



CARIBBEAN
CONFEDERATION
OF CREDIT UNIONS

ANNUAL REPORT 2019

Waves of Change *Oceans of Opportunities*



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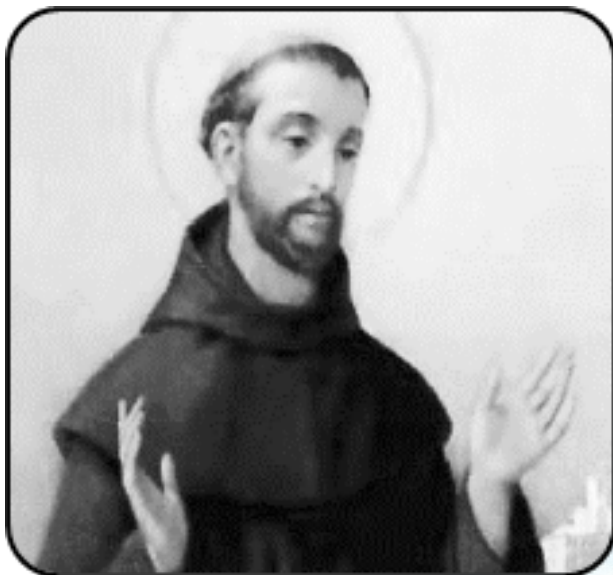
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VISION

To become The Pre-eminent Regional Apex Organization Empowering Caribbean people through a Unified Co-operative Sector.

MISSION

To drive Caribbean Co-operatives towards improved Economic Competitiveness and Social Well-Being



St. Francis of Assisi

THE CREDIT UNION PRAYER

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

*O Divine Master
Grant that I may not so much seek
To be consoled as to console
To be understood as to understand
To be loved as to love*

*For it is in giving that we receive
It is in pardoning that we are pardoned
And it is in dying
That we are born to eternal life.*

Amen



CCCU PROFILE

The Caribbean Confederation of Credit Unions (CCCU) was established on August 17, 1972 in Dominica, as the successor to the West Indies Conference of Credit Societies (WICCS) and serves as the apex trade and development organization for Credit Unions and non-credit union co-operatives in the Caribbean. The CCCU is an affiliate of the World Council of Credit Unions (WOCCU) and represents the Caribbean Diaspora with 2.6 million members as part of the 260 million members of the Global Credit Union Sector.



OBJECTIVES OF THE CCCU

In pursuit of its mission, CCCU performs the following broad functions:

- Defending and representing the interest of the Co-operative Sector;
- Providing technical and managerial assistance to strengthen and expand co-operative sector;
- Promoting and facilitating technology transfers and expertise;
- Conducting promotional and educational campaigns to showcase Co-operative Sector achievements and benefits;
- Organizing educational conventions and other fora to strengthen leadership, governance and management;
- Providing directors and employees opportunities for skills training with regional and international certification;
- Mobilizing financial and technical resources for expanding the sector.

CCCU STRATEGIC BUSINESS UNITS

The CCCU is structured into two (2) primary strategic business units, namely Trade Association and the Development Foundation.

1. Trade Association:

The mandate of the Association is to project the CCCU as a major regional advocate for the Co-operative Sector as a critical stakeholder in social-economic development and integration of the Caribbean. In this regard, it is responsible for research, marketing, representation, affiliate relations, policy advocacy, legislation and regulation, training and education, and expanding the sector throughout the region.

2. Development Foundation

The primary responsibility of the Foundation is to mobilize resources to foster social and community development through co-operative activities and formulating programmes and projects aimed at disaster relief, education, youth and rural development.

Primary Strategic Business Units



2019 CONSOLIDATED STATISTICS
as at December 31, 2019 in U.S. \$

Affiliates	Number of Credit Unions	Membership	Total Savings (Shares & Deposits)	Loans Outstanding	Total Reserves	Total Assets
Antigua & Barbuda	6	43,467	123,322,492	115,442,035	6,236,766	146,549,724
Anguilla	1	167	192,009	39,947	-	222,664
Barbados	31	215,439	1,142,516,128	862,267,782	135,828,773	1,300,599,532
Belize	9	159,308	462,416,319	339,261,832	56,810,717	548,291,195
Bermuda	1	5,325	18,855,461	11,494,943	1,323,207	20,602,071
Cayman Islands	1	14,708	368,360,659	332,723,800	32,538,026	408,493,957
Curacao(FEKOSKAN)	7	34,759	150,290,669	210,291,946	14,053,642	251,531,175
Dominica	6	79,424	227,345,277	201,693,477	26,431,253	331,825,969
Grenada	10	71,647	283,253,672	269,963,038	8,518,611	369,949,160
Guyana	26	29,691	28,379,242	24,961,693	6,808,908	42,620,708
Jamaica	25	1,006,557	726,502,514	668,865,569	55,136,537	935,143,476
Montserrat	1	5,556	20,365,578	19,462,670	1,106,951	22,931,549
St. Kitts & Nevis	4	28,987	125,072,805	103,581,589	16,554,999	153,133,615
St. Lucia	12	73,127	187,206,346	150,422,501	13,737,670	257,250,954
St. Vincent & The Grenadines	4	72,033	171,715,064	128,950,977	12,955,329	200,360,397
Trinidad and Tobago	54	467,296	1,176,240,699	824,312,332	186,744,419	1,403,992,086
SUB-TOTAL	198	2,307,491	5,212,034,934	4,263,736,130	574,785,808	6,393,498,233

Non-Affiliated Credit Unions						
Bahamas	8	44,109	420,113,000	226,913,000	34,053,000	476,202,000
Barbados	2	279	725,797	525,728	151,349	942,109
Guyana	3	4,348	914,935	566,491	334,151	1,496,158
St. Lucia	4	34,983	115,181,927	82,953,175	17,371,033	147,359,723
Trinidad and Tobago	73	251,188	1,205,421,423	702,445,826	173,923,203	1,514,973,494
SUB-TOTAL	90	334,907	1,742,357,082	1,013,404,220	225,832,736	2,140,973,484
TOTAL	288	2,642,398	6,954,392,016	5,277,140,350	800,618,544	8,534,471,717

2018 CONSOLIDATED STATISTICS
as at December 31, 2018 in U.S. \$

Affiliates	Number of Credit Unions	Membership	Total Savings (Shares & Deposits)	Loans Outstanding	Reserves	Total Assets
Antigua & Barbuda	6	40,234	105,796,108	100,344,860	5,492,376	125,547,898
The Bahamas	9	43,193	368,254,051	226,094,788	26,109,310	427,836,451
Barbados	31	205,550	1,056,392,174	834,657,687	132,623,225	1,210,167,603
Belize	9	166,421	435,511,169	336,594,115	66,739,292	522,520,848
Bermuda	1	5,331	16,059,439	11,156,876	1,139,819	17,622,471
Cayman Islands	1	13,924	321,914,378	261,818,710	29,774,880	357,563,164
Curacao (FEKOSKAN)	7	35,001	140,573,524	193,916,643	15,971,548	257,535,500
Dominica	6	76,130	290,397,387	194,108,495	26,499,232	328,685,134
Grenada	10	66,451	257,487,902	240,745,351	7,549,093	319,671,628
Guyana	25	24,172	17,433,048	16,572,666	4,427,422	28,109,101
Jamaica	26	1,020,582	699,262,269	623,670,064	51,278,204	900,674,028
Montserrat	1	5,379	19,520,047	17,770,695	1,001,665	22,000,005
St. Kitts & Nevis	4	27,562	116,020,064	95,681,324	20,524,817	140,288,343
St. Lucia	16	102,544	286,846,006	254,098,576	23,910,959	361,482,905
St. Vincent & The Grenadines	4	70,730	151,225,718	119,669,398	18,654,100	148,395,264
Trinidad & Tobago	56	455,864	928,523,378	707,502,294	143,256,965	1,097,205,289
SUB-TOTAL	212	2,359,068	5,211,216,662	4,234,402,542	574,952,907	6,265,305,632

Non-Affiliated Credit Unions						
Barbados	2	263	672,049	526,684	149,157	878,633
Guyana	4	4,944	2,362,864	1,626,310	286,486	3,105,020
Trinidad and Tobago	71	237,642	980,017,417	694,802,993	158,112,003	1,283,875,842
SUB-TOTAL	77	242,849	983,052,330	696,955,987	158,547,646	1,287,859,495
TOTAL	289	2,601,917	6,194,268,992	4,931,358,529	733,500,553	7,553,165,127



Caribbean Confederation Of Credit Unions

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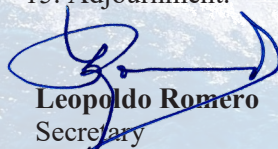
AFFILIATED TO THE WORLD COUNCIL OF CREDIT UNIONS

Notice of 49th Annual General Meeting

Notice is hereby given that the **49TH ANNUAL GENERAL MEETING** of the **CARIBBEAN CONFEDERATION OF CREDIT UNIONS** will be held virtually via On Board Passageways Platform on **SATURDAY 26 SEPTEMBER, 2020** commencing at **11:00 A.M. ATLANTIC STANDARD TIME**.

Agenda

1. Call to Order
2. Invocation/Silent Tribute.
3. Report of Credentials Committee and Ascertainment of Quorum.
4. Approval of Standing Orders.
5. Minutes of the 48th Annual General Meeting of July 30, 2019.
6. Matters Arising from the Minutes.
7. Report of the Board of Directors.
8. Report of the External Auditors.
9. Report of the Treasurer & Financial Statements for the year ended December 31, 2019.
10. Report of the Internal Audit Committee.
11. Elections.
12. Resolutions.
13. Appointment of External Auditors.
14. Any Other Business
15. Adjournment.


Leopoldo Romero
Secretary
July 15, 2020

Affiliates:

Leagues: Antigua & Barbuda, Barbados, Belize, Curacao, Dominica, Grenada, Guyana, Jamaica, St. Christopher and Nevis, St. Lucia, St. Vincent & the Grenadines, Trinidad & Tobago.

Credit Unions: Bermuda, Cayman Islands, Montserrat **Provisional Member:** Anguilla

Associate Members: Co-operators General Insurance-Barbados, Corporate Enterprise Finance Facility Limited (CORP-EFF)-Dominica, UNICAGRIH – Haiti, Q-NET – Jamaica, CUFCM - Jamaica



Caribbean Confederation Of Credit Unions

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AFFILIATED TO THE WORLD COUNCIL OF CREDIT UNIONS

AFFILIATES MEETING TIME

#	<i>Affiliates</i>	<i>Time</i>
	<i>OECS Participants</i>	<i>11:00 a.m.</i>
1.	- <i>Anguilla</i>	
2.	- <i>Antigua & Barbuda</i>	
3.	- <i>Dominica</i>	
4.	- <i>Grenada</i>	
5.	- <i>Montserrat</i>	
6.	- <i>St. Kitts & Nevis</i>	
7.	- <i>St. Lucia</i>	
8.	- <i>St. Vincent & The Grenadines</i>	
9.	<i>Barbados</i>	<i>11:00 a.m.</i>
10.	<i>Belize</i>	<i>9:00 a.m.</i>
11.	<i>Bermuda</i>	<i>12:00 noon</i>
12.	<i>Cayman Islands</i>	<i>10:00 a.m.</i>
13.	<i>Curacao</i>	<i>11:00 a.m.</i>
14.	<i>Guyana</i>	<i>11:00 a.m.</i>
15.	<i>Haiti</i>	<i>11:00 a.m.</i>
16.	<i>Jamaica</i>	<i>10:00 a.m.</i>
17.	<i>Trinidad & Tobago</i>	<i>11:00 a.m.</i>

Affiliates:

Leagues: Antigua & Barbuda, Barbados, Belize, Curacao, Dominica, Grenada, Guyana, Jamaica, St. Christopher and Nevis, St. Lucia, St. Vincent & the Grenadines, Trinidad & Tobago.

Credit Unions: Bermuda, Cayman Islands, Montserrat **Provisional Member:** Anguilla

Associate Members: Co-operators General Insurance-Barbados, Corporate Enterprise Finance Facility Limited (CORP-EFF)-Dominica, UNICAGRIH – Haiti, Q-NET – Jamaica, CUFMC - Jamaica

STANDING ORDERS

1. A member may sit, when addressing the Chair.
- 1.1 Speeches shall be clear and relevant to the subject before the meeting.
2. A member shall address the meeting when called upon by the chairman to do so, after which he/she shall immediately take his/her seat.
3. No member shall address the meeting except through the Chairman.
4. A member shall not speak twice on the same subject except:
 - 4.1 The mover of a motion who has the right to reply;
 - 4.2 He/she rises to object or to explain (with permission of the Chair).
5. No speeches shall be made after the question has been put, carried or negated.
6. The mover of a "procedural motion" (adjournment, postponement, lay on the table) shall have no right of reply.
7. A member rising on "point of order" shall state the point clearly and concisely. (A point of order must have relevance to the Standing Orders).
8. A member shall not "call" another member "to order" but may draw the attention of the Chair to a "breach of order".
 - 8.1 In no event can a member "call" the Chair "to order".
9. A "Question" shall not be put to 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 the time.
10. Only one motion/amendment shall be before the meeting at one and the same time.
11. When a motion is withdrawn, any amendment to it falls.
12. The Chairman shall have, in addition to his/her ordinary vote, a "casting vote" in the case of an equality of votes.
13. If there is an equality of votes on a motion or an amendment, and if the chairman does not exercise his casting vote, the motion or amendment is lost.
14. The Chairman shall make provision for the protection of members from vilification (personal abuse).
15. No member shall impute improper motives against the Chairman, Board of Directors, Officers of the Confederation or any other member.

BOARD OF DIRECTORS



WINSTON FLETCHER
President



JOSEPH REMY
Vice President



LEOPOLDO ROMERO
Secretary



LENNOX BOWMAN
Treasurer



AARON MOSES
Director



HALLY HAYNES
Director



CAROL FRASER
Director



ANDRE GOINDOO
Ex-Officio Director

BOARD OF DIRECTORS REPORT

REGIONAL CREDIT UNION SECTOR PERFORMANCE

For the year under review, the Regional Credit Union (Affiliated and Non-Affiliated) Sector continued to show growth and resilience amidst the competition in the Financial Services Sector. The Movement recorded growth in all the major performance indicators. There was a net increase in Membership of 1.6%, Savings totalled US\$6.9 billion, representing 12% increase, Loans Outstanding increased by 7% totalling US\$5.3 billion and Total Assets of US\$8.5 Billion representing approximately 13% increase over the previous year.

2019 ECONOMIC OVERVIEW

Based on International assessment it appears that the Caribbean region grappled with some harsh economic realities in 2019. However, those countries maneuvered through turbulent waters and weathered the storm. According to the Inter-American Development Bank (IDB) in its December 2019 bulletin, Caribbean countries are still reeling from the effects of the global financial crisis, ten years after. It opined that experiences in 2019 varied from economic growth to low commodity prices. While the economic situation is visibly improving in some countries, others are still struggling, and reforms need to be accelerated in order to facilitate growth and create employment, while building buffers against an eventual worsening of international conditions or weather-related shocks. According to the bulletin, the IDB specifically mentioned that while the Bahamas, Barbados and Jamaica benefited from strong world demand and

low commodity prices, they continue to deal with fiscal challenges, resulting from high debt-to-GDP ratios and related vulnerabilities.

From the perspective of the Caribbean Development Bank (CDB), its 2019 Caribbean Economic Review indicated that Economic growth in its 19 Borrowing Member Countries (BMCs) slowed, on average, from 1.6% in 2018 to 1.0% in 2019. Tourism performance improved in nearly every BMC, with visitor arrivals increasing by double digit percentages in Saint Kitts and Nevis and the Cayman Islands, while increasing to pre-hurricane levels in Anguilla, it continued.

Guyana experienced strong performance in the timber and gold industries, while undergoing extensive preparation for the start of oil production in 2020. Economic growth remained flat in Trinidad and Tobago, pointing to subdued activity in energy, manufacturing and construction. Real GDP contracted by 0.3% in Haiti, where social unrest and political instability undermined economic confidence. Barbados' economy contracted slightly due to delays in the start of major private sector projects, despite gains in tourism. The country made notable progress in implementing its Economic Recovery and Transformation Plan.

DEBT SITUATION

Across the region, the median public debt burden declined marginally, from 62.7% of GDP in 2018 to 62.0% of GDP in 2019. However, despite trending in the right direction, the debt ratio still remained above 60% of GDP in 10 BMCs. The debt ratio fell in

10 BMCs, with the steepest decline in Barbados (from 126.3 % to 119.5%). Other notable decreases occurred in Grenada (62.7% down to 55.8%), Jamaica (98.7% - to 96.1%) and St. Kitts & Nevis (from 56.4% to 44.6%).

OVERVIEW & OUTLOOK - OECS SUB REGION

Overview

Economic activity in the Eastern Caribbean Currency Union (ECCU) continued its upward trajectory, recording its ninth consecutive year of expansion. Preliminary data indicates that the sub-region's economy grew by 3.3 per cent in 2019, following growth of 3.9 per cent recorded in the previous year. This expansion largely reflected improved performances in a number of key sectors, including hotels and restaurants, transport, storage and communications. On a disaggregated basis, provisional numbers revealed that economic activity expanded in all eight member countries.

Real Sector Developments Economic activity in the Currency Union in 2019 was supported by favourable conditions in the global economy, where growth was approximately 2.9 per cent. Value added in the hotels and restaurants sector, a proxy for activity in the tourism industry, expanded by 14.5 per cent compared with an increase of 4.6 per cent in the previous year.

An analysis of the distribution of commercial banks' credit by economic activity indicates that outstanding loans and advances increased by 1.4 per cent compared with a decline of 2.4 per cent during 2018. The financial sector also witnessed the sale of all

Canadian banks operating in the ECCU region by various other banks in 2019.

Outlook

Initial projections for economic growth for 2020 for the ECCU was 3.5%. However, this has since been revised due to the COVID-19 pandemic, and the ECCU economy is now expected to contract by between 10% to 20% for 2020. Based on two scenarios laid out by the Eastern Caribbean Central Bank (ECCB), economic activity in the ECCU is projected to contract between 5.0 per cent and 7.0 per cent (in real terms) in 2020, accompanied by a sharp rise in unemployment.

In the context of the COVID-19 pandemic, downside risks for growth in the international economy have elevated and ultimately the outlook for the ECCU remains highly uncertain. The downward revisions of growth forecasts for the currency union are based on the likelihood of waves of infection, which may continue to disrupt international supply chains and force closures. These shut downs, particularly in major source markets, have adverse implications for the vital tourism industry and tourism-related revenue with invaluable knock-on effects on other auxiliary sectors.

As governments switch resources to fight the pandemic, major planned infrastructural projects may suffer setbacks and ultimately suppress economic activity. Large financing gaps are anticipated, hence a deterioration in the fiscal deficit, as member governments focus their spending on income support and the social wellbeing of vulnerable citizens. In addition, the perennial risk of an active hurricane season remains. On the upside,

falling oil prices and incremental improvements in trade relationships between China and the USA may augur well for the post-pandemic economic outturn.

REGIONAL 2020 OUTLOOK

The International Monetary Fund (IMF) is projecting that the global economy will contract in 2020 on a magnitude larger than the Global Financial Crisis of 2008. The extent of the economic impact depends on the length and severity of the pandemic.

Prior to the outbreak of the Coronavirus, the CDB projected regional economic growth for all its BMCs with an average rate of 4.2%. However, the COVID -19 pandemic has drastically changed the economic landscape for the downturn. Guyana's economy, nonetheless, was expected to grow by 76%, thanks to the start of oil production. With the onset of the pandemic however, this large growth margin may not be realized. Increasing growth rates compared to 2019 were projected by CDB in 12 countries, to include: Barbados, Bahamas, Belize, Grenada, Guyana, Haiti, St. Kitts & Nevis, St. Lucia, St. Vincent & the Grenadines, Suriname, Trinidad & Tobago and Turks and Caicos Islands.

The Caribbean economy is anticipated to contract by 1.8% in 2020 or by 3.1% excluding Guyana. The region will be hurt by falling tourism and remittance inflows due to the COVID-19 pandemic.

Caribbean countries are extremely vulnerable to climate change and natural disasters. The region experienced three Category 5 hurricanes between 2017-2019. When a hurricane strikes, it can wipe

out more than the entire annual GDP of a small island. Major hurricanes including Irma and Maria in 2017, and Dorian in 2019 were stark reminders. Therefore, building fiscal and financial resilience and investing in preparedness are critical to reducing the large human and economic costs caused by climate change and natural disasters.

ANALYSIS OF 2019 CONSOLIDATED (AFFILIATED CREDIT UNION) STATISTICS

Generally, there was overall growth by affiliates in 2019. The major performance indicators were examined and the following observations made: there were 198 credit unions directly affiliated to the Leagues and the CCCU with a membership of 2.3 million and estimates of US\$5.2B in Savings, US\$4.26B in Loans; US\$575M in Reserves and US\$6.4B in Assets. Approximately 4,540 persons were employed in the Credit Union Sector compared to 4,558 in the previous year.

MEMBERSHIP

Membership declined noticeably by 51,577 or 2.2%. This was mainly due to the absence of the Bahamas from the Confederation and also due in part to the withdrawal of four (4) credit unions from the St. Lucia League. Ten (10) affiliates achieved positive growth rates while five (5) affiliates experienced a decline with negative growth rates. The highest growth rate was recorded by Guyana with approximately a 23 percent increase, while growth in the others ranged from 1.8% in St. Vincent & the Grenadines to 8 percent in Antigua & Barbuda.

SAVINGS

Most affiliates recorded growth in Savings, with the exception of Dominica and St. Lucia, which experienced declines of 22% and 35% respectively. Again, Guyana recorded the highest rate of growth from among the affiliates with a 63% increase. Other increases ranged from 4% to 27%.

LOANS

There was positive growth exhibited by all affiliates, except St. Lucia, which showed a 40.8% decrease in Loans. This was attributed to the withdrawal of four of its constituent credit unions. Guyana featured again with the highest rate of 50% followed by Cayman Islands with 27% and Trinidad & Tobago with 17% growth. The other growth rates ranged from 0.8% to 15%.

RESERVES

Nine affiliates recorded positive growth in Reserves while the other six experienced negative growth. Guyana once more recorded the highest percentage growth of 54%.

TOTAL ASSETS

Most affiliates attained positive growth in Assets, with Guyana topping the list with 52% followed by St. Vincent & the Grenadines with 35% and Trinidad and Tobago 28%. Other affiliates, with the exception of Curacao and St. Lucia recorded less than 28%. Curacao and St. Lucia on the other hand exhibited declines of 2% and 29% respectively.

INDIVIDUAL AFFILIATE'S PERFORMANCE

ANTIGUA & BARBUDA – Recorded positive growth in all performance indicators. Highest growth rate was achieved in Total Assets of 16.7% followed by 16.6% in Total Savings. The other growth rates ranged from 8% in membership to 15% in loans.

Community First Credit Union opened a second branch earlier in the year and two credit unions now offer ATM service.

The League hosted a symposium in February to sensitize members on the aspects and functioning of a Credit Bureau. The leadership and management of the Credit Union sector were graced with a meeting of the CCCU Board of Directors during its quarterly BOD meeting in Antigua.

The sector has been adversely affected by an increase in banking fees and they were unable to access the ECCB's Automated Clearing House (ACH).

BARBADOS

Barbados also experienced positive growth in all performance indicators, attaining an 8% growth in Total Savings and Total Assets, while averaging 3.5% in the other areas.

The Macro-Economic environment in which the credit unions operated was challenging, as the government's four-year IMF funded programme entered its second year, with continued expenditure cuts and revenue raising measures.

The Debt Restructuring Programme (DRP) featured long maturities and drastic cuts in

interest rates. This had an adverse impact on the Credit Union system in two aspects:

- (i) Reduction in Income Levels
- (ii) Liquidity problems

Some of the credit unions invested heavily in government papers, particularly Treasury Bills and other short term instruments, resulting in loss of income. Post restructuring, interest rate dropped drastically.

BELIZE

Belize experienced mixed fortunes, with positive growth in three areas, of which, Savings was the highest with 6%, followed by Total Assets of 5% and Loans Outstanding of 0.8%. However, there was negative growth of 4% in membership and 15% in Total Reserves.

Revision of the Credit Union Act was put on hold by the Central Bank, amidst competing demands of other regulatory and legislative requirements. However, the Movement will ensure that the process is not lost, and that the credit union identity is maintained.

A major activity, which had a significant impact on the Belizian Movement, was the introduction of a Deposit Insurance Bill for Financial Institutions by the Central Bank. This legislation was meant to protect small depositors in the event of failure of a financial institution, up to a maximum of US\$10,000.00. Financial Institutions will be required to pay into a fund, which will be administered by a Deposit Insurance Corporation. The passage of this Bill jeopardizes the Stabilization Fund that was initiated by the Credit Union League, as the

credit unions are reluctant to contribute to both funds.

Two major challenges encountered were:

- i. IFRS9: The Credit Unions have been working towards full compliance, but the cost of being compliant with regulatory and legislative requirements was affecting their bottom line, especially when hiring qualified compliance professionals and purchasing essential equipment and software.
- ii. The League was granted a license to become an operator of the National Payment System, and since this was the first time a private entity was given operator status, it necessitated more stringent policies and security measures to be put in place, as well as some services and procurement activities to be outsourced. The “Go Live” date for connectivity to the National Payment System was postponed to September 2020.

BERMUDA

Bermuda experienced growth in most of the indicators except membership, with a less than 1% (0.11%) reduction. There were significant increases in Savings, Total Reserves and Total Assets of 17%, 16% and 17% respectively.

There were some Legislative and Regulatory issues which impacted the movement in 2019. The regulatory issue that impacted the credit union was the inordinate length of time it took to have the name change done. This resolution was passed by the members

as far back as September 2017 but was assented into law on December 13, 2019.

CAYMAN ISLANDS

The Cayman Islands Civil Service Association (CICSA) Credit Union recorded a very successful year achieving positive growth in all the performance indicators. Its highest growth of 27% was attained in loans followed by Savings and Total Assets of 14.4% and 14.2% respectively. The other increases were observed in Membership 5.6% and in Reserves 9%.

CURACAO (FEKOSKAN)

The performance of the Curacao Movement has not been satisfactory and could be termed as relatively fair. There was a reduction in membership of less than one percent (0.7%), and also negative growth in Reserves and Total Assets of 12% and 2% respectively. The reduction in membership could be attributed to loss of jobs due to the economic situation.

The affiliate reported that the Draft Co-operative Policy was presented to government for discussion in Parliament. During the period under review, several courses with international speakers were organized by Curacao Cooperative Academy. The Movement held a successful Co-operative and International Credit Union Day.

There was a successful merger of Hocrest Credit Union and Aviashon Credit Union. The possible liquidation or merging of Santa Famia Credit Union is still pending.

COMMONWEALTH OF DOMINICA

The performance of the sector in Dominica was relatively creditable. There was positive growth in membership, Loans and Total Assets of 4%, 3.9% and 1% respectively. However, negative growth was recorded in Savings (22%), and Reserves (0.3%).

In its quest to promote quality and ensure consistency in prudential standards, the League provided training on Enhanced Debt Collection Techniques, Anti-Money Laundering and Terrorist Financing and Ethics in the workplace, among others, for all management, volunteers and staff of the various credit unions. The Movement continued to invest heavily in strategically preparing its leaders in areas of strategic management and governance oversight. The need to increase the compliance culture within the Movement, provided increased impetus for advance training in areas of AML/CFT compliance.

Advocacy continues to be an important pillar and centre of focus for the League. Activities included: Stakeholder and member engagements through village sensitization meetings, radio programmes ("The Co-operative Voice"), collaboration with the ECCB during Financial Information Month, as well as broad engagements with the public and private sectors to highlight areas of interest to the Movement.

Its social responsibility post Hurricane Maria to its members and communities increased. The League raised scholarship awards from two per year to 2 full scholarships and 20 bursaries annually. The Movement partnered with the CCCU in providing financial disaster relief assistance to a sister League, the Bahamas Co-operative League.

The Dominica League registered two subsidiary companies: National Credit Solutions Ltd., geared towards assisting affiliates in areas of debt collection and delinquency management and MLajan Ltd., a financial technology company pioneering a revolutionary mobile wallet product, to foster the provision of digital financial services for the Movement and the OECS region.

GRENADA

Grenada had a very successful year, with positive growth in all the major indicators. The highest growth was recorded in Total Assets of 16%, followed by Reserves of 13% and Loans with 12%. The other increases in Savings and Membership were 10% and 8% respectively.

Some of the achievements for 2019 were as follows:

1. The Grenada Co-operative League Limited hosted the first Youth Symposium at the Spice Basket on October 4, 2019. A total of Ninety-two (92) young credit union members from the 10 credit unions attended the forum.
2. Ariza Credit Union celebrated the opening of its newly constructed office in Carriacou in December.
3. Ariza Credit Union sponsored the Inaugural Pure Grenada Open Water Invitational in September at the Grand Anse Beach.
4. Ariza continued its obligation of offering scholarships for access to secondary and tertiary education.
5. GUT Credit Union donated to the Grenada National Kidney Patient Foundation the sum of \$3,000.00 and

\$6,000 to Chores, a foundation that deals with specialized medical problems.

6. Communal Credit Union celebrated its 55th anniversary with the opening of a branch in Grand Anse.
7. The League organized and coordinated a March & Rally at the Pearls Airstrip in observance of International Credit Union (ICU) Day to increase the awareness of credit unionism. It was well attended with over a thousand members in attendance.

GUYANA

From all indications, Guyana had a very successful year. There were phenomenal rates of growth in the major performance indicators. Its highest growth rate of 63 % was achieved in Savings, – mainly due to aggressive promotional campaigns undertaken by some credit unions.

It must be pointed out that from among the affiliates, Guyana attained the highest growth rate in all the indicators: 23% in Membership, 63% in Savings, 51% in Loans, 54% in Reserves and 52% in Assets; a remarkable feat indeed. This was mainly attributed to the formation of a new credit union, which also became an affiliate of the League.

JAMAICA

Apart from a slight (1%) reduction in membership, Jamaica experienced growth in all other performance indicators. The decline in membership was mainly due to the loss of one credit union. That particular credit union transitioned to a Thrift Society during 2019. Notwithstanding the aforementioned, Jamaica

remains the affiliate with the highest membership of over 1 million members.

The highest growth was achieved in Reserves of 7.5%, followed by Loans with 7.3%. The other increases attained were in Savings and Assets of 3.9% and 3.8% respectively.

It must be pointed out that if the analysis was carried out in the local currency, the percentage increase would have been higher, but because of fluctuations in the exchange rate, the growth rate appears smaller. For instance, the exchange rate in 2018 was J\$127.72 to US\$1.00 whereas in 2019 it was J\$132.57 to US\$1.00.

MONTSERRAT

This affiliate also recorded a relatively good performance, achieving positive growth in all areas. Its highest growth rate of 10.5% was achieved in Reserves, followed by Loans with 9.5%. Other increases in Savings, Membership and Total Assets were 4%, 3% and 4% respectively.

The CCCU held part of its first quarterly Board Meeting for the year in Montserrat in March 2019 for the first time. The Manager, Mr. Peter Queeley, on behalf of the Montserrat CU Movement, expressed his thanks and appreciation to the CCCU for having such a 'high level meeting of the Confederation' in his tiny country.

ST. KITTS & NEVIS

The performance of the Movement in the Federation of St. Kitts and Nevis was relatively good. There was growth in all the major indicators with the exception of Reserves, which recorded a 19% decline. The

largest increase of 9% was attained in Assets. Growth in Membership, Savings and Loans was 5%, 7.8% and 8.2% respectively.

There was a successful staging of a Youth Symposium for all public secondary schools in the Federation. One of the credit unions underwent a rebranding exercise and changed its name from Foundation for National Development Enterprise Credit Union (FNDECCU) to First Federal Credit Union (FFCCU). To enforce its aggressive marketing campaign, FFCCU opened a Credit Services Centre.

The League commissioned a study of the Credit Union Payment System. It also facilitated a media blitz during ICU Week via radio programmes featuring all credit unions. In November, WOCCU hosted a learning exchange in Tallahassee, Florida, with delegates from the League and all four of its constituents.

One of the main challenges to the Movement, is the lengthy delay in the passing of amendments to the Co-operative Societies Regulations.

ST. LUCIA

The Credit Union Movement in St. Lucia encountered some challenges during the course of the year, which impacted negatively on the operations of the League. Four of the credit unions withdrew their membership from the League, resulting in a reduction in performance, when compared to last year. There was negative growth in all performance indicators. The average negative growth was estimated to be 35%.

Notwithstanding the aforementioned, some of the major activities which occurred during 2019 included the following:

1. **OECS SUMMIT:** St. Lucia hosted the 15th OECS Credit Union Summit from June 05 – 09, 2019 under the theme "*Empowering OECS Credit Unions for the Future*". Over two hundred (200) persons attended the summit. The summit attracted several speakers including, Mr. Timothy Antoine, Governor of the ECCB and Mr. Andrew Price from WOCCU.
2. **ATM SERVICE:** A media launch to announce the pilot phase of the ATM service was held on December 16, 2019. Since the launch, participants of the ATM Project have been enjoying the benefits of the ATM service.
3. **NEW BOARD:** A new Board of Directors was elected at a Special General Meeting on May 17, 2019.

The Confederation, at the level of the Board, has held meetings with the parties, both separately and together, towards finding an amicable solution.

ST. VINCENT & THE GRENADINES

The performance of the St. Vincent and the Grenadines Movement was generally satisfactory. There was positive growth in all the areas except Reserves, which recorded a significant decline of 30%. The highest growth of 35% was attained in Total Assets, followed by 14% in Savings. The other increases in Loans and membership were 7.8% and 1.8% respectively.

Some of the major activities and highlights for 2019 included the following:

1. **IFRS 9 Partnership with the Trinidad and Tobago League:** - In March 2019 a team of ten accounting and finance executives drawn from all member credit unions participated in a 3-day attachment with the CCULTT for practical, in-depth hands-on training on IFRS 9.
2. **Sector Consultation on Draft Co-operative Societies Regulations:** - In November 2019, two sector consultations were held to review the Co-operative Societies Regulations, which was originally drafted in 2013, but not passed. In January 2020, a Select Committee of the SVG Co-operative League was scheduled to meet with the SVG Financial Services Authority to discuss the recommendations arising from the consultations.
3. **2019 Everard Dean Memorial Lecture:** - The SVG Co-operative League co-hosted the 2019 Everard Dean Memorial Lecture in collaboration with the Caribbean Confederation of Credit Unions. The premiere event was held on International Credit Union Day (October 17), and was livestreamed across the 17 member-territories of the CCCU and worldwide.

TRINIDAD AND TOBAGO

The twin-island Credit Union Movement reported a successful year. However, the statistics were estimated because the T & T financial year does not coincide with the reporting period of the Confederation. The figures showed positive growth in all the major performance indicators, with a high of

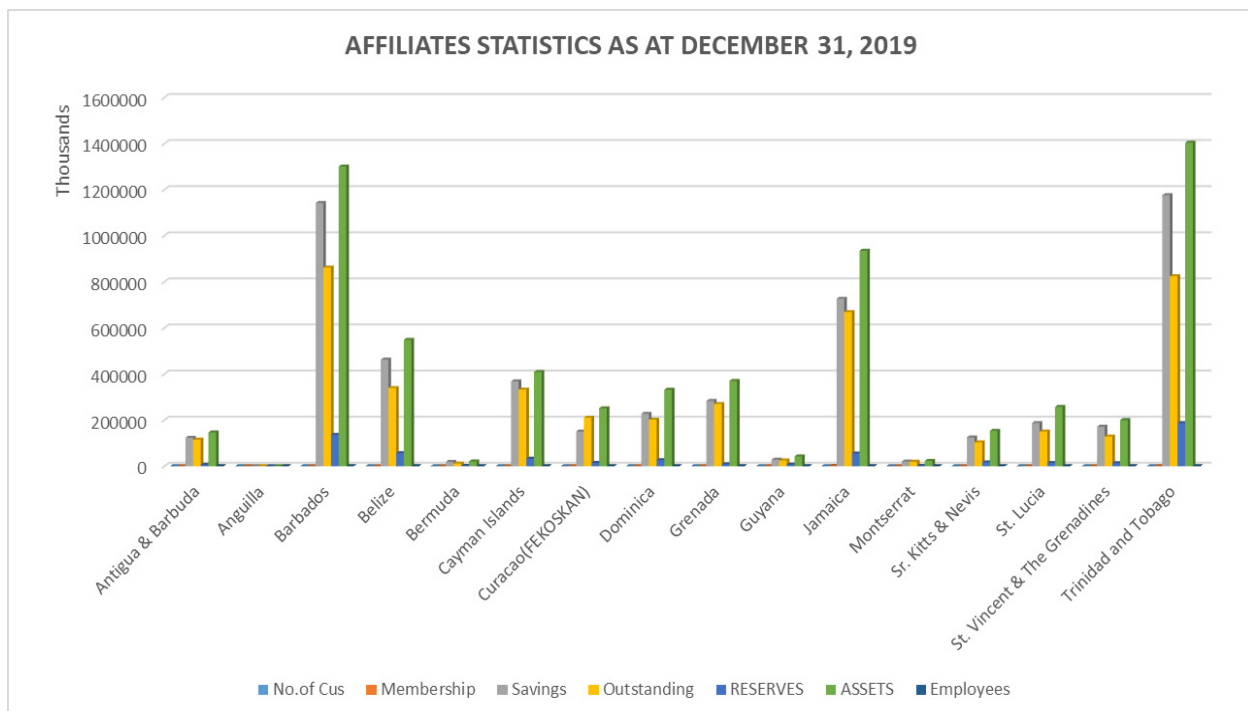
30% growth in Reserves, followed by Savings and Assets with 27% and 28% respectively.

Some of the highlights during the past year included:

- The CCULTT continued working on legislative matters. However, feedback was expected from the Line Ministry on the National Co-operative Policy following inclusions from the International Labour Organization (ILO).

- The League's Shared Services Platform continued to perform very well. Especially promising were the AML/CFT and IFRS 9 portfolios.

General elections are legally due in the coming year 2020 and it is expected that the new Government will address the outstanding legislative issues relevant to the Credit Union Movement.



CCCU OPERATIONS

Governance

The 62nd Annual International Convention was held jointly with the World Council of Credit Unions (WOCCU) July 27 - 31, at the Atlantis Hotel, Paradise Island, The Bahamas, under the theme “A Celebration of Collaboration: Embracing the Future Together”.

At the Opening Ceremony of the Convention, the Keynote Speaker was the Prime Minister of The Bahamas, The Most Honourable Dr. Hubert A. Minnis.



Pictured above: The Most Honourable Dr. Hubert A. Minnis, Prime Minister of the Bahamas delivers his address at the Joint Convention.

The Convention was preceded by a strategic planning session with all affiliates which was facilitated by Brandi Stankovic of CU Solutions. The Movement agreed on the following three strategic initiatives:

- Advocacy
- Financial Sustainability/ Income Diversification
- Collaboration



A half day CEO Roundtable for Credit Union Managers was jointly hosted by CCCU and the Caribbean Credit Union Managers Association (CCUMA).

Participants of the CEO Roundtable were exposed to presentations and a panel discussion on the following topics:

- Harnessing the Power of Cooperation and Collaboration
- Disruptive Technology – the Digital Customer Experience
- Value Creation – Take it beyond Planning... How are we Executing?

Panel Discussion – Making the Co-operative Model more relevant to the Youth



The 601 registered participants from the Caribbean engaged in general sessions and workshops on topics such as:

- Emerging Technologies: Blockchain 101
- How Do You Prepare for Central Bank Intervention?
- The Future of Mobility
- Management and Regulators
- How Digital & Open Banking Can Transform Your institution – Is Your Credit Union Ready?
- Fintech for Cooperatives: The Digital Transformation Made Real
- The Credit Union Guide to the Future – The What & Why

- Living and Growing with an Engagement Strategy
- Together Better – Small Credit Unions Collaborate for Innovation & Efficiency
- Developing Strategies for Caribbean Market Trends
- Identity: Perception and Reality
- Next Gen Regulation
- Disruption and Disintermediation: Credit Unions in Emerging Markets
- Credit Unions in the 21st Century
- Best Practices in Creating and Sustaining a Financial Literacy Program
- #Step Up for Sustainability - Doing the Right Thing is Also Good Business
- IFRS 9 for Cooperatives
- How Cognitive Technology Can Help To Provide a Better Service to Members
- The Impact of Stress Testing, IFRS 9 vs. CECL on the Performance of Lending Portfolios and Balance Sheets.
- Future of Cross-Cultures, Countries and People: A Young Professional's Perspective
- Supplemental Capital for Cooperatives
- How Credit Unions Can Excel in Customer Experience (CX) – the Irish Perspective
- AML/CFT – Current Trends
- Market Segmentation the Key to Customer Satisfaction – A Caribbean Perspective
- Why you cannot have Diversity without Inclusion
- Implementing a Credit Union Values-Based Business Model

At the 48th Annual General Meeting held on July 30, 2019, retiring Directors were Winston Fletcher of Jamaica and Joseph Remy of Trinidad and Tobago, who both as guaranteed seat holders, were re-elected.

The composition of the Board subsequent to the Annual General Meeting was as follows:

Winston Fletcher	- President
Joseph Remy	- Vice President
Lennox Bowman	- Treasurer
Leopoldo Romero	- Secretary
Hally Haynes	- Director
Aaron Moses	- Director
Carol Harding-Fraser	- Director
Andre Goindoo	- Ex-Officio Director

Board meetings

The Board convened four (4) face to face meetings and one (1) electronic meeting during the year, in the following countries:

- Guyana
- Antigua & Barbuda and Montserrat
- The Bahamas
- St. Kitts and Nevis

At the first meeting convened in Guyana during the period January 16 – 20, 2019, the Board met with Dr. Gobind Nauth Ganga – Governor of the Bank of Guyana. Courtesy meetings were also held with Minister Keith Scott; Minister within the Ministry of Social Protection and Ms. Pearlina Gifth – Chief Co-operatives Development Officer (Regulator for Credit Unions). The Board also met with the Board of Directors of the Guyana Co-operative Credit Union League.



At the second meeting convened in Antigua & Barbuda and Montserrat during the period April 10 - 14, 2019, the Board met with the leadership

of the Antiguan Credit Union Movement for discussions on:

- Eastern Caribbean Automated Clearing House
- Institutional Capital ratio
- IFRS 9 – UK Model
- Holistic strategies to re-establish Correspondent Banking relationships

Courtesy calls were extended to the Honourable Prime Minister Gaston Browne, Minister of Finance and Corporate Governance, Antigua & Barbuda.



The Board then journeyed to Montserrat, its first meeting in that country, where a tour of the Credit Union's facilities and the Unsafe Zone (Buried City) were extended to the Board.

At the third meeting in The Bahamas during the period July 25 - 26, 2019, activities mainly constituted preparation for the 2019 Joint International Convention and Annual General Meeting. Of significance was the presentation of the Confederations' proposed By-Laws which sought to identify member affiliates into geographical groupings which will require an additional director to the current seven-member board. The committee was further tasked with the responsibility for further examination of one of the groupings.



Shortly thereafter, the Bahamas was severely impacted by a Category 5 Hurricane Dorian. The Confederation, its members and World Council of Credit Unions mobilized funds to assist in the recovery effort. Pictured below: the Bahamas team along with CCCU representatives, heading to Grand Bahama to assist with distribution of supplies.



At the final meeting for 2019, which was held in St. Kitts and Nevis, activities mainly concentrated around the historic occasion of the opening of the newly built Confederation's Headquarters.

Pictured below: Frontal view - CCCU New Headquarters.



During the Board meeting, sub-committees were appointed to support the organization's governance structure as follows:

Dues

Anthony Pilgrim	-Barbados	-Chairman
Eldrid Fos	-Curacao	-Member
Martina Belizaire	-St. Lucia	-Member
Michael Nixon	-Cayman Islands	-Member
Auldric Neptune	-Trinidad & Tobago	-Member

Bye-Laws

Barry Hunte	-Barbados	-Chairman
Peter Jenkins	-St. Kitts & Nevis	-Member
William Joseph	-Grenada	-Member

Audit

Andrea Messam	-Jamaica	-Chairman
Aylmer Irish	-Dominica	-Member
Chanelle Myers	-St. Kitts & Nevis	-Member

Convention

Director Aaron Moses	-Chairman
Director Joseph Remy	-Member
Director Winston Fletcher	-Member

Building

Director Aaron Moses	-Chairman
Director Lennox Bowman	-Member
Director Hally Haynes	-Member

Investment

Director Lennox Bowman	-Chairman
Director Leopoldo Romero	-Member
Ex-Officio Director Andre Goindoo	-Member

Human Resources

Director Winston Fletcher	-Chairman
Director Joseph Remy	-Member
Director Carol Harding-Fraser	-Member

Committees' Meetings

The Audit Committee held two meetings during the year and provided reports to the Board and the Annual General Meeting.

The Bye-Laws Committee met several times since the last AGM of the Confederation in June

2019 to examine further groupings and relevant changes.

Financial Performance

The Confederation recorded a surplus of US\$139,947 compared to US\$223,662 recorded in 2018. In analyzing the performance of the Confederation for the period under review Convention Income totaled US\$232,609 compared to US\$802,187 in 2018. Income was reduced mainly from sharing the Convention with WOCCU who in return took care of the majority of the expenses that CCCU would have normally absorbed in prior conventions. This resulted in savings in the form of lower convention costs for the Confederation.

Convention Expenses totaled US\$37,329 representing a decline of US\$491,772 over 2018 which recorded US\$529,101. This was mainly due to the fact that World Council of Credit Unions absorbed the majority of the costs related to the Joint Convention.

The 2019 Convention results showed a Net Income of US\$195,280.

Table 1 – Convention Net Surplus over the past five (5) years (in US\$).

Year	Venue	Net Surplus
2019	The Bahamas	\$195,280
2018	Trinidad & Tobago	\$273,086
2017	Cuba	\$341,700
2016	Orlando	(\$69,525)
2015	Cancun, Mexico	\$173,827

Headquarters Opening

The Confederation's new headquarters building was completed on time for its opening on November 9, 2019. Among the invited guests were government officials, private sector representatives, CCCU affiliates, including Past

Presidents, and strategic partners. Approximately one hundred and fifty (150) persons were in attendance.



Pictured above: His Excellency the Governor General's deputy, Mr. Michael Morton and President Winston Fletcher (who performed the ribbon cutting ceremony and officially declared the building opened) and Mrs. Morton.

Deputy Prime Minister and Minister of Education, the Hon. Shawn Richards, representing the Prime Minister, delivered the keynote address.

During 2019, donations to the Building Fund amounted to US\$53,391.29 bringing the total contribution from affiliates and friends towards the Building since 2014 to US\$176,422.22.



Technical Assistance and Training

IDB De-Risking Project

During 2019, the Inter-American Development Bank (IDB) Regional De-Risking Project – “Strengthening Financial Transparency: Rebuilding Trust in Correspondent Banking in the Caribbean” of which the Confederation is a participant, continued its agenda relating to Components 1 and 11. The Advisory Committee held two electronic meetings and one training session during the year.

A website was developed for raising awareness and increasing knowledge of de-risking in the Caribbean. The objective of the website is to disseminate information about activities related to AML/CFT issues in the Caribbean.

IFRS 9 Implications

During 2019, Credit Unions were in full gear to implement IFRS 9. Approximately 50% of the affiliated credit unions have implemented IFRS 9. Additionally, Leagues were asked to complete a questionnaire in order that CCCU could monitor the impact, and strategize for possible interventions on the Movement's behalf. Only five (5) leagues provided the information.

Communication & Co-operative Social Responsibility

Constant communication was maintained with all affiliates via electronic means of weekly updates through e-blasts, Facebook and bulletins.

CCCU partnered with St. Vincent and the Grenadines Co-operative Credit Union League, the successful bidders, to host the Everard Dean Memorial Lecture on October 16. Over 80 persons were in attendance as Past President, Mrs Yvonne Ridguard Harris delivered the lecture.



Pictured above is Mrs. Yvonne Ridguard-Harris – delivering the Everard Dean Lecture.

Once again CCCU partnered with the St. Kitts and Nevis Department of Co-operatives in hosting the 2019 Primary Schools Co-operative Quiz and Co-operative week.

The Board of the Caribbean Credit Union Managers Association (CCUMA) hosted their 3rd strategic planning meeting at CCCU's office in February. The Board met with the Credit Union Managers in St. Kitts and Nevis, and paid a courtesy call on the Governor of the Eastern Caribbean Central Bank (ECCB). Areas of interest discussed included: Automated Clearing House (ACH) participation, Direct Cash Purchase among other items.

Pictured below: Members of the Board of CCUMA, Credit Union Managers from St. Kitts and Nevis and CCCU General Manager.



Regional Stabilization Fund

The devastation of two islands of the Bahamas by Hurricane Dorian, was a stark reminder that, the region remains vulnerable to natural disasters. Therefore, it is imperative that the

Regional Stabilization Fund be revisited to assess its feasibility and ultimately the way forward.

Financial Education

Both Credit Union week and the ECCB's Financial Month are celebrated in October. CCCU partnered once again with the ECCB to promote financial literacy, using CCCU mobile app - \$mart Finance App.

Business Development

Howden Cybersecurity Insurance

The partnership with Howden continues as we tailor the product as a group solution for the Caribbean.

ADVOCACY AND REPRESENTATION

In addition to the regular board meetings, your Confederation established structured information-sharing and fact-finding visits to the following affiliates: Cayman Islands, Curacao, and Bermuda during the year.

Bermuda



OECS SUMMIT

The OECS Summit was held in St. Lucia under the theme "Empowering OECS Credit Unions for the Future" with the Governor, ECCB, Mr. Timothy Antoine, as Guest Speaker. All eight member countries participated. The Confederation was represented by President, Winston Fletcher, and General Manager, Denise Garfield. The President brought greetings on behalf of CCCU, while the General Manager participated in the roundtable sessions. Deputy General Manager Peter Etienne also attended. Pictured below: Governor

Timothy Antoine is flanked by OECS members, CUNA representative, and CCCU representatives.



WORLD COUNCIL OF CREDIT UNIONS

In February, WOCCU hosted a team from your Confederation to include President Winston Fletcher, CCCU representative to WOCCU Board Aaron Moses, and General Manager Denise Garfield. The meeting was held to address the strategic direction of CCCU, as well as areas of concerns for the Caribbean Movement, and the feasibility of WOCCU's assistance.

WOCCU continued to provide regulatory assistance with IFRS 9 Implementation and Capital Add Back.



The Annual World Conference of Credit Unions was held jointly with the Confederation's Convention during the period 27 - 31 July 2019, and was attended by approximately 2,100 persons; the most persons since 2013 for a World Credit Union Conference. CCCU's Delegates to the Conference were: President Winston Fletcher, Vice President Joseph Remy, Director Aaron Moses and General Manager Denise Garfield.

INTERNATIONAL CO-OPERATIVE ALLIANCE

CCCU maintained its membership status as an Associate Member in the International Co-operative Alliance (ICA) in 2019. President Winston Fletcher represented the Confederation at the Global Conference which was held 14 – 17 October in Kigali, Rwanda under the theme "Cooperatives for Development".

CUNA CARIBBEAN INSURANCE

CUNA Caribbean employed a Sales Manager for the St. Kitts and Nevis operation and their office is housed in the new CCCU Headquarters. As the only Patron Contributor, the Conference facility was named CUNA Caribbean Conference Center. CUNA Caribbean further strengthened its commitment to the Confederation by an increased grant of 50% effective 2020.

CARIFORUM-EU Consultative Committee

Your Confederation was once again selected for retention on the list of civil society organizations representing CARIFORUM on the Consultative Committee for the 2019 – 2020 term. The Consultative Committee's focus is on social, economic, and environmental issues affecting economies of partnering member-states. President Winston Fletcher attended the Joint CARIFORUM-EU meeting in Brussels.

COLLABORATION WITH EASTERN CARIBBEAN CENTRAL BANK (ECCB)

In July 2019, Governor of the ECCB, Timothy Antoine attended the Joint Credit Union Conference in the Bahamas. While there he took the opportunity to sign a Memorandum of Understanding (MOU) to include the CCCU in discussions with matters related to regional development.

Pictured below: CCCU Board and General Manager with the Governor, Eastern Caribbean Central Bank, Timothy Antoine after signing the MOU.



Regional Institutions Invitation Programme – 29th Annual Conference with Financial Institutions

At the invitation of the Governor, ECCB, the Credit Union Movement was invited once again to participate in the Annual Conference at the ECCB. The name of the Conference was changed from Commercial Banks to Financial Institutions to accommodate other financial players in the overall system.

FUTURE INITIATIVES

Advocacy

The Confederation will continue to examine the financial landscape and advocate on its member affiliates' behalf to ensure the success and sustainability of the Credit Union Movement.

The CCCU is moving to engage CARICOM with a view to being consulted with the rest of the financial sector when critical policy and regulatory related matters are being discussed. To achieve this objective, it is recommended that national engagement strategies be employed.

Income Streams for the Confederation and Leagues

The Confederation continues to identify opportunities for additional revenue streams to diversify the Confederation's income sources. Its new headquarters has generated office and conference facility rental income and strategic alliance relationships to offer products and services to the Movement.

Sustainability of the Sector

Notwithstanding a moderate active hurricane season, the region still remains vulnerable and exposed to economic shocks. How prepared we are, the regulatory environment, the additional cost for compliance, and the ability to generate surplus and value to our members, continue to be of utmost importance.

In the final analysis, sustainability of the credit union movement in the long run, will be dependent on how successful Credit Unions are in engaging and incorporating the youth market. A critical component of the strategy is the use of digital technology to facilitate transactions and interactions.

SOCIO-ECONOMIC OUTLOOK

It is projected that the global economy will contract on a magnitude larger than the Global Financial Crisis of 2008 according to the Caribbean Development Bank. At this time, the extent of the economic impact depends on the length and severity of the pandemic. The CDB forecasts negative growth for nearly all its member countries, largely driven by the fall off in tourism. Notwithstanding, based on a study by the ECCB, Remittance flows to the region remained robust, and is expected to maintain this trend.

CONCLUSION

Overall, 2019 was a successful year for the Confederation and the Caribbean Credit Union Movement. Broader collaboration was achieved, increased recognition of the Credit Union Movement in the wider financial sector was realized. Completion of the newly built headquarters represented a significant milestone, which constitutes a symbol of hope and inspiration for Credit Unions, while enhancing the profile of the Regional Movement.

The CCCU will continue to look for ways to bolster its relevance to members through further collaboration, advocacy and increased recognition.

Against the background of the forecast of negative growth for the Caribbean, due to the impact of the COVID-19 pandemic, Credit Unions will face significant challenges, as businesses and their members face the fall out of reduced business activities. Therefore, the credit unions will play a very important role in working with their members to withstand the period of negative growth. This will necessitate credit unions becoming more creative and responsive in their product offerings. This will include the use of data analytics in the quest to become more innovative.

CARICOM's push for enhanced food security presents an opportunity for the Credit Union Movement to tap into and provide support to the agricultural sector.

CONDOLENCES

During the year, Credit Unions and Co-operatives in the Region lost a number of members. The Board extends sincerest condolences to the relatives and acquaintances of those who have departed this life.

ACKNOWLEDGEMENTS

The Board would like to express its sincere thanks and gratitude to the management and staff of the Secretariat for their continued commitment and support during the year.

Appreciation is also extended to all of our stakeholders for their loyalty and support, particularly our Affiliates, Committee Members, Regional Governments, Regulators of Credit Unions and Co-operatives, International and Regional Development Agencies, World Council, CUNA Caribbean Insurance Society, Consultants,

Convention and Event Planners, Facilitators and Presenters, and friends of the Co-operative Sector for their contribution and support during the year.

For and on behalf of the Board of Directors



Winston Fletcher, President

TREASURER'S REPORT

FOR THE YEAR ENDED DECEMBER 31, 2019

(All figures are expressed in US\$)

INTRODUCTION

This report provides an overview of the key financial performance indicators for the year 2019, with comparisons to the accounts of 2018. The Confederation maintained a surplus position and continued to record profit. The Convention profit of \$195,280 was achieved mainly due to the joint hosting of the Convention with the World Council of Credit Unions (WOCCU) whereby expenses were controlled.

STATEMENT OF FINANCIAL POSITION

ASSETS

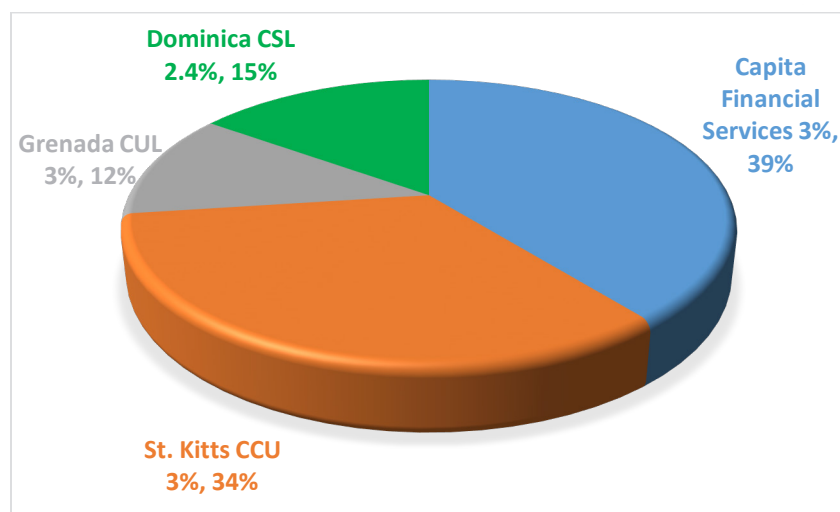
Cash and Bank Balances

Cash and bank balances increased to \$115,709 from \$72,871 representing an increase of \$42,838 or 58.79% when compared to 2018. Balances have returned to average levels since loans funds were disbursed in January 2019.

Fixed Deposits

Investments in fixed deposits increased to \$328,058 from \$318,906 representing an increase of \$9,152 or 2.87% over 2018. Earnings on investments remained steady and continued to be impacted by the prevailing low interest rate environment. Chart I depict the investment holdings, with respective interest rates, of the Confederation as at the 31st December, 2019.

Chart I – Investments Portfolio



Receivables and Prepayments

Receivables and prepayments increased to \$133,675 from \$88,764. This represented an increase of \$44,911 or 50.60% over 2018.

Deferred Costs

Deferred costs increased to \$85,287 from \$4,016 which was an increase of \$81,271 or 2023.68% from the previous year's balance. This amount related primarily to expenses for Convention 2019.

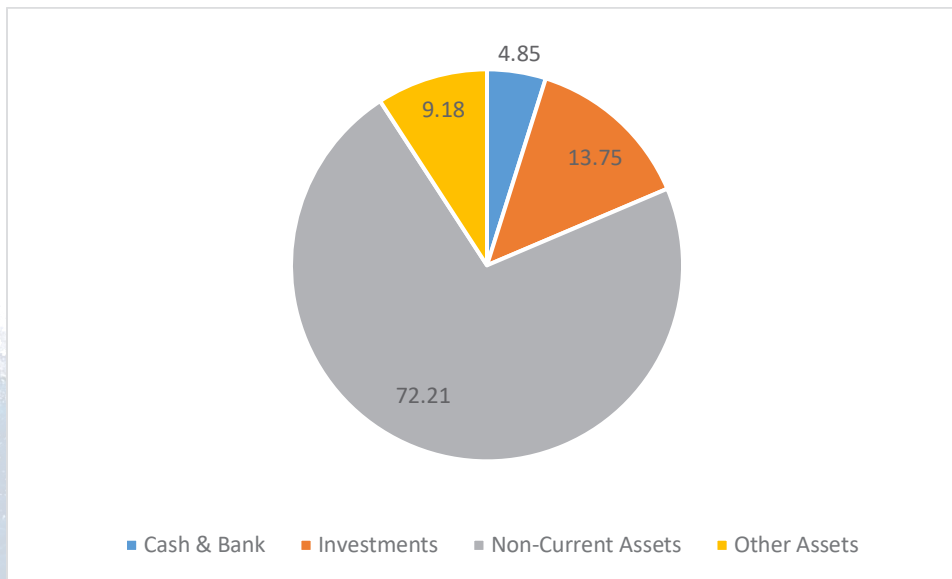
Fixed Assets

Non-current assets represented by fixed assets increased to \$1,722,333, an increase of \$702,400 or 68.87% over the December 2018 figure of \$1,019,933. The final completion of the building as well as new equipment and furniture accounted for the increase.

The composition of total assets of the Confederation at the end of the 2019 period was as follows (See Chart II):

- Non-Current Assets - \$1,722,333 representing 72%
- Investments/Fixed Deposits - \$328,058 representing 14%
- Other Assets - \$218,962 representing 9%
- Cash and bank balances - \$115,709 representing 5%

Chart II – Assets Composition



LIABILITIES

Accounts Payable and Accruals

The liabilities of the Confederation increased to \$109,027 from \$90,020, a \$19,007 or 21% increase over 2018 and consisted of trading accounts payable and accruals, long term debt and residual project funds. Majority of the outstanding amounts due are related to the loan of the new headquarters.

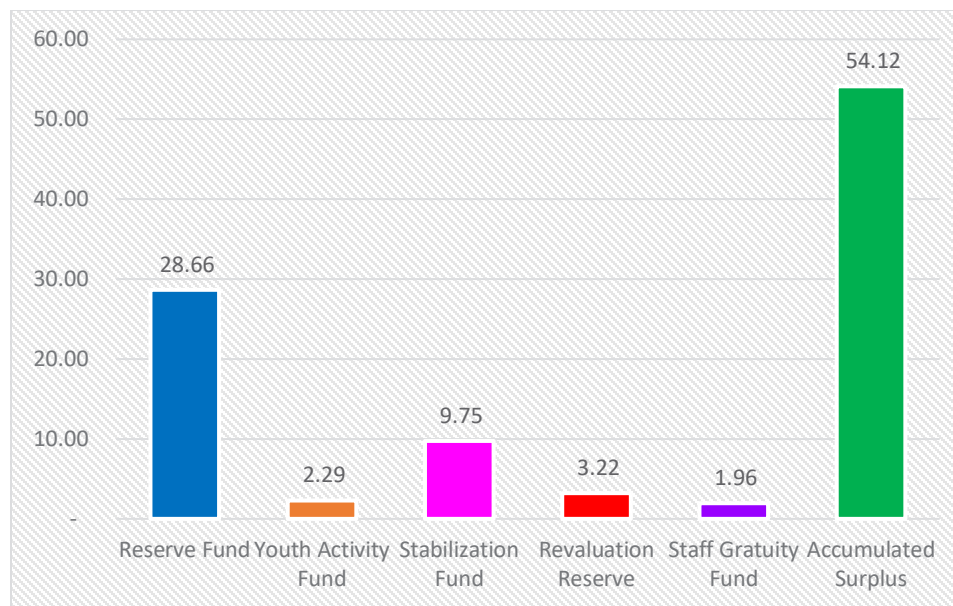
Equity

Total equity increased to \$1,599,797 from \$1,459,850, representing an increase of \$139,947 or 9.59% from the 2018 figure primarily due to the 195.35% increase in the Accumulated Surplus and 100% decrease in the Building Fund.

Total equity was comprised of the following (See Chart III):

- Accumulated Surplus - 865,855 – 54%
- Reserve Fund - 458,494 – 29%
- Stabilization Fund - 155,997 – 10%
- Revaluation Surplus - 51,454 – 3%
- Youth Activity Fund - 36,684 – 2%
- Staff Gratuity Fund - 31,313 – 2%

Chart III – Equity Composition



STATEMENT OF COMPREHENSIVE INCOME

Income

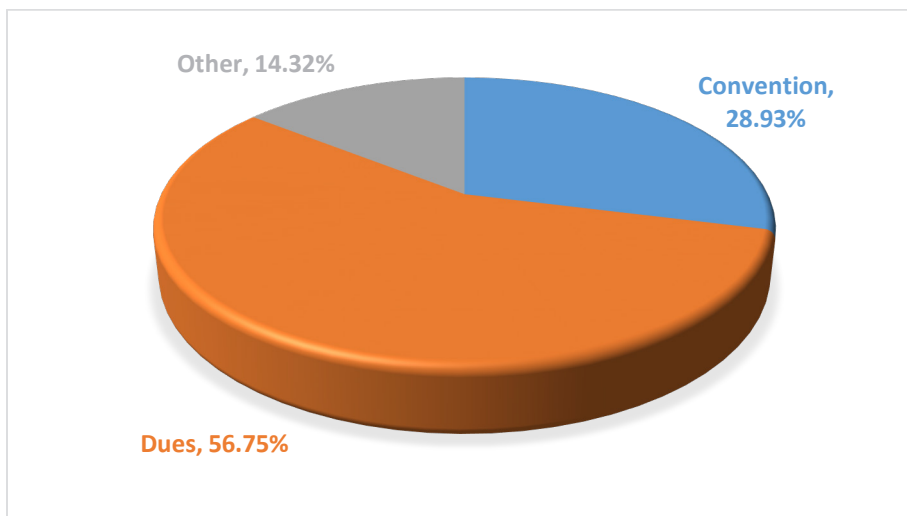
The Confederation's total income of \$803,979 for the financial year 2019, represented a decrease of \$513,432 or 38.97% over the 2018 figure of \$1,317,411. Income was reduced mainly from sharing the Convention with WOCCU who in return took care of the majority of the expenses that CCCU would have normally absorbed in prior conventions. This resulted in savings in the form of lower convention costs for the Confederation.

The Convention income of \$232,609 was a decrease of \$569,578 or 71%. This was primarily due to the difference in arrangements for the Convention compared to 2018. All registrations were handled by WOCCU and CCCU was paid based on a pre-arranged tiered income share structure. WOCCU absorbed the majority of the expenses.

Membership Dues decreased to \$456,278 from \$462,827 in 2018 which represented \$6,549 or 1.41%. This was mainly attributed to the withdrawal of Bahamas.

Grants and other income increased to \$115,092 from \$52,397 which represented an increase of \$62,695 or 119.65% from the 2018 figure (See Chart IV – Income Composition). This was mainly attributed to other income and building grants from member affiliates to be recognized in the newly built headquarters.

Chart IV – Income Composition



Expenses

Convention expenses recorded a decrease while administrative expenses recorded an increase. Administrative expenses increased to \$561,772 from \$537,722 and Convention expenses decreased to \$37,329 from \$529,101. These combined expenses amounted to \$599,101, which accounted for 93% of total expenditure of \$641,928. In comparison with 2018, total expenses decreased to \$641,928 from \$1,099,221 a total of \$457,293 or 41.60%. This was attributable to a reduction in Convention expenses. Administrative expenses of \$561,772 represented a minimal increase of \$24,050 or 4.47% over the 2018 figure of \$537,722. This was attributable to a receptionist being hired during the year.

Surplus

The total comprehensive surplus for the year 2019 was \$139,947 compared with \$223,662 in 2018. A decrease of \$83,715 or 37.43%.

The Future

The overall position of the Confederation remains positive. The Board will continue to strive for continued profitability as it continues to identify additional revenue streams. It will continue to provide access to

services for Affiliates and their members, while utilizing increased technology and identifying areas for cost containment.

The construction of the new headquarters is completed and was opened November 2019 and we would like to thank all member affiliates for their esteemed contribution towards making this a reality.

Appreciation

On behalf of the Board, I extend sincerest appreciation to the Management and staff of the Confederation, our member affiliates, Committees, CUNA Caribbean Insurance Society and other stakeholders for their continued support.

I also wish to extend my thanks and appreciation to my fellow Directors for their support and the opportunity to serve as your Treasurer for the period under review.



Lennox Bowman
Treasurer



Caribbean Confederation of Credit Unions Development Foundation

Join our Supporters Network

The Development Foundation of the Caribbean Confederation of Credit Unions was initially founded in 1983, but was officially registered on May 17, 2006, under the laws of St. Christopher and Nevis pursuant to the Foundation Act.

The objectives of the Development Foundation are to operate and administer a fund or funds for the following purposes:

- a) To stimulate activities benefitting Caribbean Co-operatives nationally and regionally;
- b) To stimulate services, through co-operative projects for the relief of special disasters or emergencies;
- c) To promote youth and advance education and the development of co-operative principles within the Caribbean;
- d) To promote youth development in the Caribbean through educational opportunities and leadership training towards self-reliance
- e) To provide in-kind assistance to organizations working to empower Caribbean people and communities with special focus on minority groups, rural communities, small businesses and small farmers; and
- f) To co-operate with governmental and non-government organizations which have objectives similar to those of the Foundation.

Whereas the main activities for which the Foundation has given financial support has been related to disaster relief and small grants for education, it is intended that the Foundation play a more pivotal role in mobilizing financial resources for the development of Caribbean Co-operatives, in keeping with its objectives.

Towards this end, the foundation is formally launching its Supporter Network, and is inviting individuals, co-operative and other institutions to invest in the future of our Caribbean communities and the sustainable development of the Co-operative Sector.

Individual and Organizational supporters can make their investments in any of the following categories denominated in US dollars:

All Supporters will be suitably acknowledged

DEVELOPMENT FOUNDATION DONORS 2019
Your Donation Makes A Difference

SUPPORTERS LEVELS	
Diamond	- > \$50,001
Sapphire	- \$25,001 - \$50,000
Platinum	- \$10,001 - \$25,000
Gold	- \$5,001 - \$10,000
Silver	- \$1,001 - \$5,000
Bronze	- \$1 - \$1,000
Gold - \$5,001 - \$10,000	
Belize	
<ul style="list-style-type: none"> Holy Redeemer Credit Union Ltd. 	
Silver - \$1,001 - \$5,000	
Cayman Islands	
<ul style="list-style-type: none"> The Cayman Islands Civil Service, Association Co-operative Credit Union Ltd. 	
Dominica	
<ul style="list-style-type: none"> National Co-operative Credit Union Ltd. 	
Grenada	
<ul style="list-style-type: none"> Grenada Co-operative League Ltd. 	
St. Kitts & Nevis	
<ul style="list-style-type: none"> St. Kitts & Nevis National Co-operative League Ltd. 	
St Vincent and the Grenadines	
<ul style="list-style-type: none"> General Employees Co-operative Credit Union Ltd. St. Vincent Co-operative Credit Union League Ltd 	
Bronze - \$1 - \$1,000	
Antigua & Barbuda	
<ul style="list-style-type: none"> St. John's Co-operative Credit Union 	
Barbados	
<ul style="list-style-type: none"> Barbados Co-operative & Credit Union League Ltd. 	
Bermuda	
<ul style="list-style-type: none"> Bermuda Credit Union Co-operative Society 	
Dominica	
<ul style="list-style-type: none"> Dominica Co-operative Societies League Ltd. 	
Guyana	
<ul style="list-style-type: none"> Guyana Co-operative Credit Union League Ltd. Guyana Police Co-operative Credit Union Ltd. 	
Jamaica	
<ul style="list-style-type: none"> Broadcast Allied Services Co-operative Credit Union. Gateway Co-operative Credit Union First Heritage Co-operative Credit Union 	

- Jamaica Co-operative Credit Union League Ltd.
- Jamaica Teachers Co-operative Credit Union
- JPS & Partners Co-operative Credit Union
- Portland Co-operative Credit Union Ltd.

St. Lucia

- Choiseul Co-operative Credit Union
- St. Lucia Co-operative Credit Union League

Trinidad

- Teachers Credit Union



Caribbean Confederation of Credit Unions

BUILDING FUND DONORS

PATRON LEVEL
CUNA Caribbean Insurance Society Ltd.
PRESIDENT LEVEL
Jamaica Co-operative Credit Union League Ltd.
PLATINUM LEVEL
The Bahamas Co-operative League Ltd.
GOLD LEVEL
Ariza Credit Union Ltd.
Holy Redeemer Credit Union Ltd.
SILVER LEVEL
Belize Credit Union League Ltd.
Bermuda Credit Union Co-operative Society
General Employees Co-operative Credit Union
St. Vincent & the Grenadines Co-operative League Ltd
The Cayman Islands Civil Service Association Co-operative Credit Union Ltd.

BRONZE LEVEL
Barbados Co-operative & Credit Union League Ltd.
Community & Workers of Jamaica Co-operative Credit Union Ltd.
Corinne Glasgow
Deanna Lockloy
Dominica Co-operative Societies League Ltd.
First Heritage Co-operative Credit Union Ltd
Guyana Co-operative Credit Union League Ltd.
Guyana Defence Force Co-operative Credit Union
JTA Co-operative Credit Union
Manchester Co-operative Credit Union Ltd.
National Co-operative Credit Union Ltd.
N.C.B Employees Co-operative Credit Union Ltd.
Portland Co-operative Credit Union Ltd.
St Kitts Co-operative Credit Union Ltd
The Co-operative Credit Union League of Trinidad & Tobago



Caribbean Confederation of Credit Unions **BUILDING FUND DONORS (2)**

CORNERSTONE LEVEL

Barbados Police Co-operative Credit Union Ltd.

FRIEND LEVEL

Broadcast & Allied Services Co-operative Credit Union

Choiseul Co-operative Credit Union Ltd

Clerical & Commercial Workers Credit Union

Dream Works Design Landscape Architecture

EduCom Co-operative Credit Union Ltd.

Gateway Co-operative Credit Union (2017) Ltd

Guyana Public Service Co-operative Credit Union Ltd.

JPS & Partners Co-operative Credit Union

Kenyata Burt

Nevis Co-operative Credit Union

St Catherine Co-operative Credit Union

United Enterprise Credit Union Ltd.

AUDITORS' REPORT & FINANCIAL STATEMENTS

CARIBBEAN CONFEDERATION OF CREDIT UNIONS

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Statement of Comprehensive Income	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to Financial Statements	7-19

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
CARIBBEAN CONFEDERATION OF CREDIT UNIONS

Opinion

We have audited the financial statements of the Caribbean Confederation of Credit Unions ("the Confederation"), which comprise the statement of financial position as at December 31, 2019, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Confederation as at December 31, 2019, and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs).

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 Confederation in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS for SMEs, 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 Confederation'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 Confederation or to cease operations, or has no realistic alternative but to do so.

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

INDEPENDENT AUDITORS' REPORT (cont'd)

To the Board of Directors of
CARIBBEAN CONFEDERATION OF CREDIT UNIONS

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

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



Chartered Accountants
July 31, 2020

Antigua and Barbuda

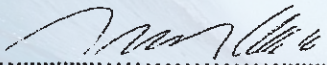
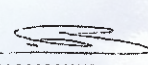
CARIBBEAN CONFEDERATION OF CREDIT UNIONS

Statement of Financial Position

December 31, 2019

(Expressed in United States Dollars)

	Notes	2019	2018
Assets			
Current assets			
Cash at bank and on hand	3	\$ 115,709	72,871
Fixed deposits	4	328,058	318,906
Other receivables and prepayments	5	133,675	88,764
Deferred costs	6	85,287	4,016
Due from related party	13	-	45,380
Total current assets		662,729	529,937
Non-current asset			
Property and equipment	7	913,166	1,019,933
Intangible asset	8	-	18,261
Investment property	9	809,167	-
Total Non-Current Assets		\$ 1,722,333	1,038,194
Total Assets		2,385,062	1,568,131
Liabilities and Equity			
Current liabilities			
Project funds	10	\$ 1,034	1,034
Accounts payable and accruals	11	56,943	88,986
Due to related party	13	2,827	-
Current portion of long term debt	12	48,223	-
Total current liabilities		109,027	90,020
Non-Current Liabilities			
Long-term debt	12	676,238	-
Deferred income grant		-	18,261
Total Liabilities		785,265	108,281
Equity			
Reserve fund	14	458,494	458,494
Youth activity fund	15	36,684	36,684
Stabilization fund	16	155,997	155,997
Revaluation surplus	17	51,454	51,454
Building fund	18	-	432,745
Staff gratuity fund		31,313	31,313
Accumulated surplus		865,855	293,163
Total Equity		1,599,797	1,459,850
Total Liabilities and Equity		\$ 2,385,062	1,568,131

Approved by the Board of Directors on July 31, 2020
 Director.....  Director..... 

The notes on pages 7 to 19 are an integral part of these financial statements.

CARIBBEAN CONFEDERATION OF CREDIT UNIONS

Statement of Comprehensive Income

Year ended December 31, 2019

(Expressed in United States Dollars)

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
Income			
Convention income	20	\$ 232,609	802,187
Membership dues		456,278	462,827
Cuna Caribbean Insurance Society Grant (CMG)		20,000	20,000
Grant Income		18,261	18,261
Other income		19,209	7,119
Training income		675	7,017
Rental income		2,556	-
Building grant from members		54,391	-
Total Income		803,979	1,317,411
Expenses			
Administrative expenses	19	561,772	537,722
Convention expenses	20	37,329	529,101
Amortization	8	18,261	18,261
Training expense		-	6,687
Depreciation	7	21,566	4,051
Financial literacy app expense		3,000	3,399
Total Expenses		641,928	1,099,221
Operating profit for the year before finance income		162,051	218,190
Finance income		10,725	10,782
Finance cost		(32,829)	(5,310)
Finance income, net		(22,104)	5,472
Surplus for the year		139,947	223,662
Total Comprehensive Income for the Year		\$ 139,947	223,662

The notes on pages 7 to 19 are an integral part of these financial statements.

CARIBBEAN CONFEDERATION OF CREDIT UNIONS

Statement of Changes in Equity

Year ended December 31, 2019

(Expressed in United States Dollars)

	Notes	Reserve Fund	Youth Activity Fund	Stabilization Fund	Revaluation Surplus	Building Fund	Staff Gratuity Fund	Accumulated Surplus	Total
Balance at December 31, 2017		\$ 436,552	22,000	155,997	51,454	277,799	13,028	234,121	1,190,951
Surplus for the year		-	-	-	-	-	-	223,662	223,662
Transfer from retained earnings	15	21,942	21,942	-	-	109,709	18,285	(171,878)	-
Youth forum convention		-	(7,258)	-	-	-	-	7,258	-
Donations to building fund		-	-	-	-	45,237	-	-	45,237
Balance at December 31, 2018		\$ 458,494	36,684	155,997	51,454	432,745	31,313	293,163	1,459,850
Surplus for the year		-	-	-	-	-	-	139,947	139,947
Transfer to retained earnings		-	-	-	-	(432,745)	-	432,745	-
Donations to building fund	16	-	-	-	-	-	-	-	-
Balance at December 31, 2019		\$ 458,494	36,684	155,997	51,454	-	31,313	865,855	1,599,797

The notes on pages 7 to 19 are an integral part of these financial statements.

CARIBBEAN CONFEDERATION OF CREDIT UNIONS

Statement of Cash Flows

Year ended December 31, 2019

(Expressed in United States Dollars)

	Notes	2019	2018
Cash flows from operating activities			
Surplus for the year		\$ 139,947	223,662
Adjustments for:			
Interest expense		32,829	5,310
Depreciation	7	21,566	4,051
Amortization	8	18,261	18,261
Deferred Grant Income		(18,261)	(18,261)
Interest income		(10,725)	(10,782)
Operating profit before changes in working capital		183,617	222,241
Change in other receivables and prepayments		(44,912)	(437)
Change in deferred costs		(567,270)	140,528
Change in accounts payable and accruals		453,957	13,531
Change in due from related party		45,380	(7,714)
Change in due to related party		2,827	-
Net cash provided by operating activities		73,599	368,149
Cash flows from investing activities			
Purchase of property and equipment	7	(723,966)	(642,073)
Interest received		10,736	12,507
Change in fixed deposits		(9,163)	120,329
Net cash used in investing activities		(722,393)	(509,237)
Cash flows from financing activities			
Proceed from loan		724,461	-
Donations received		-	45,237
Interest paid		(32,829)	(5,310)
Net cash provided by financing activities		691,632	39,927
Increase/(decrease) in cash during the year		42,838	(101,161)
Cash at beginning of year		72,871	174,032
Cash at end of year	3	\$ 115,709	72,871

The notes on pages 7 to 19 are an integral part of these financial statements.

CARIBBEAN CONFEDERATION OF CREDIT UNIONS

Notes to Financial Statements

December 31, 2019

*(Expressed in United States Dollars)***1. Incorporation and Principal Activity:**

The Caribbean Confederation of Credit Unions (the “Confederation”) was incorporated under the Laws of St. Christopher and Nevis pursuant to the Companies Act 335 on February 13, 2005 as a limited liability Company.

The registered office of the Confederation is located at the corner of Wilkin Street & St. Johnston Avenue, Fortlands, Basseterre, St. Kitts. At December 31, 2019, the Confederation had 6 (2018: 5) employees.

The Caribbean Confederation of Credit Unions was established at the Sixth Caribbean Conference of Credit Unions held in Dominica on August 18, 1972. The objectives generally are to promote the development of the Credit Union Movement in the Caribbean and adjacent territories.

The constitution provides that the Caribbean Confederation of Credit Unions shall be operated on a non-profit basis and net income shall be utilised for the carrying out of its aims and objectives and for any other activity incidental thereto.

2. Basis of Preparation:**(a) Statement of Compliance:**

These financial statements of the Caribbean Confederation of Credit Unions have been prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SME’s) adopted by the International Accounting Standard Board (IASB).

These financial statements were approved by the Board of Directors on July 31, 2020.

(b) Basis of measurement:

The financial statements have been prepared under the historical cost convention except for land and buildings which are measured at fair value.

(c) Cash at bank and on hand:

Cash is comprised of cash at bank held in deposit accounts and cash on hand.

(d) Impairment of Assets:

At each reporting date the assets of the Confederation are reviewed to determine whether there is objective evidence of impairment. If any such indication exists, the asset recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized immediately to profit or loss.

A previously recognized impairment loss is reversed if there has been a change in the estimation used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in prior years. A reversal of an impairment loss is recognized immediately to profit or loss.

CARIBBEAN CONFEDERATION OF CREDIT UNIONS

Notes to Financial Statements (cont'd)

December 31, 2019

*(Expressed in United States Dollars)***2. Basis of Preparation: (cont'd)****(e) Accounts Receivable:**

Accounts receivable are amounts due from debtors for dues, other contributions or services performed in the ordinary course of the Confederation's operations. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Accounts receivable are stated at cost less impairment losses.

(f) Property and Equipment:

Land and buildings are shown at fair value, based on periodic valuations by external independent valuers, less subsequent depreciation for buildings. Valuations are performed with sufficient regularity to ensure the fair value of a revalued asset does not differ materially from its carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. All other property and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Confederation and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to other comprehensive income and shown as revaluation surplus in equity. Decreases that offset previous increases of the same asset are charged against reserves directly in equity; all other decreases are charged to the statement of comprehensive income. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of comprehensive income and depreciation based on the asset's original cost is transferred from 'revaluation surplus' to 'accumulated fund'.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, at the following annual rates:

Building	2%
Non-project furniture and equipment	10% to 33⅓%
Project equipment	20% to 33⅓%
Electronic equipment	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

CARIBBEAN CONFEDERATION OF CREDIT UNIONS

Notes to Financial Statements (*cont'd*)

December 31, 2019

*(Expressed in United States Dollars)***2. Basis of Preparation and Accounting Policies: (*cont'd*)****(f) Property and Equipment: (*cont'd*)**

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

When revalued assets are sold, the amounts included in revaluation reserves are transferred to accumulated fund.

(g) Intangible Assets:

Intangible assets are identifiable non-monetary assets without physical substance. These are measured at cost less accumulated amortization and any impairment losses. The acquired Financial Literacy Software Application is capitalized on the basis of the cost incurred to develop and bring the application to use.

Capitalized costs are amortized on a straight line basis over the estimated useful life. Residual values and useful lives are reviewed at each reported date.

The estimated useful life of the Financial Literacy Software Application is three (3) years.

(h) Provisions:

Provisions are recognised when the Confederation has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

(i) Accounts Payable and accruals:

Accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of the Confederation's operations. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Accounts payable and accruals are carried at cost, which is the fair values of the consideration to be paid in the future for goods and services received whether or not billed to the Confederation.

(j) Borrowings:

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transactions costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method.

CARIBBEAN CONFEDERATION OF CREDIT UNIONS

Notes to Financial Statements (*cont'd*)

December 31, 2019

*(Expressed in United States Dollars)***2. Basis of Preparation: (*cont'd*)****(k) Revenue Recognition:**

Revenue comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the Confederation's activities and is recognised on the accrual basis. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

(l) Grants:

The Confederation records grants from donor agencies in the period when the funds are received, and the relevant amounts are transferred to income in the period when the expenditure occurs.

(m) Functional and Presentation Currency:

The financial statements are presented in United States dollars which is the Confederation's functional and presentation currency.

(n) Foreign Currency Transactions:

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

(o) Use of Estimate and Judgements

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

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

(p) Investment Property:

Property held to earn rental income or for capital appreciation or for both is classified as Investment Property. Investment Property whose fair value can be measured reliably is recorded initially at its cost including transaction costs and subsequently at its fair value at each reporting date, with the changes in the fair value recorded in profit and loss.

If the fair value is not reliably measurable without undue cost or effort, the property is then included in property, plant and equipment.

CARIBBEAN CONFEDERATION OF CREDIT UNIONS

Notes to Financial Statements (cont'd)

December 31, 2019

(Expressed in United States Dollars)

3. Cash at bank and on hand:

	2019	2018
St. Kitts-Nevis-Anguilla National Bank	\$ 109,200	66,032
Nevis Co-operative Credit Union Ltd.	5,587	5,450
St. Kitts Co-operative Credit Union Ltd.	871	935
Cash on hand	51	454
	<u>\$ 115,709</u>	<u>72,871</u>

4. Fixed Deposits:

	2019	2018
One (1) year fixed deposit at Capita Financial Services Inc. maturing on November 19, 2020 bearing interest at a rate of 3%.	\$ 127,648	123,930
One (1) year fixed deposit at St. Kitts Co-operative Credit Union Limited maturing on May 26, 2020 bearing interest at a rate of 3%.	109,833	106,677
One (1) year fixed deposit at Dominica Co-operative Societies League Limited maturing on November 20, 2020 bearing interest at a rate of 2.4%.	49,256	48,101
One (1) year fixed deposit at Grenada Co-operative League Limited maturing on November 22, 2020 bearing interest at a rate of 3%.	38,920	37,787
	<u>325,657</u>	<u>316,495</u>
Interest receivable	2,401	2,411
	<u>\$ 328,058</u>	<u>318,906</u>

CARIBBEAN CONFEDERATION OF CREDIT UNIONS

Notes to Financial Statements (cont'd)

December 31, 2019

(Expressed in United States Dollars)

5. Other Receivables and Prepayments:

	2019	2018
Accounts receivable	\$ 135,581	56,134
Prepayments	9,867	18,977
Other receivables	666	13,653
Provision for bad debts	(12,439)	-
	<u>\$ 133,675</u>	<u>88,764</u>

6. Deferred Costs:

Deferred costs relate to expenses incurred during the current financial year for which benefits are expected in the subsequent periods. The costs recognised in the financial statements are those directly attributable to pre-convention expenses for hosting the 2021 Caribbean Credit Union Conference to be held in Punta Cana.

CARIBBEAN CONFEDERATION OF CREDIT UNIONS

Notes to Financial Statements (cont'd)

December 31, 2019

(Expressed in United States Dollars)

7. Property and Equipment - net:

	Land & Land Improvements	Building	Non-project Furniture and Equipment	Project Equipment	Electronic Equipment	Work -in - Progress	Total
Cost/Valuation:							
December 31, 2017	\$ 131,545	-	27,896	1,163	28,777	239,342	428,723
Additions	-	-	1,943	-	216	639,914	642,073
Disposals	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
December 31, 2018	131,545	-	29,839	1,163	28,993	879,256	1,070,796
Additions	57,167	-	63,224	-	134,220	469,355	723,966
Disposals	-	-	-	-	(770)	-	(770)
Transfers	-	539,444	-	-	-	(539,444)	-
Transfers to Investment property	-	-	-	-	-	(809,167)	(809,167)
December 31, 2019	\$ 188,712	539,444	93,063	1,163	162,443	-	984,825
Depreciation:							
December 31, 2017	\$ -	-	25,058	1,163	20,591	-	46,812
Charge for the year	-	-	1,742	-	2,309	-	4,051
Disposals	-	-	-	-	-	-	-
December 31, 2018	-	-	26,800	1,163	22,900	-	50,863
Charge for the year	633	3,304	6,340	-	11,289	-	21,566
Disposals	-	-	-	-	(770)	-	(770)
December 31, 2019	\$ 633	3,304	33,140	1,163	33,419	-	71,659
Carrying value:							
December 31, 2019	\$ 188,079	536,140	59,923	-	129,024	-	913,166
December 31, 2018	\$ 131,545	-	3,039	-	6,093	879,256	1,019,933

CARIBBEAN CONFEDERATION OF CREDIT UNIONS

Notes to Financial Statements (cont'd)

December 31, 2019

(Expressed in United States Dollars)

8. Intangible Assets:

Cost:	Total
At December 31, 2017	\$ 54,783
Additions	-
Disposals	-
At December 31, 2018	54,783
Additions	-
Disposals	-
At December 31, 2019	\$ 54,783
Accumulated Amortization	
At December 31, 2017	\$ 18,261
Charge for the year	18,261
At December 31, 2018	36,522
Charge for the year	18,261
At December 31, 2019	\$ 54,783
Closing Value	
At December 31, 2019	\$ -
At December 31, 2018	\$ 18,261

9. Investment Property:

	2019	2018
Balance, beginning of the year	-	-
Transfer from work in progress	809,167	-
Balance, end of year	809,167	-

Investment property comprises of a section of the new Caribbean Confederation of Credit Union headquarter that is leased to third parties.

10. Project Funds:

	2019	2018
OECS Project Phase II	\$ 1,034	1,034

The purpose of this project is to advance the upgrading of the regulatory framework of the OECS Credit Union System combined with increased self-regulation and compliance, enhanced internal safety procedures and practices and greater e-business connectivity. The establishment of the Regional Stabilization and Supervisory Unit (RSSU) is a major component of this project.

CARIBBEAN CONFEDERATION OF CREDIT UNIONS

Notes to Financial Statements (cont'd)

December 31, 2019

(Expressed in United States Dollars)

11. Accounts Payable and Accruals:

	2019	2018
Trade payables	\$ 20,154	46,023
Accruals	29,894	38,070
Other payables	6,895	4,893
	<u>\$ 56,943</u>	<u>88,986</u>

12. Long Term Debts:

	2019	2018
Secured term loan bearing interest at the rate of 4.5% per annum from St. Kitts-Nevis-Anguilla National Bank Limited payable in full as at July 28, 2034.		
The loan was secured with a property located at Fortlands, Basseterre, which comprises of 16,992.61 sq. ft. of land and a building erected thereon.	\$ 724,461	-
	<u>724,461</u>	<u>-</u>
Less: Current portion:	<u>(48,223)</u>	<u>-</u>
	<u>\$ 676,238</u>	<u>-</u>

13. Related Party Transactions:

Parties are considered related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties can arise by way of common ownership, common directors and management.

The Caribbean Confederation of Credit Unions conducts various transactions with and on behalf of the Caribbean Confederation of Credit Unions Development Foundation. The nature of these transactions relate primarily to receipts of pledges, expenses, payments and donations.

The outstanding balances of related party transactions are as follows:

Due from related party:

	2019	2018
Caribbean Confederation of Credit Unions Development Foundation	\$ -	45,380

Due to related party:

	2019	2018
Caribbean Confederation of Credit Unions Development Foundation	\$ 2,827	-

CARIBBEAN CONFEDERATION OF CREDIT UNIONS

Notes to Financial Statements (cont'd)

December 31, 2019

*(Expressed in United States Dollars)***13. Related Party Transactions: (cont'd)***Key Management Compensation*

	2019	2018
Key members of management	\$ 94,900	95,000

During the year, key management compensation comprised of management salary, allowances, bonus and gratuity.

14. Reserve Fund:

	2019	2018
Balance, beginning of year	\$ 458,494	436,552
Transfer from retained earnings	-	21,942
Balance, end of year	\$ 458,494	458,494

The Board of Directors approved the establishment of a reserve fund of fifty percent (50%) of net income or not less than \$20,000 to be held in the form of liquid investments commencing the financial year ended December 31, 2010. The reserve fund computation excludes income received to establish the Stabilization Fund.

15. Youth Activity Fund:

On December 31, 2013 the Board of Directors approved the transfer of \$22,000 to establish a Youth Activity Fund. The mandate for this fund would aid in the development and provision of youth development activities at the annual conventions. At year end, the Youth Activity Fund amounted to \$36,684 (2018: \$36,684).

16. Stabilization Fund:

In 2011, the Confederation established a Stabilization Fund (the "Fund") to assist Credit Unions of the Organization of Eastern Caribbean States whose investment portfolio have been significantly impaired as a result of the financial difficulties of Colonial Life Insurance Company and British American Insurance Company Limited. This fund was capitalized with an initial \$100,000 from The Caribbean Confederation of Credit Union Development Foundation. At year end, the Stabilization Fund amounted to \$155,997 (2018: \$155,997).

CARIBBEAN CONFEDERATION OF CREDIT UNIONS

Notes to Financial Statements (cont'd)

December 31, 2019

*(Expressed in United States Dollars)***17. Revaluation Surplus:**

The revaluation surplus relates to the net appreciation of land based on revaluations performed by an independent property appraiser (note 7).

	2019	2018
Balance, beginning of year	\$ 51,454	51,454
Balance, end of year	\$ 51,454	51,454

18. Building Fund:

During the year ended December 31, 2015, the board of directors approved the establishment of a building fund for the purpose of financing the construction of the new CCCU Headquarters. During the year ended December 31, 2018, several credit union leagues and associated members made donations totalling \$45,237 to the fund. The Board also supplemented the fund by transferring additional amounts from the accumulated surplus annually. The building was completed in 2019.

19. Administrative Expenses:

	Note	2019	2018
Payroll and related costs	21	\$ 197,901	196,621
Board and committee's expenses		100,769	107,160
Rental expense		36,080	54,120
Advertising and promotion		30,842	2,064
World Council of Credit Unions dues		28,575	28,575
Official Travel		25,522	23,023
AGM related expenses		24,552	23,802
World Council of Credit Unions meeting		18,999	21,248
Telephone and utility expenses		18,245	18,775
Subscription and donations		15,173	4,323
Bad debt expense		12,439	-
Audit fees		11,600	11,497
Professional fees and expenses		11,167	28,858
Repairs and maintenance		8,986	5,345
Stationery, printing and supplies		6,639	4,480
Insurance		6,491	1,149
Affiliates		3,042	3,047
Miscellaneous expenses		4,750	3,635
Total expenses		\$ 561,772	537,722

CARIBBEAN CONFEDERATION OF CREDIT UNIONS

Notes to Financial Statements (cont'd)

December 31, 2019

(Expressed in United States Dollars)

20. Convention Income and Expenses:

The Confederation hosted the 2019 convention in the Bahamas where arrangements were different from those held in Trinidad and Tobago in the previous year. Participants were required to pay for their own hotel accommodations. Furthermore, the World Council of Credit Unions paid a portion of the cost for the 2019 convention.

The table below shows the Confederation's convention income and expenses:

	2019	2018
Convention income		
Registration fees	\$ 207,056	683,309
Sponsorship and booth rental	25,553	96,103
Hotel fees	-	20,992
Other income	-	1,783
	\$ 232,609	802,187
Convention expenses		
Facilitators' fees and expenses	\$ 3,733	126,585
Opening and closing ceremony	4,280	125,505
Convention coordinator's service	-	61,410
Equipment rental	-	55,000
Convention kits & folders	-	49,278
Hotel charges	-	25,854
Convention secretariat service	4,728	22,903
Board accommodation and expenses	12,097	18,681
Advertising & promotion expenses	-	11,971
Bank charges	734	9,813
Cocktails and other meetings	-	7,286
Pre-convention planning expenses	7,671	5,641
CEO's round table	4,030	3,774
Postage and shipping expenses	-	2,487
Telephone & communications expenses	-	702
Transportation	-	313
Stationery, printing & supplies	-	267
Miscellaneous expense	56	1,631
Total convention expenses	\$ 37,329	529,101
Total net convention income	\$ 195,280	273,086

CARIBBEAN CONFEDERATION OF CREDIT UNIONS

Notes to Financial Statements (cont'd)

December 31, 2019

*(Expressed in United States Dollars)***21. Payroll and Related Costs:**

	2019	2018
Salaries and wages	\$ 156,848	155,665
Housing allowance	12,000	11,000
Statutory deductions	10,433	10,789
Gratuity	6,600	7,400
Employee travel	4,710	4,872
Staff welfare	4,910	4,495
Entertainment allowance	2,400	2,400
	\$ 197,901	196,621
Number of Employees	6	5

22. Taxation:

The Confederation is exempt from corporation and other taxes under Section 5 (b) of the Income Tax Ordinance #17, 1966.





CARIBBEAN
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OF CREDIT UNIONS