



You can  
**BET** on US!



ANNUAL REPORT  
**2022**



**BET CO-OPERATIVE  
CREDIT UNION LTD**  
*Strong Past. Secure Future.*

**Empowering** Members,  
Family and Community

**VISION**

**MISSION  
STATEMENT**

**Providing** support, security and  
stability for our members and  
their communities.



**BET CO-OPERATIVE  
CREDIT UNION LTD**

*Strong Past, Secure Future.*

# CORE VALUES

We believe in the Co-operative philosophy and are guided by these Co-operative principles

- **Democratic** ownership.
- **Inspiring** and educating our members and employees.
- **Respectful** of all our business practices.
- **Ethical** in all our business practices.
- **Caring** about our members, our people, our credit union, our community, and our environment.
- **Team-oriented** in our approach to member solutions.
- **Respectful** to our member needs and to the environment we operate.
- **Community-based** in all our decisions.



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## ANNUAL GENERAL MEETING

Report to the  
Annual General Meeting  
Saturday, June 25, 2022 at 11:00 a.m.  
Radisson Aquatica Resort Barbados,  
Aquatic Gap, Bay Street, St. Michael

Annual Report 2021 -2022



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## THE PRAYER OF SAINT FRANCIS OF ASSISI

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

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

*This favourite prayer of Saint Francis of Assisi is often used  
By Credit Union members at the beginning or at the end of  
their meetings. It is even referred in some places as the  
“Credit Union prayer”*



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## NOTICE OF ANNUAL GENERAL MEETING

All members are invited to attend the Annual General Meeting (AGM) 2022 of the

### **BET CO-OPERATIVE CREDIT UNION LTD.**

**at the Radisson Aquatica Resort Barbados,  
Aquatic Gap, Bay Street, St. Michael  
on Saturday, June 25, 2022 at 11:00 a.m.**

### **AGENDA**

1. Ascertainment of Quorum
2. Call to Order and Prayers
3. Welcome Remarks – President
4. Greetings from other organisations
5. Excuses for Absence
6. Minutes from previous Annual General Meeting:
  - a. Adoption and confirmation of Minutes of AGM of June 26, 2021
  - b. Matters arising from Minutes of AGM of June 26, 2021
7. Committee Reports for the Year 2021 - 2022
  - a. Board of Directors
  - b. Credit Committee
  - c. Supervisory Committee
  - d. Delinquency Committee
8. Auditor's Report and Financial Statements
9. Budget 2022-2023
10. Fixing of Maximum Liability
11. Appointment of Auditors
12. Resolutions
13. Elections
  - a. Report of the Nomination's Committee
  - b. Elections of Officers
14. Any other business
15. Adjournment

**Clifford A Bostic**

*Secretary*

BET Co-operative Credit Union Ltd.



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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Felton Burton	<i>President</i>
Michael Alleyne	<i>Vice President</i>
Julian Watson	<i>Treasurer</i>
Clifford Bostic	<i>Secretary</i>
Philip King	<i>Assistant Secretary</i>

### SUPERVISORY COMMITTEE

Leandra Bishop	<i>Chairman</i>
David Gittens	<i>Secretary</i>
Randy Sonson	<i>Member</i>

### CREDIT COMMITTEE

Shem Maxwell	<i>Chairman</i>
Carrie-Ann Morris-Searle	<i>Secretary</i>
Jamelle Layne	<i>Member</i>

### OFFICE STAFF

Ryan Reece	<i>Operations Manager</i>
Jennifer Maynard	<i>Senior Accounts Clerk</i>
Shanelle Estwick	<i>Support Services Assistant</i>
Toni Knight	<i>Accounts Clerk</i>

### REGISTERED OFFICE

Cnr. 5 th Ave. Belleville and Pine Road  
Belleville  
St. Michael

### BANKERS

#### Republic Bank Barbados Limited

Willey  
St. Michael

#### Scotiabank

Haggatt Hall  
St. Michael

### AUDITOR

Peter J Carter & Co.  
Professional Business Centre  
29 George Street, Belleville, St. Michael

### ATTORNEY-AT-LAW

Michael T Springer  
Suite #3, Law Chambers  
Marhill Street, Bridgetown





# **MINUTES** of the **ANNUAL GENERAL MEETING** of the **BET CO-OPERATIVE CREDIT UNION LIMITED** held at THE RADISSON AQUATICA RESORT BARBADOS on SATURDAY JUNE 26TH, 2021

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## **1.0**

### **CALL TO ORDER**

- 1.1 Having ascertained a quorum at 3:50 p.m., the Chairman, Bro. Felton Burton, called the meeting to order.

## **2.0**

### **PRAYERS**

- 2.1 At the Chairman's invitation, the prayer of St Francis of Assisi was repeated.

## **3.0**

### **REMARKS – PRESIDENT**

- 3.1 The President, Bro. Felton Burton, welcomed those in attendance. He introduced the members of the Board of Directors seated at the head table.

## **4.0**

### **GREETINGS FROM OTHER ORGANISATIONS**

- 4.1 There were no visitors.
- 4.2 The Chairman invited a motion for the adoption of the agenda as circulated. This was moved by Bro. Victor Reid, seconded by Sis. Roslyn Reid and unanimously carried.

## **5.0**

### **EXCUSES FOR ABSENCE**

- 5.1 The Chairman received excuses from Sis. Michelle Williams, Sis. Adella O'Neil, Bro. John Batson, Bro. Patrick Beckles, Sis. Francia Holmes, Bro. Jeffrey Gibson, Sis. Rosemary Gibson, Sis. Judith Haynes, Sis. Lythia Bishop, Sis. Leandra Bishop and Bro. Michael Alleyne.

## **6.0**

### **MINUTES OF THE ANNUAL GENERAL MEETING HELD ON NOVEMBER 12TH, 2020**

- 6.0.1 The Chairman entertained a motion for the Minutes of the meeting of November 12th, 2020, to be 'taken as read'. The motion was moved by Bro. Shem Maxwell and seconded by Sis. Sandra Sealy. This motion was unanimously carried.
- 6.1 ADOPTION AND CONFIRMATION OF THE MINUTES OF THE ANNUAL GENERAL MEETING HELD ON NOVEMBER 12TH, 2020

- 6.1.1 Errors and Omissions  
There were no errors or omissions.
- 6.1.2 There being no errors or omissions, the minutes were adopted on a motion moved by Sis. Diana Brathwaite, seconded by Sis. Carrie-Ann Morris-Searle and unanimously carried.
- 6.2 MATTERS ARISING FROM THE MINUTES OF THE ANNUAL GENERAL MEETING HELD ON NOVEMBER 12TH, 2020
  - 6.2.1 There were no matters arising from the minutes.

## 7.0

### **REPORTS FOR THE FINANCIAL YEAR 2020 – 2021**

## 7.1

### **REPORT OF THE BOARD OF DIRECTORS**

- 7.1.1 Bro. Burton invited Bro. Michael Alleyne to assume the Chair while he presented the Board report. Bro. Alleyne requested a motion that the report be taken as read. This was moved by Sis. Roslyn Reid and seconded by Sis. Sharon Walke. It was unanimously carried.
- 7.1.2 Bro. Burton presented the report of the Board of Directors. He made correction to the net operating surplus in the report changing it to \$29, 089 and the net comprehensive income to \$196, 246.
- 7.1.3 Bro. Burton said the Credit Union was looking to introduce a green loan sector with special rates for members who wished to get into solar energy or electric vehicles.
- 7.1.3 Bro. Ian Wood queried the delay in the decision making in preparation for reaching the \$40M asset mark and in engaging the new Operations Manager and an Internal Auditor. Bro. Burton explained that there was an increase in the amount of reports required and that the FSC required the Credit Union to keep updated files on members and wanted to advise members of this. He then explained that the advertisement for the Operations Manager had been run regionally and time was allotted for applications to be submitted. The process was then further delayed by the COVID-19 pandemic. He said that a company called Burrowes Accounting had been engaged to perform the Internal Auditor function. However, the company's staff was currently not going in to customers due to the COVID-19 pandemic and no new business was to be started. There was an understanding in place that once their business resumed, the internal audit service would begin. Bro. Watson added that Ms. Glenna Smith and Ms. Paula Brooker had been engaged to assist in the requirements after having reached the \$40M threshold. He added that prior to engaging the Operations Manager, the Board would have determined the direction for the Credit Union in order to ensure that the role would fit these requirements.

7.1.4 Bro. Vic Reid said that he was concerned about the level of delinquency especially the fact that there were delinquent members who had properties rented and were refusing to repay loans. He said that he had worked in a legal firm and that in that environment once a payment was 30 days delinquent someone would handle it until it was cleared. Bro. Burton said that the Board planned to be fighting the delinquency this year. He added that the Bylaws allowed for members who no longer made a contribution to be removed.

7.1.5 Bro. Michael Alleyne requested a motion to accept the report. The motion was moved by Sis. Vilna Johnson, seconded by Bro. Victor Reid and unanimously carried. Bro. Alleyne then handed chairing of the meeting back to Bro. Felton Burton.

## 7.2

### REPORT OF THE CREDIT COMMITTEE

7.2.1 Bro. Burton requested a motion that the report be taken as read. This was moved by Sis. Carrie-Ann Morris-Searle and seconded by Bro. David Gittens. The motion was unanimously carried.

7.2.2 Bro. Philip King, Secretary of the Credit Committee, presented the report.

7.2.3 Sis. Sandra Sealy asked who the third member of the Committee had been for the period July 25 2019 to November 12 2020 as Bro. Shem Maxwell was listed twice. She was told that it was Sis. Carrie-Ann Morris-Searle.

7.2.4 The President requested a motion for this report to be accepted which was moved by Bro. Rolric Branch and seconded by Sis. Roslyn Reid. It was unanimously carried.

## 7.3

### REPORT OF THE SUPERVISORY COMMITTEE

7.3.1 Bro. David Gittens, Secretary of the Supervisory Committee, presented the report.

7.3.2 The Chairman then requested a motion that the report be accepted. The motion was moved by Sis. Debbie Haynes, seconded by Bro. Philip King and unanimously carried.

## 7.4

### REPORT OF THE DELINQUENCY COMMITTEE

7.4.1 The Chairman requested a motion that the report be taken as read. It was moved by Bro. Philip King and seconded by Sis. Roslyn Reid. It was unanimously carried.

7.4.2 Bro. Michael Alleyne presented the report.

7.4.3 The Chairman requested a motion that the report be accepted. The motion was moved by Bro. Victor Reid, seconded by Bro. Shem Maxwell and unanimously carried.

**AUDITOR'S REPORT AND FINANCIAL STATEMENTS**

- 8.1 The Chairman introduced Bro. Cuthbert Carter and Sis. Carter who were representing the auditor, Peter J Carter & Company. He then invited Bro. Cuthbert Carter to present the auditor's report on the audited financial statements of the BET Co-operative Credit Union Ltd. for the year ended March 31, 2021.
- 8.2 The President then requested a motion for the acceptance of the Auditor's Report. It was moved by Bro. Michael Alleyne, seconded by Bro. Shem Maxwell and unanimously accepted.
- 8.3 The President then invited the Treasurer, Bro. Julian Watson, to present the Treasurer's Report and the Financial Statements.
- 8.4 Bro. Watson requested a motion that the Treasurer's Report be taken as read. This was moved by Bro. Shem Maxwell and seconded by Bro. Philip King. The motion was unanimously carried.
- 8.5 The Treasurer invited questions on the report. Since there were no questions, the Chairman invited a motion for the acceptance of the report which was moved by Bro. Victor Reid and seconded by Sis. Diana Brathwaite.
- 8.6 The Chairman then invited any questions on the Financial Statements.
- 8.7 Sis. Wendy Walcott queried the Employee Benefits included in Staff Costs Bro. Carter, the auditor, explained that that could include allowances such as travel, telephone, etc. Sis. Walcott said that when this amount was removed from staff costs, the remainder seemed low for salaries for four people. It was further explained that the departure of the previous operations manager meant that for nine months there had been no payment of a salary and as such costs were reduced. Sis. Walcott then queried if an accountant had not been engaged but Bro. Watson explained that she was a consultant and as such her costs were not included in Staff Costs. Sis. Walcott then queried whether there had previously been an Internal Auditor, Bro. Burton responded that there had not and the Credit Union was now in the process of engaging a company to perform those services.
- 8.8 Sis. Wendy Walcott queried if the increase in Professional Fees was due to the legal costs incurred in recovering money owed. The Chairman answered that yes there were. In addition, legal fees were paid when mortgages and bills of sale had to be prepared. He added that the Credit Union had engaged the services of an accounting firm as well as Ms. Glenna Smith, who dealt with anti-money laundering area. He said that Professional Fees would likely be even higher for the 2021-2022 year as the Credit Union sought to recover money owed.
- 8.9 The Chairman then invited a motion that the Financial Statements be accepted. This was moved by Sis. Vilna Johnson and seconded by Sis. Wendy Walcott. The motion was unanimously carried.

**BUDGET 2021 - 2022**

- 9.1 The Chairman explained that the budget would be presented each year for the approval of members. He then invited the Operations Manager, Bro. Ryan Reece, to speak on this item.
- 9.2 Bro Reece reviewed the budget. The Chairman then invited any questions or comments.
- 9.3 Sis. Alvina Bynoe queried the inclusion of honorarium while dividends had not been paid. Bro. Burton sought to explain that for a few years honorarium had been included as an operating expense but if the members felt that things should revert to the way they were they could say so. He added that some committee members used up gas when travelling on the Credit Union's business but were not compensated. He said the Credit Union may need to look to engage staff to do what some committee members do. Sis. Wendy Walcott said she thought that the Board usually considered various levels of dividend payments and would bring one to the membership but if they felt it was too low the Board would offer an alternative. She felt that if there was no dividend payment, there should be no honorarium as no dividend reflected bad management. The Chairman explained that it was not bad management but if loans were not repaid and had to be written off that was at the delinquent members. He said that the honorarium had been paid from expenses for several years and that the previous President had highlighted this last year. He reiterated that it was up to the members if they wished for the honorarium to be voted on at the AGM and a motion could be brought to accomplish this.
- 9.4 Bro. Rolric Branch said that last year he had shared that the honorarium had been paid for two reasons one because it had already been included in the financials and two because they had to be cautious of the message they sent to future volunteers who would not be compensated for their hard work. He pointed out that the credit unions which were prospering had a large staff. He said that when considered as a salary for a year, \$35, 000 was a small sum.
- 9.5 Bro. Victor Reid said that he had been one of the founding members of the Credit Union and had served on many committees through the years. He said back in those days once the Credit Union made money, they would give little something to the committee members. He said that the Credit Union has grown considerably through the years but still had a very small staff for its size. He said that we could not expect to rely on the volunteers to do the work and not reward them for the sacrifices they made. He said that the Credit Union has always paid dividends and patronage refunds except for the last two years but that was more a result of the economic climate than bad management. He added that the principle of having the honorarium as an expense should be accepted.
- 9.6 Sis. Alvina Bynoe explained that she was not saying not to pay honorarium. She said the members were important as without them there would be no need for committees but she felt that the honorarium should not be budgeted but paid from

surplus. She added that previously it was not budgeted but came from the surplus and did not believe that no one would volunteer if there was no honorarium. She said that if time continued to pass without a dividend the members might leave and go to another credit union. The Chairman pointed out that last year the Credit Union did not pay a dividend due to an operating expense of \$848K which caused the Credit Union to operate at a loss of about \$450K. This year there was a surplus of \$196K and he was certain the Treasurer would bring the Board's proposal for a dividend, patronage refund and donations shortly. The Chairman said a decision had been taken that all the non-qualifying shares receive interest quarterly after the change recommended by the IFRS had been implemented but the members had never been advised of this decision.

- 9.7 Sis. Diana Brathwaite explained that because of International Financing Standards the honorarium had to be placed in Operating Expenses.
- 9.8 The Chairman then queried if there was a motion to change the treatment of the honorarium as an operating expense. He said if it was an accounting standard, he was not certain if the Credit Union could go against it as the auditor would then give a qualified report. He said this would then require the intervention of the FSC.
- 9.9 There was no motion forthcoming, he then asked for those in favour in of continuing to treat the honorarium as an operating expense. There was one person against this.
- 9.10 Sis. Wendy Walcott said she did not believe we should go against the financial standards. She thought that when you joined the committee you were giving back not seeking to get money. She just did not believe it was fair to pay an honorarium if there was no dividend.
- 9.11 The Chairman then said that he remembered the days when the members would seek to increase the honorarium proposed to recompense the committees for their hard work. Sis. Bynoe then queried whether it was a stipulation or a recommendation. The Chairman said that it was a standard coming from the international standard. He then explained that the Credit Union had to abide by IFRS standards such as IFRS9 which had changed the way the Credit Union treated delinquent loans.
- 9.12 Bro. Ian Wood said that the requirements of credit unions had changed over the years and more was needed to be done by volunteers due to the regulations put in place. He himself had proposed the need for additional staff previously. In fact, he felt that the amount proposed for honorarium might be too small.
- 9.13 The Chairman said that the budget was before the membership and called for a vote. The budget was approved.
- 9.14 The Chairman then invited the Treasurer was to review the distribution of the surplus. The Treasurer said that a surplus of \$196, 246 had been made. He proposed a patronage refund of 6% totalling \$55, 392.54, a dividend of 0.25% totalling \$46, 463.68, contribution to the education fund of \$7, 500 and

donation to community projects of \$3, 000. This was a total of \$112, 356.22 leaving \$83, 809.78 in retained earnings. Bro. Carter, the auditor, said that the financial statements showed a net income of \$29, 089, there was a fair value gain of \$167K and he was not certain if dividends could be paid on that as it was not a realised profit. The Chairman said that it had been discussed and the Board had the authority to do this.

- 9.15 The Chairman said that members were getting a double whammy as they would be getting interest on non-qualifying shares as well as the dividend. He then invited a motion for the acceptance of the figures as mentioned. This was moved by Bro. Andrew Estwick and seconded by Sis. Vilna Johnson. The motion carried.

## 10.0

### FIXING OF MAXIMUM LIABILITY

- 10.1 The Chairman said the maximum liability would remain at three million dollars. He invited a motion for this. Bro. Michael Alleyne moved this motion which was seconded by Bro. Victor Reid. The motion carried.

## 11.0

### APPOINTMENT OF AUDITOR

- 11.1 On behalf of the Board of Directors, the Chairman proposed the re-appointment of Peter J. Carter & Co. as Auditor for the ensuing financial year. This was moved by Sis. Wendy Walcott and seconded by Bro. Ormond McConney.
- 11.2 The membership unanimously approved the re-appointment of Peter J. Carter & Co. as Auditor for the Financial Year 2021-2022.

## 12.0

### RESOLUTIONS

- 12.1 There were no resolutions.

## 13.0

### ELECTIONS

## 13.1

### REPORT OF THE NOMINATIONS COMMITTEE

- 13.1.1 The Chairman encouraged the members to volunteer to serve on the elected committees so that the same people would not have to be constantly 'recycled'. He said the League offered courses which would assist both with serving on committees and life in general and members should take advantage of these.
- 13.1.2 Bro. Andrew Estwick presented the Nominations Committee report.
- 13.1.2 He informed the meeting that the Committee was made up of Bro. Michael Alleyne, Bro. Andrew Collymore, and himself.
- 13.1.3 He said that there were four vacancies to be filled. The vacancies were as follows: on the Board, Bro. Julian Watson and Bro. Eric Alkins had each served one term and were eligible for re-election, on the Credit Committee, Bro. Philip King had served two terms and was not eligible for re-election and on the Supervisory

Committee, Bro. Andrew Collymore had served one term and was not seeking re-election.

13.1.4 Bro. Estwick then gave the Committee's recommendations for filling the vacancies. For the Board, Bro. Julian Watson, Bro. Eric Alkins and Bro. Philip King were proposed.

13.1.5 The Committee proposed that Bro. Jamel Layne serve on the Credit Committee. Bro. Estwick gave a brief bio on Bro. Layne.

13.1.6 It was proposed that the vacancy on the Supervisory Committee be filled by Bro. Randy Son Son. Bro. Estwick gave a short bio on Bro. Son Son.

## 13.2

### **ELECTION OF OFFICERS**

13.2.1 The Chairman then said that elections would need to be held for the positions on the Board as there were three candidates for two positions. The Operations Manager, Bro. Ryan Reece and Ms. Paula Brooker were invited to assist with the elections.

13.2.2 The results of the election were:

Bro. Julian Watson 39 votes

Bro. Eric Alkins 16 votes

Bro. Philip King 30 votes

13.2.3 The Chairman then stated that Bros. Julian Watson and Philip King were elected to take the positions on the Board. He congratulated them and then thanked Bro. Eric Alkins for his contribution and hoped that he would return.

13.2.4 The Chairman then declared that Bro. Jamel Layne was duly elected to serve for the next three years on the Credit Committee. For the Supervisory Committee, Bro. Randy Son Son was duly elected to serve for three years.

## 14.0

13.2.5 Bro. Burton congratulated the newly elected members.

### **ANY OTHER BUSINESS**

14.1 The President opened the floor to any further discussions. He thanked the members for attending the meeting.

14.2 Sis. Wendy Watson queried the status of the court case involving the dismissal of Edwardine Clarke. She said that in that time there had been one Office Manager and now there was a new one. She thought that by now some resolution should have been found. Bro. Burton said that the matter was still outstanding and was being handled by lawyers. Sis. Walcott said that the lawyers would be guided by the Credit Union. Bro. Burton said that the matter was before the court and the court would need to make a decision.

14.3 Sis. Alvina Bynoe queried the method used to determine the interest rate on term deposits. Bro. Burton said that market forces would influence interest rates. Sis. Bynoe asked if there was any additional information that could be given.

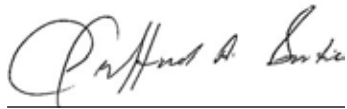


Bro. Burton explained that the revenue made on interest from loans and term deposits were used to determine the interest rate the Credit Union could pay. He explained as a result interest rates were under review constantly.

**15.0**

## **ADJOURNMENT**

- 15.1 There being no further business, the Chairman requested a motion for the termination of the meeting. The motion was moved by Sis. Carrie-Ann Morris-Searle, seconded by Bro. Philip King and unanimously carried.
- 15.2 The Chairman declared the meeting adjourned at 7:24 pm.



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Clifford Bostic  
**Secretary**  
BET Co-operative Credit Union Limited



**BET CO-OPERATIVE  
CREDIT UNION LTD**

*Strong Past, Secure Future.*

**REPORT OF THE BOARD OF DIRECTORS  
OF THE BET CO-OPERATIVE CREDIT UNION LIMITED  
For The Financial Year April 1st 2021 To March 31<sup>st</sup> 2022.**



**Felton Burton**  
*President*



**Michael Alleyne**  
*Vice President*



**Clifford Bostic**  
*Secretary*



**Julian Watson**  
*Treasurer*



**Philip King**  
*Asst. Secretary*

**BOARD OF DIRECTORS**

**Apr 1, 2021 – June 26, 2021**  
 President Bro. Felton Burton  
 Vice President Bro. Michael Alleyne  
 Treasurer Bro. Julian Watson  
 Secretary Bro. Clifford Bostic  
 Asst. Secretary Bro. Eric Alkins

**June 26, 2021-Mar 31, 2022**  
 Bro. Felton Burton  
 Bro. Michael Alleyne  
 Bro. Julian Watson  
 Bro. Clifford Bostic  
 Bro. Philip King

**MEETING ATTENDANCE:- APRIL**

**1<sup>ST</sup> 2021 – MARCH 2022**

MEMBER	POSSIBLE	ACTUAL	EXCUSED	YEAR ELECTED
Bro. Michael Alleyne	10	10	0	2020
Bro. Clifford Bostic	10	10	0	2020
Bro. Felton Burton	10	10	0	2019
Bro. Philip King	10	10	0	2021
Bro. Julian Watson	10	9	1	2019

## ALL COMMITTEES MEETINGS

MEMBER	POSSIBLE	ACTUAL	EXCUSED	YEAR ELECTED
Felton Burton	2	2	0	2019
Michael Alleyne	2	2	0	2020
Eric Alkins	2	2	0	2018
Leandra Bishop	2	2	0	2019
Clifford Bostic	2	2	0	2020
David Gittens	2	2	0	2020
Philip King	2	2	0	2021
Jamelle Layne	2	2	0	2021
Shem Maxwell	2	2	0	2017
Carrie-Ann Morris-Searle	2	2	0	2019
Randy Sonson	2	2	0	2021
Julian Watson	2	2	0	2019

### OVERVIEW

The year in review, the Barbados economy started to see some growth as the country slowly started the re-opening of economic activity, although there are still signs of Covid-19 concerns within the country.

Due to the Covid-19 pandemic all Board meetings were held virtually using MICROSOFT TEAMS.

### HUMAN RESOURCES

There were no changes to our staff and our Operations Manager Bro. Ryan Reece has completed his first year with us in January 2022.

Ms. Shanelle Estwick successfully completed the internationally recognized National Examination Board in Occupational Safety and Health (NEBOSH) Safety and Health in the workplace certificate. Congratulations to her.

We have extended the contract with Ms. Paula Brooker from Executive Support Services to

continue assisting the Credit Union to strengthen some of our technical and accounting practices for another year.

### MEMBERSHIP

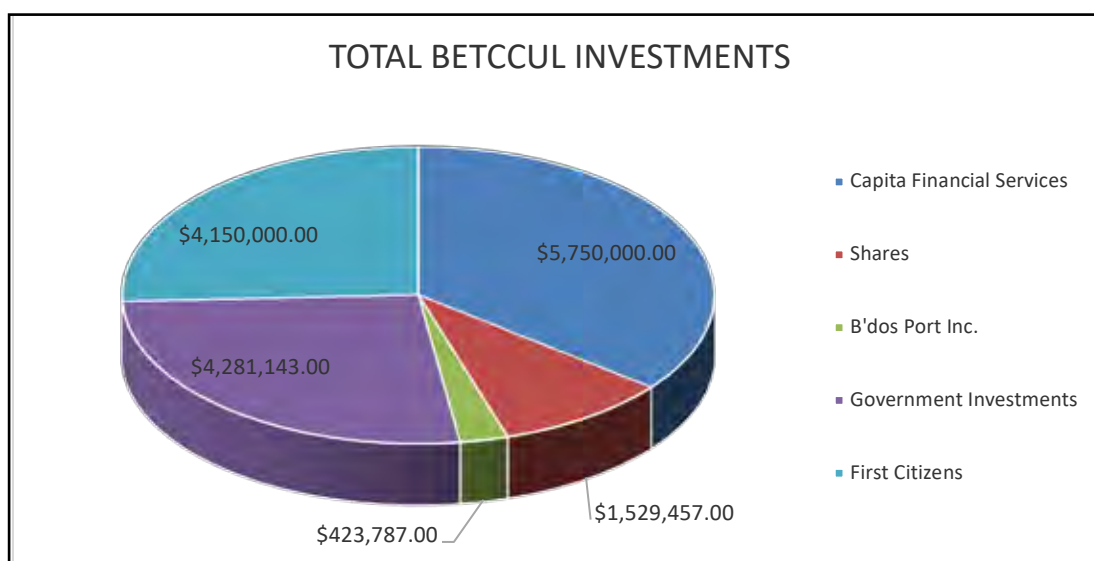
Our membership now stands at 879 voting members an increase of 31 over last year's 848. The Board has agreed to look at other ways of widening our membership base and increasing our membership. We are of the view that with new members comes the opportunity of new loans to help boost our revenue.

### MARKETING

With the need to increase our membership and to look at other ways to promote our Credit Union as well as to look at ways of improving our services to our members, we have contracted the services of Ms. Janelle Edwards to assist us with marketing strategies to take our Credit Union to a higher level.

### BUSINESS CONTINUITY

We have engaged the services of Business



Continuity Services Inc. to provide us with a business continuity plan. This is necessary to make sure that we can keep our business up and running during any perilous activity.

We have also agreed to purchase a new generator to combat the numerous electricity outages in our area. This system is fully automated and runs on liquid petroleum gas

### INVESTMENTS

For the reporting period, our financial investments stood at approximately \$16.1M across a portfolio of 14 separate investments at 6 institutions

Out of our total investments, \$9.9M is invested in term deposits. Our shareholdings are split between Co-operators General Insurance and the Barbados Co-operative and Credit Union League with \$1.5M and \$24K respectively.

### DELINQUENCY

Brothers and Sisters delinquency in the BET Co-operative Credit Union Ltd is a big area of concern to the Board, elected Committees, Staff,

FSC, most of our members and our auditors.

The level of delinquency continues to be a cause for concern. The Board and the staff have been trying to work with our members to address our concerns. We have hired another Attorney-At-Law Mr. Carew and we are in the process of contracting with three bailiffs to assist us in recovering outstanding amounts. Some progress has been made with the proposed sale of three properties. However, the conclusions of these sales will be reflected in next year's report as they are ongoing as at March 31st 2022.

Once again, our high delinquency is causing us to make a high provision for bad debt of \$ this year after an amount of \$ was made last year. This amount is our highest expense in the income statement and a great cause for concern. This has had a great negative effect on our surplus.

Our total delinquency at March 31st 2022, is \$5,004,042.35 as highlighted in the below diagram.

1 - 30		31 - 90		> 90		Total	
#	\$	#	\$	#	\$	#	\$
26	\$981,216.29	12	\$886,967.73	33	\$3,135,858.33	71	\$5,004,042.35

## FINANCIALS

This year our financial activity continues to be hampered by the high provision for bad debt along with the continued write down of our Government Bonds as recommended by ICAB. These two items have a negative impact of \$426,634 and \$381,000 respectively, on our income statement.

At present we have invested \$16.1M across a portfolio of 16 separate investments at 6 earlier institutions. Out of that, \$9.9M or 39% is invested in term deposits, which has thus far earned us \$341K in interest for the financial year.

Our net operating surplus for the year is \$83,007. Our Total Assets are \$40,141,351. The net value of loans outstanding is \$12,592,748. Delinquent loans are \$5,004,042.35.

The Financial Statements in this report show all the details for the year.

## CONCLUSION

The year under review shows a picture of lower operating surplus when compared to last year. Our administrative/operating expenses are

expected to increase as we seek to confirm to our regulatory requirements. The Credit Union will be seeking to identify and introduce new member services as well as to improve our current services in order to remain relevant in this fast paced and ever-changing financial environment. We must keep in tune with our diverse membership.

We want to extend our thanks to all members who have supported our Credit Union this year. Special thanks to our elected committees, non-elected committees, staff and our auditors for their support and co-operation this year.

We conclude by encouraging all members to offer their services to sit on an elected committee as the training and knowledge to be gained is priceless.

Continue to support your Credit Union.

Submitted for your approval by your Board of Directors.



**Felton Burton**  
President



**Michael Alleyne**  
Vice President



**Clifford Bostic**  
Secretary



**Julian Watson**  
Treasurer



**Philip King**  
Asst Secretary

# BET CO-OPERATIVE CREDIT UNION LIMITED

## OPERATION BUDGET

### FOR THE YEAR 2022/2023

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#### REVENUE

Interest from Loans	\$919,717.18	\$950,000.00
Interest from Investments	\$341,395.00	\$425,000.00
Rental Income	\$57,404.00	\$101,400.00
Dividend income	\$50,200.00	\$45,000.00
Cash and cash equivalents	\$2,706.00	\$2,500.00
Bad debt recovery	\$-	\$50,000.00
Sundry income	\$12,006.00	\$500.00
Unrealised Loss/Gain on Investment	\$174,179.54	
<b>Total Revenue</b>	<b>\$1,557,607.72</b>	<b>\$1,574,400.00</b>

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#### INTEREST EXPENSES

Demand deposit	\$70,346.20	\$72,000.00
Mortgage deposits	\$12,699.51	\$3,000.00
Term deposits	\$112,895.82	\$115,000.00
Interest on other shares	\$42,813.00	\$0.00
Depreciation	\$48,979.00	\$50,000.00
<b>Total</b>	<b>\$287,733.53\$</b>	<b>\$240,000.00</b>

---

#### OPERATING EXPENSES

Advertising & Marketing	\$35,919.00	\$35,000.00
Bank charges	\$8,098.10	\$9,000.00
Computer\IT expenses	\$19,795.72	\$15,000.00
Conferences	\$-	\$25,000.00
Co-operative day	\$7,493.38	\$2,000.00
Donations	\$2,150.00	\$5,000.00
Education fund	\$2,600.00	\$7,500.00
FSC Fees	\$20,062.68	\$23,000.00
Furniture & Fittings	\$-	\$25,000.00
Honoraria	\$35,000.00	\$35,000.00
Insurance	\$11,654.04	\$12,000.00
Impairment provision increase	\$442,190.00	\$275,000.00
BCCUL dues	\$23,551.53	\$25,000.00
Meetings	\$33,970.00	\$35,000.00
Miscellaneous	\$332.00	\$500.00
MBP assessments	\$69,105.49	\$75,000.00
Office expenses	\$37,952.00	\$35,000.00
Postage and courier services	\$5,879.24	\$6,000.00
Professional and legal fees	\$108,026.00	\$95,000.00
Property expenses	\$15,764.00	\$50,000.00
Property taxes	\$14,962.50	\$15,000.00
Repairs and maintenance	\$7,527.57	\$8,000.00
Security	\$5,304.87	\$5,500.00
Software maintenance	\$4,802.75	\$5,000.00
Staff Costs	\$223,533.00	\$255,000.00
Stationery	\$8,341.45	\$10,000.00
Training	\$1,292.50	\$10,000.00
Electricity	\$21,871.88	\$25,000.00
Telephone and Internet	\$18,603.47	\$21,000.00
Water	\$1,090.11	\$1,500.00
<b>Total Operating Expenses</b>	<b>\$1,186,873.28</b>	<b>\$1,146,000.00</b>
<b>TOTAL EXPENSES</b>	<b>\$1,474,606.81</b>	<b>\$1,386,000.00</b>
<b>SURPLUS/(DEFICIT)</b>	<b>\$83,000.91</b>	<b>\$188,400.00</b>



**BET CO-OPERATIVE  
CREDIT UNION LTD**

*Strong Past, Secure Future.*

**REPORT OF THE CREDIT COMMITTEE  
OF THE BET CO-OPERATIVE CREDIT UNION LIMITED**  
*For The Financial Year April 1<sup>st</sup> 2021 To March 31<sup>st</sup> 2022.*



**Shem Maxwell**  
*Chairperson*



**Carrie-Ann Morris- Searly**  
*Secretary*



**Jamelle Layne**  
*Member*

**COMMITTEE MEMBERS**

	April 1, 2021 – June 25, 2021	June 26, 2021 – March 31, 2022
Chairperson	Shem Maxwell	Shem Maxwell
Secretary	Philip King	Carrie-Ann Morris-Searle
Member	Carrie-Ann Morris-Searle	Jamelle Layne

**INTRODUCTION**

During the financial year April 2021 to March 2022, the Credit Committee held fifty-two (52) meetings during which 149 loans, valuing

\$3.251M (\$3.46M), were approved. Six (6) loan applications were sent to the Asset Committee, and two (2) applications had been escalated to an Extraordinary Credit Committee for approval.

Meetings Held	Loans Received current Period	Approved & Disbursed	Denied / Withdrawn	Ref. Asset Committee	Ref Extra Ordinary Credit Committee
52	149	3,251,442	1	6	2

**CREDIT COMMITTEE MEETINGS**

Member	POSSIBLE	ACTUAL	EXCUSED	Year Elected
Sis. Carrie-Ann Morris-Searle	52	52	0	2019
Bro. Philip King	20	20	0	2015
Bro. Shem Maxwell	52	52	0	2018
Bro. Jamelle Layne	32	32	0	2021

Technology continued to be used for meetings to facilitate the expedited processing of loans.

## LOAN ANALYSIS

Of the \$3.46M in loans approved, \$3.25M in new loans were disbursed, exhibiting a 21% decrease in value from the previous year.

The Debt Consolidation category lost its usual dominant position at the top of the loan portfolio with a value of \$621K, which was a significant decrease of 72% from the previous financial year. The new loan category, Equity Savings, is believed to have cannibalised some of the Debt

Consolidation loans with its value of \$455K.

The Mortgage category ascended to the highest position with a value of \$985K which was an increase of 47%. The two major categories of Home Improvement and Vehicle Purchase were up 27% and down by 36% respectively. Land Purchase also emerged as a major category this year with a value of \$237K.

Line of Credit (LOC) which showed significant growth in the previous years declined by 83%.

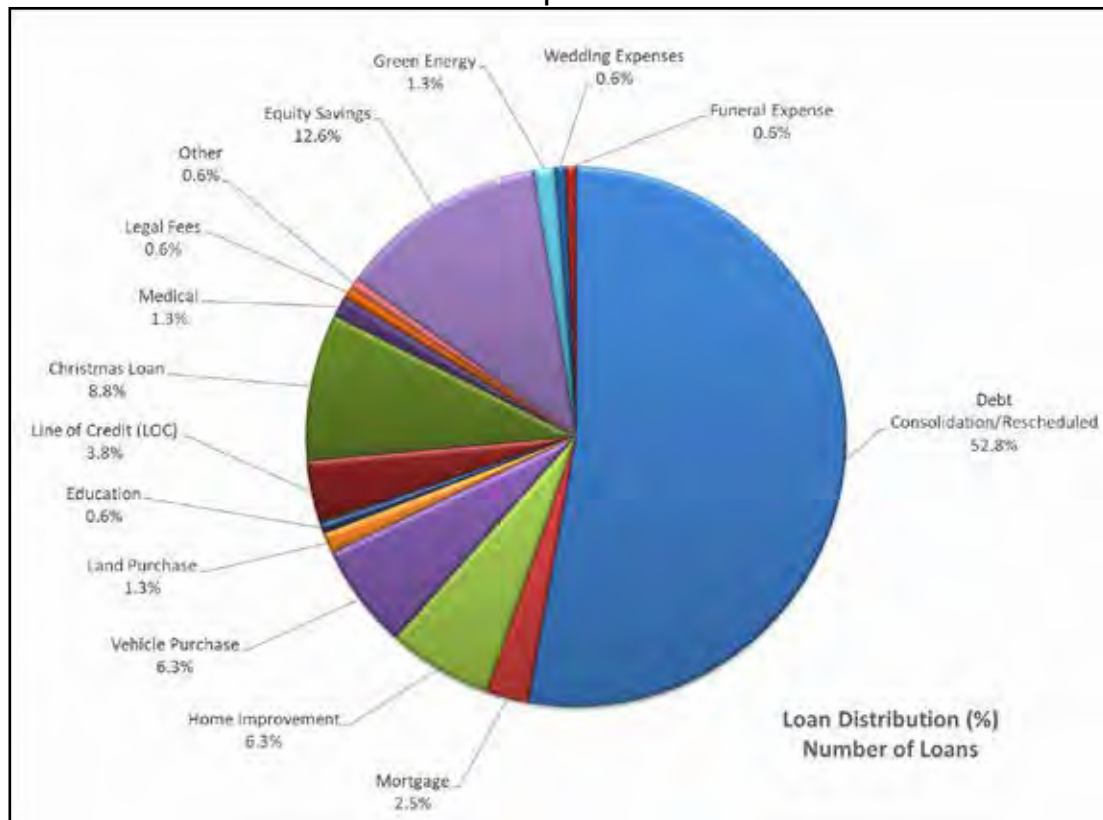
LOAN CATEGORY	Apr 2021 - Mar 2022		Apr 2020 - Mar 2021		% Change Over Last Period	
	# Loans	Loan Value (\$)	# Loans	Loan Value (\$)	# Loans	Loan Value
Debt Consolidation/Rescheduled	84	621,344	125	2,253,067	-33%	-72%
Mortgage	4	985,089	3	668,950	33%	47%
Home Improvement	10	326,600	10	255,118	0%	28%
Vehicle Purchase	10	497,352	14	773,573	-29%	-36%
Business Investment			5	240,000		
Land Purchase	2	237,800				
Education	1	74,574				
Line of Credit (LOC)	6	18,000	26	105,000	-77%	-83%
Christmas Loan	14	32,400	21	49,000	-33%	-34%
Medical	2	27,004				
Travel						
Legal Fees	1	15,000				
Vehicle Repairs						
Other	1	3,579	1	14,000	0%	-74%
Furniture /Appliance						
Equity Savings	20	455,629				
Green Energy	2	128,916				
Insurance						
Wedding Expenses	1	35,200	1	23,806	0%	48%
Funeral Expense	1	6,500.00	1	6,000	0%	8%
<b>Total</b>	<b>159</b>	<b>3,464,986</b>	<b>207</b>	<b>4,388,514</b>	<b>-23%</b>	<b>-21%</b>
<b>Refinanced/Rescheduled</b>	<b>(10)</b>	<b>(213,544)</b>	<b>(39)</b>	<b>(1,707,590)</b>	<b>-74%</b>	<b>-87%</b>
Disbursement	149	3,251,442	168	2,680,924	-11%	21%



## Graph 1

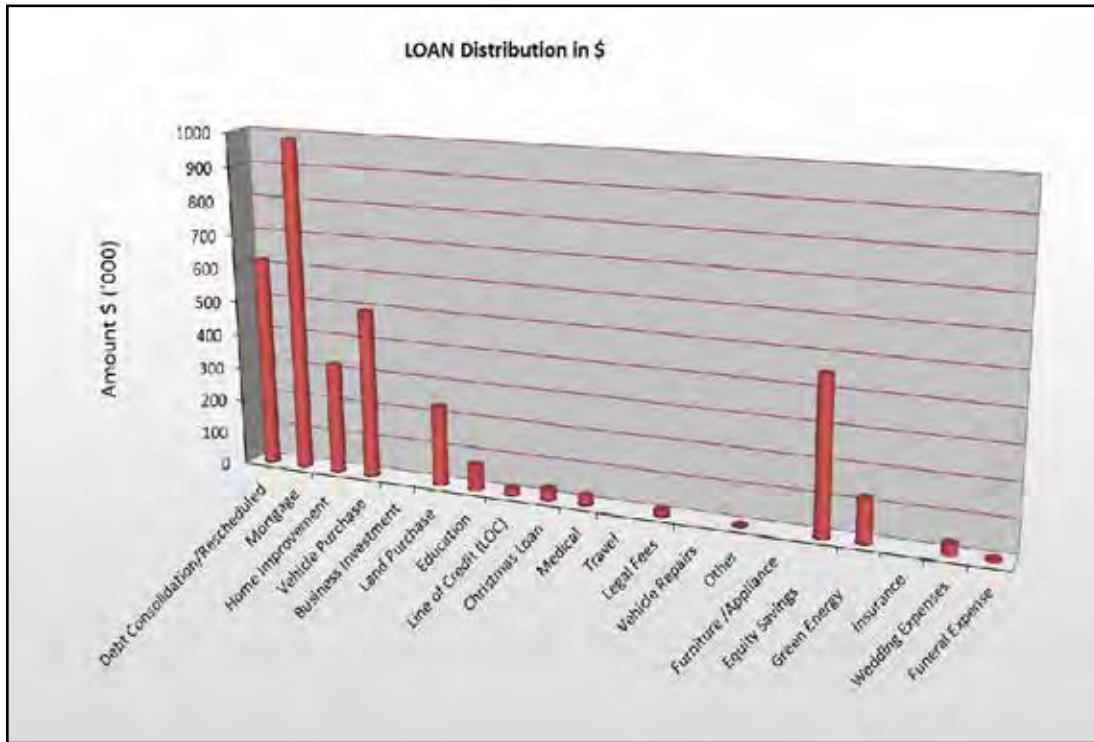
The following graphs depict the categorized distribution of loans by purpose, monetary value, age and trends.

Graph 1



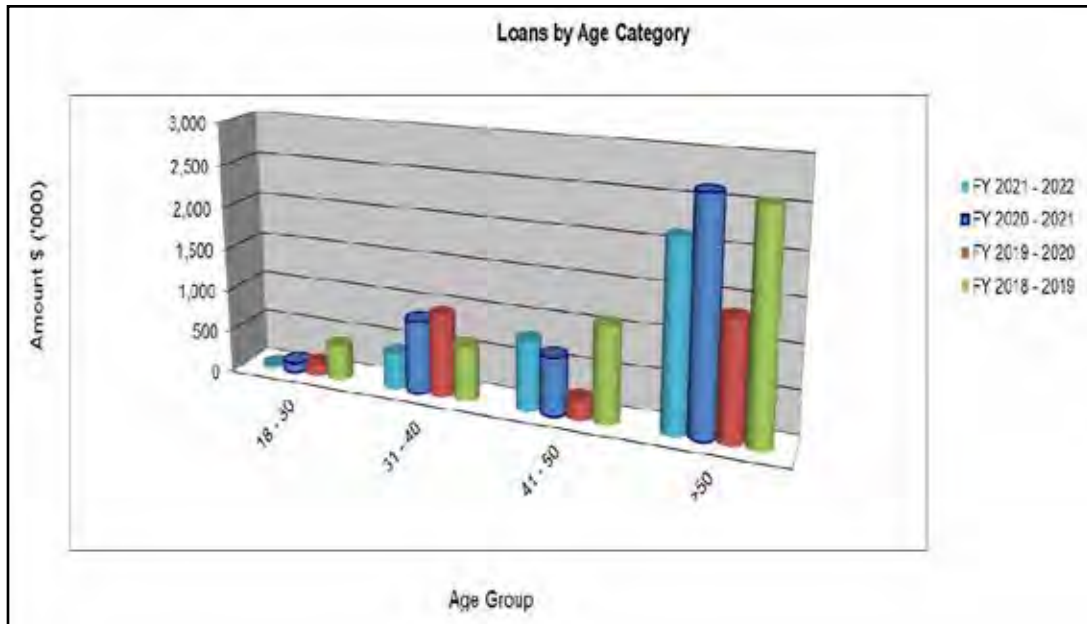
Graph (1) categorises the volume of loans by percentage approved. Debt Consolidation remained the leading category at 52.8% followed by the new Equity Savings at 12.6% and the ever-popular Christmas loans at 8.8%. Vehicle Purchases and Home Improvements accounted for 6.3% each.

Graph 2



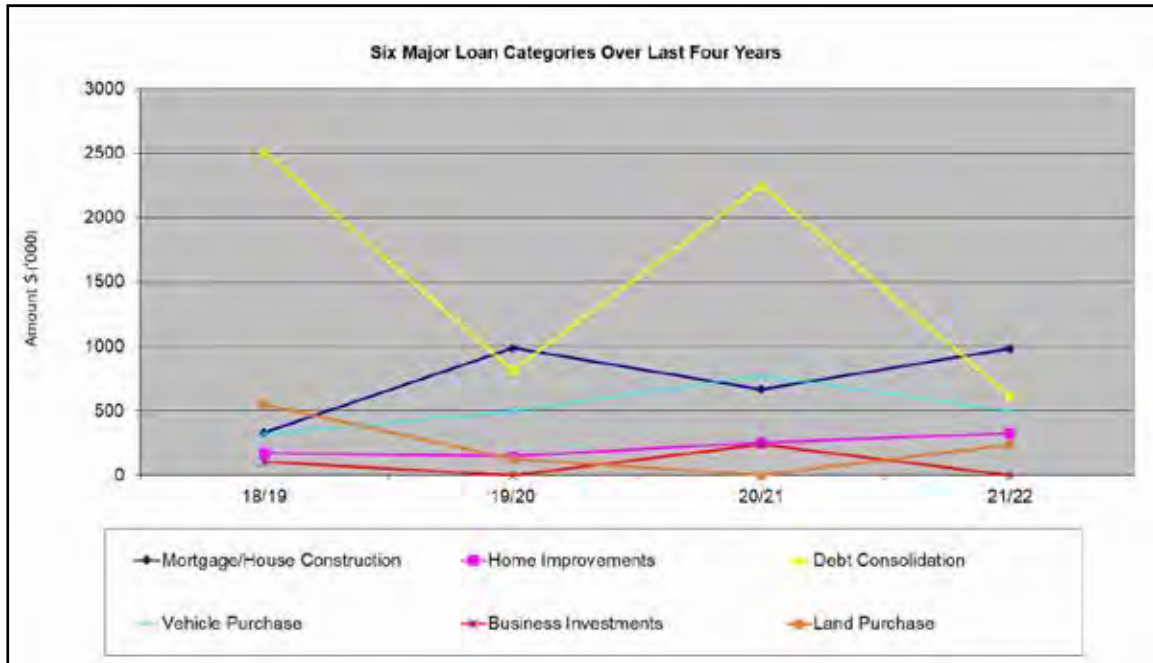
Graph 2 displays the loan distribution amounts in Barbados dollars and indicates Mortgages emerged as the new monetary leader at \$985K, followed by Debt Consolidation at \$621K, Vehicle Purchase at \$497K and Equity Savings following closely at \$456K.

Graph 3



Graph 3 indicates the largest loan amounts were borrowed in the over fifty (>50) age category, which outperformed all others. The 41-50 age category followed suit for the current period which is a change from the previous period where the 31-40 category had outperformed this category.

Graph 4



Graph 4 illustrates Mortgages overtook Debt Consolidation as the leader within the loan categories portfolio for FY21/22. Non-existent this year was the Business Investment category.

## RECOMMENDATIONS

FY 2021-2022 saw the COVID-19 related restrictions gradually being reduced as Barbados and the rest of the world sought to reopen with the hopes of stimulating economic recovery. However, there is still much uncertainty due to health-related risks of the pandemic, global events such as the Russia\Ukraine war affecting the supply chain, inflation and local Barbadian business sectors still recovering.

In an environment of uncertainty there is also opportunity, the Credit Union must remain agile and flexible. It should proactively seek to understand the financial needs and limitations of our membership with an aim of providing flexible products which can address both those needs and limitations. Our marketing team must focus not only on developing these products but also ensuring they are visible and easily accessible to the public. The following are suggestions from the Credit Committee

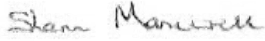
- **Continue the transition to risk based processing for loans.**
- **Focus on developing a marketing strategy to capitalise on opportunities to increase both membership and loans.**
- **Continue the use of technology to improve the loan process.**

## CONCLUSION

Overall, the loan performance decreased by 21% over the previous year, suggesting that the economic uncertainty affected our membership's willingness or ability to borrow. The Credit Union understands the economic constraints of its membership and will continue to develop and offer financial products that can support our membership and provide a level of stability and care during these uncertain times.

The Credit Committee would like to thank the BETCUL staff and Board of Directors for the support throughout the year. The BETCUL continues to encourage all members to patronize

the Credit Union's services when possible and we are indeed grateful to all our members for your collective support.



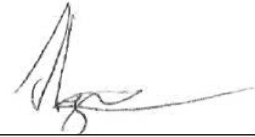
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**Bro. Shem Maxwell**  
(Chairman)



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**Sis. Carrie-Ann Morris-Searle**  
(Secretary)



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**Bro. Jamelle Layne**  
(Member)



**BET CO-OPERATIVE  
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**REPORT OF THE SUPERVISORY COMMITTEE  
OF THE BET CO-OPERATIVE CREDIT UNION LIMITED**  
*For The Financial Year April 1, 2021 To March 31, 2022.*



**Leandra Bishop**  
*Chairperson*



**David Gittens**  
*Secretary*



**Randy Sonson**  
*Member*

**COMMITTEE MEMBERS**

	April 1st – June 26th, 2021	June 26th, 2021 – March 31st, 2022
Chairperson	Andrew Collymore	Leandra Bishop
Secretary	David Gittens	David Gittens
Member	Leandra Bishop	Randy Sonson

**INTRODUCTION**

The Supervisory Committee hereby presents to the Annual General Meeting, its Report on the affairs of the BET Co-operative Credit Union Ltd. for the period April 01, 2021 – March 31, 2022.

During the year under review, the Committee

examined the financial operations and activities of the Credit Union and paid special attention to the organization’s internal controls.

**SUPERVISORY COMMITTEE MEETINGS**

The committee recorded five meetings which were used to examine the critical business areas. The attendance was as follows:

MEMBER	POSSIBLE	ACTUAL	EXCUSED	YEAR ELECTED
Leandra Bishop	5	5	0	2019
David Gittens	5	5	0	2020
Randy Sonson	5	4	1	2021

The meetings indicated above are face-to-face meetings at the Credit Union headquarters where physical records and documents were reviewed. The frequency of the physical meetings was low as a result of limited mobility due to the protocols in place for the Covid-19 pandemic. Even though they were five (5) additional Telephone and Zoom meetings held (totalling a number of 10 meetings overall), these additional meetings assisted the Committee with the opportunity to discuss and finalise any additional matters which could be dealt with away from the enclosure of the office space.

## STRUCTURE OF THE SUPERVISORY COMMITTEE

The roles of the Committee were as follows:

- Sis Leandra Bishop Chairman
- Bro David Gittens Secretary
- Bro Randy Sonson Member

## REVIEW OF OPERATIONS

During the past year, the Committee reviewed the operations and activities of the Credit Union documenting any issues or non-compliance to the internal controls.

Over the past year, the Committee liaised with the Board of Directors, the Operations Manager, and Staff in the execution of its review activities for the fiscal year 2021-2022

The Supervisory Committee reviewed and evaluated several areas including those indicated below:

- Reconciliation of withdrawals, deposits, transfers and loans to the members' accounts generated from the financial management system
- Loan applications and disbursements to members and staff
- Filing of reports with the Financial Services Commission

- Financial Statements
- Reconciliation reports
- Report on members' transaction that are classified as Unusual Activity in line with the Anti-Money Laundering Legislation and 'Know Your Customer' (KYC) guidelines

## ORGANISATIONAL RESILIENCE

During the year the Credit Union would have engaged the services of Mrs. Cheryl Griffith from Business Continuity Management Services Inc. to commence the construction of a business continuity plan for the BETCCUL. Once completed and implemented, this will result in us being able to provide a much better way to weather the various types of storms that currently plague businesses today, including fire, flooding, ransomware, hurricanes, and future pandemics.

## LOANS

The loan portfolio represents the largest single source of income for the BET Co-operative Credit Union Ltd. therefore its careful management is imperative to ensure the overall risk to members are kept at a minimum. The Committee was generally satisfied that the policies and procedures were adhered to and internal controls were maintained.

## FINANCIAL STATEMENTS

Financial statements essentially reveal to the members how the Credit Union is performing at the end of the reporting period. The information therefore must be relevant, accurate, and complete and must be presented fairly in all material aspects of the financial position of the Credit Union. Due to Covid-19 related issues, monthly reviews were not always possible, but regular periodic reviews of the financial statements were conducted to identify trends in the Credit Union's performance and comply with the regulatory requirements.

## RECONCILIATION REPORTS

The Committee selected a sample of the daily cash reports on a monthly basis over the period under review to ensure the accuracy of receipts and payments (including dividends), in compliance with the established accounting procedures.

## MEMBERSHIP

As of 31 March 2022, the membership of the BET Co-operative Credit union was as follows

	Mar-22	Mar-21	Mar-20
MEMBERS	879	848	836
ADDITIONS	37	22	45
TERMINATIONS	6	10	9

## RECOMMENDATIONS

1. Digitalization of the review process executed by the Supervisory Committee to reduce the time period between meetings.
2. An IT audit/Security risk assessment to be completed within the Credit Union within the current financial year to ascertain the status of our cyber risks and privacy risks, as well as our vulnerability to IT-related disasters.
3. A formal Remote Working policy is to be designed with the assistance

of the Technical Committee to better position the Credit Union to operate in the Covid-19 environment

4. Implement periodic security awareness training for staff, committee members, and any interested members, to combat the rampant fraud, ransomware, and other cybercrime associated with the financial space and performing online transactions.
5. Put steps in place to help the Credit Union meet the requirements of the recently-proclaimed Barbados Data Protection Act.

## CONCLUSION

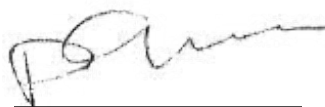
In closing, the Committee Members offer their sincerest appreciation to the membership of the BET Co-operative Credit Union Ltd. for showing confidence in our stewardship of the Supervisory Committee for the 2021 – 2022 term.

The Committee anticipates working with the members of the Credit Union going forward in the challenging and changing financial market which we currently face.

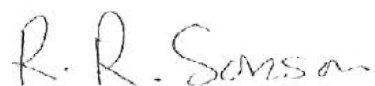
The Committee sincerely thanks the Board of Directors, the Credit Committee, the Operations Manager, and Staff for their co-operation in providing the necessary information required to conduct the various reviews.



**Leandra Bishop**  
Chairperson



**David Gittes**  
Secretary



**Randy Sonson**  
Member



**BET CO-OPERATIVE  
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## **REPORT OF THE DELINQUENCY COMMITTEE OF THE BET CO-OPERATIVE CREDIT UNION LIMITED**

*1st April 2021 – 31st March 2022*

Bro Michael Alleyne - Chairperson  
Sis Leandra Bishop - Secretary  
Sis Carrie-Ann Morris-Searle - Member

Number of meetings held during the period: 6  
Everyone attended all meetings.

AGM Delinquency Report:

For the period under review the Delinquency Committee sought to reduce the number of delinquent loans that were plaguing the Credit Union's financial position. The Committee achieved moderate success in certain categories

as we adopted a policy of transferring whatever available funds from delinquent members' accounts to their respective outstanding delinquent amounts. Despite those efforts, however the overall value of the delinquent loans has increased by \$458,505.00 and the total delinquency ratio has also moved from 32% in financial year 2020 - 2021 to 34% in 2021-2022. This shows a 2% increase which remains concerning to the Delinquency Committee. Furthermore, the bad debt increased by a very alarming amount of \$1,663,276.00 when compared to the same period for 2021 where the number stood at \$336,710.00.

Table 1 below depicts the position of the BET Credit Union in terms of Loans and resultant

**Table 1  
Loan Delinquency**

Loan Delinquency		
Year	2022	2021
Total Loan Amount (Net)	14,692,748.15	14,547,212
# of Loans	302	333
Total Delinquent Amount	5,004,042.00	4,545,537
# of Delinquent Loans	71	82
Total Delinquent Amount (%)	34	32
Total Bad Debt Amount	1,663,276.00	336,710
Total Write-off Amount		0



**Table 2  
Aged Delinquency**

Days Delinquent	Comparative Delinquent Amounts per year		Comparative Delinquent Loans per year		Comparative Delinquent Amounts per year	
	2022	2021	2022	2021	% Change	\$ Change
01-30	981,216	1,127,179	26	37	-13%	-145,963
31-60	663,482	549,200	6	16	21%	114,282
61-90	223,485	135,883	6	6	64%	87,602
91-365	1,174,877	952,004	19	12	23%	222,873
> 365	1,960,981	1,781,271	14	12	10%	179,711
<b>Total</b>	<b>5,004,042</b>	<b>4,545,537</b>	<b>71</b>	<b>83</b>	<b>10%</b>	<b>458,505</b>

The above table indicates a breakdown of the respective Aged Delinquency periods with a total amount of \$5,004,042 for fiscal 2021-22

as against the 2020-21 total of \$4,545,537. Only one category (1-30 period) showed any significant decline

**Table 3  
Delinquency Management:**

Delinquency Management	# of Loans	Delinquent Amount (\$)	Loan Amount (\$)	Delinquent Amount (%)
Managed by Office	38	40,064.84	1,868,184.02	4%
Transferred to Debt Collector	17	98,583.61	820,451.57	10%
Arrangement with Board	2	144,309.12	488,046.27	14%
Other	2	324,193.56	544,797.62	32%
Loan Balance Repayable Immediately (Legal Action)	12	409,849.47	1,282,562.87	40%
<b>Total</b>	<b>71</b>	<b>1,017,001</b>	<b>5,004,042</b>	<b>100.00%</b>

### Strategies Employed:

In addition to the policy of transferring funds from delinquent members' accounts, the Committee explored the possibility of engaging the services of Debt Collectors/Bailiffs along with an attorney-at-law. We have short-listed three bailiffs and up to the time of the preparation of this report, we are awaiting further credit checks on these individuals before fully engaging the process. In the meantime, several of the large delinquent amounts along with others have been handed over to the attorney-at-law to initiate a series of legal action against such members.

### Course of Action for Fiscal 2022-23

The Delinquency Committee is committed to the below course of action for this Fiscal 2022-23 to assist in reducing our current delinquency dilemma:

1. Members with 0-30 days delinquency would receive a courtesy call from the Credit Union staff.
2. Members with 31 – 60+ days delinquency would be the staff's primary area of focus and would be sent reminder letters by the BET Credit Union.
3. The Bailiffs when fully engaged would be advised to focus specifically on the following

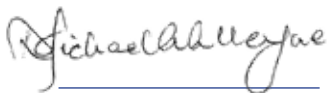
areas: Lines of credit, Consumer as well as Vehicle Loans while the attorney will concentrate on Mortgages.

4. We have also agreed that the Board should wherever possible, seek to advertise properties for sale where such loans are highly delinquent using both local as well as overseas real estate agents. It is hoped that such action will attract a wider clientele.

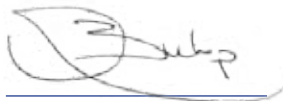
### Closing Comments

In closing, the Delinquency Committee continues to explore ways and means to continuously and actively reduce the level of delinquency held by the Credit Union. The Committee in association with the staff will be seeking to further enhance the conditionalities relating to ALL Loan Categories. Members will be reminded of their respective obligations and failure to adhere will result in immediate imposition of certain actions to control resulting delinquency. It is hoped that the Delinquency Committee will have a more comforting report for the Financial Year 2022-23.

Finally, we wish to thank the Board, Staff and all other supporting Committees for their invaluable support and guidance through this challenging period.



**Michael Alleyne**  
Chairman



**Leandra Bishop**  
Secretary



**Carrie-Ann Morris-Searle**  
Member



**BET CO-OPERATIVE  
CREDIT UNION LTD**

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**STAFF**  
**OF THE BET CO-OPERATIVE CREDIT UNION LIMITED**  
*For The Period Ended March 31, 2022.*



**Ryan Reece**  
*Operations Manager*



**Jennifer Maynard**  
*Senior Accounts Clerk*



**Toni Knight**  
*Accounts Clerk*



**Shanelle Estwick**  
*Support Services Assistant*



**BET CO-OPERATIVE  
CREDIT UNION LTD**

*Strong Past, Secure Future.*

## **THE TREASURER'S REPORT** **OF THE BET CO-OPERATIVE CREDIT UNION LIMITED** *For The Financial Year April 1, 2021 To March 31, 2022.*



**Julian Watson**  
**Treasurer**

Barbados has emerged from 2021 having endured multiple challenges to our economy, likewise our society. These challenges included a category 1 hurricane, a freak storm, ash fall from St. Vincent's La Soufriere volcano and of course the COVID-19 pandemic, which the world is recovering from and returning to some pattern of normalcy. Although many experts believe we have now passed the worst of the pandemic, the lingering economic impact is still with us. Logistical challenges, finished and raw material scarcities and labour shortages have created an increased demand for goods. This has resulted in a scenario of extraordinary inflation which threatens to be our biggest confrontation in 2022.

In spite of these challenges the BET Credit Union continues to hold its own, with assets totalling \$40,141,351.00. The Credit Union remains liquid primarily due to consistent member savings. This has allowed us to counter decreased interest income from loans (\$3,492) with an increase in interest gained from a diversified range of low-risk investments (Note 10). At the end of the 2021-2022 financial year, the interest income from investments increased

by \$51,583 compared with the prior year. Supplemental income was also obtained from our investment properties (\$57,404). These figures contributed to a net comprehensive income of \$83,007.00

The Board has been quite careful to contain our expenses over the past year, although facilitating spending and investment in areas deemed necessary for the continued efficient operation of the organisation as well as strategic investment in plant, equipment and resources necessary for us to achieve our medium-term objectives. The income statement reflects a noticeable increase in staff cost. This is due to the continued engagement of our Operations Manager, who would have come onboard towards the end of the 2020-2021 financial year. Other Expenses stood at \$963,335 at the end of the financial year, which includes a significant increase in the allocation for bad debts (\$426,634, Note 11(a)). This continues to negatively impact our net income. Rest assured the Board and the Delinquency Committee have been working to tackle our delinquency challenges and we expect to see substantial results of this effort in the 2022-2023 financial year. These efforts

would have resulted in a slight increase in professional and legal fees.

Over the past financial year, we have continued our efforts to navigate an increasingly competitive financial landscape. Our expanded regulatory obligations have also meant that we needed to breakout some roles to ensure we can continue to competently manage the operation. While we have managed to absorb the shocks of the challenges mentioned above, we have also been implementing strategic initiatives that we not only expect will contribute to significant growth but also to accommodate that growth. We have commenced the process of fortifying our back-end support infrastructure and an exercise to review our internal IT processes is ongoing, with a view of making our organisation more efficient and member focused. Considering the series of natural disasters we experienced in 2021, we deemed it necessary to revamp our business continuity plan. We have also executed a project to upgrade our redundant power capabilities and to ensure our staff can work remotely if necessary. This will be completed before the 2022 Atlantic hurricane season begins.

Effective marketing is implicit in any strategic plan for growth. While we are pleased to have

seen considerable gains from our investments, we cannot continue to rely on investment income to bolster our declining income from loans. In 2021 we made the decision to enhance our focus on marketing. We are currently undergoing a brand audit and continually reviewing our loan policy and our products and services to make them more competitive and member centric. The results from our analysis of our internal processes and the upgraded facilities to perform our due diligence also positions us to confidently market our risk based financial solutions. These marketing initiatives are already producing some green shoots, with membership increasing by 34% as we now surpass 1100 members. As the economy rebounds in 2022 we project reasonable growth in loans as well. As we look forward to a challenging but exciting 2022, I would like to thank the staff and committee members, who have contributed not only to our performance of the past financial year but in the execution of our programs as well. I would also wish to thank our members who continue to be loyal to our Credit Union.



**Julian Watson B.Sc., PMP**  
*Treasurer*

BET CO-OPERATIVE  
CREDIT UNION LTD



# GREEN ENERGY

## HYBRID & ELECTRIC VEHICLE LOAN

INTEREST RATE

# 3.5%

on vehicles up to

## 4 YEARS

Special Terms & Conditions Apply



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CREDIT UNION LTD**  
*Strong Past, Secure Future.*



**BET CO-OPERATIVE  
CREDIT UNION LTD**

*Strong Past, Secure Future.*

**FINANCIAL STATEMENTS**  
**OF THE BET CO-OPERATIVE CREDIT UNION LIMITED**  
*March 31, 2022*

**PJC**

**Chartered Accountants  
Barbados**

*“We reckon but people count”*

# UPDATE YOUR INFORMATION

in 4 Easy Steps



1

## Two Forms of Picture Identification

- ID Card
- Passport
- Drivers License



2

## Proof of Address

- Utility Bill
- Bank or credit card statements



3

## Proof of Source of Income

- Job Letter or Pay Slip
- Bank Statements (1 year)
- Recent Pension Letter or Cheque



4

## Email & Mobile Contact Numbers



## Your Safety is our #1 Priority.

Visit us Monday to Friday, between 8am - 4pm,  
or call us for more information.

The BET Cooperative Credit Union Limited (BETCUL), in compliance with the Money Laundering and Financing of Terrorism (Prevention and Control) Act, 2011-23 (MLFTA), must obtain relevant information on the identity of our members and verify the same using reliable, independent source documents, to prove to our satisfaction that the individual is who that individual claims to be.

 (246) 430-8870 | 71

 [info@betcul.com](mailto:info@betcul.com)

 [www.betcul.com](http://www.betcul.com)

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**BET CO-OPERATIVE  
CREDIT UNION LTD**  
*Strong Past, Secure Future.*



## Independent Auditors' Report

The Members  
B E T Co-operative Credit Union Ltd.

### Opinion

We have audited the financial statements of **B E T Co-operative Credit Union Ltd.**, which comprise the Balance Sheet as at March 31, 2022, and the Statement of Changes in Equity, Statement of Comprehensive Income and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Credit Union as at March 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

### Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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



*Chartered Accountants*

## Independent Auditors' Report

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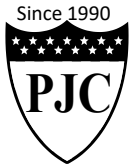
### **Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

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

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



*Chartered Accountants*

## Independent Auditors' Report

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### **Other information**

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

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

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

### **Other Matter**

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

-----  
**PETER J. CARTER & CO.**

Chartered Accountants

Barbados

June 15, 2022



## BET CO-OPERATIVE CREDIT UNION LIMITED

### BALANCE SHEET

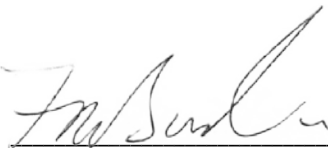
March 31, 2022

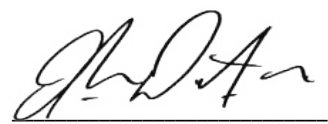
Expressed in Barbados dollars

	<u>2022</u>	<u>2021</u>
<b>Assets</b>		
Current assets		
Cash and cash equivalents - Note 7	6,996,009	6,123,846
Accounts receivable and prepayments - Note 8	239,735	341,746
Current investments - Note 10	<u>5,226,909</u>	<u>9,650,000</u>
	12,462,653	16,115,592
Investment property - Note 9	2,187,494	2,187,494
Non-current investments - Note 10	11,082,593	7,132,200
Loans to members - Note 11	12,592,748	12,873,846
Property, plant and equipment - Note 12	<u>1,815,863</u>	<u>1,836,305</u>
Total assets	<u><u>40,141,351</u></u>	<u><u>40,145,437</u></u>
<b>Liabilities and equity</b>		
Liabilities		
Accounts payable and accruals - Note 13	209,433	205,570
Deposits payable - Note 14	35,200,479	35,241,642
Qualifying shares - Note 15	<u>105,480</u>	<u>101,760</u>
Total liabilities	<u>35,515,392</u>	<u>35,548,972</u>
Equity		
Statutory reserve	4,045,246	4,044,991
Unrealised gain reserve - Note 10(b)	1,276,516	1,102,336
Accumulated deficit	<u>(695,803)</u>	<u>(550,862)</u>
Total equity	<u>4,625,959</u>	<u>4,596,465</u>
Total liabilities and equity	<u><u>40,141,351</u></u>	<u><u>40,145,437</u></u>

See notes to financial statements.

Approved by the Board of Directors, June 15, 2022, and signed on their behalf by:

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Treasurer



## BET CO-OPERATIVE CREDIT UNION LIMITED

### STATEMENT OF CHANGES IN EQUITY

Year ended March 31, 2022

Expressed in Barbados dollars

	Statutory Reserve	Unrealised gain reserve	Undivided Earnings	Total
Balance – March 31, 2020	4,044,861	935,179	(579,951)	4,400,089
Entrance fees	130	0	0	130
Fair value gain on unquoted equity investments prior year adjustment	0	167,157	0	167,157
Net loss for year	0	0	29,089	29,089
Balance - March 31, 2021	4,044,991	1,102,336	(550,862)	4,596,465
Entrance fees	255	0	0	255
Fair value gain on unquoted equity investments prior year adjustment	0	174,180	0	174,180
Loan interest rebate	0	0	(53,768)	(53,768)
Net income for year	0	0	(91,173)	(91,173)
Balance - March 31, 2022	4,045,246	1,276,516	(695,803)	4,625,959

See notes to financial statements.



## BET CO-OPERATIVE CREDIT UNION LIMITED

### STATEMENT OF COMPREHENSIVE INCOME

Year ended March 31, 2022

Expressed in Barbados dollars

	<u>2022</u>	<u>2021</u>
<b>Interest income</b>		
Loans to members	919,717	923,209
Investments	341,395	289,812
Cash and cash equivalents	<u>2,706</u>	<u>2,577</u>
	<u>1,263,818</u>	<u>1,215,598</u>
<b>Interest expense</b>		
Demand deposits -1% (prior year 1%)	70,346	72,950
Non-qualifying shares - 0.25% p.a. (prior year nil)	42,813	0
Mortgage deposits - 8.5% (prior year 8.5%)	12,699	18,362
Term deposits - 1.1% to 1.25% (prior year 1.1% to 1.25%)	<u>112,896</u>	<u>126,087</u>
	<u>238,754</u>	<u>217,399</u>
<b>Net interest income</b>	<u>1,025,064</u>	<u>998,199</u>
<b>Other income</b>		
Dividend income	50,200	29,532
Sundry income	12,006	5,880
Investment property net income - Note 9	<u>57,404</u>	<u>63,496</u>
	<u>119,610</u>	<u>98,908</u>
<b>Other expenses</b>		
Depreciation - non-rental property	48,979	48,570
Staff costs - Note 6	223,533	151,143
Write-down of Government securities - Note 10(d)	0	59,000
Other operating expenses	<u>963,335</u>	<u>809,305</u>
	<u>1,235,847</u>	<u>1,068,018</u>
<b>Net (loss) / income for year</b>	(91,173)	29,089
<b>Other Comprehensive income</b>		
Fair value gain on unquoted equity shares - Note 10(b)	<u>174,180</u>	<u>167,157</u>
<b>Net comprehensive income for year</b>	<u><u>83,007</u></u>	<u><u>196,246</u></u>

See notes to financial statements.



## BET CO-OPERATIVE CREDIT UNION LIMITED

### STATEMENT OF CASH FLOWS

Year ended March 31, 2022

Expressed in Barbados dollars

	<u>2022</u>	<u>2021</u>
<b>Cash provided / (used) by:</b>		
<b>Operating activities</b>		
Net comprehensive income / (loss) for year	83,007	196,246
<i>Add item not involving cash</i>		
Depreciation - non-rental property	48,979	48,570
	<u>131,986</u>	<u>244,816</u>
<i>Change in non-cash operating items</i>		
Accounts receivable and prepayments	102,011	(49,577)
Accounts payable and accruals	3,863	(43,578)
Deposits payable	(41,163)	718,747
Qualifying shares	3,720	1,440
Net cash provided by operating activities	<u>200,417</u>	<u>871,848</u>
<b>Investing activities</b>		
Decrease in loans to members - net	281,098	313,658
Decrease / (increase) in investments	472,698	(1,640,988)
Purchase of plant and equipment	(28,537)	(2,650)
Net cash provided / (used) by investing activities	<u>725,259</u>	<u>(1,329,980)</u>
<b>Financing activities</b>		
Loan interest rebate	(53,768)	0
Entrance fees	255	130
Net cash (used) / provided by financing activities	<u>(53,513)</u>	<u>130</u>
Increase / (decrease) in cash and cash equivalents	872,163	(458,002)
Cash and cash equivalents - start of year	<u>6,123,846</u>	<u>6,581,848</u>
<b>Cash and cash equivalents - end of year</b>	<u><u>6,996,009</u></u>	<u><u>6,123,846</u></u>

See notes to financial statements.



# BET CO-OPERATIVE CREDIT UNION LIMITED

## NOTES TO FINANCIAL STATEMENTS

March 31, 2022

Expressed in Barbados dollars

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### 1. Registration

B E T Co-operative Credit Union Ltd. was registered on September 16, 1966 in accordance with the Co-operative Societies' Act, Cap 378. The Credit Union was continued on July 26, 1994 under the Co-operative Societies Act 1990. The principal place of business is located at Corner 5<sup>th</sup> Avenue Belleville and Pine Road, St. Michael, Barbados.

### 2. Principal Activities

The principal activities are as follows:

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

### 3. Significant accounting policies

#### (a) *Basis of accounting*

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

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

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements and reported amounts of revenues and expenses during the period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Key sources of estimation uncertainty include impairment of loans, determination of appropriate rates for depreciation of plant and equipment, estimation of the fair value of unquoted equity investments and computation of the amortized cost of long-term securities. The credit union's critical accounting policies and estimates, and their application, are reviewed periodically by management.





## BET CO-OPERATIVE CREDIT UNION LIMITED

### NOTES TO FINANCIAL STATEMENTS

March 31, 2022

Expressed in Barbados dollars

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### 3. Significant accounting policies - continued

(d) *Changes in accounting standards*

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

(e) *Taxation*

The Credit Union is not required to pay taxes on its net income under Section 7(g) of the Income Tax Act of Barbados.

(f) *Depreciation*

Depreciation is provided on plant and equipment on a straight line basis at a rate designed to reduce the cost of assets to their residual value at the end of their useful lives in the business. The annual rates being used are: Buildings - 2%, Furniture - 10% and Equipment - 12.5% and 33.33%.

(g) *Investment property*

Investment property is property held to earn rentals. Investment property is initially measured at cost, including transaction costs, and remeasured at fair value which is the amount for which the property could be exchanged between knowledgeable, willing parties in an arm's length transaction. The carrying amount of the investment property is the fair value of the property as determined as at each balance sheet date. Gains or losses arising from changes in the fair value of investment property are included in the Statement of Comprehensive Income or Loss for the period in which it arises.

(h) *Investments*

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

(i) *Statutory reserve*

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



## BET CO-OPERATIVE CREDIT UNION LIMITED

### NOTES TO FINANCIAL STATEMENTS

March 31, 2022

Expressed in Barbados dollars

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#### 3. Significant accounting policies - continued

(j) *Education Fund*

A provision is made for Education as stipulated by the Barbados Co-operative & Credit Union League Ltd. The amount provided is three percent (3%) of net income or \$15,000, whichever is the lesser.

(k) *Impairment provision*

The level of impairment of the loan portfolio is determined using an Expected Credit Loss (ECL) Model. All outstanding loans are taken into account, as well as loan commitments.

(l) *Income recognition*

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

(m) *Cash and cash equivalents*

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

#### 4. Fair value of Financial Instruments

(a) *Financial instruments*

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

(b) *Fair Value*

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

(c) *Credit Risk*

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



## BET CO-OPERATIVE CREDIT UNION LIMITED

### NOTES TO FINANCIAL STATEMENTS

March 31, 2022

Expressed in Barbados dollars

#### 4. Fair value of Financial Instruments - continued

(d) *Liquidity Risk*

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

(e) *Market Risk*

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes interest rate risk. Interest rate risk is the risk of fluctuations in interest rates. The Credit Union's exposure to market risk on its financial instruments is disclosed in Notes 7, 10 and 11.

#### 5. Related parties

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

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

	<u>2022</u>	<u>2021</u>
Loans	706,880	706,880
Shares and deposits payable	723,469	559,627

(c) Honoraria paid to related parties is included in Operating Expenses, as follows:

Honoraria	<u>35,000</u>	<u>35,000</u>
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(d) Key management personnel compensation is included in Staff Costs, as follows:

Employee benefits	<u>91,466</u>	<u>22,277</u>
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## BET CO-OPERATIVE CREDIT UNION LIMITED

### NOTES TO FINANCIAL STATEMENTS

March 31, 2022

Expressed in Barbados dollars

<b>6. Staff costs</b>	<u>2022</u>	<u>2021</u>
	<u>223,533</u>	<u>151,143</u>

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

<b>7. Cash and cash equivalents</b>	<u>2022</u>	<u>2021</u>
Bank account - 0.05% p.a. (prior year 0.05%)	5,567,708	4,844,076
Bank accounts - no interest	1,404,072	1,255,540
Demand deposit - Barbados Co-operative & Credit Union League Ltd.	23,980	23,980
Petty cash	250	250
	<u>6,996,009</u>	<u>6,123,846</u>

<b>8. Accounts receivable and prepayments</b>	<u>2022</u>	<u>2021</u>
Interest receivable	348,279	435,709
Other accounts receivable	213,992	213,442
Less: Impairment provision	(354,000)	(338,444)
Prepayments and security deposits	31,464	31,039
	<u>239,735</u>	<u>341,746</u>

<i>(a) Impairment provision</i>	<u>2022</u>	<u>2021</u>
Balance - start of year	338,444	401,734
Bad debts recovered	0	(72,290)
Increase in provision	15,556	9,000
Balance - end of year	<u>354,000</u>	<u>338,444</u>



## BET CO-OPERATIVE CREDIT UNION LIMITED

### NOTES TO FINANCIAL STATEMENTS

March 31, 2022

Expressed in Barbados dollars

	<u>2022</u>	<u>2021</u>
<b>9. Investment property</b>		
Land - cost	145,257	145,257
Building	<u>1,713,794</u>	<u>1,713,794</u>
Cost - before revaluation	1,859,051	1,859,051
Unrealized gain on investment property revaluation	<u>328,443</u>	<u>328,443</u>
Fair value - end of year	<u>2,187,494</u>	<u>2,187,494</u>
<b>(a) Investment property income / (expenses)</b>	<u>2022</u>	<u>2021</u>
Rent income	84,000	87,284
Expenses	<u>(26,596)</u>	<u>(23,788)</u>
	<u>57,404</u>	<u>63,496</u>

- (b) Investment property comprises land and building located at #6 Pine Road, Belleville, St. Michael, Barbados. The land was revalued from its original cost to \$473,700 based on the valuation made by the Government's Valuers as at March 20, 2020 in accordance with the Land Valuation Act 1969-20. The building is recorded at cost which is considered a reasonable estimate of its fair value since it was only recently completed. The carrying value of the investment property is considered by the directors to be a reasonable estimate of its fair value as at the Balance Sheet date.



## BET CO-OPERATIVE CREDIT UNION LIMITED

### NOTES TO FINANCIAL STATEMENTS

March 31, 2022

Expressed in Barbados dollars

<b>10. Investments</b>	<u>2022</u>	<u>2021</u>
<i>(a) Current investments</i>		
<i>Held-to-maturity</i>		
Barbados Workers Union Co-operative Credit Union Ltd. - 1.5% p.a. (prior year 1.5%)	0	1,700,000
Capita Financial Services Inc. - 2.15% p.a. (prior year 1.9% to 2.65%)	1,000,000	3,750,000
First Citizens Investment Services Inc. - 2% to 2.1% p.a. (prior year 2%)	4,150,000	3,450,000
Barbados Port Inc. Bonds, 4.2% p.a. (prior year 7.5%), maturing 2024	76,909	0
Barbados Public Workers Co-operative Credit Union Ltd. - prior year 1.75%	0	750,000
	<u>5,226,909</u>	<u>9,650,000</u>
<i>Non-current investments</i>		
<i>Held-to-maturity</i>		
Barbados Port Inc. Bonds, 4.2% p.a. (prior year 7.5%), maturing 2024	346,091	423,000
Capita Financial Services Inc. - 2.15% to 2.25% p.a. (prior year 2.15%), maturing 2022	4,803,073	1,000,000
Government securities – net – Note (c), (d)	3,900,143	3,900,143
<i>Available-for-sale</i>		
Co-operators General Insurance Co. Ltd. - 5,163 common shares (prior year 5,020)	2,033,086	1,808,857
Barbados Co-operative & Credit Union League Ltd.: - 20 membership shares	200	200
	<u>11,082,593</u>	<u>7,132,200</u>
Total investments	<u>16,309,502</u>	<u>16,782,200</u>



## BET CO-OPERATIVE CREDIT UNION LIMITED

### NOTES TO FINANCIAL STATEMENTS

March 31, 2022

Expressed in Barbados dollars

#### 10. Investments - continued

- (b) The fair value of unquoted equity investments is based on a valuation done by the Consulting Division of the Cave Hill School of Business (CHSOB). CHSOB performed a valuation as at May 31, 2021 for each of these unquoted investments, using a range of generally accepted valuation models. The “best estimate” of the fair market value was estimated as the median value of the fair market values generated from the various models used. The valuation models used were Book Value, Market to Book, Trailing Price Earnings, Price to Sales, Price to Earnings Before Tax and Dividend Growth, Price to Earnings Before Tax, Depreciation and Amortization, Dividend Growth Model and Free Cash Flows to Equity. The Directors consider that the valuation of the unquoted equity investments arrived at by the process described above reflects their fair value as at the balance sheet date.
- (c) Government restructured securities are Series B securities, consisting of eleven (11) amortizing strips with maturities ranging from five (5) to fifteen (15) years. Interest is payable at the end of each calendar quarter. Interest rates are 1% per annum for the first three (3) years beginning October 01, 2018 and ending September 30, 2021; 2.5% per annum for year four (4) beginning October 01, 2021 and ending September 30, 2022; and 3.75% per annum starting October 01, 2022 until maturity on September 30, 2033. The principal of each strip will be repaid in four equal quarterly instalments commencing one year prior to the maturity date of that strip. In keeping with generally accepted accounting policies and standards, Management has applied a Net Present Value (NPV) calculation to its holdings of these securities which has resulted in a write-down of value as shown below.
- (d) The maturity profile of the government securities is as follows:

<i>Maturity Profile</i>	<u>2022</u>	<u>2021</u>
<i>Barbados Optional Savings Scheme bonds</i>		
One to 5 years	500,000	500,000
<i>Series B securities</i>		
One year	70,802	0
One to 5 years	1,210,817	961,734
Greater than 5, up 10 years	1,790,938	1,725,335
Greater than 10, up to 15 years	<u>708,586</u>	<u>1,094,074</u>
Government securities - gross	4,281,143	4,281,143
Net present value adjustment	<u>(381,000)</u>	<u>(381,000)</u>
Government securities - net	<u><u>3,900,143</u></u>	<u><u>3,900,143</u></u>



## BET CO-OPERATIVE CREDIT UNION LIMITED

### NOTES TO FINANCIAL STATEMENTS

March 31, 2022

Expressed in Barbados dollars

<b>11 Loans to members</b>	<u>2022</u>	<u>2021</u>
Gross loans	14,692,748	14,547,212
Less: Impairment provision	<u>(2,100,000)</u>	<u>(1,673,366)</u>
Net value of loans	<u>12,592,748</u>	<u>12,873,846</u>
<i>(a) Impairment provision</i>	<u>2022</u>	<u>2021</u>
Balance - start of year	1,673,366	1,273,366
Increase in provision	<u>426,634</u>	<u>400,000</u>
Balance - end of year	<u>2,100,000</u>	<u>1,673,366</u>
<i>(b) As at the Balance Sheet date, the maturity profile of loans to members was as follows:</i>	<u>2022</u>	<u>2021</u>
<i>Amounts due in:</i>		
Less than one year	191,495	166,362
One to five years	2,498,123	2,227,444
Over five years	<u>12,003,130</u>	<u>12,153,406</u>
Total	<u>14,692,748</u>	<u>14,547,212</u>
<i>(c) Loans are generally granted at an interest rate of 12% per annum. Mortgage loans are repayable at either a variable interest rate of 5.75% per annum for a minimum of three years, or at a fixed interest rate of 8.50% per annum. Mortgage loans are secured by legal charges as first or second mortgages over the relevant properties. All interest is charged on the reducing balance basis.</i>		
<i>(d) A Line of Credit is granted at an interest rate of 16% per annum and is limited to a repayment period of twenty-four months.</i>		
<i>(e) The impairment provision in respect of loans receivable was calculated using an Expected Credit Loss (ECL) model developed by a professional services firm. The model was designed to enable compliance with the requirements of International Financial Reporting Standards (IFRS 9).</i>		
<i>(f) Commitments</i>	<u>2022</u>	<u>2021</u>
Loans approved but not yet disbursed as at the balance sheet date	<u>226,655</u>	<u>206,634</u>





## BET CO-OPERATIVE CREDIT UNION LIMITED

### NOTES TO FINANCIAL STATEMENTS

March 31, 2022

Expressed in Barbados dollars

#### 12. Property, plant and equipment

	Total	Furniture and equipment	Property
<b>As at March 31, 2020</b>			
Cost	2,541,970	369,837	2,172,133
Accumulated depreciation	(659,745)	(324,860)	(334,885)
Net book value	<u>1,882,225</u>	<u>44,977</u>	<u>1,837,248</u>
<b>Year ended March 31, 2021</b>			
Net book value - start of year	1,882,225	44,977	1,837,248
Purchases	2,650	2,650	0
Depreciation charge	(48,570)	(11,327)	(37,243)
Net book value - end of year	<u>1,836,305</u>	<u>36,300</u>	<u>1,800,005</u>
<b>As at March 31, 2021</b>			
Cost	2,544,620	372,487	2,172,133
Accumulated depreciation	(708,315)	(336,187)	(372,128)
Net book value	<u>1,836,305</u>	<u>36,300</u>	<u>1,800,005</u>
<b>Year ended March 31, 2022</b>			
Net book value - start of year	1,836,305	36,300	1,800,005
Purchases	28,537	28,537	0
Depreciation charge	(48,979)	(11,736)	(37,243)
Net book value - end of year	<u>1,815,863</u>	<u>53,101</u>	<u>1,762,762</u>
<b>As at March 31, 2022</b>			
Cost	2,573,157	401,024	2,172,133
Accumulated depreciation	(757,294)	(347,923)	(409,371)
Net book value	<u>1,815,863</u>	<u>53,101</u>	<u>1,762,762</u>

- (a) Property consists of land and building at 5<sup>th</sup> Avenue, Belleville, St. Michael, Barbados. The property was valued at \$1,750,000 as at March 20, 2020 by the Government's Valuers in accordance with the Land Valuation Act 1969-20. The valuation is considered by the directors to be a reasonable estimate of the fair value of the property as at the Balance Sheet date.



## BET CO-OPERATIVE CREDIT UNION LIMITED

### NOTES TO FINANCIAL STATEMENTS

March 31, 2022

Expressed in Barbados dollars

<b>13. Accounts payable and accruals</b>	<u>2022</u>	<u>2021</u>
Interest payable	29,656	34,890
Other accounts	<u>179,777</u>	<u>170,680</u>
	<u>209,433</u>	<u>205,570</u>

(a) Other accounts include a provision of \$40,000 in respect of a claim made against the Credit Union by a former staff member. As at the balance sheet date, the directors are of the opinion that any additional claim is not likely to be immaterial.

<b>14. Deposits payable</b>	<u>2022</u>	<u>2021</u>
Demand deposits and non-qualifying shares	25,126,430	25,163,361
Mortgage deposits	186,303	417,013
Term deposits	<u>9,887,746</u>	<u>9,661,268</u>
	<u>35,200,479</u>	<u>35,241,642</u>

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



## BET CO-OPERATIVE CREDIT UNION LIMITED

### NOTES TO FINANCIAL STATEMENTS

March 31, 2022

Expressed in Barbados dollars

15. Qualifying shares	<u>2022</u>	<u>2021</u>
	<u>105,480</u>	<u>101,760</u>

- (a) There is no limit to the number of shares that the Credit Union is authorized to issue. The number of shares held by a member does not determine the member's voting rights since each member is entitled to one vote only at any general meeting.
- (b) The Credit Union amended its By-Laws to create a new class of shares called 'Qualifying Shares', in accordance with the requirements of the Co-operative Societies Amendment Act 2007-39. Each member is required to maintain a specified number of qualifying shares in order to maintain membership. These qualifying shares are redeemable if the member chooses to close the account.
- (c) Qualifying shares are classified in the Balance Sheet as liabilities instead of equity in accordance with the requirements of the International Financial Reporting Standards (IFRS). The IFRS require such shares to be classified as a liability as their terms provide for withdrawal at the option of the member. The IFRS require that for shares to be classified as equity, either the Credit Union must have an unconditional right to refuse redemption of such shares or the Credit Union is prohibited by Law or by its governing charter / By-Laws from redeeming such shares.

#### 16. Comparative amounts

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



## BET CO-OPERATIVE CREDIT UNION LIMITED

### SCHEDULE OF OTHER OPERATING EXPENSES

Year ended March 31, 2022

Expressed in Barbados dollars

	<u>2022</u>	<u>2021</u>
Advertising and marketing	35,919	9,991
Bank charges	8,092	6,664
Computer expenses	19,796	19,638
Co-operative and anniversary celebrations	7,493	1,356
Donations	2,150	1,368
Education Fund provision	2,600	7,500
Financial Services Commission annual fee	20,063	35,970
Honoraria	35,000	35,000
Impairment provision - increase	442,190	336,710
Insurance	11,654	11,654
League membership dues	23,552	26,263
Meetings - members	32,146	28,602
Meetings - other	1,824	310
Mutual Benefits Plan assessments	69,106	68,052
Miscellaneous	332	66
Office expenses	37,952	25,620
Postage and courier services	5,879	3,736
Professional and legal fees	108,026	95,656
Property expenses	15,764	8,514
Property tax	14,962	14,962
Repairs and maintenance	7,528	4,001
Security	5,305	7,913
Software maintenance	4,803	4,611
Stationery	8,341	12,397
Training - members	1,293	3,445
Utilities - electricity	21,872	17,974
Utilities - telephone	16,198	17,868
Utilities - internet	2,405	2,520
Utilities - water	1,090	944
	<u>963,335</u>	<u>809,305</u>



## MEMBERS

The following persons attended the Annual General Meeting of the BET Co-operative Credit Union Limited which was held at the Radisson Aquatica Resort Barbados on June 26th, 2021.

### LIST OF MEMBERS

MICHAEL ALLEYNE	KIRK FORDE	JANELLE MASON
PATSY ATHERLEY	KAHLIAH FORDE	ROSLYN REID
COREEN ARMSTRONG	DAVID GITTENS	BASILIO ROCK
ERIC ALKINS	DEBBIE HAYNES	ROXANA ROGERS BELLOT
FELTON BURTON	JOYCELYN HEADLEY	VICTOR REID
PAUL BRAZANT	KERRI HEADLEY	SYLVESTER SIMMONS
ROLRIC BRANCH	VILNA JOHNSON	SANDRA SEALY
DIANA BRATHWAITE	TONI KNIGHT	RANDY SONSON
CARLTON BOURNE	PHILIP N KING	MICHELLE SCANTLEBURY
ALVINA BYNOE	RYAH KING	JULIAN WATSON
CLIFFORD BOSTIC	PHILIP F KING	WENDY WALCOTT
ROLRIC BRANCH	JEAN LINTON	SHARON WALKE
ANDREW COLLYMORE	PAMELA LORD	BRENDA WATSON
SHANELLE ESTWICK	JAMELLE LEAYNE	CALVIN WATSON
ANDREW ESTWICK	CARRIE ANN MORRIS SEARLE	IAN WOOD
ADRIAN EDGHILL	ORMOND MCCONNEY	
SANDRA FORDE	SHEM MAXWELL	

### LIST OF VISITORS

JENNIFER MAYNARD	STAFF – BET CO-OPERATIVE CREDIT UNION LTD.
RYAN REECE	STAFF – BET CO-OPERATIVE CREDIT UNION LTD.
CUTHBERT CARTER	PETER J CARTER & CO. (AUDITOR)
NYESHA CARTER	
KATHYANN BRATHWAITE	
PAULA BROOKER	
DONNA ERISTHEX	



**BET CO-OPERATIVE  
CREDIT UNION LTD**  
*Strong Past, Secure Future.*

## STANDING ORDERS

### STANDING ORDERS

1. (a) A member to stand when addressing the Chair.  
(b) Speeches to be clear and relevant to the subject before the meeting.
2. A member shall only address the meeting when called upon by the Chairman to do so, after which he shall immediately take his seat.
3. No member shall address the meeting except through the Chairman.
4. A member may not speak twice on the same subject except:
  - (a) The Mover of a Motion - who has the right of reply
  - (b) He rises to object or to explain (with the permission of the Chair).
5. The Mover of a Procedural Motion - (Adjournment laid on the table, Motion to postpone) to have no right of reply.
6. No speeches to be made after the "Question" has been put and carried or negative.
7. A member rising on a "Point of Order" to state the point clearly and concisely. (A "Point of Order" must have relevance to the "Standing Orders").
8. (a) A member should not "call" another member "to order" - but may draw the attention of the Chair to a "Breach of Order".  
  
(b) In no event can a member call the "Chair to Order".
9. A "Question" should not be put to the vote if a member desires to speak on it or move an amendment to it - except, that a "Procedural Motion", "The Previous Question", "Proceed to the Next Business" or the "Closure": "That the Question be "NOW PUT", may be moved at any time.
10. Only one amendment should be before the meeting at one and the same time.
11. When a motion is withdrawn any amendment to it fails.
12. The Chairman to have the right to a "Casting Vote".

13. If there is equality of voting on an amendment, and if the Chairman does not exercise his Casting Vote, the amendment is lost.
14. Provision to be made for protection by the Chairman from vilification (personal abuse).
15. No member shall impute improper motives against another member.

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

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



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



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

So, when you feel the urge to save money or borrow money, think of the Credit Union - where you get low interest loans and all the surplus is returned to you.

## ***Your Credit Union. It's where you belong!***

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



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





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CREDIT UNION LTD**  
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