of Directors, Management and Staff, and Co-opted Members of all Board appointed Committees, should also be commended for their outstanding and fruitful efforts, despite the challenges.

The Supervisory Committee would also like to commend the members of Progressive Credit Union for their patience, understanding and continued support.

CONCLUSION

In conclusion, the Supervisory Committee remains steadfast in its commitment to serving the best interests of our organization and its members. We extend our gratitude to all stakeholders for their continued support and cooperation. Together, we will navigate challenges, seize opportunities, and uphold the values that define our organization's success.

Co-operatively Yours,



Racheal Austin
Chairperson



Ginelle Small-Cummings
Secretary

EDUCATION COMMITTEE REPORT.

THE COMMITTEE COMPRISED OF:

Mrs. Gem Saunders-Le Maitre

Ms. Veronica Jacob

Ms. Georgiana Cudjoe

Mrs. Kaveeta Ramjattan-De Boulet

Ms. Neisha Cudjoe

Mr. Anthony Perry

Mr. Pierre Sookdar

Chairperson

Secretary

Director

Co-opted member

Co-opted member

Co-opted member

Staff Representative

INTRODUCTION

The Progressive Credit Union sees its members' development as essential to the growth of its Credit Union and as such, we always strive to encourage this by continuous educational opportunities for members and their families.

As the world prepares for Artificial Intelligence (AI) we feel that we too should prepare our members to first understand and be proficient in the use of computerized devices.

MEMBERSHIP TRAINING

We began the 2023 term by offering Computer Seminars for all members both in Trinidad and Tobago. Unfortunately, this prospect was not achieved as members did not take the opportunity to further themselves in the use of the technology, which is quickly taking precedence in our lives.

In May and November 2023, the Credit Union hosted the "Wills and Testimonial Seminar" in both South Trinidad and Tobago respectively. While in Tobago this event was well attended, in South Trinidad few members took advantage, of this free legal information which was to ensure that we make proper legal decision in reference to their legacy. Another Seminar will be held in the North Region later this month, please take the opportunity to book your seat early.

Progressive Credit Union continues to urge its members to sign up on the Progressive App where information on their accounts is readily available by just a click of the button. Social media, Instagram and Facebook is where the information can be quickly sourced to allow ourselves to be kept in the know and to be able to participate in activities organized by the Society.

"Lo bonito del aprendizaje es que nadie te lo puede quitar" meaning

"The beautiful thing about learning is that nobody can take it away from you."

B.B. King

STAFF TRAINING

Ongoing training was also imparted to our most important personnel, our staff. During the past year our staff has been afforded the opportunity to further their knowledge in different aspect of their jobs; both through internal and external agencies. To be able to serve you our members better, this is necessary, hence, you may sometimes see notification of office closure. These closures were to facilitate training in areas we deem necessary for staff development.

BOARD AND COMMITTEE TRAINING

During the months June to July there were several conferences hosted by the Co-operative Credit Union League of Trinidad and Tobago, and the Caribbean Confederation of Credit Unions where Directors, Committee members and Management were afforded the opportunity to attend to further develop themselves to become better equipped to manage and support this Multimillion Dollar Organization.

PETER MC DAVID EXCELLENCE AWARDS

Once again, we held our annual Peter Mc David Excellence Awards, where we rewarded members of both our Kiddies and Youth Arm who sat the Secondary Entrance Examination, the Caribbean Secondary Examination and those presently pursuing their degrees at the Tertiary level year 2 and excelled in their field of study. Ten (10) awards were presented: five (5) for SEA, three (3) for CSEC and two (2) for Tertiary. Members are reminded that they can register their children who are members and will be sitting these examinations in 2024 for an opportunity to qualify. Progressive Credit Union honors excellence. Our Feature Speaker for 2023 was a past SEA and CSEC awardee and son of the late Peter Mc David. Mr. Peterson Mc David delivered an excellent address to the awardees.

SOCIAL ACTIVITIES

October as always, took on its usual fun activities with the hosting of the Credit Union Opening Day in Skinner Park, San Fernando. Members were exposed to a fun filled day commencing with an interfaith service followed by a dance past, sports and a cultural program to culminate the afternoon. Most members who attended received a polo shirt and refreshments. Also, within this month we treated members who visited the North and South Branches on Credit Union Day to a token and some light refreshments. Same was extended to our Tobago members at a later date.

Our year of activities would not have been complete without our Annual Children's Christmas Party in both Trinidad and Tobago. Our young members as well as friends and family were given the opportunity to participate in these events where all the fun activities for the age group 0 to 12yrs were allowed and the children were able to enjoy themselves to the max.

YOUTH ARM

Approximately 16 years ago, the Credit Union embarked on creating a Youth Arm along with a Kiddies Arm. We felt the need to begin from as early as possible to empower our youths. As such we did not just open accounts for the youths, but we also gave them the opportunity to form a Committee where they could learn more about the Credit Union and leadership whereby preparing to become future leaders. This Committee has gone through many changes in membership, as some of the members left after finishing Secondary School to pursue higher education or careers. Nevertheless, we continue to encourage the younger ones to join and learn more about Progressive Credit Union. We encourage parents, if you have teenagers who are willing to learn more about their Credit Union or even become a part of this Committee, to call any of the Offices for further information. Also, please look for advertised activities planned by our present Youth Arm Committee.

The committee comprise of the following youths:

Ms. Nathalia Romeo (<i>President</i>)	Ms. Dominique Cudjoe (<i>Vice President</i>)
Ms. Wonder John (<i>Secretary</i>)	Mr. Jeremiah Pierre (<i>Assistant Secretary</i>)
Ms. Mia Davis (<i>Treasurer</i>)	Ms. Coleen Emery
Ms. Bridget Ramjattan	Ms. Jasmine Niles
Mr. Phineas Munroe	

CONCLUSION

In conclusion, I would like to thank Almighty God, for giving us the strength to carry on the work that needs to be done. I would also like to thank the board, committee members and staff for their support in committee ventures. Lastly, I once again seek your commitment to attend the advertised seminars within this year, which will be tailored to develop and empower you our members, in different areas of self-development.

Respectfully submitted



Gem Saunders-Le Maitre

Vice President/Chairperson

Education Committee

NOMINATING COMMITTEE REPORT.

INTRODUCTION

In accordance with Bye-Law # 30 of the Progressive Credit Union Cooperative Society Limited, the Board of Directors at its meeting held on the 22nd November, 2023 appointed this Nominating Committee. We established a WhatsApp Group on the 11th January, 2024. Our inaugural meeting (Zoom) was held on January 17th, 2024.

The Committee comprised of the following persons:

- Mr. Erskine Abel **Chairperson**
- Mr. Stephen Fraser **Secretary**
- Ms. Allyson White **Member**
- Mrs. Geraldine Veronique-Davis **Member**
- Mrs. Julianna Joseph - Pacheco **Member**

The nomination process started on 19th December, 2023 using the Credit Union social media platforms, placing notices at the offices and also distribution of notices at various schools by members of the Committee inviting members to “the Call to Serve” opportunity. Criteria for selection of suitably qualified persons and provisions for the electronic submission of nominations were included in the correspondences. Notices were placed in the Trinidad Express Newspapers on the 17th January, 2024 and the 14th February, 2024.

DUTY OF THE NOMINATING COMMITTEE

The Committee’s duties were to select and recommend to the AGM suitable, fit and proper, members who are willing to be considered for election to:

- Board of Directors - four (4) positions
- Credit Committee - five (5) positions
- Supervisory Committee - three (3) positions

Along with two (2) substitutes for each committee.

THE PROCEDURE

The Nominating Committee took the necessary steps to ensure the nominees presented satisfied the requirements for election, as per the Credit Union’s Bye-Laws. Following the favorable results of the Audit of Good Standing, nineteen (19) nominees were deemed eligible for interviews on Saturday 2nd March, 2024.

Each nominee was assessed in five categories: - personality/deportment, knowledge, experience, communication and qualification related to the credit union environment and were scored on a scale of 1 to 5, with 1 being unsatisfactory to 5 for outstanding, times (X) the weighted value attached to each category. Having completed the Nomination and Selection process the Committee hereby recommends for election at the 2024 AGM, the following Nominees:

Board of Directors

1. Mr. Michael Hernandez
2. Mr. Clinton Hendrickson
3. Mrs. Gem Saunders-LeMaitre
4. Mrs. Debra Robinson-Coker
5. Ms. Melissa Rennie
6. Ms. Whitney Placide-Sambury

Credit Committee:

1. Mrs. Candice Haynes-Roban
2. Mrs. Marilyn John-Fahey
3. Mr. William Solomon
4. Mr. Clarence Duke
5. Ms. Anne Marie Campbell
6. Ms. Racheal Austin
7. Mr. Mervyn Webster
8. Ms. Avril Yearwood

Supervisory Committee

1. Mrs. Annette Hinkson - Patrovania
2. Mrs. Ginelle Small-Cummings
3. Ms. Melina Prieto
4. Mr. David Quamina
5. Ms. Neisha Cudjoe

FURTHER RECOMMENDATIONS

1. The Nominating Committee recognizes the importance to engage the youth membership towards the development and sustainability of our Credit Union; along with the implementation of a mentoring program for members of the Youth Arm.
2. The Nominating Committee recognizes the modifications in the Credit Union Movement; new technology, new legislative obligations, vigorous competition, volatile economy which requires perseverance and commitment from officers who volunteer to serve. As such, we must attract nominees with the competencies and capacity to take us forward.
3. Development of educational programs throughout the year using social media to enlighten the membership on the Benefits of Service, Roles of Committee Members, Understanding Financial Statement analysis and more.

CLOSING

The Nominating Committee thanks the Board of Directors for allowing us to conduct this most respected exercise for the progress of the organization, its support during this term of service and for its confidence and trust in our ability to complete this task. Special thanks also to the Management and Staff for their professionalism and dedication.



Erskine Abel
Chairperson



Stephen Fraser
Secretary

PROFILES.



BOARD OF DIRECTORS.

PROFILES



MICHAEL HERNANDEZ.

Place of Employment: Retired

Credit Union Membership: 39 years.

Credit Union Experience:

Present:

- Member of the Board of Directors
- Member of the Marketing & Communications Committee

Past:

- President of the Board of Directors
- Member of Supervisory Committee
- Chairperson of the Properties Committee
- Chairperson of the Marketing & Communications Committee

Education & Training:

- Master of Business Administration – General Management
- Diploma in Management
- IFRS 9 Accounting Standards Workshop
- Strategic Marketing Workshop
- Certificate for Managing Financial Resources
- Media and Mass Communications
- Certificate for Business for Non-Financial Managers

Other Affiliations:

- Credit Union League
- SERC
- CCCU



GEM SAUNDERS LE-MAITRE.

Place of Employment: BEI

Occupation: Account Executive

Credit Union Membership: 36 years

Credit Union Experience:

Present:

- Vice President of the Board of Directors
- Chairperson of the Marketing and Communications Committee
- Chairperson of the Education Committee

Past:

- Vice President of the Board of Directors
- Chairperson Education Committee
- Assistant Secretary of the Board of Directors

Education and Training:

- Diploma Office Professional
- Diploma Human Resource Management
- Associate Degree Human Resource Management
- Associate Degree in Co-operative Studies

Other Affiliations:

- SERC

BOARD OF DIRECTORS.

PROFILES



CLINTON HENDRICKSON.

Place of Employment: Port Authority
Occupation: Assistant Estate Security
Superintendent of Police
Credit Union Membership: 8 years

Present:

- President

Past:

- Member of the Board of Directors
- Member of the HR Committee
- Member of the HSSE Committee

Education and Training:

- MSc - Criminology and Criminal Justice
- BSc - Security Administration & Management
- Associate Degree in Security Administration & Emergency Management
- Diploma - Occupational Safety & Health
- Diploma - Human Resource Management
- Diploma - Security Administration and Management
- Certificate in Firearm Retention Safety
- Certificate in Basic Computer Awareness
- Certificate in Train the Trainer
- Certificate in Forensic Approach to Criminal Investigation
- Certificate in Creating a Customer Centred Organization



WHITNEY PLACIDE-SAMBURY.

Place of Employment: Redbones on Marryat
Occupation: Head Bartender
Credit Union Membership: 3 years
Education and Training:

- Quality Customer Care
- Fundamentals of Communication
- Applied Information Technology
- Small Business Entrepreneurship

BOARD OF DIRECTORS.

PROFILES



DEBRA ROBINSON-COKER.

Place of Employment: Retired

Previous Occupation:

Accountant

Credit Union Membership: 15
years

Credit Union Experience

Past:

- Member of Staff of Progressive Credit Union

Education and Training:

- Certified Financial Planner Course
- ACCA



MELISSA RENNIE.

Place of Employment: NMTS

Occupation: Secretary I

Credit Union Membership: 3
years

Education and Training:

- Diploma in Business Administration
- Certificate in Training and Assessment
- Computer Literacy

CREDIT COMMITTEE.

PROFILES



ANNE MARIE CAMPBELL.

Place of Employment: Retired
Credit Union Membership: 40 years

Credit Union Experience:

Present:

- Member of the Credit Committee

Past:

- Member of the Education Committee
- Member of the Supervisory Committee
- Chairperson of the Supervisory Committee
- Secretary of the Credit Committee

Education and Training:

- Certificate in Performance Management
- Management Training Programme
- Supervisory Management
- Anti-Money Laundering Training
- Audit Function for Supervisory Committees
- Roles and Responsibilities of Supervisory Committee
- Understanding Financial Statements



MARILYN JOHN-FAHEY.

Place of Employment: Retired
Credit Union Membership: 27 years
Credit Union Experience:

Present:

- Member of the Board of Directors
- Member of the Delinquency Committee
- Member of the Finance Committee

Past:

- Member of the Supervisory Committee
- Member of the Credit Committee
- Member of the Social Events Committee
- Member of the Finance Committee
- Member of the Delinquency Committee
- Member of the Education Committee
- Member of the Building Committee

Education and Training:

- Certificate in Credit Union Management
- The Supervisory Audit Function – Roles and Responsibilities of Officers
- Membership Development Programme – Key to Financial Freedom
- Anti-Money Laundering and Counter Terrorist Financing Training Seminar
- Introduction Level Training Events
- Management
- Introduction to Human Resource Management
- Introduction to Supervisory Management
- Introduction to Occupational Safety & Health
- Introduction to Industrial Relations

Other Skills:

- Counselling and Leadership

Other Affiliations:

- SERC

CREDIT COMMITTEE.

PROFILES



CLARENCE DUKE.

Place of Employment: Retired

Credit Union Membership: 39 years

Credit Union Experience:

Present:

- Member of the Credit Committee

Past:

- Member of the Education Committee
- Member of the Credit Committee
- Member of the Supervisory Committee

Education and Training:

- Training in Plumbing, Masonry and Carpentry
- Certificate in Electrical Engineering
- Construction Management
- Repairing house roofs from wood to steel

Other Skills:

- Public Relations – Assist Members



WILLIAM SOLOMON.

Occupation: Retired

Credit Union Membership: 40 years

Credit Union Experience:

Present:

- Chairperson of the Credit Committee

Past:

- Member of the Education Committee
- Member of the Credit Committee
- Chairperson of the Credit Committee
- Member of the Delinquency Committee

Education and Training:

- Delinquency Management
- AML/CFT
- Loan Default – Techniques to Control
- Basic Computer Literacy Course
- Operation of Wastewater and Treatment Plant
- Computer Literacy

CREDIT COMMITTEE.

PROFILES



CANDICE HAYNES-ROBAN.

Place of Employment: NMTS

Occupation: Human Resource Officer II

Credit Union Membership: 19 years

Credit Union Experience:

Present:

- Secretary of the Credit Committee

Past:

- Member of the Board of Directors
- Assistant Secretary of the Board of Directors
- Secretary of the Human Resource Committee
- Secretary to the Health, Safety and Security Committee
- Assistant Secretary of the Board of Directors
- Chairperson of the Human Resource Committee
- Chairperson of the Health, Safety and Security Committee

Education and Training:

- BSC Human Resource Management
- Professional Certificate in Labour Laws
- Associate Degree in Human Resource Management
- Certificate in Human Resource Management
- Calculating & Understanding the Key Pearls Ratio
- Directors & Managers Professional Development Programme
- Audit Roles & Responsibilities of Supervisory, Board & Committee Members
- Anti-Money Laundering and Counter Financing of Terrorism Workshop
- Certificate of Participation in Minute Taking
- Certificate of Participation in HR Labour Law
- Certificate in Success Skills for Recruitment and Selection
- Advance Certificate in Industrial Relations Management
- Advance Certificate in Labour Laws



RACHEAL AUSTIN.

Place of Employment: NMTS

Occupation: Human Resource Officer I

Credit Union Membership: 15 years

Credit Union Experience:

Present:

- Chairperson of the Supervisory Committee

Past:

- Secretary of the Education Committee
- Secretary of the Credit Committee
- Member of the Marketing & Communications Committee
- Member of the Credit Committee

Education and Training:

- School Based Law Enforcement Programme
- Crisis Management
- Certificate in Security Administration
- Certified Physical Instructor Training
- Introduction to Security Administration & Management

CREDIT COMMITTEE.

PROFILES



AVRIL DENICIA YEARWOOD.

Place of Employment: NMTS
Occupation: Maintenance Technician I
Credit Union Membership: 14 years
Education and Training:

- Computer Literacy
- Quality Customer Care
- Digital Literacy



MERVYN WEBSTER.

Place of Employment: NMTS.
Occupation: Security/Estate Constable
Credit Union Membership: 13 years
Credit Union Experience Past:

- Substitute of the Credit Committee
- Substitute of the Supervisory Committee

Education and Training:

- Certificate in ENT & EMR
- Certificate in Phlebotomy
- Certificate in Medical Lab Assistant
- CXC English

- CXC Social Studies

- CXC Math



SUPERVISORY COMMITTEE.

PROFILES



ANNETTE HINKSON-PATROVANIE.

Place of Employment: Massy Remittance
Occupation: Business Development Officer
Credit Union Membership: 10 years
Credit Union Experience:

Past:

- Member of Staff of Progressive Credit Union

Education and Training:

- MBA Marketing
- BSc Marketing
- Associate in Applied Science – Journalism/Public Relations
- Associate in Applied Science – Business Administration
- Introduction to Graphic Design
- Certificate in Business Writing
- Certificate in Project Management
- Certificate in Sales and Marketing
- Certificate in Digital Marketing
- Computer Literacy
- Radio Broadcasting
- Certificate in Marketing Your Brand, Capturing Your Market



MELINA PREITO.

Place of Employment: NMTS
Last Position Held: Storekeeper
Credit Union Membership: 16 years
Credit Union Experience:

Past:

- Secretary of the Supervisory Committee

Education and Training:

- Computer Literacy
- Receptionist Course
- Ticketing & Reservation
- Conversational Spanish
- LCCI Executive Secretarial
- Inventory & Warehouse Management
- Office Management

SUPERVISORY COMMITTEE.

PROFILES



DAVID QUAMINA

Place of Employment: Retired
Credit Union Membership: 32 years

Past:

- Secretary of the Supervisory Committee
- Co-opted member of the Education Committee
- Alternate for the Supervisory Committee
- Member of the Supervisory Committee

Education and Training:

- Diploma Industrial Relations
- Certificate Supervisory Management
- Certificate Human Resource Management
- Advance Certificate Further Security Training
- Certificate in Anti Money Laundering/Counter Finance Terrorism



GINELLE SMALL CUMMINGS

Place of Employment: NMTS
Occupation: Maintenance Officer
Credit Union Membership: 16 years
Credit Union Experience:

Present:

- Member of the Supervisory Committee

Past:

- Member of the Supervisory Committee
- Chairperson of the Supervisory Committee
- Member of the Credit Committee
- Chairperson of the Credit Committee

Education and Training:

- Review in Credit Trends
- Amended Law Regulation, Internal Review and External Audit
- Certificate in Excellence Leadership, Coaching and Mentoring
- Environmental Education
- Map Reading
- First Aid
- Tourism Education
- Certificate in Resistant and Prevention Programme

Other Associations:

- Tutor – Regional/National Carnival Committee
- President – Jim Wyse Cultural Committee
- President Chaguanas Police Station Community Council
- President Enterprise Police Youth Club



NEISHA CUDJOE

Place of Employment: Food Basket International
Occupation: Sales Agent
Credit Union Membership: 16 years

Present:

- Member of the Education Committee
- Liaison Officer of the Youth Arm Committee

Education and Training:

- Certificate in Small Business Management
- Certificate in Credit Union Management

BOARD OF DIRECTORS PORTRAITS.

EXECUTIVE



EXECUTIVE COMMITTEE.

LEFT TO RIGHT: Gem Saunders – Le Maître (*Vice President*), Stephen Fraser (*Asst. Secretary*), Clinton Hendrickson (*President*), Ian Peter De Boulet (*Secretary*), Holly Francois (*Treasurer*), Camille Joseph-Dipnarine (*General Manager*)



LEFT TO RIGHT: Errol Thomas, Erskine Abel, Gemma Ottley, Veronica Jacob



LEFT TO RIGHT: Georgiana Cudjoe, Marilyn John Fahey, Michael Hernandez

STATUTORY COMMITTEE PORTRAITS.

COMMITTEES

CREDIT COMMITTEE.

STANDING LEFT TO RIGHT:
Anne Marie Campbell,
Clarence Duke

SEATED LEFT TO RIGHT:
Candice Haynes – Roban,
William Solomon, Adeleine Gittens



SUPERVISORY COMMITTEE.

LEFT TO RIGHT:
Racheal Austin, Clinton Warren, Ginelle Small - Cummings

STAFF PORTRAITS.

B R A N C H E S

NORTH STAFF.

LEFT TO RIGHT:
Victoria Jeetam, Shanice Morris,
Ayanna Abel – Lewis,
Tshiann Hamid, Amelia English



SOUTH STAFF.

LEFT TO RIGHT:
Coleen Emery,
Kahidja John, Darren Deokumar,
Lashawn Forde, Asha Thomas,
Turon Nicholas, Esther Simmons,
Alexander Simon, Pierre Sookdar,
Keiva Brown, Dara Haywood–Baptiste,
Amrita Kunjal Karim, Coreen Giles,
Keston Crichlow, Kiechelle Gilliard

MISSING: Daniella Lewis – Blackwood



TOBAGO STAFF.

LEFT TO RIGHT:
T'ne Bain, Sasha-Gaye Thompson



**PROGRESSIVE CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED**

FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2023

MAHARAJ
MOHAMMED
& Co.



Chartered Accountants

PROGRESSIVE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023

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Chartered Accountants
34 St. Vincent Street,
San Fernando,
Trinidad, W.I.
Tel: (868) 231-1759 , 231-5201
Email: info@maharajmohammed.com



**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
PROGRESSIVE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED**

Opinion

We have audited the financial statements of Progressive Credit Union Co-Operative Society Limited which comprises the statement of financial position as at 31st December 2023, statement of comprehensive income, statement of changes in equity, statement of cash flows and receipts and payments account for the year then ended, and incorporating summary of significant accounting policies and other explanatory notes, as stated on pages 6 to 40.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Progressive Credit Union Co-Operative Society Limited as at 31st December 2023 and the results of its operations and 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with the international Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the Society's annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Society's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

The engagement partner on the audit resulting in this independent auditor's report is Mr. Rudranand Maharaj.



Maharaj Mohammed & Co.
Chartered Accountants
Trinidad & Tobago

21st March 2024

PROGRESSIVE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES

Management is responsible for the following:

- Preparing and fairly presenting the financial statements of Progressive Credit Union Co-operative Society Limited, which comprise the statement of financial position as at 31st December, 2023, the statements of comprehensive income, changes in equity, statement of receipts and payments and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;
- Ensuring that the Credit Union keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Credit Union's assets, detection/prevention of fraud, and the achievement of Credit Union's operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that comply with laws and regulations, including the Cooperative Societies Act; and
- Using reasonable and prudent judgement in the determination of estimates.

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

Nothing has come to the attention of Management to indicate that Progressive Credit Union Co-operative Society Limited will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying financial statements have been authorized for issue, if later.

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



President



Treasurer



Chairperson
Supervisory Committee

21st March 2024

21st March 2024


21st March 2024

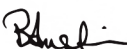
PROGRESSIVE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
 STATEMENT OF FINANCIAL POSITION AT 31ST DECEMBER 2023

<u>ASSETS</u>	Notes	2023	2022
		\$	\$
Current assets			
Cash and cash equivalents	4	835,012	477,788
Investment securities	5(a)	7,251,628	11,994,356
Accounts receivable and prepayments	6	1,696,214	998,488
Inventories	8	<u>153,561</u>	<u>248,704</u>
		<u>9,936,415</u>	<u>13,719,336</u>
Non-current assets			
Property, plant and equipment	7	6,982,404	7,216,346
Members' loans	9	106,327,920	103,158,500
Investments	5(b)	<u>6,111,080</u>	<u>4,393,854</u>
		<u>119,421,404</u>	<u>114,768,700</u>
Total Assets		<u>129,357,819</u>	<u>128,488,036</u>
<u>MEMBERS' EQUITY AND LIABILITIES</u>			
Current liabilities			
Bank advance	4	2,970,292	270,344
Accounts payable and accruals	10	<u>2,564,674</u>	<u>3,807,616</u>
		<u>5,534,966</u>	<u>4,077,960</u>
Non-current liabilities			
Members' shares	13	91,465,841	93,256,353
Members' deposits	12	7,637,771	7,232,354
Post employment benefit	11	<u>1,767,353</u>	<u>1,494,404</u>
		<u>100,870,965</u>	<u>101,983,111</u>
Total Liabilities		<u>106,405,931</u>	<u>106,061,071</u>
Members' equity			
Reserve fund		8,577,452	8,206,579
Education fund		304,962	285,634
Investment reserve		190,216	190,216
Retained earnings		<u>13,879,258</u>	<u>13,744,536</u>
Total members' equity		<u>22,951,888</u>	<u>22,426,965</u>
Total Members' Equity and Liabilities		<u>129,357,819</u>	<u>128,488,036</u>

The accompanying notes on pages 10 to 40 form an integral part of these financial statements.

 : President

 : Treasurer

 : Supervisory Chairman

PROGRESSIVE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER 2023

	Note	2023 \$	2022 \$
Revenue			
Interest on loans		14,368,305	12,499,351
Investment income		486,615	421,373
Fees and other income		1,038,856	976,972
Rental income		<u>-</u>	<u>44,000</u>
Total revenue		<u>15,893,776</u>	<u>13,941,696</u>
Expenses			
Advertising and promotions		104,652	50,949
Bank charges and interest		180,393	142,454
Credit Union League dues	14	37,048	76,951
Depreciation		618,512	596,321
Donations		32,396	14,350
Education and Seminars		438,393	-
Establishment	15	411,479	469,011
Expected credit loss provision on loans (IFRS 9)	9(b)	1,977,712	(747,436)
Green fund levy		45,362	41,459
Insurances		1,018,442	777,624
Interest on members' deposits		28,524	28,850
Legal and professional		422,262	296,749
Meetings	16	865,109	971,868
Miscellaneous	17	152,535	161,718
Office and stationery		479,195	384,717
Security		483,551	481,571
Staff salaries and benefits	18	4,273,508	5,356,874
Tobago	19	<u>285,242</u>	<u>283,409</u>
Total expenses		<u>11,854,315</u>	<u>9,387,439</u>
Surplus before change in fair value of equity investments securities measured at FVTPL			
		4,039,461	4,554,257
Net change in FV of equity investment securities		<u>(352,445)</u>	<u>(523,425)</u>
Net surplus		<u>3,687,016</u>	<u>4,030,832</u>

The accompanying notes on pages 10 to 40 form an integral part of these financial statements.

PROGRESSIVE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2023

	Reserve Fund	Education Fund	Investment Re-measurement Reserve	Undivided Surplus	Total Members' Fund
	\$	\$	\$	\$	\$
<i>Year ended December 31st 2023</i>					
Balance as at 1 st January 2023	8,206,579	285,634	190,216	13,744,536	22,426,965
Operating surplus	-	-	-	3,687,016	3,687,016
Appropriations	368,702	294,962	-	(663,664)	-
Honorarium paid	-	-	-	(130,000)	(130,000)
Entrance fees	2,171	-	-	-	2,171
Fund expenditure/ adjustments	-	(275,634)	-	2,433	(273,201)
Dividends and interest rebate paid	-	-	-	(2,761,063)	(2,761,063)
Balance at 31 st December 2023	<u>8,577,452</u>	<u>304,962</u>	<u>190,216</u>	<u>13,879,258</u>	<u>22,951,888</u>
<i>Year ended 31st December 2022</i>					
Balance at 1 st January 2022	7,801,536	940,808	190,216	14,427,131	23,359,691
Operating surplus	-	-	-	4,030,832	4,030,832
Appropriations	403,083	201,542	-	(604,625)	-
Honorarium paid	-	-	-	(130,000)	(130,000)
Entrance fees	1,960	-	-	-	1,960
Fund expenditure/ adjustments	-	(856,716)	-	-	(856,716)
Dividends paid	-	-	-	(3,978,802)	(3,978,802)
Balance at 31 st December 2022	<u>8,206,579</u>	<u>285,634</u>	<u>190,216</u>	<u>13,744,536</u>	<u>22,426,965</u>

The accompanying notes on pages 10 to 40 form an integral part of these financial statements.

PROGRESSIVE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2023

	Note	2023 \$	2022 \$
Operating activities			
Net surplus for the year		4,039,461	4,554,257
Adjustment for non-cash items			
Depreciation of property, plant and equipment		618,512	596,321
Adjustments to property, plant and equipment		756	30,519
Loss on disposal of property, plant and equipment		5,483	-
Net change in provision for expected credit losses		1,979,889	(747,436)
Provision for post-employment benefit		<u>(272,949)</u>	<u>1,494,404</u>
Operating income before working capital changes		6,371,152	5,928,065
Movements in working capital			
Decrease in inventories		95,143	54,694
Decrease / (increase) in accounts receivable and prepayments		(697,726)	8,506,117
Increase in post-employment benefit		272,949	-
(Decrease) / increase in payables and accruals		<u>(1,242,942)</u>	<u>1,233,571</u>
Net cash generated from operating activities		<u>4,798,576</u>	<u>15,722,447</u>
Investing activities			
Net change in loans to members		(1,189,244)	(9,526,907)
Increase / (decrease) in members' deposits		405,417	(955,853)
Purchase of property, plant and equipment		(395,060)	(925,440)
Net (purchase) of investments		<u>2,675,057</u>	<u>(2,338,361)</u>
Net cash (used in) investing activities		<u>1,496,170</u>	<u>(13,746,561)</u>
Financing activities			
Dividends paid		(6,443,496)	(3,978,802)
Net change in members' shares		(1,790,512)	2,024,370
Education fund expenses		(275,634)	(856,716)
Honorarium paid		(130,000)	(130,000)
Membership fee		<u>2,171</u>	<u>1,960</u>
Net cash used in financing activities		<u>(8,637,471)</u>	<u>(2,939,188)</u>
Net (decrease) in cash and cash equivalents		<u>(2,342,725)</u>	<u>(963,302)</u>
Cash and cash equivalents			
- at the beginning of the year		207,444	1,170,746
- at the end of the year	6	<u>(2,135,281)</u>	<u>207,444</u>
		<u>(2,342,725)</u>	<u>(963,302)</u>

The accompanying notes on pages 10 to 40 form an integral part of these financial statements.

PROGRESSIVE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31ST DECEMBER 2023

1. Incorporation and principal activities

Progressive Credit Union Co-operative Society Limited (“the Credit Union”) was incorporated on July 1st, 1984 under the Co-operative Societies Act of Trinidad and Tobago. Its registered office is situated at 48-50 Chacon Street, San Fernando. It operates a Credit Union for the benefit of Citizens of the national community. Its objective are to promote the economic welfare of its members, encouraging the spirit and practice thrift, self-help and co-operation.

2. Significant Accounting Policies

The principal accounting policies applied to the preparation of these financial statements are set out below. These policies have been consistently applied to the years presented, with the exception of those impacted by new and amended standards and interpretations:

(a) Basis of accounting

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board. These financial statements were prepared under the historical cost convention, except for investment securities which have been measurement at fair value.

Functional and presentation currency

The Credit Union’s functional and presentation currency is Trinidad and Tobago dollars which is the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Society.

(b) Foreign currency translation

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

(c) Use of estimates

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires management to exercise its judgment in the process of applying the Society’s accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenditure during the reporting period. Although these estimates are based on management’s best knowledge of current events and actions, actual results may ultimately differ from those estimates.

PROGRESSIVE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

2. **Significant accounting policies (continued)**

(d) Adoption of new accounting policies

- (i) *Standards amended and interpretations which are effective and have been adopted by the Credit Union in the accounting period.*

The accounting policies adopted in the preparation of the Society's financial statements are consistent with those followed in previous financial year. There were no new standards, amendments and interpretations issued but not effective that would have an impact on the financial statements of the Credit Union.

- (ii) *New standards, amendments and interpretations issued but not effective and not early adopted.*

In preparing these financial statements, the Credit Union has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

- Amendment to IFRS 16 – Leases on sale and leaseback (effective January 1, 2024)
- Amendment to IAS 1 – Non-current liabilities with covenants (effective January 1, 2024)
- Amendment to IAS 7 and IFRS 7 - Supplier finance (effective January 1, 2024)
- Amendments to IAS 21 - Lack of Exchangeability (effective January 1, 2025)
- IFRS S1, 'General requirements for disclosure of sustainability-related financial information. This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain. - effective for periods beginning on or after 1 January 2024. This is subject to endorsement of the standards by local jurisdictions.

The adoption and amendment to these standards had no impact on financial statements of the Credit Union.

PROGRESSIVE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2023

2. **Significant accounting policies (continued)**

(e) **Interest income and expenses**

Interest income and expenses are recorded using the effective interest rate (EIR) method for all financial instruments measured at amortized cost and financial instruments designated at FVTPL. Interest income on financial assets measured at FVOCI under IFRS 9, are also recorded by using the EIR method. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument, or when appropriate, a shorter period, to the net carrying amount of the financial asset. When calculating the EIR, we estimate future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

(f) **Revenue recognition**

Loan interest

Interest charged on loans to members is calculated on the outstanding balance at 1 to 1.2% per month except for Xmas Box loans which are granted at 1.5% per month. Loan interest is accounted for on the accrual basis.

Investment income

Income from investments is accounted for on the accrual basis except for dividends, which are accounted for on the cash basis or receipt.

Rental fees and other income

These are accounted for on the accrual basis

(g) **Financial instruments**

Date of recognition

Financial assets and liabilities, with the exception of loans and advances to members and balance due to members, are initially recognised on the settlement date, which is the date that an asset is delivered to or by the Society. Loans and advances to members are recognised when funds are disbursed or transferred to the members' accounts. The Society recognises balances due to members when funds are deposited with the Society.

Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially recorded at their fair value except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from, this amount. When the fair value of financial instruments at initial recognition differs from the transaction price, the Society accounts for the Day 1 profit or loss, as described below.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

2. Significant Accounting Policies (continued)

(g) Financial instruments (continued)

Day 1 profit or loss

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Society recognises the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

Measurement categories of financial assets and liabilities

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

- Amortised cost; or
- Fair value through profit or loss (FVTPL).

The Society may designate financial instruments at FVTPL, if so doing eliminates or significantly reduces measurement at amortised cost.

Financial liabilities are measured at amortised cost.

(i) Financial assets and liabilities

Loans to members and financial investments at amortised cost

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

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

The details of these conditions are outlined below:

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

2. Significant Accounting Policies (continued)

(g) Financial instruments (continued)

Business model assessment

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

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

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

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Society's original expectation,

The Society does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or purchased financial assets going forward.

2. Significant Accounting Policies (continued)

(g) Financial instruments (continued)

The SPPI (solely payments of principal and interest) test

As a second step of its classification process the Society assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

‘Principal’ for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Society applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than *de minimis* exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

(ii) Financial assets and financial liabilities at fair value through profit and loss

Financial assets and financial liabilities in this category are those that are not held for trading and have been either designated by management at fair value under IFRS 9. Management only designates an instrument at FVTPL upon initial recognition when one of the following criteria are met.

Such designation is determined on an instrument-by-instrument basis:

- The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis, or
- The liabilities are part of the Society’s financial liabilities, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy.

Financial assets and financial liabilities at FVTPL are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit or loss with the exception of movements in fair value of liabilities designated at FVTPL due to changes in the Society’s own credit risk. Such changes in fair value are recorded in the Own credit reserve through OCI and do not get recycled to the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

2. Significant Accounting Policies (continued)

(g) Financial instruments (continued)

(ii) Financial assets and financial liabilities at FVTPL (continued)

Interest earned or incurred on instruments designated at FVTPL is accrued in interest income or interest expense, respectively, using EIR, taking into account any discount/premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate as explained in **Note 2(e)**. Dividend income from equity instruments measured at FVTPL is recorded in profit or loss as other investments income when the right to the payment has been established.

(iii) Reclassification of financial assets and liabilities

The Society does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Society acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Society reclassified any one of its financial assets from loans and advances to debt instruments at amortised costs. No financial liabilities were reclassified.

(iv) Derecognition of financial assets and liabilities

Derecognition due to substantial modification of terms and conditions

The society derecognises a financial asset, such as a loan to a member, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be purchased or originated credit impaired (POCI).

When assessing whether or not to derecognise a loan to a member, amongst others, the Society considers the following factors:

- Change in currency of the loan
- Introduction of an equity feature
- Change in counterparty
- If the modification is such that the instrument would no longer meet the SPPI criterion.

If the modification does not result in in cash flows that are substantially different, the modification does not result in derecognition. Bases on the change in cash flows discounted at the original EIR, the Society records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

2. Significant Accounting Policies (continued)

(g) Financial instruments (continued)

(v) Derecognition other than for substantial modification

Financial assets

A financial asset (or, where applicable, a part of a financial asset) is derecognised when the rights to receive cash flows from the financial asset have expired. The Society also derecognises the financial assets if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Society has transferred the financial asset if, and only if the Society has transferred its contractual rights to receive cash flows from the financial asset, or

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

(vi) Impairment of financial assets

Overview of the ECL principles

The Society has been recording the allowance for expected credit losses for all loans and other debt financial assets, not held at FVTPL, in this section all referred to as financial instruments. Equity instruments are not subject to impairment under IFRS 9.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the twelve (12) months' expected credit loss (12mECL).

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within twelve (12) months after the reporting date.

Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

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

(g) **Financial instruments (continued)**

The Society has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Society groups its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1: When loans are first recognised, the Society recognises an allowance based on 12m ECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Society records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

Stage 3: Loans considered credit -impaired. The Society records an allowance for the LTECLs.

For financial assets for which the Society has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

The calculation of ECLs

The Society calculates ECLs based on profitability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that an entity expects to receive. The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

PD -The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

EAD – The Exposure at Default is an estimation of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

2. Significant Accounting Policies (continued)

(g) Financial instruments (continued)

The calculation of ECLs (continued)

LGD – The loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The maximum period for which the credit losses are determined is the contractual life of a financial instrument unless the Society has the legal right to call it earlier.

The mechanics of the ECL method are summarised below:

Stage 1: The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possibly within the twelve (12) months after the reporting date. The Society calculates the 12Mecl allowance based on the expectation of a default occurring in the twelve (12) months following the reporting date. These expected twelve (12) months default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Society records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3: For loans considered credit-impaired, the Society recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

Forward looking information

In its ECL models, the Society relies on a broad range of forward-looking information as economic inputs, such as:

- GDP growth
- Consumer price index and inflation
- Interest prices
- Gas prices
- Unemployment rate

The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

2. Significant Accounting Policies (continued)

(g) Financial instruments (continued)

Collateral valuation

To mitigate its credit risks on financial assets, the Society seeks to use collateral, where possible. The collateral comes in various form, such as cash, securities, letters of credit/guarantees, real estate and other non-financial assets. Collateral, unless repossessed, is not recorded on the Society's statement of financial position. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on a quarterly basis.

The Society's credit risk management policies include requirements relating to collateral valuation and management, including verification requirements and legal certainty. Valuations are updated periodically depending upon the nature of the collateral. Management monitors the market value of collateral and requests additional collateral in accordance with the underlying agreement during its periodic review of loan accounts in arrears. Policies are in place to monitor the existence of undesirable concentration in the collateral supporting the Society's credit exposure.

Collateral repossessed

In its normal course of business, the Society does not physically repossess properties or other assets in its loan portfolio, but engages external agents to recover funds. The Credit Union generally handles all auction, to settle outstanding debt. Any surplus funds are returned to the members/obligors. As a result of this practice, the residential properties under legal possession processes are not recorded on the statement of financial position.

Write-offs

Financial assets are written off either partially or in their entirety only when the Society has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss and allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amount and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

PROGRESSIVE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

2. Significant Accounting Policies (continued)

(h) Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and any impairment losses.

Freehold land is not depreciated. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

Building	1 - 25 years
Furniture, fixtures and fittings	12 years
Equipment	5 – 8 years
Motor vehicle	5 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise. On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its' carrying amount is recognised in profit or loss.

In the prior periods depreciation was provided on a reducing balance basis at varying rates to write-off the cost of the assets over their estimated useful lives.

(i) Inventories

Inventories are valued at the lower of cost and net realizable value and represents the goods held for resale. Cost is determined using the first in, first out (FIFO) method. Net realisable value is the estimated selling price in the ordinary course of business less the direct selling expenses. At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less cost to sell, and the impairment loss is recognised immediately in profit or loss.

(j) Borrowing costs

Short term loan is recognised initially at fair value, net of transaction costs incurred and are subsequently stated at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption of the value is recognised in the statement of comprehensive income over the period of borrowings using the effective interest method. Loan fees are amortised over the term of the loan.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

2. Significant Accounting Policies (continued)

(k) Cash and cash equivalents.

Cash and cash equivalents comprise cash on hand and bank balances that are readily convertible to known amounts of cash which are subject to insignificant risk of change in value.

(l) Accounts receivable

Trade receivables are measured at cost. Appropriate allowances for estimated irrecoverable amounts are recognised in the statement of comprehensive income when there is objective evidence that the asset is impaired.

(m) Accounts payable

Accounts payable are obligations on the basis of normal credit terms and do not bear interest. Payables and accruals are carried at cost which is the fair value of the consideration to be paid in the future for the services rendered,

(n) Taxation

The Credit Union is subject to Green Fund Levy based on the stipulated rate for the respective year. The profits arising from the Society are exempt from Income Tax as per the Co-operative Societies Act Chapter 81:03 sections 76-77.

(o) Dividends payable to members

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

(p) Loans to members

Loans and advances granted to members by the Credit Union are stated at principal amounts outstanding net of allowances for loan losses.

A loan is classified as non-accrual when principal or interest is past due, or when in the opinion of management, there is reasonable doubt as to the ultimate collectability of principal or interest. Non-accrual loans may revert to performing status when all payments become fully current or when management has determined there is no reasonable doubt of ultimate collectability.

Loan balances considered as doubtful and or uncollectable are written off to the statement of comprehensive income even though collections efforts continue. The Credit Union maintains a loan loss provision, is calculated in line with IFRS 9. The provision for the year, less recoveries of amounts previously written off and the reversal of provisions no longer required, is disclosed in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

2. Significant Accounting Policies (continued)

(q) Education fund

In accordance with Bye Law 25(b) of the Credit Union, an amount of not less than five percent (5%) of the net surplus for the year, after making provision to the Reserve Fund, may be credited to the Education Fund. This fund is to be used for education purposes.

(r) Members' deposits

A member may deposit money into his account in the Credit Union subject to the terms and conditions specified by the Board.

(i) Members' savings deposits

Members' savings deposits are stated at their current balance.

(ii) Members' fixed deposits

Members' fixed deposits are stated at their current balance. Interest on members fixed deposits is calculated generally at rates between 1% and 2.5%. These are computed on the accrual basis.

(s) Members' shares

The capital of the Society consists of an unlimited number of shares of \$5.00 each. In accordance with International Financial Reporting Interpretation Committee IFRIC-2, redeemable shares have been treated as liabilities.

(t) Comparative

Where necessary, comparative figures have been adjusted to take account of the changes in presentation in the current year.

(u) Provisions

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

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

2. Significant Accounting Policies (continued)

(v) Leases

The Society accounts for a contract or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

- There is an identified asset;
- The Society obtains substantially all the economic benefits from the use of the asset; and
- The society has the right to direct use of the asses

The Society considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease. In determining whether the Society obtains substantially all economic benefits from the use of the asset, the Society considers only the economic benefits that arise use if the asset, not those incidentals to legal ownership or other potential benefits.

In determining whether the Society has the right to direct use of the asset, the Society considers whether it directs how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the Society considers whether it was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the Society applies other applicable IFRSs rather than IFRS 16.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low-value assets; and
- Leases with a duration of twelve (12) months or less.

(w) Employee benefits / pension obligations

The Credit Union operates a defined contribution plan and pays contributions to administered pension insurance plans. The Credit Union has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or reduction in the future payments is available

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

2. Significant Accounting Policies (continued)

(x) Significant accounting judgements and estimates

The preparation of financial statements in conformity with IFRS requires management to make certain significant estimates and judgements that affect amounts reported on financial statements and accompanying notes. Actual results could differ from these estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Other disclosures relating to the Society's exposure to risks and uncertainties includes:

- Capital risk management
- Financial risk management and policies
- Sensitivity analysis disclosures

The estimates and judgements that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the newt financial year are discussed below:

i) Fair value measurement

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

2. Significant Accounting Policies (continued)

(y) Significant accounting judgements and estimates (continued)

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

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

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

ii) Impairment losses in financial assets

The measurement of impairment losses under IFRS 9 across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances,

The Society's Expected Credit Loss (ECL) calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The segmentation of financial assets when their ECL is assessed on a collective basis.
- Development of ECL models, including the various formulas and the choice of inputs.
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs, and LGDs.
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models.

It has been the Society's policy to regularly review its models in context of actual loss experience and adjust when necessary.

PROGRESSIVE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

3. Financial Risk Management

Financial risk factors

The Society's activities are primarily related to the use of financial instruments. The Society accepts funds from members and earns interest by investing in various types financial instruments and on lending to members at higher interest rates

(a) *Financial instruments*

The following table summarises the carrying amount and fair values of the Society's financial assets and liabilities

	2023	
	<i>Carrying Value</i>	<i>Fair Value</i>
	\$	\$
<i>Financial Assets</i>		
Cash and short-term funds	835,012	835,012
Investment securities	7,251,628	7,251,628
Loan interest receivable	564,238	564,238
Loans to members	106,327,920	106,327,920
<i>Financial Liabilities</i>		
Bank advances	2,970,292	2,970,292
Members' deposits	7,637,771	7,637,771
Interest payable	17,108	17,108
Members shares	91,465,841	91,465,841
	2022	
	<i>Carrying Value</i>	<i>Fair Value</i>
	\$	\$
<i>Financial Assets</i>		
Cash and short-term funds	477,788	477,788
Investment securities	11,994,356	11,994,356
Loan interest receivable	484,269	484,269
Loans to members	103,158,500	103,158,500
<i>Financial Liabilities</i>		
Bank advances	270,344	270,344
Members' deposits	7,232,354	7,232,354
Interest payable	6,535	6,535
Members shares	93,256,353	93,256,353

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

PROGRESSIVE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

3. Financial Risk Management (continued)

Financial risk factors (continued)

(b) Interest rate risk

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

The Society's exposure to interest rate risk is summarised in the table below, which analyses assets and liabilities at its carrying amounts categorised according to its maturity dates:

2023						
	Effective Rate	Up to 1 year	1 to 5 years	Over 5 years	Non Interest Bearing	Total
		\$	\$	\$	\$	\$
Financial assets						
Cash and cash equivalent	0.05%	-	-	-	835,012	835,012
Investments	6.50%	7,251,628	1,992,000	4,094,080	25,000	13,362,708
Loans to members	12.00%	3,472,590	77,421,542	25,431,611	-	106,325,743
Financial Liabilities						
Bank advances	10.50%	2,970,292	-	-	-	2,970,292
Members' deposits	2.00%	6,579,377	1,058,394	-	-	7,637,771
Members' shares	3.00%	91,465,841	-	-	-	91,465,841
2022						
	Effective Rate	Up to 1 year	1 to 5 years	Over 5 years	Non Interest Bearing	Total
		\$	\$	\$	\$	\$
Financial assets						
Cash and cash equivalent	0.05%	-	-	-	207,444	207,444
Investments	6.50%	11,994,356	3,348,424	1,020,430	25,000	16,388,210
Loans to members	12.00%	2,759,373	92,858,556	7,540,571	-	103,158,500
Financial Liabilities						
Members' deposits	2.00%	6,109,929	1,122,425	-	-	7,232,354
Members' shares	3.00%	93,256,353	-	-	-	93,256,353

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

3. Financial Risk Management (continued)

(c) Credit risk

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

The Credit Union's loan portfolio is managed and consistently monitored by the Credit Committee and is adequately secured by collateral and where necessary, provisions have been established for potential credit losses on delinquent accounts. Cash balances are held with high credit quality financial institutions and the Credit Union has policies to limit the amount of exposure to any single financial institution.

(d) Liquidity risk

Liquidity risk is the risk that arises when the maturity dates of assets and liabilities do not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Credit Union has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities. The Credit Union is able to make daily calls on its available cash resources to settle financial and other liabilities.

i) Risk management

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

ii) Liquidity gap

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

PROGRESSIVE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

3. Financial Risk Management (continued)

(d) Liquidity risk (continued)

	2023			Total \$
	Up to 1 year \$	1 to 5 years \$	Over 5 years \$	
Financial Assets				
Cash and cash equivalent	835,012	-	-	835,012
Investments	7,251,628	1,992,000	4,119,080	13,362,708
Interest receivable	564,238	-	-	564,238
Investment interest receivable	816,856	-	-	816,856
Loans to members	<u>3,472,590</u>	<u>77,421,542</u>	<u>25,431,611</u>	<u>106,325,743</u>
	<u>12,940,324</u>	<u>79,413,542</u>	<u>29,550,691</u>	<u>121,904,557</u>
Financial Liabilities				
Bank advances	2,970,292	-	-	2,970,292
Members' deposits	6,579,377	1,058,394	-	7,637,771
Interest payable	17,108	-	-	17,108
Members' shares	<u>91,465,841</u>	<u>-</u>	<u>-</u>	<u>91,465,841</u>
	<u>101,032,618</u>	<u>1,058,394</u>	<u>-</u>	<u>102,091,012</u>
Net liquidity gap	<u>(88,092,294)</u>	<u>78,355,148</u>	<u>29,550,691</u>	<u>19,813,545</u>

	2022			Total \$
	Up to 1 year \$	1 to 5 years \$	Over 5 years \$	
Financial Assets				
Cash and cash equivalent	477,788	-	-	477,788
Investments	11,994,356	3,348,424	1,045,430	16,388,210
Loan interest receivable	484,269	-	-	484,269
Investment interest receivable	302,239	-	-	302,239
Loans to members	<u>2,759,373</u>	<u>92,858,556</u>	<u>7,540,571</u>	<u>103,158,500</u>
	<u>16,018,025</u>	<u>96,206,980</u>	<u>8,586,001</u>	<u>120,811,006</u>
Financial Liabilities				
Bank advances	270,344	-	-	270,344
Members' deposits	6,109,929	1,122,425	-	7,232,354
Interest payable	6,535	-	-	6,535
Members' shares	<u>93,256,353</u>	<u>-</u>	<u>-</u>	<u>93,256,353</u>
	<u>99,642,687</u>	<u>1,122,425</u>	<u>-</u>	<u>100,858,200</u>
Net liquidity gap	<u>(83,624,662)</u>	<u>95,084,555</u>	<u>2,592,017</u>	<u>16,131,379</u>

PROGRESSIVE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

3. Financial Risk Management (continued)

(e) Reputation risk

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

(f) Compliance risk

Compliance risk is the risk of financial loss, including fines and other penalties, which arise from non-compliance with laws and regulations of the state. The risk is limited to a significant extent due to the supervision applied by the Commissioner for Co-operative Development, as well as by the monitoring controls applied by the Credit Union.

(g) Capital risk management

The Credit Union's objectives when managing capital are to safeguard the Credit Union's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

(h) Currency risk

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

4. Cash and cash equivalents

Cash and cash equivalents consist of cash-on-hand and balances with banks. Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts.

	2023	2022
	\$	\$
Cash on hand	828,832	474,432
Cash at bank	<u>6,180</u>	<u>3,356</u>
	835,012	477,788
Bank advance	<u>(2,970,292)</u>	<u>(270,344)</u>
	<u>(2,135,280)</u>	<u>207,444</u>

The Credit Union maintains a bank overdraft facility of \$3,000,000 which bears interest at rate of 9.25% (Commercial Prime).

PROGRESSIVE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

5. Investment securities

(a) Equity investment securities measured at FVPL:	2023	2022
	\$	\$
Jamaica Money Market Brokers – 120,000 shares	162,000	229,200
Royal Bank of Canada – 265 shares	180,337	169,770
Guardian Holdings Limited – 3,000 shares	56,790	80,970
Republic bank Limited – 2,000 shares	245,460	277,980
Grace Kennedy and Company Ltd – 18,000 shares	78,840	80,820
Sagicor Financial Company Ltd – 2,303 shares	72,386	64,704
First Citizens Bank Limited – 51,433 shares	2,673,352	2,830,672
Trinidad and Tobago NGL limited – 10,948 shares	120,427	254,103
Units		
Trinidad and Tobago Unit Trust Corporation;		
- 1 st Scheme	21,606	21,830
- 2 nd Scheme	3,141,564	7,532,511
- US\$ Income Fund	30,863	30,594
- Calypso Macro Index Fund	<u>468,003</u>	<u>421,202</u>
	<u>7,251,628</u>	<u>11,994,356</u>
(b) Debt investment securities measured at amortised cost:	2023	2022
	\$	\$
Central Finance Facility Co-operative Society Of Trinidad and Tobago Ltd	25,000	25,000
Government of the Republic of Trinidad and Tobago - Fixed Rate Bond 2025	1,992,000	1,992,000
National Insurance Property Development Co. Ltd - Fixed Rate Bond 2032	1,018,781	1,020,430
National Investment Fund – 2033	-	337,000
Government of the Republic of Trinidad and Tobago	2,060,460	-
Government of the Republic of Trinidad and Tobago -Fixed Rate Bond 2030	<u>1,014,839</u>	<u>1,019,424</u>
	<u>6,111,080</u>	<u>4,393,854</u>
6. Accounts receivable and prepayments	2023	2022
	\$	\$
Interest receivable	816,856	484,269
Loan interest	564,238	302,239
Sundry receivables	<u>315,120</u>	<u>211,980</u>
	<u>1,696,214</u>	<u>998,488</u>

PROGRESSIVE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

7. Property, plant and equipment

31st December 2023	Freehold Property	Buildings	Furniture, Fixture and Fittings	Equipment	Motor Vehicle	Total
<i>Cost / Valuation</i>	\$	\$	\$	\$	\$	\$
Balance January 1, 2023	1,516,427	4,898,869	663,148	3,078,782	178,850	10,336,076
Additions	-	127,660	20,037	247,363	-	395,060
Disposal	-	-	-	(83,830)	-	(83,830)
Balance December 31, 2023	<u>1,516,427</u>	<u>5,026,529</u>	<u>683,185</u>	<u>3,242,315</u>	<u>178,850</u>	<u>10,647,306</u>
<i>Accumulated Depreciation</i>						
Balance January 1, 2023	-	1,351,254	375,511	1,235,330	157,635	3,119,730
Charge for the year	-	111,101	92,376	409,407	5,628	618,512
Adjustments	-	-	-	756	-	756
Disposal	-	-	-	(74,096)	-	(74,096)
Balance December 31, 2023	-	<u>1,462,355</u>	<u>467,887</u>	<u>1,571,397</u>	<u>163,263</u>	<u>3,664,902</u>
Net book value 2023	<u>1,516,427</u>	<u>3,564,174</u>	<u>215,298</u>	<u>1,670,918</u>	<u>15,587</u>	<u>6,982,404</u>
31st December 2022	Freehold Property	Buildings	Furniture, Fixture and Fittings	Equipment	Motor Vehicle	Total
<i>Cost / Valuation</i>	\$	\$	\$	\$	\$	\$
Balance January 1, 2022	1,516,427	4,835,455	656,864	2,230,666	178,850	9,418,262
Additions	-	63,414	6,284	855,742	-	925,440
Adjustments	-	-	-	(7,626)	-	(7,626)
Balance December 31, 2022	<u>1,516,427</u>	<u>4,898,869</u>	<u>663,148</u>	<u>3,078,782</u>	<u>178,850</u>	<u>10,336,076</u>
<i>Accumulated Depreciation</i>						
Balance January 1, 2022	-	1,226,372	285,374	838,012	152,871	2,502,629
Charge for the year	-	124,882	90,137	376,538	4,764	596,321
Adjustments	-	-	-	20,780	-	20,780
Balance December 31, 2022	-	<u>1,351,254</u>	<u>375,511</u>	<u>1,235,330</u>	<u>157,635</u>	<u>3,119,730</u>
Net book value 2022	<u>1,516,427</u>	<u>3,547,615</u>	<u>287,637</u>	<u>1,843,452</u>	<u>21,215</u>	<u>7,216,346</u>

PROGRESSIVE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

8. Inventories	2023	2022
	\$	\$
Appliance Centre	<u>153,561</u>	<u>248,704</u>

The Credit Union's inventory consists of house-hold appliances, furniture, kitchen equipment and electronics. Inventory is carried in the books at cost.

9. Loans to members

Loans to members are stated at principal amounts outstanding net of expected credit losses. The expected credit losses are based on the Boards evaluation of the loan portfolio under current economic conditions and past loan loss experience

(a) Credit concentration	2023	2022
	\$	\$
Consumer	18,477	90,906
Xmas	843,384	881,899
Ordinary	102,826,475	98,614,262
Mortgage	2,040,943	1,547,789
Education	24,782	110,167
Vehicle	-	435
Charged Off Loans	<u>8,667,526</u>	<u>8,326,910</u>
Gross Loans	114,421,587	109,572,368
Less: Expected credit loss provision	<u>(8,093,667)</u>	<u>(6,413,868)</u>
Total loans net of expected credit loss provision	<u>106,327,920</u>	<u>103,158,500</u>

Impact of COVID-19 Pandemic

During fiscal 2023, there were no Government of Trinidad and Tobago imposed Covid-19 operating constraints which affected business operations. Additionally, in May 2023, the head of the UN World Health Organization (WHO) declared an end to COVID-19 as a public health emergency. Management is satisfied that no material uncertainty exists which may cast significant doubt on the Company's ability to continue as a going concern.

PROGRESSIVE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

9. Loans to members (continued)

As a result of the impact of the Covid-19 pandemic and the potential negative impact on the Society's loan portfolio arising from the decline in economic activity, a heightened application of judgement was exercised in the determination of whether a significant increase in credit risk (SICR) has occurred prior to granting new loans to members.

(b) Analysis of movement in expected credit loss

Loans to members are stated at principal outstanding net of a provision for loan losses. Management applied the loan loss provisions along the guidelines of IFRS 9.

<i>Expected credit loss provision</i>	2023	2022
	\$	\$
Opening balance as at 1 st January	6,413,868	7,383,202
Expected credit loss	1,977,712	(747,436)
Loans written off	<u>(297,913)</u>	<u>(221,898)</u>
Closing balance as at 31 st December	<u>8,093,667</u>	<u>6,413,868</u>

The table below shows the staging of loans to members and the related expected credit losses:

December 2023	Stage 1	Stage 2	Stage 3	Sum total
	0-30 days in arrears	31-90 days in arrears	> 90 days in arrears	
Principal loans	82,819,614	11,777,920	19,824,053	114,421,587
Expected credit losses	<u>(1,273,053)</u>	<u>(17,495)</u>	<u>(6,803,119)</u>	<u>(8,093,667)</u>
	<u>81,546,561</u>	<u>11,760,425</u>	<u>13,020,934</u>	<u>106,327,920</u>
 December 2022	 Stage 1	 Stage 2	 Stage 3	
	0-30 days in arrears	31-90 days in arrears	> 90 days in arrears	Sum total
Principal loans	66,704,464	22,836,032	20,031,872	109,572,368
Expected credit losses	<u>(198,160)</u>	<u>(150,856)</u>	<u>(6,064,852)</u>	<u>(6,413,868)</u>
	<u>66,506,304</u>	<u>22,685,176</u>	<u>13,976,020</u>	<u>103,158,500</u>

PROGRESSIVE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

10. Accounts payable and accruals	2023	2022
	\$	\$
Interest payable	17,108	6,535
Sundry payables and accruals	<u>2,547,566</u>	<u>3,801,081</u>
	<u>2,564,674</u>	<u>3,807,616</u>

11. Post-employment benefit	2023	2022
	\$	\$
Severance provision	<u>1,767,353</u>	<u>1,494,404</u>

The Credit Union has an obligation to employees, whereby post-employment benefits are payable, based on certain criteria to employees, dependent on the years of continuous service attained and their basic pay. These benefits which may fall due more than 12 months after the statement of financial position date are discounted to the present value.

At 31st December 2023 liability of \$1,767,353 has been accrued on in these financial statements. The company has the ability to pay whenever the obligation arises.

12. Members' deposits	2023	2022
	\$	\$
Demand deposits	4,610,325	4,328,604
Fixed deposits	1,058,394	1,122,899
Protector plan	1,536,354	1,320,790
Other	<u>432,698</u>	<u>460,061</u>
	<u>7,637,771</u>	<u>7,232,354</u>

13. Members' shares

In accordance with existing IFRSs and given the substance and the nature of Members' shares, this balance is accounted for as a liability and not as equity of the Credit Union. The Credit Union Bye Laws allow for the issue of shares at \$5.00 each. No member may hold at any time more than one fifth (1/5) of the total paid up share capital of the Credit Union.

	2023	2022
	\$	\$
Shares at year end	91,464,289	93,243,168
Unclaimed shares	<u>1,552</u>	<u>13,185</u>
	<u>91,465,841</u>	<u>93,256,353</u>

PROGRESSIVE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

14. Credit Union League dues	2023	2022
	\$	\$
Credit Union League dues	37,048	44,159
Stabilization fund	-	<u>32,792</u>
	<u>37,048</u>	<u>76,951</u>
15. Establishment	2023	2022
	\$	\$
Rent, rates and taxes	12,097	9,435
Repairs and maintenance	75,870	168,272
Utilities	<u>323,512</u>	<u>291,304</u>
	<u>411,479</u>	<u>469,011</u>
16. Meetings	2023	2022
	\$	\$
Annual general	177,101	95,247
Board of Directors	466,290	484,194
Other committees	148,024	280,879
Subsistence	<u>73,694</u>	<u>111,548</u>
	<u>865,109</u>	<u>971,868</u>
17. Miscellaneous	2023	2022
	\$	\$
Cleaning	80,913	73,988
General	20,298	41,625
Loss on disposal of property, plant and equipment	5,483	-
Motor vehicle	<u>45,841</u>	<u>46,105</u>
	<u>152,535</u>	<u>161,718</u>

PROGRESSIVE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

18. Staff salaries and benefits	2023	2022
	\$	\$
Back pay	(2,949)	-
Ex-gratia and trade disputes	-	20,000
Severances	489,610	1,708,930
NIS and medical plan	329,838	248,694
Pensions	66,544	36,144
Provision for vacation	487	2,848
Salaries	3,222,307	3,161,836
Staff welfare and travelling	107,585	125,887
Training	46,050	5,189
Uniforms	<u>14,036</u>	<u>47,346</u>
	<u>4,273,508</u>	<u>5,356,874</u>
19. Tobago	2023	2022
	\$	\$
Office	32,472	45,768
Rent	67,095	67,095
Repairs and maintenance	4,965	-
Security	109,831	114,835
Travel, subsistence	54,444	28,542
Utilities	<u>16,435</u>	<u>27,169</u>
	<u>285,242</u>	<u>283,409</u>
20. Employees	2023	2022
The number of persons employed at year end	<u>31</u>	<u>31</u>

PROGRESSIVE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

21. Related party transactions

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

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Society. A number of transactions are entered into with related parties in the normal course of business. These transactions were carried out on commercial terms at market prices.

Balances and transaction with related parties and key management personnel during the year were as follows:

	2023	2022
	\$	\$
<i>Assets</i>		
Loan balances of Directors and key management	1,176,911	1,454,039
<i>Deposits and other liabilities</i>		
Deposits balances of Directors and key management	229,224	177,228
Shares held by Directors and key management	1,680,507	1,326,299
<i>Remuneration</i>		
Directors	386,800	372,600
<i>Key management compensation</i>		
Short-term benefits	589,800	868,025

22. Dividends

Dividends are recommended by the Board of Directors and are subject to confirmation by the members at the Annual General Meeting. The dividend is computed on the basis of the average number of shares in issue throughout the year, the average being determined on the basis of the number of shares in issue at the end of each month.

The Board of Directors has proposed a dividend of 2.5% of the average value of members' shares in issue throughout the year, for the year ended December 31, 2023. This dividend is expected to amount to \$2,286,647, (2022: \$2,797,691). The board has also proposed an interest rebate of 2.5% (projected) valued at \$359,208. These amounts have not been recorded as a liability in the Statement of Financial Position, consistent with IAS 10 - Events after the Reporting Period.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 31ST DECEMBER 2023

23. Fair value measurement

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

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

a) Current assets and liabilities

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

b) Members' Loans

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

c) Investments

The fair values of investments are determined on the basis of quoted market prices available at December 31, 2023.

d) Members' deposits

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

24. Subsequent events

There were no subsequent events occurring after the reporting date that significantly impacted the financial performance, position or cash flows which require disclosure.

25. Approval of Financial Statements

These financial statements were approved by the board of directors and authorised for issue on 21st March, 2024.

RESOLUTIONS.

Resolution No. 1 **Appointment of Auditors:**

Whereas every Society is required to appoint an auditor in accordance with Section 51 (1) of the Cooperative Societies Act and Regulations Chapter 81:03 And whereas Bye-Law 15 (b) (iv) of the Society's Bye-Laws requires the Annual General Meeting to appoint an Auditor for the ensuing term.

BE IT RESOLVED that the firm Maharaj Mohammed and Company be appointed Auditors for the Progressive Credit Union Cooperative Society Limited for the year ending 2024 December 31st.

Resolution No. 2 **Dividend:**

Whereas Progressive Credit Union Cooperative Society Limited has realized a Net Surplus as at 2023 December 31st in the sum of Three Million, Six Hundred and Eighty Seven Thousand, and Sixteen Dollars (\$3,687,016) and whereas Bye-law 15 (b) (v) **requires the Annual General Meeting to approve the distribution of surplus; BE IT RESOLVED, that** after Statutory Deductions, the remaining Net Surplus for the year ended 31st December 2023, be divided, in accordance with the Bye-Law 15, as follows:

1. Dividend of 2.5% \$2,286,647.00 Credited to Members' Share Accounts
2. Rebate of 2.5% \$359,208.00 Credited to Members' Deposit Accounts

Resolution No. 3 **Honoraria:**

Honoraria \$130, 000.00 to be distributed among the Board and Statutory Committees

RESOLUTIONS.

Resolution No. 4 **Write off Non-Performing Loans** **Preamble**

It is considered normal business practice to write-off bad debts once, where in the opinion of the organization, all steps have been taken to recover that debt. It is also Progressive Credit Union's Board policy to write-off non-performing loans (bad debts) once these loans are in arrears for a period exceeding seven years.

While this write off is normal business practice and in accordance with International Accounting Convention IAS 37 and the Cooperatives Societies Act, Chapter 81:03 of 1971, and paragraph 32 of the Regulations, it has always been the practice of the Board of Directors of Progressive Credit Union to seek and obtain prior approval of the Annual General Meeting to write-off all such delinquent loans. Under the circumstances, and with the guidance of the office of the Commissioner for Co-operatives, your Board humbly asks that the Membership consider and approve the under stated Resolution.

Resolution to Write-off Bad Debts

"Whereas, Regulation 32 of the Co-operative Societies Act, Chapter 81:03 requires the approval of the general meeting to write-off bad debts from the books of the society.

And Whereas, it requires every effort is made to recover bad debts or delinquent loans in pursuance of the recoveries procedure of the society.

And Whereas, efforts to recover bad debts in the sum of TTD \$1,000,00.00 have proven futile.

And Whereas, the Board continues to pursue the recovery of bad debts or delinquent loans even after they have been written off.

BE IT RESOLVED that the bad debts in the sum of \$1,000,000.00 be written off.

STATEMENT OF BUDGETED INCOME & EXPENDITURE FOR THE YEAR 2024.

ITEM	BUDGET 2024	AUDITED 2023	BUDGET 2024 vs AUDITED 2023	PERCENT
	\$	\$	\$	%
Income:				
Interest on members' loans	14,250,780	14,368,305	-117,525	- 0.01
Investment Income	540,000	486,615		
Fees and Other Income	1,207,655	1,038,856	168,799	0.16
TOTAL INCOME	15,998,435	15,893,776	104,659	0.01
General and Administrative Expenses				
Advertising and promotion	719,600	104,652	614,948	5.88
Bank charges and interest	150,000	180,393	-30,393	- 0.17
Credit Union League Dues	82,032	37,048	44,984	1.21
Depreciation	661,000	618,512	42,488	0.07
Donations	50,400	32,396	18,004	0.56
Education & Seminars Expenses	288,500	438,393	-149,893	- 0.34
Establishment	508,515	411,479	97,036	-
Expected Credit Losses	900,000	1,977,712	-1,077,712	- 0.54
Green Fund Levy	47,995	45,362	2,633	0.06
Insurances	1,246,800	1,018,442	228,358	0.22
Members' Fixed Deposit Interest	64,939	28,524	36,415	1.28
Legal and Professional	394,198.78	422,262	-28,063.22	- 0.07
Meetings	1,202,733	865,109	337,624	0.39
Miscellaneous	150,000	152,535	-2,535	- 0.02
Stationery and postage	451,793.22	479,195	-27,401.78	- 0.06
Security	506,000	483,551	22,449	0.05
Staff Salaries and Benefits	4,529,018	4,273,508	255,510	0.06
Tobago	307,340	285,242	22,098	0.08
TOTAL EXPENDITURE	12,260,864	11,854,315	406,549	0.03
	0	0		
NET SURPLUS FOR THE YEAR	3,737,571	4,039,461	-301,890	- 0.07



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