OUR VISION
To be a dynamic financial services provider driven by the needs of the members.

MISSION STATEMENT
We The Light and Power Employees Co-operative Credit Union Ltd., are committed to providing quality financial products and services to meet the needs of our members, with the highest level of integrity.

Annual Report 2013
The Light & Power Employees Co-operative Credit Union Ltd.
PRAYER OF
ST 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 are pardoned;
And it is dying that we are born to eternal life.

This favorite prayer of Saint Francis of Assisi is often used by credit
union members at the beginning or at the end of their meetings.
It is even referred to in some places as the “Credit Union Prayer.”
NOTICE is hereby given that the 31st Annual General Meeting of The Light & Power Employees Co-op Credit Union Limited will be held on 22 March 2014 at the Lloyd Erskine Sandiford Centre, Two Mile Hill, St. Michael at 4:30 p.m.

**AGENDA**

1. Ascertain that a quorum is present
2. Prayers
3. Introduction of Guests from other Credit Unions
4. Feature Presentation
5. Minutes of the Annual General Meeting of 23 March 2013
6. Matters arising from the Minutes
7. Report of:
   i) Board of Directors
   ii) Auditors’ Report and Financial Statements
   iii) Treasurer
   iv) Supervisory Committee
   v) Credit Committee
   vi) Delinquency Committee
   vii) Educational Committee
8. Allocation of Surplus
9. Election of Officers
10. Resolutions
11. Appointment of Auditors
12. Setting of the Maximum Liability
13. Any Other Business
14. Vote of Thanks

Wesley Trotman
Secretary

Visit us on-line at:
www.lpeccu.com
The Light & Power Employees Co-operative Credit Union Ltd

PRESIDENT’S MESSAGE

There has been no significant growth in the domestic economy over the past five years and the economic forecast for the year 2014 is that of moderate to flat growth. We at The Light & Power Employees Co-operative Credit Union Limited (LPECCUL) are optimistic and remain committed to our goals for growth, profitability, institutional safety and soundness. A strong financial position has always been one of our primary goals, supported by competent and knowledgeable staff, as well as dedicated committee members. As such, your Board continues to pursue the most prudent philosophy in making decisions about this Credit Union. In an economic environment which is characterised by persistent low interest rates, many of our competitors have sought to increase their revenue by increasing fee income. Our approach has been to focus on cost containment initiatives and variation of loan contracts, on request, to reflect a more suitable repayment arrangement. This resulted in increased cash flow for our members, allowing them to meet the demands caused by the rising cost of living.

During the coming year we shall continue to focus on current and proposed regulatory requirements as well as compliance guidelines that are set by the regulators. The credit union movement has a legal obligation to comply with the directives issued by the Financial Intelligence Unit, The Financial Services Commission, and the mandates given under The Anti-Money Laundering and Financing of Terrorism Act. Each credit union is required to “Know your Member” and to this end we encourage every member to supply the requested data that is required to update your records on our data base.

In the year 2012 the Educational Scholarship was launched to assist members who are being educated at the tertiary and vocational level. This scholarship will now be rebranded as the Trevor Browne Educational Scholarship. The award will be based on merit and need.

For the past seven years we have assisted those junior members who successfully complete the Common Entrance Examination with the cost of their transition to secondary schools. We shall rebrand this grant as The Julie Alleyne Common Entrance Award.

The credit union movement faces many challenges. Probably the most critical one for a credit union of our size is the variety and quality of the product and service offerings which can be made available to our members at competitive prices. At LPECCUL, we recognise the challenges and during the new year we expect to meet with other credit unions to commence negotiations with a strategic partner with a view to increasing our marketability through a shared service facility.

We wish to thank the staff and all committee members who have worked diligently over the past year to maintain our success. We also thank our members whose loyalty is the foundation of this Credit Union.

Kelvin Whittaker - President
MINUTES


1. Ascertainment Of A Quorum

1.1 A quorum was ascertained and the meeting commenced at 4:45 p.m.

1.2 Amendment To The Agenda

1.2.1 A motion was made for the amendment of the Agenda as follows:

5A. Matters Arising from the Minutes of the 29th Annual General Meeting

6. Minutes of the Special General Meeting

6A. Matters Arising from the Special General Meeting

10. Resolutions/Bylaws

1.2.2 The motion was moved by Mr. Howard Griffith, seconded by Mr. Dave Taylor. The motion was carried by a majority vote.

2. Prayers

2.1 Prayers were said by Reverend Nigel Harris, after which members recited the Prayer of St. Francis of Assisi.

3. Introduction Of Guests From Other Credit Unions

3.1 The Chairman welcomed all members, guests and those representatives from other Credit Unions.

3.2 Mr. Keith Jones of BARTEL Co-operative Credit Union Ltd extended congratulations on the 30th Annual General Meeting on the behalf of his Board and Credit Union.

3.2 Mr. Fergusson Barton also extended congratulations on behalf of the Directors and staff of Endeavour Co-operative Credit Union Ltd.

3.3 Mr. Patrick MacDonald brought greetings from UWI Co-operative Credit Union Ltd, Co-operators General Insurance Co Ltd and The Barbados Co-operative and Credit Union League Ltd.

4. Feature Presentation

4.1 Mrs. Vicki Telford of Vicki Telford Architects Ltd presented the architectural drawings outlining the proposed re-development of the Horseshoe Manor property.

4.2 A motion for the re-development of the Horseshoe Manor property was moved by Mr. Howard Griffith, seconded by Mr. Noel Howard. The motion was carried by a majority vote.

5. Minutes Of The 29th Annual General Meeting

5.1 A motion that the minutes be taken as read was moved by Mrs. Hazelana Mason, seconded by Mr. Wayne Wilson. The motion was carried by a majority vote.

5.2 Errors And Omissions

5.2.1 Pg. 13, Tiffani Straker, Secretary

5.2.2 Pg. 6 of Financial Statements – Net cash generated by financing activities. Remove the bracket after $1,090,119.

5.2.3 Pg. 11 Attendance at Special General Meeting - change Veldene Brathwaite to Veldene Bradshaw.

5.2.4 Attendance list of 29th Annual General Meeting - include Sandra M Clarke under members. (They were two in attendance).
MINUTES
of the 30th Annual General Meeting

5.3 A motion for the adoption of the Minutes was moved by Mr. Stephen Small and seconded by Mr. Winston Sealy.

The motion was carried by a majority vote.

5A. Matters Arising

1. Mr. Charsley Harewood queried the By-law referred to in minute 6.2.

2. Mr. Kelvin Whittaker replied that it was the By-law pertaining to elections.

3. Mr. Trevor Williams stated that it was By-law 30 which pertained to elections.

4. Mr. Anthony Callender asked for an explanation of ‘the debt had been written off’ in minute 7.3.11.

5. Mr. Kelvin Whittaker stated that they were persons with chronic delinquency, in an effort to put the books in order where the amount is written off. However, the collection of these amounts is still pursued. Once the Credit Union recovers the monies they are applied to the delinquent members’ accounts.

6. Mr. Charsley Harewood queried whether the notice of the Annual General Meeting was mailed to members.

7. Mr. Kelvin Whittaker responded that it had not been done. The legal requirement was to have them published in at least two editions of the press and that was done. The cost of mailing them was high and it was decided to go with the traditional method.

6. Minutes Of Special General Meeting

6.1 A motion that the minutes of the Special General Meeting of 22 November 2012 be taken as read was moved by Mrs. Dian Brathwaite, seconded by Mr. Eric Trotman. The motion was carried by a majority vote.

6.2 There were no matters arising from the minutes.

6.3 A motion for the adoption of the minutes of the Special General Meeting was moved by Mrs. Paula Palmer and seconded by Mrs. Cyrilene Bryan. The motion was carried by a majority vote.

7. Reports

7.1 BOARD OF DIRECTORS

7.1.1 The Board of Directors report was presented by Mr. Kelvin Whittaker.

7.1.2 A motion that the report be taken as read was moved by Miss Tiffani Straker and seconded by Miss Samantha Hazlewood.

The motion was carried by a majority vote.

7.1.3 A motion for the adoption of the report was moved by Mrs. Hazelana Mason and seconded by Mr. Wilfred Clarke. The motion was carried by a majority vote.

7.1.4 Mr. Howard Griffith queried the strategic partner that was mentioned under technology on page 16.

7.1.5 Mr. Kelvin Whittaker replied that the Credit Union was in the process of upgrading its technological infrastructure and that the partner mentioned would be in that area to assist in the upgrade of technology and prepare the Credit Union for partnering with the larger Credit Unions in shared services.
MINUTES
of the 30th Annual General Meeting

7.1.6 Mr. Willis Hall queried the status of the website upgrade.

7.1.7 Mr. Anderson Henry replied that the Credit Union had advertised for tenders for the website upgrade and was in the process of reviewing the bid submitted. It was hoped that the task would be completed within a few months.

7.1.8 Mrs. Cyrilene Bryan added that the Education Committee would be launching a newsletter and a link would be placed on the website for easy access. Additionally, the courses offered by the Barbados Co-operative and Credit Union League would also be advertised on the website.

7.1.9 Mr. Lance Morris queried what consideration had been given to the security of the website.

7.1.10 Mr. Anderson Henry assured that the site would be secure from online threats and that a lot of emphasis would be placed on website security.

7.1.11 A motion for the acceptance of the Board report was moved by Mr. Dave Taylor and seconded by Miss Bonita Medford. The motion was carried by a majority vote.

7.2 AUDITOR’S REPORT AND FINANCIAL STATEMENT

7.2.1 The Auditor’s Report and Financial Statement was read by Mr. Anderson Yearwood of Drayton J Carter & Co.

7.2.2 A motion that the Auditor’s Report be taken as read was moved by Mr. Dave Taylor and seconded by Mr. Stephen Small. The motion was carried by a majority vote.

7.3 TREASURER’S REPORT

7.3.1 The Treasurer’s Report was presented by Mr. Stephen Daniel.

7.3.2 A motion that the Treasurer’s Report be taken as read was moved by Mrs. Ann Austin and seconded by Mrs. Dian Brathwaite. The motion was carried by a majority vote.

7.3.3 Mr. Lance Morris noted that operating expenses were rising faster than the income and asked what measures were being put in place to counteract that situation.

7.3.4 Mr. Stephen Daniel stated that the Credit Union managed its expenses well but would increase loans to members to counteract the situation. He directed the member to the loans categories in the Credit Committee Report and outlined those loans that were popular. He added that the Board would introduce some initiatives to stimulate growth in the other loan categories.

7.3.5 Mr. Grantley Haynes queried the increase in Audit Fees and asked if there was more work being done in that area.

7.3.6 Mr. Stephen Daniel stated that more work was being done by the Auditor because of the Financial Services Commission requirements. A more comprehensive audit had to be done for all financial institutions.

7.3.7 Mr. Grantley Haynes stated that there was no itemization of the properties that were owned by the Credit Union.

7.3.8 Mr. Stephen Daniel stated that it was presented under property, plant and machinery and that if an itemization was required it could be obtained for clarification.

7.3.9 Mr. Willis Hall stated that donations had increased by 100% and asked for clarification.

7.3.10 Mr. Stephen Daniel stated that was partly attributed to the Credit Union adopting the Graydon Sealy Secondary School as part of its social responsibility and community outreach.
MINUTES
of the 30th Annual General Meeting

7.3.11 A motion for the adoption of the Treasurer’s report was moved by Mrs. Paula Palmer and seconded by Mr. Junior Allsopp. The motion was carried by a majority vote.

7.4 SUPERVISORY COMMITTEE REPORT
7.4.1 The Report was presented by Mr. Wilfred Clarke.

7.4.2 A motion that the report be taken as read was moved by Mrs. Ann Austin and seconded by Mrs. Dian Brathwaite. The motion was carried by a majority vote.

7.0.3 There were no matters arising from the report.

7.0.4 A motion for the adoption of the report was moved by Mr. Stephen Small and seconded by Mrs. Cindy Callender. The motion was carried by a majority vote.

7.5 CREDIT COMMITTEE REPORT
7.5.1 The Credit Committee Report was presented by Mrs. Gillian Marshall

7.5.2 A motion that the report be taken as read was moved by Miss Samantha Hazlewood and seconded by Mrs. Harriet Hinds.

7.5.3 There were no matters arising from the report.

7.0.5 A motion for the adoption of the report was moved by Mrs. Ann Austin and seconded by Mr. Wayne Wilson. The motion was carried by a majority vote.

7.6 DELINQUENCY REPORT
7.6.1 A motion that the report be taken as read was moved by Miss Bonita Medford and seconded by Mr. Wayne Wilson. The motion was carried by a majority vote.

7.6.2 Mr. Lance Morris queried the types of loans that comprised the delinquent loans.

7.6.3 Mrs. Gillian Marshall stated that they comprised business loans and car loans. Additionally, some were for members who would have died and the Credit Union was awaiting the settlement of their estates.

7.6.4 A motion for the adoption of the report was moved by Mr. Stephen Small and seconded by Mr. Wayne Wilson. The motion was carried by a majority vote.

8. Allocation Of Surplus
8.1 Mr. Stephen Daniel stated that the Board of Directors proposed an additional interest payment and a dividend payment of $0.10 per share on the qualifying share balances.

A motion for the acceptance of the dividend was moved by Mr. Wilfred Clarke and seconded by Mr. Dave Taylor. The motion was carried by a majority vote.

9. Election Of Officers
9.1 The Chairman of the Credentials Committee was Mrs. Cyriene Bryan and the Chairman of Elections was Mr. Howard Griffith.

9.2 BOARD OF DIRECTORS
9.2.1 Mr. Howard Griffith stated that there were three vacancies on the Board of Directors.

9.2.2 Nominations were received on behalf of the following persons for these vacancies:

1. Mr. Stephen Daniel
2. Mrs. Gillian Marshall
3. Mr. Dave Taylor
MINUTES
of the 30th Annual General Meeting

9.2.3 There were no other nominations. Therefore, these persons were duly elected to the Board of Directors for a three-year term.

9.4.3 Elections were held and the following resulted:

1. Mr. Charsley Harewood - 31 votes
2. Mr. Nigel Harris - 49 votes
3. Mrs. Cindy Callender - 61 votes

9.3 SUPERVISORY COMMITTEE

9.3.1 Mr. Howard Griffith stated that there was one position vacant on the Supervisory Committee.

9.3.2 Nominations were received on behalf of the following persons for this vacancy:

1. Mr. Omar Hunte
2. Mrs. Cindy Callender
3. Mrs. Dian Brathwaite

9.3.3 Mrs. Cindy Callender subsequently rescinded her nomination for that committee.

9.3.4 Ballots were cast and the following resulted:

1. Mr. Omar Hunte - 9 votes
2. Mrs. Dian Brathwaite - 58 votes

1.1.5 There were 5 spoilt votes

9.3.6 Mrs. Dian Brathwaite was duly elected to the Supervisory Committee for a term of three years.

9.4 CREDIT COMMITTEE

9.4.1 Mr. Howard Griffith stated that there were two vacancies on the Credit Committee.

9.4.2 Nominations were received on behalf of the following members:

1. Mr. Charsley Harewood
2. Mr. Nigel Harris
3. Mrs. Cindy Callender

9.4.3 Mr. Nigel Harris and Mrs. Cindy Callender were duly elected to the Credit Committee for terms of one year and three years respectively by virtue of votes received.

10. Resolutions/By-Laws

10.1 There were no Resolutions

10.2 BY-LAWS

10.2.1 Mr. Kelvin Whittaker invited Mr. Trevor Williams to comment on the proposed amendments to the existing By-laws. Mr. Williams stated that over the past year there was a need to make amendments to the By-laws to ensure compliance with the Co-operatives Societies Act Cap 378A, 2007 and Regulations. He outlined the proposed changes which had been previously circulated and invited comments from the floor.

10.2.2 There were no comments.

10.2.3 A motion for the amendments to Bylaws 12 (1), 12 (2), 43, 69, 74, 82 (1), 82 (2), 83 (2), 87 (3) and 91 was moved by Mr. Grantley Haynes and seconded by Mrs. Veldene Bradshaw. The motion was carried by a majority vote of 59. There were 2 abstentions, and none were against.
MINUTES

of the 30th Annual General Meeting

11. APPOINTMENT OF AUDITOR

11.1 A motion for the appointment of Drayton J Carter & Co as Auditors for fiscal year 2013 was moved by Mr. Dave Taylor and seconded by Mr. Anderson Henry. The motion was carried by a majority vote.

12. Setting Of The Maximum Liability

12.1 The Board recommended that the maximum liability remain at $25 million dollars.

12.2 The motion was moved by Mr. Trevor Williams and seconded by Miss Sheena Edwards. This was carried by a majority vote.

13. Any Other Business

13.1 Mr. Kelvin Whittaker stated that the date of the next Annual General Meeting would be on 22 March 2014, in keeping with statutory regulations.

14. Vote Of Thanks

14.1 The vote of thanks was delivered by Mr. Reginald Parris.

14.2 The meeting was terminated at 8:33 p.m.

Wesley Trotman
Secretary
ATTENDANCE
AT THE 30th ANNUAL GENERAL MEETING
ON SATURDAY 23 MARCH 2013

MEMBERS

1. ALLEYNE, Julie
2. ALLSOPP, Junior
3. AUSTIN, Ann
4. AUSTIN, Danielle
5. AUSTIN, Melissa
6. BANCROFT, Glendeen
7. BARROW, Caryl
8. BENTHAM, Charles
9. BLACKMAN, Paul
10. BLADES, John
11. BRADSHAW, Jo-anna
12. BRADSHAW, Veldene
13. BRATHWAITE, Amariah
14. BRATHWAITE, Danica
15. BRATHWAITE, Danny
16. BRATHWAITE, Dian
17. BRATHWAITE, Shawn
18. BRATHWAITE, Shemariah
19. BROOKS, Darren
20. BRYAN, Cyrilene
21. BURGESS, Kevin
22. BUSHELL, Kim
23. CALLENDER, Anthony
24. CALLENDER, Cindy
25. CLARKE, Harriet
26. CLARKE, Sandra
27. CLARKE, Wilfred
28. COPPIN, James
29. DANIEL, Aviston
30. DANIEL, Bernadine
31. DANIEL, Stephen
32. DASH, Andell
33. DASH-BRATHWAITE, Maylene
34. EDWARDS, Sheena
35. FITT, Hugh
36. FOSTER, Maxine
37. GIBSON, Richard
38. GRANT, Charles
39. GRANT, Gloria
40. GREEN, Whitfield
41. GRIFFITH, Howard
42. GROSVENOR, Hasani
43. HALL, Willis
44. HAREWOOD, Charsley
45. HARRIS, Nigel
46. HARRIS, Yvette
47. HAYNES, Grantley
48. HAZLEWOOD, Samantha
49. HENRY, Anderson
50. HINDS, Harriet R
51. HOLDER, Sanderson
52. HOWARD, Noel
53. JONES, Joycelyn
54. JOSEPH, Winston
55. KING, Cori
56. KING, Mayetta
57. LONDON, Anthony
58. LUKE, Tyson
59. LYNTON, Dave
60. MARKS, Roxanne
61. MARSHALL, Gillian
62. MASON, Hazelana
63. MASON-PILE, Jacqueline
64. MASSIAH, Aaron
65. MASSIAH, Caleb
66. MASSIAH, Kim
67. MAYNARD-DANIEL, Christian
68. MEDFORD, Bonita
69. MOORE, Ricardo
70. MORRIS, Lance
71. PALMER, Andréa
72. PALMER, Paula
73. PARRIS, Reginald
74. PILE, Genefer
75. PILE, James
76. PILE-WORRELL, Jennifer
77. POLIUS, Mathilda
78. POLIUS-ALLEYNE, Rawle
79. SARGEANT, Ronald
80. SEALY, Heather
81. SEALY, Winston
82. SMALL, Stephen
83. STRAKER, Tiffani
84. TAYLOR, Dave
85. TROTMAN, Eric
86. TROTMAN, Wesley
87. WHITTAKER, Kelvin
88. WILLIAMS, Trevor
89. WILSON, Wayne
90. YEARWOOD, Cecil

GUESTS

1. BARTON, Fergusson, Endeavour Co-operative Credit Union Ltd
2. BROWNE, Andrea
3. CATLING, Athelstone – Barbados Teachers Co-operative Credit Union Ltd
4. CORBIN, Janine
5. CORBIN, Maxine
6. DASH, Chondelle
7. DASH, Romel
8. DASH, Rondell
9. FITT, Susan – Endeavour Co-operative Credit Union Ltd
10. JONES, Keith – BARTEL Co-operative Credit Union Ltd
11. MCDONALD, Patrick – UWI Co-operative Credit Union Ltd
12. SIMPSON, Cherry – Barbados Public Workers Co-operative Credit Union Ltd
13. TELFORD, Vicki - VTA Architects Inc
14. TEMPRO, Vincent
15. YEARWOOD, Anderson – Drayton J Carter & Co Ltd
PROFILES OVER THE YEARS
### BOARD OF DIRECTORS

<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
<th>Remaining Years</th>
</tr>
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<tbody>
<tr>
<td>President</td>
<td>Kelvin Whittaker</td>
<td>1 year</td>
</tr>
<tr>
<td>Vice President</td>
<td>Reginald Parris</td>
<td>Nil</td>
</tr>
<tr>
<td>Secretary</td>
<td>Wesley Trotman</td>
<td>1 year</td>
</tr>
<tr>
<td>Treasurer</td>
<td>Anderson Henry</td>
<td>Nil</td>
</tr>
<tr>
<td>Assistant Secretary</td>
<td>Gillian Marshall</td>
<td>2 years</td>
</tr>
<tr>
<td>Assistant Treasurer</td>
<td>Stephen Daniel</td>
<td>2 years</td>
</tr>
<tr>
<td>Member</td>
<td>Dave Taylor</td>
<td>2 years</td>
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### SUPERVISORY COMMITTEE

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<th>Position</th>
<th>Name</th>
<th>Remaining Years</th>
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<tbody>
<tr>
<td>Chairperson</td>
<td>Wilfred Clarke</td>
<td>1 year</td>
</tr>
<tr>
<td>Secretary</td>
<td>Dian Brathwaite</td>
<td>2 years</td>
</tr>
<tr>
<td>Member</td>
<td>Veldene Bradshaw</td>
<td>1 year</td>
</tr>
<tr>
<td>Member</td>
<td>Glendeen Bancroft</td>
<td>Nil</td>
</tr>
<tr>
<td>Member</td>
<td>Anthony London</td>
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### CREDIT COMMITTEE

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<tr>
<th>Position</th>
<th>Name</th>
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<tr>
<td>Chairperson</td>
<td>Wayne Wilson</td>
<td>1 year</td>
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<tr>
<td>Secretary</td>
<td>Nigel Harris</td>
<td>Nil</td>
</tr>
<tr>
<td>Member</td>
<td>Cindy Callender</td>
<td>2 years</td>
</tr>
</tbody>
</table>
THE BOARD OF DIRECTORS

Kelvin Whittaker
President

Reginald Parris
Vice President

Dave Taylor
Member

Anderson Henry
Treasurer

Stephen Daniel
Assistant Treasurer

Wayne Wilson
Chairperson

Wesley Trotman
Secretary

Gillian Marshall
Assistant Secretary

Wilfred Clarke
Chairperson

Dian Brathwaite
Secretary

Veldene Bradshaw
Member

Glendeen Bancroft
Member

Anthony London
Member

CREDIT COMMITTEE

Wayne Wilson
Chairperson

Nigel Harris
Secretary

Cindy Callender
Member

The Light & Power Employees Co-op Credit Union Ltd - Annual Report 2013
Overview

The challenges of the domestic economy persisted in fiscal year 2013 in spite of the signs of recovery in most international and regional countries. The available Central Bank of Barbados data indicates that the contraction in Barbados’ gross domestic product was approximately 0.2%. Value added in tourism fell by 1%, construction declined by 12% while unemployment averaged 11.2% for the first nine months of fiscal 2013. Growth in the economy was impacted negatively by declines in private foreign investment which the Central Bank of Barbados has indicated was responsible for the decline in the country’s foreign reserves.

The Directors are aware that our members have not escaped the harsh realities of the economic downturn and that in many cases persons have been operating on the same level of emoluments for the past three years. Additionally, intense competition from other financial institutions necessitated that we put measures in place to ameliorate the livelihood of our valued members. Despite the economic challenges faced by the local economy, the Board of Directors is pleased to report that The Light and Power Employees Co-operative Credit Union Limited (LPECCUL) performed satisfactorily during the past year.

The Treasurer’s Report will provide full analysis of our financial performance. However, some of the highlights of our performance are listed in the following areas:

♦ Total assets increased by $2.90 million or 7.3% to reach $43.00 million

♦ Loans increased by $1.54 million or 5.6% to $29.21 million due to the strong demand from members

♦ Net new members increased by 61 to 1,734

♦ Delinquent loans stood at 1.5% of the total loan portfolio.

♦ The Credit Union’s capital to asset ratio stands at 11.2%.

The Board is satisfied with the progress that has been made.

Financial Developments

The Central Bank of Barbados and the Financial Services Commission are jointly responsible for the continuous oversight of the financial system, the assessment of vulnerabilities and the initiation of policies to increase the resilience of the system. The update of the Financial Stability Report which was issued in December 2013 indicated that the financial system has remained generally stable and well capitalized. Levels of liquidity across all financial institutions continued to be high and entities were generally profitable, though profit margins continued to be depressed.

To date the Financial Services Commission has issued fourteen guidelines which are intended to form the basis for the regulation and supervision of credit unions operating in Barbados. The additional Guideline number 8 which deals with Doubtful Loans is to be redrafted and will be re-issued at a later date. The guidelines issued to date by the Financial Services Commission have been adopted by this Credit Union.
Governance

Attendance from January to March 2013:

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<tr>
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<th>Position</th>
<th>Meetings</th>
<th>Attended</th>
<th>Excused</th>
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<tr>
<td>Kelvin Whittaker</td>
<td>President</td>
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<td>2</td>
<td>-</td>
</tr>
<tr>
<td>Reginald Parris</td>
<td>Vice-President</td>
<td>2</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>Stephen Daniel</td>
<td>Treasurer</td>
<td>2</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>Tiffani Straker</td>
<td>Secretary</td>
<td>2</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>Wesley Trotman</td>
<td>Asst. Treasurer</td>
<td>2</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>Cyrilene Bryan</td>
<td>Asst. Secretary</td>
<td>2</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>Anderson Henry</td>
<td>Member</td>
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Attendance from April to December 2013:

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<th>Name</th>
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<th>Excused</th>
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</thead>
<tbody>
<tr>
<td>Kelvin Whittaker</td>
<td>President</td>
<td>15</td>
<td>15</td>
<td>-</td>
</tr>
<tr>
<td>Reginald Parris</td>
<td>Vice-President</td>
<td>15</td>
<td>15</td>
<td>-</td>
</tr>
<tr>
<td>Anderson Henry</td>
<td>Treasurer</td>
<td>15</td>
<td>14</td>
<td>1</td>
</tr>
<tr>
<td>Wesley Trotman</td>
<td>Secretary</td>
<td>15</td>
<td>15</td>
<td>-</td>
</tr>
<tr>
<td>Stephen Daniel</td>
<td>Asst. Treasurer</td>
<td>15</td>
<td>13</td>
<td>2</td>
</tr>
<tr>
<td>Gillian Marshall</td>
<td>Asst. Secretary</td>
<td>15</td>
<td>15</td>
<td>-</td>
</tr>
<tr>
<td>Dave Taylor</td>
<td>Member</td>
<td>15</td>
<td>11</td>
<td>4</td>
</tr>
</tbody>
</table>

As indicated above, the Board met each month during the past year to monitor and measure the operations of the Credit Union. This was done by utilising the internationally accepted Pearls Ratios which are used for monitoring a credit unions’ performance. The Board is satisfied that our performance in these recessionary economic times is satisfactory.

A review was done of our existing By-laws and the proposed changes have been approved by the Financial Services Commission.

The Board of Directors continued to work very closely with management to ensure that the Credit Union strengthened its compliance procedures and processes. We still need to improve our “Know Your Customer” requirements as many members are somewhat reluctant to have their information updated on the Credit Union’s files. We urge you to assist in this regard as we seek to ensure safety and soundness at all levels within the Credit Union and to comply with the requirements of the regulators.

Membership

During the year there was a net increase of sixty one persons who joined our Credit Union. A significant proportion of the new members are youths. We place on record the fact that during the year several of our longstanding and faithful members have died. That apart, it was also necessary to purge the membership list of those accounts which were unproductive. In spite of
this, the value of our asset base per member has increased from $23,968.00 to $24,798.00 over the previous year. We thank those members who continue to assist with the marketing efforts to recruit additional persons who are committed to the credit union principles.

The Board is aware of the need to communicate more effectively with the entire membership, particularly those who are not directly associated with our sponsoring company. In this regard, various channels have been utilised and there have been positive results. We expect to launch an upgraded website early in fiscal 2014. This should be more cost effective for marketing purposes as well as appealing to the younger generation that we are seeking to reach.

It is to be advised that during the past year the membership booklet has also been updated to provide more accurate information to members concerning this Credit Unions’ products and services as well as our history. It is available for existing and prospective members.

**Human Resources**

During the year the Credit Union focused on improving the technical capabilities of staff and committee members through seminars and external courses. All staff attended a seminar on Health and Safety in the Workplace as well as the Employments Rights Act. Staff and committee members were also provided with sixteen weeks of training in the Microsoft suite of products. As in previous years, staff attended training courses which were sponsored by the Barbados Co-operative and Credit Union League Limited. We encourage all members to participate in these courses by the Barbados Co-operative and Credit Union League Limited which are designed to improve the skill levels of all credit unionists in Barbados.

Two members of staff attended CaribDe training in Jamaica. The Caribbean Development Education Programme highlights current legislative and regulatory issues, good governance, the International Co-operative Principles, the financial climate and their impact on credit unions in the Caribbean. Two members of the Board received advanced management training provided by the Credit Union Executive Society for directors in the USA.

In December, the staff complement was reduced by one to ten. We place on record our profound thanks to Miss Sheena Edwards who resigned during the year for her contribution to this Credit Union.

**Technology**

There was a full audit of our computer systems and it is recognized that in many respects there was a need for an upgrade of same if we were to cater more efficiently and effectively to our membership needs. Consistency in delivery of high quality service is critical to survival in this competitive service sector. Consequently, a new server was commissioned with the associated peripherals to improve our service delivery. The Board continues to seek a strategic partner which will enable us to provide a broader range of services at affordable costs but there has been limited success to date. After some delay the Board is confident that an upgraded website will be launched in the first half of the calendar year.

**Capital Projects**

At our last Annual General Meeting, members voted unanimously to proceed with the development of the HorseShoe Manor property. Conditional approval has been granted by the Town and Country Planning Department. While the conditions are not considered to be onerous, the Board is working with VTA Architects and other service providers to ensure full compliance before renovations commence. As indicated previously, the fact that the building is classified as a “listed” building by the Barbados National Trust necessitates that any restoration work must meet certain specific conditions.
The Credit Union Movement

During the period 21st to 25th June, 2013 the 56th Annual Convention of the Caribbean Confederation of Credit Unions as well as the 42nd Annual General Meeting was held in Panama City. The Trinidad & Tobago Co-operative Credit Union League organised a leadership conference from 30th May to 3rd June, 2013 and this was held in Suriname. The annual convention of the World Council of Credit Unions Ltd was held in Quebec, Canada during the period 14th to 17th July 2013. Your Credit Union was represented at these conferences.

Members of our Credit Union continue to be actively involved with the administration of credit unions locally. Mr. Anderson Henry is a member of the Board of Directors of The Barbados Co-operative and Credit Union League. Mr. Kelvin Whittaker is the Deputy Chairman of the Co-operators General Insurance Company Limited.

Community Involvement

Our Credit Union makes an important contribution to the economic and social wellbeing of our country, particularly in these difficult economic times. We continued our social commitment and provided support to worthy causes that were engaged in education, health, culture and social welfare. We have committed to a partnership with The Graydon Sealy Secondary School to support their sports programme and they in turn facilitated the earlier mentioned IT training for us.

Condolences

We extend condolences to all members of the credit union family who lost loved ones during the past year.

Outlook

As the economy continues to struggle, slower growth is anticipated as well as reduced profitability. The year 2014 is therefore expected to be more challenging for all financial institutions including your Credit Union. The reduction of Public Sector employment is expected to adversely impact the credit portfolios of most financial institutions in the short term. However, we look to the future with confidence and we are optimistic. We believe that your high expectation of our sound guidance will provide the inspiration which the Board needs to ensure it is responsive to the needs of our valuable members. As a Board we will continue to listen to you, provide counselling services and take the necessary steps to help you attain your goals.

Your Credit Union has enjoyed success in the past in terms of growth and profitability. To remain relevant and competitive we must contain our cost and increase our revenue base. This will be one of our main strategies in the coming year. We therefore urge you to promote your Credit Union among your peers. Let us all seek to make it even better so that collectively we can reap the benefits of increased dividends, reduced interest rates and greater wealth.

Acknowledgements

The Board wishes to thank all Committees, staff and other stakeholders who provided assistance and contributed to our success during the past year. We especially thank our sponsoring company, The Barbados Light and Power Company Limited, which continues to provide their ongoing support to many areas of our operations. We extend thanks to each member for the support and the confidence placed in us as we seek to serve you better.

Kelvin Whittaker
President
The Light & Power Employees Co-operative Credit Union Limited

PEARLS Analysis

Pearls is an analysis of a Credit Union’s performance. PEARLS is the acronym for Protection, Earnings, Asset Quality, Rate of Growth, Liquidity and Structure. Following is a comparison of our position as represented by the PEARLS analysis for the period ended December 2013 as compared to December 2012.

<table>
<thead>
<tr>
<th>Description</th>
<th>Ratios</th>
<th>December 2013</th>
<th>Pearls Attained</th>
<th>December 2012</th>
<th>Pearls Attained</th>
<th>Pearls Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital/Total Assets</td>
<td>Capital</td>
<td>4,799,692</td>
<td>4,416,648</td>
<td>40,097,672</td>
<td>11.02%</td>
<td>8% or greater</td>
</tr>
<tr>
<td>A measure of the Credit Union’s ability to absorb losses</td>
<td>Total Assets</td>
<td>43,000,242</td>
<td>11.16%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Income/Average Assets</td>
<td>Net Income</td>
<td>466,360</td>
<td>394,865</td>
<td>39,382,654</td>
<td>1.00%</td>
<td>1% or greater</td>
</tr>
<tr>
<td>Measures the Credit Union’s ability to generate capital.</td>
<td>Average Assets</td>
<td>41,548,957</td>
<td>1.12%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Expense/Income</td>
<td>Operating Exp.</td>
<td>1,542,447</td>
<td>1,503,265</td>
<td>39,382,654</td>
<td>1.00%</td>
<td>50% or less</td>
</tr>
<tr>
<td>Measures the Credit Union’s ability to generate capital.</td>
<td>Total Income</td>
<td>3,201,552</td>
<td>48.18%</td>
<td>3,130,397</td>
<td>48.02%</td>
<td></td>
</tr>
<tr>
<td>Loans/Total Assets</td>
<td>Loans</td>
<td>29,518,672</td>
<td>27,946,579</td>
<td>40,097,672</td>
<td>69.70%</td>
<td>70% to 80%</td>
</tr>
<tr>
<td>Indicates the Credit Union’s ability to meet short-term cash obligations.</td>
<td>Total Assets</td>
<td>43,000,242</td>
<td>68.65%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans/Savings</td>
<td>Loans</td>
<td>29,518,672</td>
<td>27,946,579</td>
<td>34,928,998</td>
<td>80.01%</td>
<td>70% to 85%</td>
</tr>
<tr>
<td>Indicates the Credit Union’s ability to meet short-term cash obligations.</td>
<td>Savings</td>
<td>37,415,556</td>
<td>78.89%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Delinquent Loans/Total Loans</td>
<td>Delinquent Loans</td>
<td>442,047</td>
<td>324,035</td>
<td>27,946,579</td>
<td>1.16%</td>
<td>5% or less</td>
</tr>
<tr>
<td>Indicates the quality of the loan portfolio.</td>
<td>Total Loans</td>
<td>29,518,672</td>
<td>1.50%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-earning Assets/Total Assets</td>
<td>Non-Earning Assets</td>
<td>396,776</td>
<td>370,877</td>
<td>40,097,672</td>
<td>0.92%</td>
<td>6% or less</td>
</tr>
<tr>
<td>A high ratio that will have an adverse effect on the Credit Union’s profitability.</td>
<td>Total Assets</td>
<td>43,000,242</td>
<td>0.92%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Savings Growth Rate</td>
<td>Net Growth</td>
<td>2,486,558</td>
<td>1,105,316</td>
<td>33,823,682</td>
<td>3.27%</td>
<td>10% to 20%</td>
</tr>
<tr>
<td>Indicates the success of the Credit Union in providing services to its members.</td>
<td>P/Y Savings</td>
<td>34,928,998</td>
<td>7.12%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loan Growth Rate</td>
<td>Net Growth</td>
<td>1,572,093</td>
<td>2,103,574</td>
<td>25,843,006</td>
<td>8.14%</td>
<td>8% to 15%</td>
</tr>
<tr>
<td>Indicates the success of the Credit Union in providing services to its members.</td>
<td>P/Y Loan Balance</td>
<td>27,946,579</td>
<td>5.63%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The Light & Power Employees Co-operative  
Credit Union Limited  
Financial Statements  
December 31st, 2013
Balance Sheet
Statement of Income
Statement of changes in Members Equity
Statement of changes in Members Equity
Statement of Cash Flows
Notes to the Financial Statements
Notes to the Financial Statements
Notes to the Financial Statements
Notes to the Financial Statements
Notes to the Financial Statements
Notes to the Financial Statements
Notes to the Financial Statements
Notes to the Financial Statements
Details of Operating and Administrative Expenses
Details of Operating and Administrative Expenses
Details of Operating and Administrative Expenses
Overview

The Light & Power Employees Co-operative Credit Union Limited was able to produce creditable results in the key areas of operations during the fiscal year. The strong growth in loans and steady inflows of deposits from members assisted in the achievement of an adequate surplus.

Assets

Total assets increased by $2.9 million or 7.3% to reach $43.00 million. The main contributor to this increase was the growth in loans to members. At 31 December 2013 total loans stood at $29.21 million, approximately 5.6% higher than in the previous fiscal. In spite of the weakened economic conditions, the strong demand for loans added $1.54 million to the net loan portfolio. This is in keeping with the Board’s commitment to make loans accessible to members at reasonable rates. However, it is noted that the loans/asset ratio of 68.0% remains marginally below the international PEARLS standard. Our Credit union will endeavour to introduce measures aimed at ensuring sustainable growth in the loan portfolio, subject to favourable market conditions.

Our capital base is relatively strong and the Board has again made contributions to the statutory reserves which are well in excess of the legal requirement. Our capital/assets ratio is recorded at 11.2% and this is above the minimum requirement of 8%. It should be noted that our net income/average assets is recorded at 1.0%. The net income recorded was impacted by the payment of $0.768 million of interest on non-qualifying share balances to members. A provision of $0.304 million has been made for receivables which appear to be doubtful even though the collection process is not fully exhausted. Consequently, the quality of our asset base is considered to be good. Delinquent accounts stand at $0.44 million of the loan balance, representing 1.5% of the total. Overall, the delinquent situation is well below the acceptable level of 5% and in a year when the entire financial sector has been adversely impacted by harsh economic realities, the performance is satisfactory.

Liabilities

During the year the total liabilities increased by $2.52 million or 7% to a level of $38.20 million. Nominal growth was recorded in the non-qualifying share balances. However, the regular savings increased by 12% to reach $9.70 million. Fixed Deposits grew by $1.24 million or 33% to reach $4.98 million. A significant proportion of the fixed deposits and regular savings is attributed to placements made by members who are seeking stable investment vehicles in these harsh economic times. We shall endeavour to continue offering competitive rates on our deposits products.

Equity

The Credit Union’s equity position is strong. The Board of Directors has continued to set aside increased amounts to the statutory reserves which are in excess of the legal requirement. It is imperative that the Credit Union strengthens its capital base to ensure that the potential for future growth is supported as well as to cushion any adverse shocks in the current economic climate. For this fiscal year in excess of $388,000 was allocated to the statutory reserves. Our capital and reserves now stand at $4.80 million, approximately 8.6% more than at the end of the previous year.
**TREASURER’S REPORT**  
FOR THE YEAR ENDED 31 DECEMBER 2013

### Five Year Financial Highlights

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Income</td>
<td>2,730,240</td>
<td>2,732,317</td>
<td>3,402,880</td>
<td>3,130,397</td>
<td>3,201,552</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>1,417,509</td>
<td>1,722,818</td>
<td>1,863,150</td>
<td>1,862,941</td>
<td>1,967,318</td>
</tr>
<tr>
<td>Interest NQS</td>
<td>948,786</td>
<td>883,325</td>
<td>1,162,211</td>
<td>872,591</td>
<td>767,854</td>
</tr>
<tr>
<td>Adjusted Net Income</td>
<td>1,312,731</td>
<td>1,009,499</td>
<td>1,539,730</td>
<td>1,372,983</td>
<td>1,234,234</td>
</tr>
</tbody>
</table>

### Income

Gross income increased by 2% over the previous year. Revenue generated from loans increased by 3% to $2.62 million. The other main sources of income were derived primarily from investments as well as rentals. The prevailing low rates on investments and deposit placements would have lowered the yields in these categories.

### Total expenses

Total expenses remained flat during the financial year at $2.74 million and good control over expenditures was evident. Interest expense totalled $1.19 million. The major portion of this amount was paid to members who hold non-qualifying membership shares.

Non-interest expenses were well contained within normal market expectations. Overall personnel costs increased nominally due to training expenditure that was considered necessary. The payment to the Mutual Benefit Plan for providing membership security increased to $0.20 million.

Net income for the financial year 2012 was $0.46 million. However, to compare this year’s financial results to those of the previous years, it is necessary to reinstate
interest expense for non-qualifying shares. Net income of $1.23 million is achieved after the reinstatement.

Summary

As we reflect on the financial performance for fiscal year 2013, we are satisfied that our Credit Union remains a viable entity amidst the current economic challenges. We shall continue to offer terms of credit and provide services at a level to satisfy the needs of our membership. While our net income growth appears modest, we provided a fair and above average return to all our members. It is our intention to ensure that our Credit Union remains strong, safe and secure so that together we can experience further success in fiscal year 2014 and beyond.

Anderson Henry
Treasurer
THE SUPERVISORY COMMITTEE REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

Attendance from January to March 2013

<table>
<thead>
<tr>
<th>Names</th>
<th>Position</th>
<th>Meetings</th>
<th>Attended</th>
<th>Excused</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wilfred Clarke</td>
<td>Chairperson</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Anthony London</td>
<td>Secretary</td>
<td>1</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Veldene Bradshaw</td>
<td>Member</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Glendeen Bancroft</td>
<td>Member</td>
<td>1</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Dian Brathwaite</td>
<td>Member</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>

Attendance from April to December 2013

<table>
<thead>
<tr>
<th>Names</th>
<th>Position</th>
<th>Meetings</th>
<th>Attended</th>
<th>Excused</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wilfred Clarke</td>
<td>Chairperson</td>
<td>10</td>
<td>9</td>
<td>1</td>
</tr>
<tr>
<td>Dian Brathwaite</td>
<td>Secretary</td>
<td>10</td>
<td>9</td>
<td>1</td>
</tr>
<tr>
<td>Veldene Bradshaw</td>
<td>Member</td>
<td>10</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>Glendeen Bancroft</td>
<td>Member</td>
<td>10</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Anthony London</td>
<td>Member</td>
<td>10</td>
<td>8</td>
<td>2</td>
</tr>
</tbody>
</table>

At the first meeting of the Committee, Mr. Wilfred Clarke was elected to serve as Chairman and Mrs. Dian Brathwaite as Secretary.

The responsibility of the Committee includes, but is not limited to the following:

1. Examination of the books of the Credit Union
2. Confirmation of cash instruments, property and securities
3. Attest to monthly returns filed with the Financial Services Commission.
4. Appraise the policies and operating procedures of the Credit Union and make recommendations to the Board of Directors and Credit Committee
5. Receive and investigate complaints made by members
6. Monitor the management of the Credit Union
7. Ensure that the Credit Union complies with the provision of the Co-operative Societies Act, Regulations and the Credit Union’s By-laws

To this end the Supervisory Committee did the following during the review period:

1. Reviewed the minutes of the meetings of the Board of Directors, sought clarification and made recommendations to the Board as necessary
2. Held meetings to refresh members of the Committee on the requirements of the Co-operative Societies Act, Regulations and By-laws
3. Reviewed the policies of the Credit Union and made recommendations on improving the said policies
4. Verified that all the assets of the Credit Union are properly protected
5. The Supervisory Committee has received, reviewed and attested the monthly returns to be filed with the Financial Services Commission and sought clarifications, raised concerns and made recommendations when necessary
6. The Supervisory Committee is continually monitoring the progress of the Horseshoe Manor building project
7. Reviewed procedural changes to the operations of the Credit Union’s affairs to ensure that they would not negatively impact on the Credit Union

8. Reviewed the minutes of the Credit Committee’s meetings and ensured that all loan application requirements were met and loans disbursed were properly secured

9. Reviewed the delinquency reports and ensured that the management of the delinquency of the Credit Union is being properly addressed

10. Audited the operations of the tellers

11. Prepared a complaints procedure for the Credit Union as required by the Financial Services Commission

12. Carried out site visits of the properties which are owned by the Credit Union

TRAINING / EDUCATION

Three members attended training provided by The Barbados and Co-operative Credit Union League. Members of the Board of Directors, Credit Committee and staff continue to pursue training and higher education in disciplines which will benefit the Credit Union, as recommended by the Financial Services Commission.

The Supervisory Committee wishes to extend its appreciation to the staff of the Credit Union as well as the Board of Directors and the Credit Committee for the assistance and co-operation during the past year.

To you the members of the Credit Union, we thank you for the confidence you have placed in us and we look forward to serving you in the future.

Wilfred Clarke
Chairman
The financial sector was affected by the slowdown in the local economy and service providers competed aggressively for market share of lending business. Within this framework, the Credit Union adopted decisive strategies geared towards more efficient approval, processing and disbursement of loans. On request, terms and conditions were also modified on some occasions to ensure that the needs of our members were met within the constraints of their cash flow. These measures proved to be satisfactory as the net loan portfolio grew by 5.6% to $29.21 million. Simultaneously, delinquency was maintained at a low level due to the commitment of the membership to honour its obligations.

The loans and advances disbursed totaled $8.16 million as compared with $8.44 million disbursed in the previous year. The chart below shows the consolidation of the five major categories of loans which were allocated during the year. Advances for personal requirements account for the largest component of credit. However, this is followed closely by advances for real estate related purposes. It should be noted that even though the quantum disbursed for real estate was significantly lower than in the previous year, it still accounted for a substantial proportion of loans granted.

Comparison of the loans disbursed during the financial year with that of the previous year is as indicated in the table below. It shows that loans disbursed declined nominally in both numbers and value by 4% and 3% respectively during the past year. Slower disbursement of real estate loans accounted for the reduction in value, while fewer loans were required for vacation travel and special purposes.

We thank you for the opportunity to serve you, and look forward to another successful year in assisting members to reach their personal and financial goals.

Wayne Wilson - Chairperson
THE CREDIT COMMITTEE REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

Comparison of Loans Disbursed by Category for 2013 and 2012

<table>
<thead>
<tr>
<th>Category of Loan</th>
<th>2012 Values $</th>
<th>2013 Values $</th>
<th>Change $</th>
<th>2012 Number</th>
<th>2013 Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property</td>
<td>3,440,721</td>
<td>2,474,134</td>
<td>(966,587)</td>
<td>198</td>
<td>198</td>
</tr>
<tr>
<td>Vehicle</td>
<td>1,061,514</td>
<td>1,681,691</td>
<td>620,177</td>
<td>46</td>
<td>58</td>
</tr>
<tr>
<td>Business/Investment</td>
<td>191,593</td>
<td>476,693</td>
<td>285,100</td>
<td>34</td>
<td>48</td>
</tr>
<tr>
<td>Education</td>
<td>741,711</td>
<td>707,281</td>
<td>(34,430)</td>
<td>247</td>
<td>225</td>
</tr>
<tr>
<td>Personal</td>
<td>2,999,756</td>
<td>2,816,508</td>
<td>(183,248)</td>
<td>835</td>
<td>777</td>
</tr>
<tr>
<td>Total</td>
<td>$8,435,295</td>
<td>$8,156,307</td>
<td>($278,988)</td>
<td>1,360</td>
<td>1,306</td>
</tr>
</tbody>
</table>
The Delinquency Committee for the year ending 31 December 2013 comprised The Credit Committee, Mr. Trevor Williams and Mrs. Ann Austin.

Aims and Objectives of the Delinquency Committee: -

1. To recover all outstanding loan payments and/or overdue balances.
2. To provide financial counseling to members.
3. To offer guidance to members who are experiencing financial difficulties due to economic conditions or personal commitments.
4. To liaise with delinquent members with a view to reaching amicable payment arrangements.
5. To ensure that the exposure to the Credit Union is kept to the minimum.

At year end, there were 20 delinquent loans with a total balance of $442,047.

Total exposure namely “Loans at Risk” equated to 1.41 % of total loans outstanding at year-end, remaining well within the ‘accepted rate’ of 5.00 %.

<table>
<thead>
<tr>
<th>CATEGORIES</th>
<th>2013</th>
<th>2012</th>
<th>CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Loans Outstanding at Year End</td>
<td>$29,518,672</td>
<td>$27,946,579</td>
<td>$1,572,123 (increase)</td>
</tr>
<tr>
<td>Shares Held for Outstanding Delinquent Loans</td>
<td>$24,739</td>
<td>$16,752</td>
<td>$7,987 (increase)</td>
</tr>
<tr>
<td>Total Principal Outstanding Delinquent Loans</td>
<td>$442,047</td>
<td>$324,035</td>
<td>$118,012 (increase)</td>
</tr>
<tr>
<td>Total Exposure (Loans at risk)</td>
<td>$417,308</td>
<td>$307,283</td>
<td>$110,025 (increase)</td>
</tr>
<tr>
<td>Percentage Exposure Compared to Total Loans</td>
<td>1.49</td>
<td>1.16 %</td>
<td>0.12 (decrease)</td>
</tr>
<tr>
<td>Number of Delinquent Members</td>
<td>20</td>
<td>16</td>
<td>4 (increase)</td>
</tr>
<tr>
<td>Accounts Written Off</td>
<td>1</td>
<td>0</td>
<td>1 (increase)</td>
</tr>
<tr>
<td>Amounts Written Off</td>
<td>1,354</td>
<td>$0</td>
<td>$1,354 (increase)</td>
</tr>
</tbody>
</table>
The economic climate in fiscal year 2013 continued to be challenging for our members. Indeed, our loans portfolio for 2013 included 45 loans in our “Re-finance” category which, for the second consecutive year, exceeded $700,000. We appreciate those members who came forward and restructured their borrowings to make the payments more manageable. We urge others to do likewise if such course of action is necessary.

There was an increase of $118,012 in delinquent loan balances compared to 2012. Given the financial challenges and effect on some members’ ability to maintain regular instalments, we opted to make provisions for those loans where recovery is anticipated to be protracted.

During the past year we continued to monitor loan repayments, issued notices to enforce payments and in some cases securities were realised. Our appointed attorneys-at-law and debt collectors were again called upon to pursue settlement of delinquent debts and we fully appreciate their assistance.

As mentioned in the Board of Directors’ Report, the Financial Services Commission will review the guidelines for delinquency management and we will comply with any recommendations which may result. At present, we review our loan portfolio regularly and where we perceive there are challenges, we will work with the members to have irregularities corrected. Alternatively, accounts which are considered weak will be managed accordingly and the appropriate provisions made.

Our endorsement of the Credit Union’s policy for loan applications to be supported by more detailed information remains. Additionally, when considering requests for finance, we must ensure that the member’s income, exclusive of bonuses and/or overtime, is the basis for reviewing budgets and the ability to meet loan payments.

We anticipate that containing the level of delinquent loans will be difficult in 2014, but this will not deter us. To this end, we remain committed in our mission to pursue the aims and objectives of the Delinquency Committee, for the benefit of our Credit Union.

Wayne Wilson
Chairman
The Education Committee was formed with a mandate to educate our membership, using a number of educational forums to disseminate information.

The Committee is chaired by Mr. Dave Taylor. Other members are Mrs. Cyrilene Bryan, Miss Andrea Edey, Mr. Alfred Holder, Mr. John Blades and Miss Samantha Hazlewood. Miss Roxanne Marks is the staff representative on the committee.

The Credit Union has taken several measures this year to address the need to keep our membership informed. Information has been disseminated to our members via the Credit Union's web site, Reddy Bulletin as well as mail slots in your financial statements.

In July we held our second Youth Form which is intended to enlighten the young members about the credit union movement. The theme for the forum was “Our Youth, Our Future.” The topics covered included the history of the credit union, committees, products and services.

“The Game of Life” activity exposed the participants to the importance of financial planning from an early stage in life. We wish to thank the parents for their continued support because, without their involvement, we cannot engage and plan for the youth.

For the seventh consecutive year, the Credit Union made awards to nineteen students who successfully completed the Common Entrance Examination. The awards included financial support and items which help to defray the transitional cost associated with entering secondary school. Effective year 2014, this award will be rebranded “The Julie Alleyne Common Entrance Award” in recognition of the service which Miss Alleyne provided in her capacity as the first manager of this Credit Union.

In year 2014, the Educational Scholarship award for members and their wards who are pursuing vocational as well as tertiary level education will be re-launched as “The Trevor Browne Educational Scholarship”. This is in recognition of the service he provided to the Credit Union movement in Barbados in his capacity as the first President of the Board of Directors.

……………………………

Dave Taylor
Chairperson

Mr. Trevor Browne

Miss. Julie Alleyne
STANDING ORDERS

1.  (a) A member is to stand when addressing the Chair  
    (b) Speeches are to be clear and relevant to the subject before the meeting

2.  A member shall only address the meeting when called upon by the Chairman to do so, after which he shall immediately take his seat.

3.  No member shall address the meeting except through the Chairman.

4.  A member may not speak twice on the same subject except:  
    (a) The mover of a motion... who has the right to reply  
    (b) He rises to object or to explain (with the permission of the Chair.)

5.  The Mover of Procedural Motion... (Adjournment laid on the table, Motion to postpone) has no right to reply

6.  No speeches are to be made after the “question” has been put and carried or defeated.

7.  A member rising on a “Point of Order” is to state the point clearly and concisely. (A “Point of Order” must have relevance to the “Standing Order.”)

8.  A question should not be put to the vote if a member desires to speak on it or move an amendment to it, except that a “Procedural Motion”, the “Previous Question”, proceed to the “Next Business”, or the closure: “That the Question be NOW PUT”, may be moved at any time.

9.  Only one amendment should be before the meeting at one and the same time.

10. When a motion is withdrawn, any amendment to it fails.

11. The Chairman has the right to a “casting vote”.

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

13. Provision is to be made for protection by the Chairman from vilification (personal abuse).

14. No member shall impute improper motives against another member.
OFFICERS’ PLEDGE

As an Officer of The Light and Power Employees Co-op Credit Union Limited, I do solemnly pledge:

To serve, to the best of my ability, those who have elected me to this position of honour and responsibility;

To strive to present the concepts and questions of our membership in ways my counterpart of the Board may understand;

To hear all options objectively and without prejudice;

To reach conclusions that lead to the betterment of all members of the Credit Union:

In the spirit of co-operation and through the tradition of the Credit Union philosophy and its practice, I will respect and recall the operating principles and their special application during these important deliberations.
OUR VISION

To be a dynamic financial services provider driven by the needs of the members.

MISSION STATEMENT

We The Light and Power Employees Co-operative Credit Union Ltd, are committed to providing quality financial products and services to meet the needs of our members, with the highest level of integrity.