

DENNERY COMMUNITY CREDIT CO-OPERATIVE SOCIETY

2017 Annual Report

23rd Annual General Meeting



**‘Our Community, Our Family, Celebrating a Milestone,
Envisioning a Brighter Future’**

Saturday May 26th, 2018

CREDIT UNION PRAYER

Prayer of Saint Francis of Assisi

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.

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VISION

Our vision is to be the lifetime financial partner for our community empowering our members to achieve success.

MISSION

To educate members of our community about the principles and benefits of co-operatism so as to attract membership from a wide cross section of our community in an effort to harness our collective resources to promote the educational, social and economic development of members and the wider community.

CO-OPERATIVE PRINCIPLES

1. Voluntary and Open Membership
2. Democratic Member Control
3. Member Economic Participation
4. Autonomy and Independence
5. Education, Training and Information
6. Co-operation among Co-operatives
7. Concern for Community

CO-OPERATIVE VALUES

1. Self-help
2. Self-responsibility
3. Democracy
4. Equality
5. Equity
6. Solidarity

OFFICERS AND STAFF

Board of Directors

Daniella Martelly - President
William St. Juste - Vice President
Herbert Regis - Secretary
Claudius Charles - Treasurer
Sybilliana Marquis- Asst. Secretary
Giles Arthur - Director
Hiram Hunte - Director

Credit Committee

Dwight St. Ville - Chairperson
Gabriel Fenelon - Secretary
Crepin Jn. Baptiste - Member
Rosalyn Collymore - Member
Ensley Charlery - Member

Supervisory Committee

Jean Jeriffe - Chairman
Hilanda Leon - Secretary
Deborah Elliot-Charlery- Member
Emery Modeste - Member

Staff

Thora Dundas - Manager
Elaine Desir - Loans Officer
Madrianna Fontenelle-Admin. Clerk
Barry Marquis - Senior Clerk
Jercel Gedeon - Junior Clerk

Auditor

Llewellyn Gill & Co.

Solicitors

Charlemagne & Julien Chambers

Affiliation

St. Lucia Co-operative League

Bankers

Bank of Saint Lucia
Bank of Nova Scotia
1st National Bank

Education Committee

Enda Polius - Chairperson
Vercilli J. Gustave - Secretary
Shirley Bissette - Asst. Secretary
Antonius Thomas - Member
Hiram Hunte - Member

Delinquency Committee

Dwight St. Ville - Chairperson
Elaine Desir - Secretary
Hiram Hunte - Member
Agnita Thomas - Member

Social & Public Relations Committee

Ramel Polius - Chairperson
Rosaly Collymore- Secretary
Jasmin Monerville -Bissette - Member
Gregor Stanislaus- Member

STANDING ORDERS

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

NOTICE & AGENDA

Notice is hereby given of the 23rd Annual General Meeting of the Dennery Community Credit Co-operative Society Limited to be held on Saturday May 26th, 2018 at Clendon Mason Memorial Secondary School commencing at 3:00 pm.

Agenda

1. Ascertaining a Quorum
2. Call to Order and Prayers
3. National Anthem
4. Welcome Remarks
5. Apologies for Absence
6. Minutes of the 22th Annual General Meeting
 - Reading of Minutes
 - Errors and Omissions
 - Confirmation of Minutes
 - Matters Arising
7. Reports
 - Financial Services Regulatory Authority (FSRA)
 - Board of Directors
 - Treasurer
 - Audit and Financial Statements
 - Credit Committee
 - Supervisory Committee
8. Appointment of Auditor
9. Resolution to Amend By-Laws - Membership
10. Election of Officers
11. Any Other Business
12. Adjournment
13. 25th Anniversary Celebrations



Herbert Regis

Secretary

**MINUTES OF THE 22ND ANNUAL GENERAL MEETING
HELD AT THE CLENDON MASON MEMORIAL SECONDARY SCHOOL,
DENNERY ON SATURDAY APRIL 29TH, 2017.**

Present at the Meeting:

Ms. Daniella Martelly	-	President
Mr. Thomas Flavien	-	Treasurer
Mr. William St.Juste	-	Secretary
Ms. Sybilliana Marquis	-	Assistant Secretary/Treasurer
Hurbert Regis	-	Director
Mr. Giles Arthur	-	Director

In Attendance were:

Ms. Thora Dundas	-	Manager
Ms. Sancha Victor	-	Financial Services Regulatory Authority
Ms. Krysta Anthony	-	Financial Services Regulatory Authority
Mr. Llewellyn Gill	-	Auditor

Ascertainment of Quorum

An attendance register of all present was taken. The register attendant confirmed that the meeting was duly constituted with membership attendance at 140.

Call to Order and Prayers

The 22nd Annual General Meeting was called to order at 6:39 p.m. by the Vice President, Mr. William St. Juste. The Prayer of St. Francis of Assissi was recited.

Mr. St.Juste directed members to observe a minute of silence in honour of deceased fellow cooperator Mr. Linus Robinson, who had been a member of the Mon Repos Credit Union and also served on the Cooperative League.

President's Welcome

The President, Ms. Daniella Martelly, welcomed everyone to the 22nd Annual General Meeting. She asked members to continue to show their support and to give the Cooperative Society the mandate required to work for members. Ms. Martelly further encouraged members to participate in the discussions to be held during the meeting.

Apologies for Absence

No apologies for absence were received.

Standing Orders

The Standing Orders to be followed were read by Mr. William St.Juste.

Reading of Minutes of the 21st Annual General Meeting

The minutes of the 21st Annual General meeting were read by Mr. Herbert Regis, Secretary to the Board of Directors. Ms. Shirley Biscette translated the minutes to Kweyol.

Errors and Omissions

Page 7, line 14; it should read '*Mineva*' and not '*Minerva*'

Page 9, line 19; replace '*peruse*' with '*pursue*'

Page 9, line 23; '*get*' should replace '*gets*'

Page 10, line 18; '*Ms. Shirley Biscette commended that*' should instead read '*Ms. Shirley Biscette commended the fact that*'

Page 12, line 2; '*educating members*' should replace '*educating member*'

Page 13, line 2; '*Rommella*' should replace '*Romella*'

Page 14, line 1; '*seconded by Mr. Timothy Regis which read as follows*' should replace '*seconded by Mr. Timothy Regis as follows*'

Page 15, line 7; should read '*Bertha*' and not '*Berthia*'

Page 15, line 8; replace '*property*' with '*properly*'

Page 15, line 13; 'the Vice President informed members that' should replace 'the Vice President that'

The Minutes of the 21st Annual General Meeting were confirmed on a motion moved by Mr. Jules Sargusingh and seconded by Mrs. Mineva Joseph.

Address by FSRA

Ms. Krysta Anthony from the Financial Services Regulatory Authority (FSRA), began her address at the AGM, by thanking the management of DECOS for inviting her to speak and conveying the greetings of Mr. Calixte Leon, the Executive Director of the FSRA. Ms. Anthony congratulated Management on its efforts during the financial year at growing the membership evidenced by the 4% increase in membership and 12% increase in assets. The endeavor made by staff to educate themselves on managing risks was noted and she encouraged them to take advantage whenever possible of the training opportunities available. Although concerns about the rates of delinquency and capital adequacy for the period under review were expressed, Management was commended for its strides to operate efficiently. In conclusion, Ms. Anthony alluded to the Cooperative Societies Bill, which she indicated will help cooperatives achieve quality standards.

Matters Arising

Court Matters

The President informed members that one of the lawsuits brought against DECOS had been dismissed by the Courts, while a judgement on the second case was still pending.

Merger

The President indicated that the matter of the merger with the Mabouya Valley Credit Union was on hold indefinitely.

Website

The Board was happy to report, that the Website for DECOS was finally completed and available. A contract was signed in December of 2016 with Emagine Solutions Inc to undertake the development of the Website.

Fishermen's Cooperative

The President also reported that DECOS would continue to be the Receiver/Manager for the Dennery Fishermen Cooperative until November 2017. It is expected that the Fishermen Cooperative will amend their Bye-Laws to allow DECOS to become a member of the cooperative which will facilitate joint management.

Appointment of Auditor

Since a motion had been moved at the 21st AGM to give the Board the latitude to retain or appoint a new auditor, the President indicated that after much deliberation the Board had decided to appoint a new auditor in the firm of Llewellyn Gill & Co.

Outgoing Board Member

During the 21st AGM Mr. Linus St Clair had noted it was odd that no Board member was outgoing. The Board had indicated that it would consider the matter. In light of this, the President informed members that Mrs. Enda Polius Edward should have been the outgoing member and was not eligible for re-election. Consequently, she was asked to step down from the position and Mr. Herbert Regis was brought in to fill the position.

Requirements to Serve on Committees

Mr. Jules Sargusingh questioned the condition that to serve on any committee, the prospective member should have at least \$1000 in membership shares. He argued that such a condition would exclude young persons from serving and questioned whether this stipulation was in the Bye-Laws. Mr. William St. Juste replied that while this was not yet in the Bye-Laws of DECOS, it was contained in

the Co-operative Societies Bill. Mr. St. Juste also added that due diligence be done before anyone serves on a committee and revealed further that persons could take loans from DECOS to increase their membership shares.

Mr. Linus St.Claire continued to stress that the qualifications to become a director should be reflected in the Bye-Laws of DECOS. He even suggested that the Board put a motion to members. Mr. St. Juste reiterated that this stipulation was not being made by DECOS. The President pointed out that this was not being done to keep people out, but rather in preparation for the enactment of the Co-operative Societies Bill. She concluded by saying that as soon as the bill is passed, the Bye-Laws will be amended.

Reports

Board of Directors Report

The Board of Directors Report was presented by the President, Ms. Daniella Martelly. She informed members of the growth experienced by DECOS during the financial year. Notwithstanding, Ms. Martelly expressed concerns about the levels of risk exposure within the current operating environment and shared some of the strategies being undertaken by Management to mitigate such risks. The President shared with members the strategic vision to purchase the building that DECOS is currently operating out of and interconnecting the two buildings thereby creating a flagship building in the community. In conclusion, the President implored members to continue to extend their support to help move the Society forward.

Mrs. Agnita Thomas questioned the President on the procedure for the use of the Automated Teller Machines (ATM) scheduled to be erected by the League later this year. In her response, the President reiterated that credit unions are about thrift and that there will be some restrictions regarding withdrawal from accounts. However, she did indicate that there was not enough information available at this point.

Mr. Timothy Regis inquired about the ownership of the buildings and whether renovations had started. The President went on to explain again that at present DECOS had only purchased one building, which is the one that was unoccupied and that the Board was hoping to put a motion forward for the purchase of the second building. Considering this new development, renovations had not yet started.

The report was adopted on a motion moved by Dianne Cazabon and seconded by Agnita Thomas.

Treasurer's and Auditor's Reports

The Treasurer's Report was read by Mr. Thomas Flavien. Mr. Flavien presented a summary of the financial performance of DECOS highlighting areas of growth as well as the provisions made for the impairment of the CLICO investment. The treasurer also made a special appeal to delinquent members to utilize the Society's financial counselling service. He encouraged members to make DECOS their premier lending institution and suggested that loans from DECOS should be used to purchase appliances rather than entering into hire purchase arrangements with the stores, as it is more beneficial to do so. He highlighted further that while DECOS may not offer 'fast' cash, it offers cash along with the cooperative principles unmatched by other types of financial institutions.

Mr. Gill presented the Auditor's Report. After reading the Independent Auditor's Report, Mr. Gill highlighted significant areas in the Financial Statements. He updated members on the CLICO situation stating that CLICO was only willing to pay back 65 % of the investment. Consequently, DECOS was required to make provisions for the outstanding 35%, which contributed significantly to the net loss experienced. Despite this loss, Mr. Gill informed members of his confidence in the efficient management of DECOS.

Mr. Jules Sargusingh observed that there is a need for the auditor's report to be presented in a language that is simpler since everyone may not be familiar with the technical terms contained in the report.

The reports were adopted on a motion moved by Mrs. Hermine Francis Alexander and seconded by Mrs. Agnita Thomas.

Credit Committee Report

The report was presented by Mr. Gabriel Fenelon. In his review, Mr. Fenelon presented a summary of loans disbursed during the financial year as well as compared loan categories for 2015 and 2016. While there was a reduction in loans granted delinquency increased and remains one of the biggest concerns for the Society.

Mrs. Mary Skelly asked for clarification on the difference between personal and domestic loans. In response Mr. William St. Juste explained, that while sometimes the two areas overlap, a domestic loan is generally taken to purchase home appliances and furniture while personal loans are taken against strength of shares and applicants are not required to explicitly state their purpose.

Mr. Timothy Regis queried why loans should be granted for vehicle repair. Mr. St. Juste reminded him of the standing orders that questions must be relevant. The report was adopted on a motion moved by Mrs. Enda Polius Edward and seconded by Ms. Shirley Biscette.

Supervisory Committee Report

This report was presented by Ms. Hilanda Leon who highlighted the activities of the committee during the year under review. She noted the increase in membership and the strides made by the Society to reduce delinquency.

Ms. Shirley Biscette asked for some clarification on the rate of delinquency. The Manager explained that the increase in delinquency can be attributed to a land loan where the member who was granted the loan is no longer interested in the property. She informed members that the Society is prepared to sell this property should anyone be interested.

The report was adopted on a motion moved by Mr. Timothy Regis and seconded by Mrs. Agnita Thomas.

Special Presentation

Members viewed a presentation depicting the vision for the flagship building which will house the offices of DECOS. Two options were presented. The first showed one building which is the one already owned by DECOS while the second option portrayed the two interconnected buildings. Both designs incorporated a mix of traditional and contemporary styles observed in other historical buildings in the village.

Mrs. Hermine Alexander enquired as to whether DECOS can afford to purchase this second building and bring the vision to reality. The President responded in the affirmative stating that a mix of cash and loans could be used to fund this development so as not to negatively impact the financial position, namely the PEARLS ratios.

Mrs. Mary Skelly expressed her apprehensions about the cost of the building and their structural integrity given their age. Mr. St. Juste informed members that advice was sought from professionals who informed that the structural integrity is unquestionable. He stated further that the price was fair given market conditions and that for security purposes it would be best to obtain the adjoining building. He explained that the second building would be used as a shell building which could be rented out to government for offices.

Mr. David Edward inquired about the issue of the tendering process for construction. Mr. St. Juste responded that there will be an open tender process. Tenderers will be required to submit documents which the architects will review and short list. He added that tenders will be limited to builders/contractors from the Dennery community.

Ms. Shirley Biscette presented a resolution as follows: "Be it resolved that members give their approval to management to purchase the building." The motion was put to a vote; seventy-two (72) members were in favor while one (1) was against.

Appointment of Auditor

A motion was moved by Mr. Jules Sargusingh, seconded by Mr. Timothy Regis to give the Board the autonomy to retain or appoint a new auditor for the financial year 2017. Fifty-six (56) members were in favour and zero (0) against.

Election of Officers

The nominating committee comprising Ms. Thora Dundas, Ms. Sybilliana Marquis and Mrs. Agnita Thomas presided over the elections.

Board of Directors

There were four positions open:

Mr. Anthony Phillip (had resigned his position on the Board of Directors)

Mr. Thomas Flavien (not entitled for re-election)

Ms. Daniella Martelly (entitled to re-election)

Mr. Herbert Regis (entitled to re-election)

The nominees were as follows: Daniella Martelly, Herbert Regis, Claudius Charles, Hiram Hunte, Dwight St. Ville and Asmara James.

It was brought the attention of the meeting that Dwight S. Ville and Asmara James were related to Daniella Martelly and Herbert Regis respectively and so could not serve on the same committee. The two names were therefore removed.

Mr. William St. Juste moved a motion to close nominations. This was seconded by Mrs. Hermine Alexander.

Credit Committee

There were two outgoing members, Joseph Charles and Jean Omerod, neither of whom were eligible for reelection. The nominees were Crepin Jn Baptiste, Dwight St Ville and Agnita Thomas. Crepin Jn Baptiste and Agnita Thomas were elected to serve on the Credit Committee.

Supervisory Committee

There was one outgoing member from the Supervisory Committee. The nominees were Hilanda Leon (entitled for reelection), McGaran Tellemague and Dwight St.Ville. Hilanda Leon was elected.


Any Other Business

- Ms. Shirley Biscette expressed her displeasure with the late start of the AGM and suggested that future meetings be moved to 5:00 p.m. The President responded that the 6:30 p.m. start time was selected to accommodate Saturday Worshipers.
- Mr. Perry Lendor suggested that the Board improve the election procedure by making available ballot papers. This he suggested would simplify the process and make it more organized. Mr. William St Juste conveyed the Board's consent to this suggestion for future AGM's as it would make the procedure more transparent. He also pointed out that potential nominees should express their interest before the day of the AGM so that requisite background checks can be made.

The meeting was adjourned at 10:16 p.m. on a motion moved by Mrs. Hermine Alexander and seconded by Ms. Shirley Biscette.



Herbert Regis - Secretary



Daniella Martelly - President

PRESIDENT'S MESSAGE

Fellow co-operators, on behalf of the Board of Directors it is a pleasure to address you at a time when we are celebrating our 25th anniversary. February 17, 2018 marked 25 years of existence, a milestone for which we are indeed proud. The theme for this 25th anniversary is "Our Community, Our Family, Celebrating a Milestone, Envisioning a Brighter Future".

Looking back over the years, I am gratified to see that our Credit Union has journeyed along a path of success moving from an asset base of approximately \$150 thousand in February 1993 to \$22 million, twenty five (25) years hence. The last seven years saw significant growth in assets and this is testimony of the confidence that you the members have in the Management of our Credit Union. This growth could not have been achieved without the hard work of dedicated volunteers and employees to whom we are indeed grateful.

Looking forward, we must continue to embrace international standards which are pivotal to our success into the foreseeable future. Governance and leadership must be foremost in our minds as we strive for excellence. We must never lose sight of the co-operative principles and values that differentiate us from other financial institutions.

In closing, I would like to thank the volunteers who labored for many years to see the formation and registration of our Credit Union. I express sincere gratitude to all volunteers who have served from registration to present. Our heartfelt thanks to the Management and staff for their dedicated service throughout the years.

As we expand into the foreseeable future, may we continue to nurture this pillar of economic strength as "together we will achieve, together we will build the walls of progress for generations to come".

Yours co-operatively,



Daniella Martelly

President

BOARD OF DIRECTORS



DANIELLA
MARTELLY



WILLIAM
ST JUSTE



HERBERT
REGIS



CLAUDIUS
CHARLES



SYBILLIAN
A MARQUIS



HIRAM HUNTE



GILES ARTHUR

BOARD OF DIRECTORS REPORT

For the year ended December 31, 2017

Overview

The Board of Directors is pleased to report a steady growth in the financial position of our Credit Union as total assets increased by \$2.31 million to register a growth rate of 11.9% for the financial year 2017. This growth resulted largely from members' savings (deposits and withdrawable shares) which registered an increase of \$1.57 million and accounted for 80.8% of total assets in 2017. Additionally, we registered a growth in members' equity of \$0.7 million.

Loans to members recorded an increase of \$1.82 million or 15.2% for 2017, the largest increase when compared to the last five years. Loans to members accounted for 63.5% of total assets in 2017 compared to 61.7% for the previous year.



Institutional capital (members' equity less share capital) stood at 12.7%, 2.7% above the minimum rate required by law while the year 2016 recorded a rate of 12.8%.

Membership

During the period under review, Management undertook an exercise to ensure that every member met the share qualification for membership, that is, twenty (20) membership shares. In that regard, persons who had less than that amount and were unable to purchase the balance by transfer from deposits or withdrawable shares did not qualify for membership and as such their membership shares were transferred to deposits. Membership at 2017 was therefore reported at 2,570.

Financial Performance

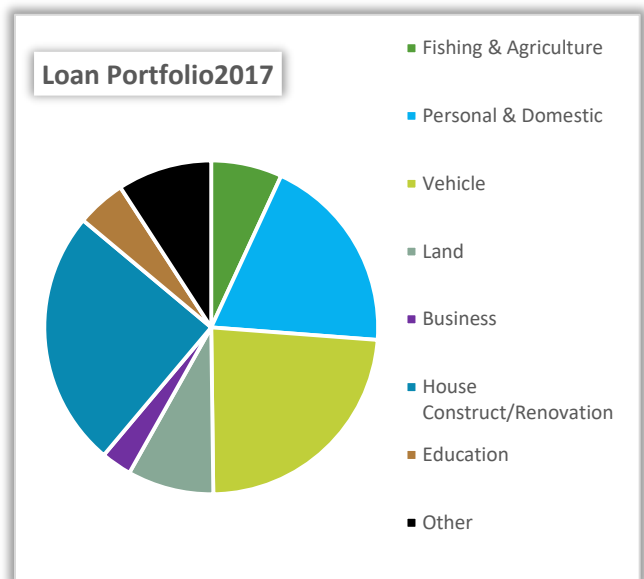
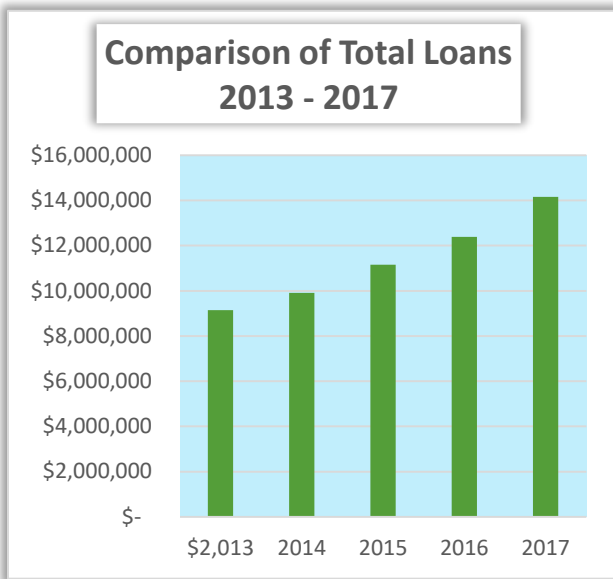
The Society registered a net surplus of \$280,043, a significant increase when compared to the previous year's figure of \$4,839. This performance is attributed largely to a reduction of \$282,474 in the provision for impairment receivables. Further explanation is provided in the Treasurer's Report.

Dividends

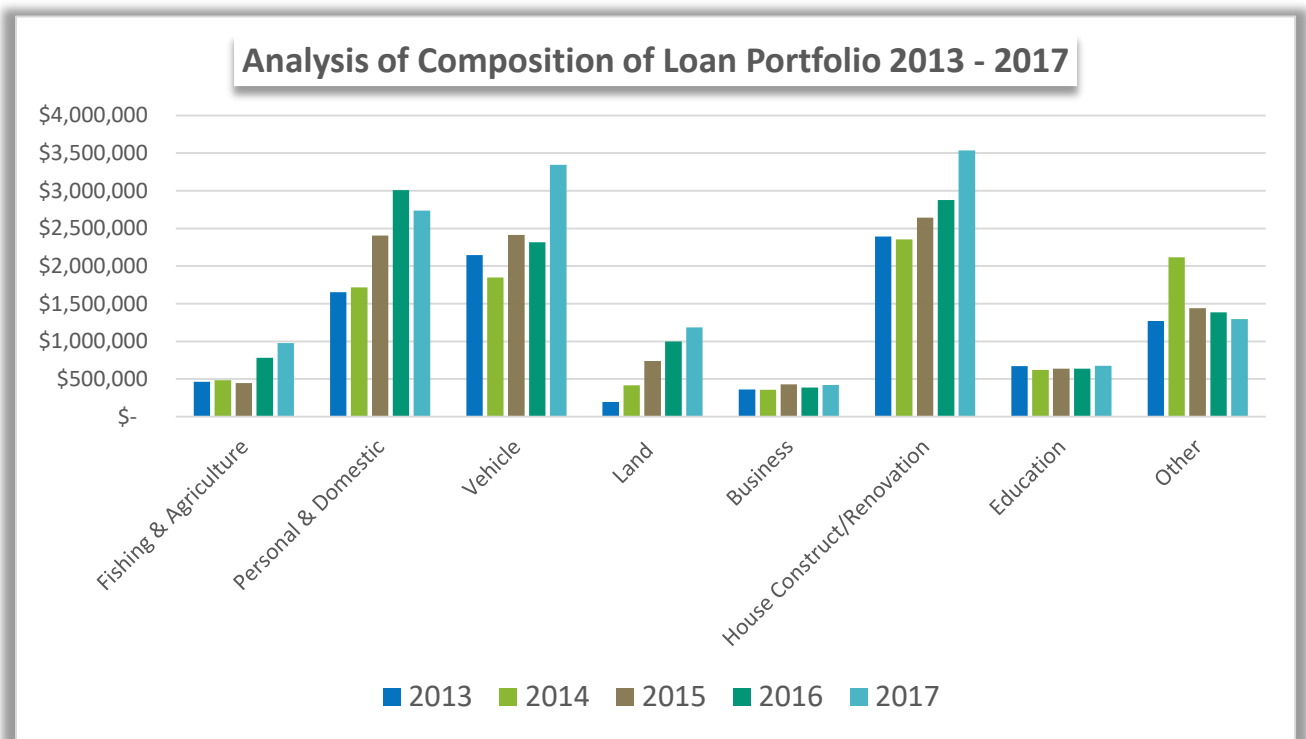
The Board proposes dividends of 15% for the financial year ended December 31, 2017 amounting to \$112,438, to be credited to equity shares.

Loan Portfolio

Total loans grew from \$12.39 million at the end of 2016 to \$14.16 million at the end of 2017 representing a significant increase of \$1.77 million or 14.3%. This increase is primarily attributed to a \$1.03 million or 44.4% increase in Vehicle loans and a \$0.66 million or 22.8% increase in House Construction/Renovation loans. For the period under review, House Construction/Renovation accounted for the largest proportion of the loan portfolio at 25% followed by Vehicle at 23.6% and Personal/Domestic at 19.3% as depicted in the graph below.



Further analysis of the loan portfolio revealed that Fishing & Agriculture increased by 24.8% while Land increased by 18.6%. Business and Education registered increases of 9.1% and 5.6% respectively. Conversely, Personal/Domestic and Other recorded declines of 9.1% and 6.3% respectively.



In 2017, the Society used the formula in the PEARLS Rating system to compute the provision for impairment of loans. This reflected an overprovision for loan losses in the prior years and as such a recovery was recorded at the end of the period under review.

In 2018, we intend to upgrade our accounting system (Emortelle) to facilitate the introduction of IFRS 9. This standard applies a risk based approach to accounting for financial instruments and will impact the provision for impairment of loans.

Building

At our last Annual General Meeting, members approved the purchase of the building currently housing our offices. This has not materialized as issues relating to the land on which the building is situated has not been resolved. That building is situated on two parcels of land; one belonging to the Crown and the other belonging to Leyakatalie Sheikh. During the second quarter of 2017, we submitted an application to the Crown to purchase the relevant parcel of land.

In November 2017, we wrote to the Government of Saint Lucia seeking assistance in acquiring the other parcel of land since the heirs of the deceased owner encountered problems during the process of seeking to administer the estate. Additionally, they expressed concern that the costs which they will have to incur would outweigh the financial benefit from the sale due to the size of the parcel of land and as such it may not be in their interest to proceed.

Website

The website was commissioned in April 2017. Information about the history, membership, opening of accounts, requirements for various types of loans, organization structure and other relevant information can be found on www.dennerycreditunion.com. Forms can be downloaded from the website.

Training

We participated in the following training sessions during the period in review:

- Two employees attended a workshop organized by FSRA on Reporting Forms.
- Three employees were trained by Emagine Solutions Inc. on how to update the website.
- The Manager attended a Conflict Management workshop.
- All employees received forty (40) hours of training in Microsoft Excel.
- The Manager attended an International Financial Reporting Standards (IFRS) 9 workshop.
- Ms. Enda Polius-Edward from the Education Committee attended a workshop on the Roles & Responsibilities of the Board, Supervisory & Education Committee. Two officers from the Supervisory Committee also attended that workshop (see Supervisory Committee Report).

Scholarships

In an effort to assist the children of members, two new scholarships were awarded by the Education Committee bringing the total to ten students benefiting from scholarships to attend secondary schools. The total cost of providing scholarships was \$12,613.



Educational and Social Responsibility

During the period in review, the Education Committee hosted the annual Primary School Spelling Bee competition at which prizes were awarded to the 1st, 2nd and 3rd place winners.

In commemoration of International Credit Union Week celebrated under the theme "Dreams Thrive Here", the Social & Public Relations Committee organized the following activities:

- The President Ms. Daniella Martelly addressed students of the Dennery Primary School on the "Benefits of Saving". This was done in an effort to encourage students to become members of the school's co-operative.
- Ms. Enda Polius-Edward, Chairperson of the Education Committee addressed students from the Clendon Mason Memorial Secondary School on the theme "Dreams Thrive Here" Additionally, we sponsored a poster competition among students from that school.
- Breakfast was served to members who visited the offices of the Society on Credit Union Day.

In collaboration with the Dennery Youth and Sports Council, the Social & Public Relations Committee along with the Education Committee organized and hosted a General Knowledge Quiz among clubs in the community. One part of the quiz required participants to answer questions about the Society. This activity was fully sponsored by the Credit Union.

During December 2017, the Education Committee in collaboration with the Social & Public Relations Committee organized a week of activities during the Christmas season entitled "Five days of Christmas" which saw prizes being won by members. They also brought gifts of thirty hampers to the needy in our community under the "Bringing Smiles" project.

Dennery Fishermen Co-operative

The period of appointment as Receiver/Manager was extended from November 20, 2017 to March 31, 2018 to allow sufficient time to complete the scope of the appointment which included the preparation of a procedures manual and a full revision of the By-Laws.

Court Claims

The matter which was pending in the High Court at the end of 2016 has been dismissed. Another matter brought against DECOS in 2017 was also dismissed during that same year. At the end of the period in review, there were no pending matters against DECOS.

League Matters

The Automated Teller Machine (ATM) project is still ongoing. The League is currently seeking to upgrade the ATM card to a more secure one, that is, chip and pin instead of magnetic strip.

During Credit Union Week, ten (10) persons attended the first 'Gala Awards' ceremony organized by the League at which our Credit Union was one of three nominees for a Community Economic Development Award.

Meetings Attendance Record for 2017

DIRECTORS	NO. OF MEETINGS SCHEDULED		NO. OF MEETINGS ATTENDED	
	REGULAR	JOINT	REGULAR	JOINT
Daniella Martelly	11	2	9	2
William St. Juste	11	2	10	2
Thomas Flavien	5	2	5	1
Giles Arthur	11	2	11	1
Sybilliana Marquis	11	2	9	1
Herbert Regis	11	2	9	2
Hiram Hunte	11	2	7	1
Claudius Charles	11	2	7	1

Conclusion

The Board of Directors extends its gratitude and appreciation to the Management and staff for their dedication throughout the year 2017.

We wish to thank the Credit Committee, Supervisory Committee, Education Committee and Social & Public Relations Committee for working with us in the furtherance of the mission of our Credit Union.

To you the members, we extend our deepest appreciation for your continued support and patronage and look forward to your continued co-operation in 2018.

For and on behalf of the Board of Directors



Daniella Martelly
 President

TREASURER REPORT

For the year ended December 31, 2017

It is a pleasure to be given the opportunity to present to you the Treasurer's report on the financial performance of the Credit Union for the year ended December 31, 2017.

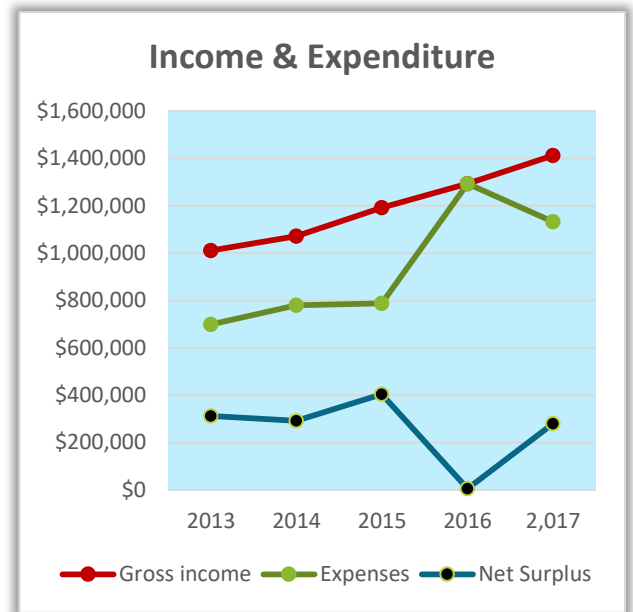
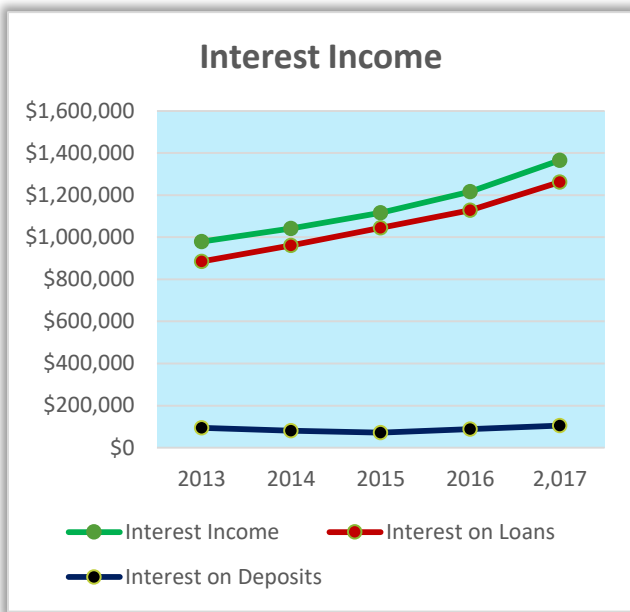
The Society experienced an increase in Total Assets of \$2,314,188 or 11.9% compared to 16.9% for the previous year. This was as a result of an increase in cash equivalents of \$871,896 or 22.2% compared to 53.6% for the previous year. Loans to members increased by 15.2% or \$1,819,314 compared to 10% in 2016. Accounts receivable declined by \$569,150 as a result of monies received from CLICO in respect of the liens held against its assets and a provision for impairment of \$186,602 made against the unsecured portion.

Liabilities increased during the year 2017 by 10% or 1,613,971 compared to 2% the previous year. The major contributors to this increase in liabilities were members' withdrawable shares and deposits amounting to a total of \$1,567,186 or 9% compared to 10% for the previous year.

Membership shares stood at \$1,133,010 which is 5.2% of total assets. This was achieved through a 3% interest payout on members' withdrawable shares which has been credited to equity shares. This treatment which was approved by members at an Annual General meeting has allowed us to meet the 5% requirement as stipulated in the Co-operative Societies Bill section 97; 3. However, Management will continue to monitor its growth as assets increase.

Interest income grew by 12.32% for 2017. Interest on loans and interest on fixed & savings deposits increased by \$133,678 or 11.8% and \$12,162 or 13%

respectively, while there was a drop in other income due to the decrease in management fees from the Dennery Fishermen Co-operative. The reduction in management fees was primarily due to an Accounts Clerk being employed by that co-operative instead of that function being performed by our staff as previously obtained. Also, a 50% rebate on management fees amounting to \$9,000 was granted to the Fishermen Co-operative.



Operating expenses increased by \$35,217 or 9.3% largely due to a donation to our sister islands affected by Hurricane Maria and scholarship expenses which have been classified as an operating expense in 2017. Interest on members' savings increased by \$167,790.

Noteworthy is that the Society registered a recovery of loans amounting to \$12,726 for 2017 compared to an expense of \$78,303 for 2016. The Society continues to exploit all avenues to reduce delinquency. I am therefore appealing to members who are delinquent to come in and work with the Society in this regard.

The Society recorded a net surplus of \$280.043 for 2017. This performance is attributed to an increase in gross income of 9.25% coupled with a 12.5% drop in expenses as explained above.

Conclusion

My sincere thanks to you members for electing me to serve on the Board of Directors. I wish to thank Management and staff for their support throughout the year. Although it is my first year as a volunteer, I must admit that I have learnt a lot and I am pleased that I have been given the opportunity to contribute to sound decisions for future growth of the Society. May the Lord continue to bless our Credit Union as we strive to achieve our vision.



Claudius Charles
Treasurer

CREDIT COMMITTEE



DWIGHT ST VILLE

**CREPIN JN
BAPTISTE**



GABRIEL FENELON

**ROSALY
COLLYMORE**



ENSLEY CHARLERY

CREDIT COMMITTEE REPORT

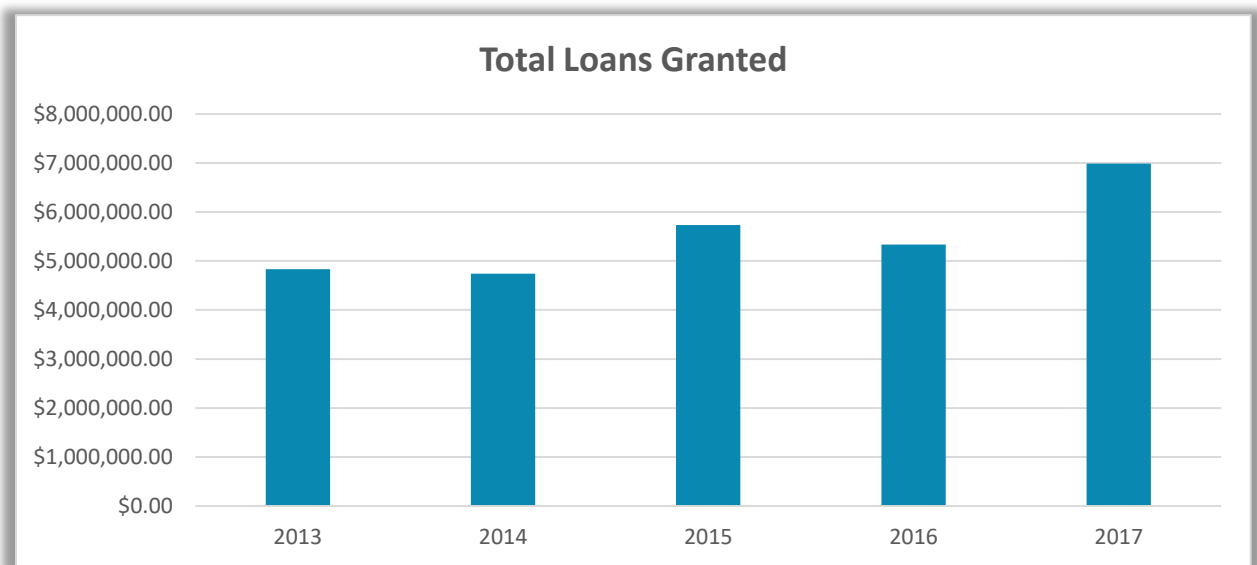
For the year ended December 31, 2017

It is with great pleasure that we present to you the Credit Committee's report for the year ended December 31, 2017. The role of the Credit Committee is to ensure that all loan applications are in compliance with the Loan Policy and to evaluate each member's ability to repay in order to mitigate delinquency. This entails;

1. Interviewing members.
2. Ensuring that all collateral is sufficient and up to date.
3. Ensuring that the debt service ratio is within the stipulated guidelines.
4. Assessing member's ability to repay.

The year in review saw an increase in loans granted of \$1,650,018 moving from \$5,338,604 in 2016 to \$6,988,622 in 2017.

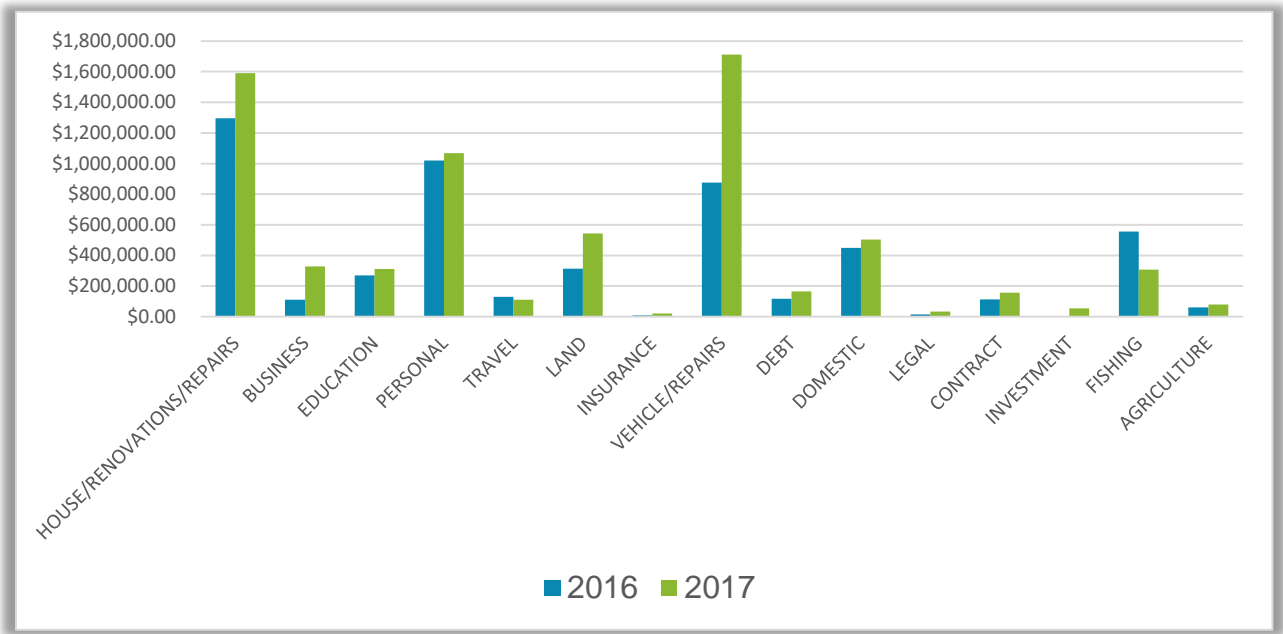
The graph below depicts total loans granted over the last five (5) years



SUMMARY OF LOANS GRANTED FOR THE YEAR 2017

LOAN CATEGORY	NUMBER OF LOANS	AMOUNT GRANTED
HOUSE/RENOVATIONS/REPAIRS	138	\$1,591,460
BUSINESS	18	\$328,684
EDUCATION	99	\$232,714
PERSONAL	468	\$912,535
TRAVEL	45	\$111,130
LAND	9	\$543,331
INSURANCE	7	\$21,697
VEHICLE/REPAIRS	108	\$1,712,681
DEBT	45	\$165,904
DOMESTIC	187	\$502,742
LEGAL	13	\$33,051
CONTRACT	12	\$157,000
INVESTMENT	3	\$54,000
FISHING	17	\$306,707
AGRICULTURE	8	\$79,930
BACK TO SCHOOL	73	\$78,750
REACH	88	\$156,306
	1338	\$6,988,622

This graph below shows the comparison of loans granted per category for the years 2016 and 2017.



The Reach promotion loans granted for 2017 exceeded that of 2016 by \$17,638, however, the Back to School loan promotion saw a decline of \$20,850.

We also compared other loan categories for 2016 with the year 2017 as follows:

- An increase of \$296,078 was recorded for House Renovations/Repairs.
- Education loans increased by \$42,380.
- Loans for the purchase of land increased by \$229,702.
- Vehicles Repair loans increased by \$836,397.
- There was a decrease of \$249,505 in loans granted for Fishing.

Delinquency continues to be one of our major areas of concern and has since increased from 6.27% in 2016 to 7.01% in 2017. The increase is attributed to a delinquent land loan which was fully provided for at the end of 2017. That rate of delinquency surpasses the 5% rate stipulated by the Pearls Rating System and as such more attention needs to be placed on this area.

The Credit Committee, with the assistance of the Loans Officer continue to exercise great caution in processing loan applications. The Committee maintains a

good relationship with Management and Staff of the Society. We take great pride in serving you the members of D.E.C.O.S, and work diligently to ensure your needs are met.

MEETINGS ATTENDANCE RECORD FOR 2017

NAME	NO. OF MEETINGS SCHEDULED		NO. OF MEETINGS ATTENDED	
	REGULAR	JOINT	REGULAR	JOINT
Rosalyn Collymore	25	2	19	2
Gertrude Omerod	8	2	8	1
Joseph Charles	8	2	7	1
Ensley Charlery	25	2	21	1
Gabriel Fenelon	25	2	25	2
Dwight St. Ville	25	2	17	1
Crepin Jn. Baptiste	25	2	16	1

We the members of the Credit Committee, would like to thank you for believing in us, and encourage you to continue utilizing the services that the Society offers. We look forward to serving you in the new financial year.

We want to end with this quote by Robert Kiyosaki **"It's not how much money you make, but how much money you keep, how hard it works for you, and how many generations you keep it for"**

For and on behalf of the Credit Committee.



Dwight St.Ville
Chairperson

SUPERVISORY COMMITTEE



JEAN JERIFFE



**HILANDA
LEON**



**JASON
MODESTE**



**SYLVIA
CHARLERY**

SUPERVISORY COMMITTEE REPORT

FOR THE YEAR ENDED 31 DECEMBER, 2017

"Cooperation is the thorough conviction that nobody can get there unless everybody gets there." – Virginia Burden

INTRODUCTION

At the 22nd Annual General Meeting (AGM) of the Dennery Community Credit Co-operative Society (DECOS) held on April 29th, 2017 the following officer Ms Hilanda Leon was re-elected to serve on the Supervisory Committee.

The first meeting of the Supervisory Committee after the AGM was held in May 2017. The committee structure for the reporting period was as follows:

Mr. Jean Jeriffe (Chairperson)

Ms. Hilanda Leon (Secretary)

Mrs. Deborah Charlery

Mr. Emery Modeste

TRAINING /SEMINARS

During the period under review, the Committee Officers Hilanda Leon and Emery Modeste attended a workshop on the Roles & Responsibilities of the Board, Supervisory & Education Committee.

COMMITTEE FOCUS

During the year under review the committee focused on the following:

- Internal controls
- Credit Committee

- Social and Public Relations Committee
- Board of Directors

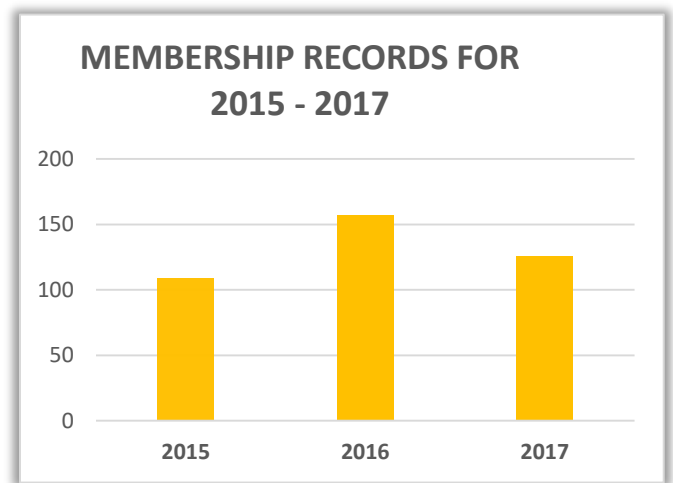
INTERNAL CONTROLS

The Committee undertook various system checks, review of cash summary sheets and review of loans.

Changes made to the different forms used and the improvement in the presentation of work done by staff have enhanced the overall efficiency of staff of the Credit Union.

MEMBERSHIP

In 2017 we noted 126 new members; this however is a noticeable decline when compared to 2016. The Committee recommends more sensitization on the benefits of becoming a member and services provided at the Credit Union to help increase our membership.



CREDIT COMMITTEE

During the year in review, the Supervisory Committee met with the Credit Committee twice. These meetings were to discuss issues and concerns of the Credit Committee as well as clarification on matters pertaining to the Credit Committee and the Credit Union. Some of these included loan forms, membership loan requirements and committee complaints.

SOCIAL AND PUBLIC RELATIONS COMMITTEE

During the reporting period, the Committee met with the Social and Public Relations Committee to ascertain the roles and plans for the Social and Public Relations committee and the issues and concerns being faced with the committee.

BOARD OF DIRECTORS

The Committee used the Board minutes to monitor the activities of the Board. We are of the opinion that the Board along with Management continue to make sound and wise decisions. We also wish to commend them on their management of not only DECOS but that of the Fishers.

SUPERVISORY COMMITTEE

MEETINGS ATTENDANCE RECORD FOR 2017

NAME	NO. OF MEETINGS SCHEDULED		NO. OF MEETINGS ATTENDED	
	REGULAR	JOINT	REGULAR	JOINT
DEBORAH CHARLERY	14	2	14	2
JEAN JERIFF	14	2	12	2
HILANDA LEON	14	2	12	2
EMERY MODESTE	14	2	14	0

WAY FORWARD

We would like to say farewell to Mrs Deborah Charlery and express our heartfelt gratitude to her for her dedicated six years of service to the Supervisory Committee.

The Committee recognizes the need for training of its members to improve their auditing and analytical skills. We expect that greater emphasis will be placed on these areas.

We wish to remind members yet again of our suggestion box, which is placed in the receiving area of the Credit Union. The suggestion box bring us up to date with

your queries, concerns, observations and recommendations. The box has aided in improving the standards at the Credit union. You may also choose to voice your issues and queries to any of our members and we will do our best to investigate or assist in the matters you bring up.

We end with this quote by Helen Keller "Alone we can do so little; together we can do so much".

For and on behalf of the Supervisory Committee



Jean Jeriffe
Chairperson

AUDITED
FINANCIAL
STATEMENTS