

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

VENTUREING ...into the future

2030

2025

2020

2017

VISIONARY
EFFICIENT
INTEGRITY
TRUSTWORTHY
UNITY
RELIABLE
ENTERPRISING

CELEBRATING



2016 ANNUAL REPORT



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

CORPORATE INFORMATION

Attorneys –at-Law:

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Attorney-at-Law
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Attorney-at-Law
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Johnson, Camacho and Singh

Attorney-at-Law
5th Floor Newtown Centre,
Maraval Road, Port of Spain

Member of:

Trinidad and Tobago Credit Union Deposit
Insurance Fund Co-operative Society
Limited

Central Finance Facility (CFF)

Association of Co-operative Credit Union
Presidents of Trinidad and Tobago
(ACCUPTT)

Auditors:

KPMG

Trinre Building, 69-71 Edward Street
PO Box 1328, Port of Spain

Bankers:

RBC Royal Bank (Trinidad & Tobago)
Limited

Republic Bank Limited

Scotiabank Trinidad and Tobago Limited

The JMMB Group

First Citizens Bank Limited

Insurers:

CUNA Caribbean Insurance Society
Limited

Trinidad and Tobago Credit Union Deposit
Insurance Fund Co-operative
Society Limited

CIC Insurance Brokers Limited

Sagicor Life Inc.



TABLE OF CONTENTS

2	MISSION STATEMENT
2	STRATEGY STATEMENT
3	NATIONAL ANTHEM
3	PRAYER
4	VENTURE'S ORGANIZATIONAL CHART
5	NOTICE OF ANNUAL GENERAL MEETING
6	AGENDA
7	STANDING ORDERS
8	GUIDELINES FOR ACCEPTING NOMINATION TO SERVE ON THE BOARD AND COMMITTEES
9	MINUTES OF VENTURE'S NINETEENTH ANNUAL GENERAL MEETING
18	2016 BOARD REPORT
28	SUPERVISORY COMMITTEE REPORT 2016
32	CREDIT COMMITTEE REPORT 2016
35	FINANCIAL STATEMENTS
77	REPORT OF THE NOMINATING COMMITTEE
80	2017 ANNUAL BUDGET
81	RECOMMENDATIONS AND RESOLUTIONS



MISSION STATEMENT

We, **VENTURE** Credit Union, will continue to be a leading Financial Services Provider, committed to Good Governance, Improvement in the Economic and Social well-being of our Members, and the Transformation of the Credit Union Movement, while fulfilling our responsibility to our various publics.

STRATEGY STATEMENT

Building on the strength of our current brand, **VENTURE** will pursue a path of measured growth and institutional strengthening over the next three years to ensure sustainability, acceptable risk and harmony with the highest prudential standards. With a contingent of highly motivated and capable staff, we will provide competitive service and performance with a suite of innovative products and services designed to enrich our members' lives.

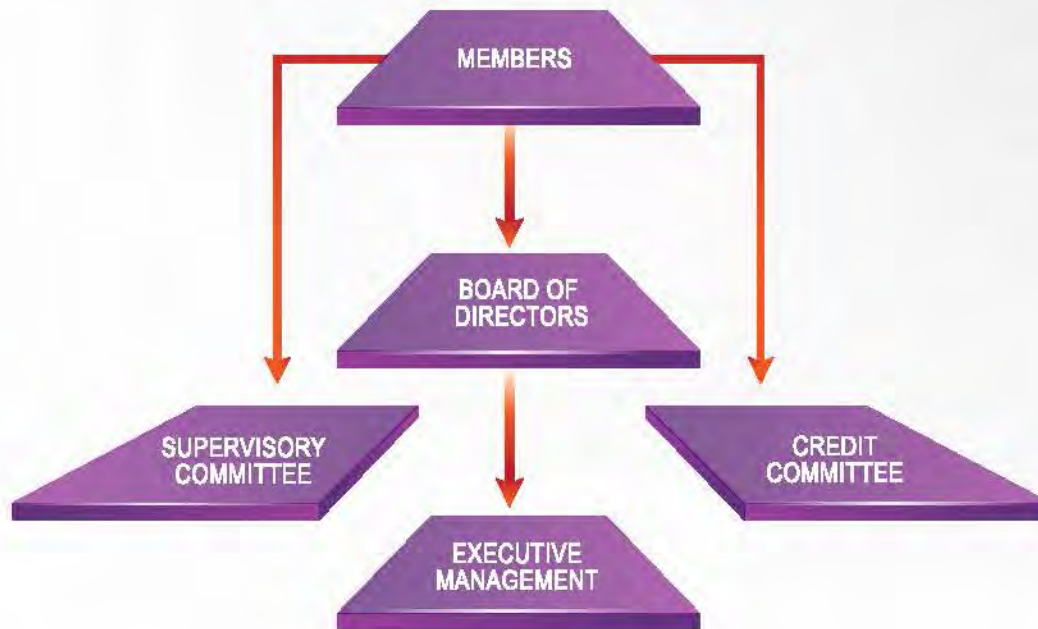
PRAYER

Lord, make me an instrument of Thy peace
Where there is hatred, let me sow Love;
Where there is injury, Pardon;
Where there is doubt, Faith;
Where there is despair, Hope;
Where there is darkness, Light;
And where there is sadness, Joy.
O! Divine Master,
Grant that I may not so much seek
To be consoled as to console;
To be understood as to understand;
To be loved as to love.
For it is in giving that we receive;
It is in pardoning that we are pardoned;
And it is in dying
That we are born to Eternal Life.

NATIONAL ANTHEM

Forged from the love of liberty
In the fires of hope and prayer
With boundless faith in our destiny
We solemnly declare:
Side by side we stand
Islands of the blue Caribbean sea,
This our native land
We pledge our lives to thee.
Here every creed and race find an equal place,
And may God bless our nation
Here every creed and race find an equal place,
And may God bless our nation.

VENTURE'S ORGANIZATIONAL CHART



BOARD OF DIRECTORS:

The Board of Directors is elected by the Credit Union membership during the Annual General Meeting (AGM) and reports to the general membership. Directors are elected for a three (3) year term.

Responsibilities of the Board of Directors:

- Controls the affairs of the Society
- Establishes and revises policy
- Sets dividend and loan rates
- Directs operations

SUPERVISORY COMMITTEE

The Supervisory Committee examines the affairs of the Society, including an audit of its books. The Committee submits an annual report at the Annual General Meeting.

CREDIT COMMITTEE

The Credit Committee supervises loans to members. It consists of five (5) members elected at the Annual General Meeting. The Committee meets weekly.



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of **VENTURE** Credit Union Co-operative Society Limited will be held on:

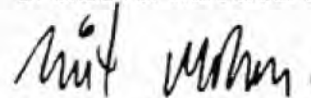
Date: Thursday, March 23, 2017
Time: 5:00 pm
Venue: Center Pointe Mall, Auditorium,
Ramsaran Street,
Chaguanas.

The main business of the meeting will be to:

1. Adopt the Minutes of the last Annual General Meeting
2. Receive Reports for the Year 2016 as follows:
 - a. Board of Directors
 - b. Supervisory Committee
 - c. Credit Committee
 - d. Accept Nominating Committee Report
3. Elect:
 - a. Board of Directors three (3)
 - b. Supervisory Committee five (5)
 - c. Credit Committee three (3) - In accordance with Byelaw #43
4. Present:
 - a. Auditor's Report
 - b. Financial Statements for the Year Ended December 31, 2016
5. Approve the budget for 2017
6. Approve Recommendations of the Board of Directors
7. Approve Resolutions.
8. Transact any other business that may properly come before the meeting.

**Each member must present one (1) form of ID
at the time of registration**

BY ORDER OF THE BOARD OF DIRECTORS



Clint Mohan (Mr.)
Secretary to the Board of Directors
2017 February 20

AGENDA

- 1.0 Call to Order:**
 - 1.1 1st Credentials Report and Announcement of Quorum
 - 1.2 Prayer and the National Anthem of Trinidad and Tobago
- 2.0 Notice Convening the Annual General Meeting**
- 3.0 Adoption of the Standing Orders**
- 4.0 Announcement of Returning Officer and Election Team**
- 5.0 President's Welcome Address**
- 6.0 Acceptance of the 2016 Annual General Meeting Brochure to be taken as read**
- 7.0 Adoption of Minutes:**
 - 7.1 Annual General Meeting of March 31, 2016
 - 7.2 Business Arising out the Minutes
- 8.0 Adoption of Reports:**
 - 8.1 Board of Directors
 - 8.2 Supervisory Committee
 - 8.3 Credit Committee
 - 8.4 Acceptance of Nominating Committee Report
- 9.0 Election of Board and Committees:**
 - 9.1 2nd Credentials Report
 - 9.2 Election of nominees to serve on the Board, Supervisory and Credit Committees
- 10.0 Acceptance of Auditors' Report**
- 11.0 Approval of the Financial Statements for the year 2016**
- 12.0 Approval of the 2017 Budget**
- 13.0 Approval of Recommendations and Resolutions**
 - 13.1 Distribution of Surplus
 - 13.2 Appointment of Auditors for January 01, 2017 to December 31, 2017
- 14.0 Election Results**
- 15.0 Other Business**
- 16.0 Vote of Thanks**
- 17.0 Close of Meeting**



STANDING ORDERS

1. A member shall stand when addressing the Chair, and shall identify himself/herself.
2. Speeches shall be clear and relevant to the subject before the meeting.
3. No member shall address the meeting except through the Chairman.
4. A member shall not speak twice on the same subject except:
 - (i) The mover of a motion – who has the right to reply.
 - (ii) He / She rises to object or explain (with permission from the Chair).
 - (iii) A member's contribution should not exceed 3 minutes.
5. No speeches shall be made after a subject has been put or carried or rejected.
6. A member rising on a "point of order" shall state the point clearly and precisely.
7. A member shall not call another member "to order" but may draw the attention of the Chair to a "breach of order".
8. Provision shall be made for protection of the Chairman from personal abuse.
9. Only one amendment shall be before the meeting at any given time.
10. When a motion is withdrawn, any amendment to it fails.
11. The Chairman shall have the "right" to a casting vote.
12. If there is an equality of voting on an amendment, and if the Chairman does not exercise his casting vote, the amendment is lost.
13. No member shall impute improper motives against another member.





GUIDELINES FOR ACCEPTING NOMINATION TO SERVE ON THE BOARD AND COMMITTEES

A member offering himself/ herself to serve on the Board and Committees of **VENTURE** Credit Union Co-operative Society Limited:

- Must not be bankrupt or an applicant of bankruptcy
- Must be of sound mind
- Must not be an employee of **VENTURE** Credit Union or a kindred organization
- Must not have been delinquent over the last three years.

If elected to office a member must be prepared to give generously of his/ her time to attend:

- Board or Committee meetings
- Other meetings and events of the Credit Union Movement
- Seminar and training courses

Regular Meetings of the Board of Directors are held on the 2nd Thursday of every month from 5:00 pm.

The Credit Committee meets once per week on Wednesday.

The Supervisory Committee determines its meeting day and method of operations.



MINUTES OF VENTURE'S NINETEENTH ANNUAL GENERAL MEETING

The Annual General Meeting of **VENTURE** Credit Union Co-operative Society Limited was held on Thursday, March 31, 2016 at the Main Auditorium, Centre Pointe Mall, Ramsaran Street, Chaguanas.

1.0 CALL TO ORDER

1.1 1st Credentials Committee Report

A Credentials Committee Report, undertaken at 5.00 p.m., revealed that two hundred and ninety-four (294) members and nineteen (19) guests totalling three hundred and thirteen (313) persons were in attendance.

1.2 Start of Meeting

The President, Mr. Charles Percy, called the meeting to order at 5.03 p.m., with the recitation of the Credit Union Prayer, after which the National Anthem was played. One minute of silence was observed for departed members.

2.0 NOTICE CONVENING THE MEETING

2.1 The Notice and Agenda of the Annual General Meeting was read by the Secretary, Miss Tracey Elcock.

2.2 Mr. Hollis Williams suggested that there was an omission in the notice convening the Annual General Meeting and referenced bye-laws 41 (c), 18 and 22. He questioned whether members

received the meeting notice on time and requested that matters be dealt with in order while maintaining standards.

3.0 ADOPTION OF STANDING ORDERS

3.1 The Standing Orders, as stated on page 7, were taken as read and unanimously adopted on a motion by Mr. Miles Dillon and seconded by Ms. Candice Joseph.

4.0 INTRODUCTION OF MANAGEMENT, BOARD OF DIRECTORS AND COMMITTEE MEMBERS

4.1 The Management Team and statutory committee members were introduced. The Chairman also acknowledged the following specially invited guests: Mr. Nicholas Mohan of KPMG Chartered

Accountants, the officers of the Co-operative Division, Ministry of Labour and Small Enterprise Development, Mr. Wayne Cordner of CUNA Caribbean Insurance Society Limited and representatives of Rolley Data Systems Limited.

5.0 PRESIDENT'S WELCOME ADDRESS

5.1 The President delivered the welcome address and explored the position of **VENTURE** in the present economic climate. He commenced with a review of the principles on which the Credit Union Movement was built. He then explored the economic climate and noted that globally the Gross Domestic Product of countries was declining. This was



accompanied by a significant decrease in the world's energy demand in 2015 which affected the country whose economy is heavily built on energy resources. Locally, our country's GDP fell by 1.9% and foreign reserves also fell significantly as the balance of payments for the government was negative.

All this occurred while the country had a change in government in 2015. Since then, there has been increase in the Value Added Tax; inflation has been flat and the Central Bank has been steadily mopping up extra liquidity in the system. He placed the importance of these national events in the context of **VENTURE** Credit Union that was formed out of the first federal chemical company in the Point Lisas Estate, FEDCHEM. Its growth has now embraced the entire Point Lisas region as well as the surrounding communities. It has now extended its bond and is in the East-West corridor, Couva, and San Fernando. With its genesis in the petrochemical industry of Point Lisas any matters affecting the energy sector would be important to the organisation as some of the longstanding members, with significant asset holdings, came out of this sector. The aforementioned has led the Board and Management to strategically focus on how the organization would deal with the issues on the Estate emerging from the country's economic situation.

The President also reported that the organization was still able to meet and exceed milestones. One major strategy was **VENTURE's** plan to be a billion-dollar credit union by 2015 and its invitation to members to journey with their credit union. This was done and that milestone was achieved ahead of time. The Board acknowledged that sustainability is crucial and strategy is about growth, efficiency and sustainability. He stressed that the credit union cannot be growing too fast and unsustainable, especially in the face of a volatile environment locally and globally.

This led to a need for certain practices, policies, systems and structures to be changed in order to move forward in a sustainable way. The credit union recognized that it was chasing growth and not dealing with efficiency and sustainability. As a result of that, several credit risks were developed; for instance, not doing proper due diligence and ensuring that a sound loan was disbursed. This led to some hard decisions being made in 2015 around ensuring sustainability. The IT system was changed and growth was slowed up to ensure sustainable monitoring systems were enforced. The credit union ensured that there was modernization of the IT system and that the requisite persons to take the organization forward were on board.

The President mentioned that some key persons have left the organization in 2015 and the acquisition of stronger professional services has to be explored. He highlighted the need for a cadre of persons able to make decisions efficiently and in a timely manner to take the organization forward.

He acknowledged the need for greater focus to be placed on monitoring and controlling delinquency and that systems have already been put in place to deal with same. He re-assured that there was no need for doom and gloom, as the situation is manageable and with all hands on deck the credit union will survive.

He concluded by informing that there will be a Strategic Planning Session in June 2016 which will involve the Board and Committees, the management team and a battery of consultants. He reiterated that the Society wanted to leave a legacy for its members and their extended families. In this regard, the President implored members to rally to the call to build a sustainable future for **VENTURE** Credit Union Co-operative Society Limited.

6.0 ACCEPTANCE OF THE BROCHURE

6.1 A motion for the acceptance of the Brochure for 2015 Annual Report to be taken as read was moved by Mr. Shiva

Gobin and was seconded by Mr. Miles Dillon. Voting on the acceptance of the brochure was unanimous in favour of the motion.

7.0 CONFIRMATION OF THE MINUTES OF 18TH ANNUAL GENERAL MEETING MARCH 27, 2015 AND BUSINESS ARISING

7.1 Amendments to Minutes:

The minutes were amended as follows:
Page 15, Item 11.1.1 Investments: Insert the following: "Members highlighted the accelerated growth initiatives that the organization was pursuing would have adverse effects on **VENTURE** Credit Union's sustainability going forward".
Page 16, Item 11.2: Change "Calvin Richardson" to "Carver Richardson".

7.2 Confirmation of Minutes: The minutes, as amended, were confirmed on a motion by Mr. Carver Richardson and seconded by Ms. Valerie Miller.

7.3 Business Arising

7.3.1 Credit Committee: The Chairman indicated that, in response to Mr. Hollis Williams on the responsibility of the Credit Committee to counsel members who are experiencing financial difficulty and to devise strategies for them to honour their obligation, the Committee performs that function but not all



members come forward and indicate when they are experiencing problems; the committee has to seek them out sometimes and render assistance.

7.3.2 Delinquent loans: Mr. Hollis Williams observed that these figures were increasing and suggested alternate strategies be employed.

7.3.3 Members' names in minutes: Mr. Geoffrey Ransome recommended that the name of the member should be recorded in the minutes instead of stating, "A member". The Chairman advised members to state their names

clearly when speaking so that it can be properly recorded.

7.3.4 AGM agenda: Mr. R. Rattansingh suggested that, in future, "General Business" should be an item on the Agenda for the Annual General Meeting.

7.3.5 Arouca Building: Mr. Derwin Rudolfo queried the possibility of erecting a new building for the Arouca Branch of the credit union. The Chairman informed members that there is a Building Committee in place that is responsible for that project, that the plans have been drawn and some

statutory approvals have been received. He also indicated that the erection of the **VENTURE** Credit Union Arouca Complex was put on hold until there are better economic conditions.

8.0 BOARD OF DIRECTORS' REPORT

8.1 Adoption of Board Report: The Chairman drew members' attention to the Board of Directors' Report as stated on pages 20 to 34 of the Annual Report. A motion for the adoption of the report was moved by Ms. Sherese Chee Mook and this was seconded by Ms. Valerie Davidson. Voting in favour of the motion was unanimous.

8.2 Highlights from the Board Report

8.2.1 Return on Assets: The Chairman pointed out that Return on Average Assets changed from 6.1% in 2014 to 4.4% in 2015, largely attributable to a decline in net surplus, which was driven by increased provisioning for loan loss expense.

8.2.2 Revenue: Revenue increased by \$12 million, largely due to an increase in interest on loans and an increase in income from investments.

8.2.3 Loans: Increase in interest on loans, the larger contributor to the revenue



increase was driven by 21% increase in the loan portfolio. There was 100% increase in provisioning for loan loss. Non-performing loans as a percentage of Total Loans stood at 5.98%

8.2.4 Expenses: Expenses increased by \$19 million primarily due to a larger staff complement and increased provisions for loan loss.

8.2.5 Net Surplus: Net Surplus decreased by \$8 million largely attributable to increased allocations to provision for loan losses and partially offset by the increase in revenue.

8.2.6 Delinquency: A Delinquency Control Committee was established and a Delinquency Consultant with the requisite knowledge and experience was brought on board. This led to a strengthening of debt collection efforts.

8.2.7 Membership: There was a 16% increase in membership to 31,304 members.

8.2.8 CariCRIS rating: The credit union received a BBB - rating from CariCris.

8.3 Business Arising from the Board Report

8.3.1 Credit Committee: Mr. Hollis Williams suggested the Credit Committee should be prudent and diligent in treating with loans. There should also be a Loan Repayment Watch Bulletin to inform the Board of the status of members' loans.

8.3.2 Loans: In response to Mr. Sylvan Wilson, the Chairman indicated that on a loan portfolio of \$1.3 billion, the overall net exposure is approximately \$60 million. Mr. Trevor Rogers requested that delinquent loans figure should be expressed, not only in percentage but also in dollar value.

8.3.3 Net Exposure: Ms. Premabhakti Samaroo requested evidence to prove the \$60 million overall net exposure and the Chairman informed her that she can be provided with the data.

8.3.4 General Responses: The Chairman indicated that when the credit union was a closed bond, delinquency was almost non-existent because members were employed at one of the companies on Point Lisas Estate. However, with the bond extended, there is need to increase the provision for loan loss by 100% to treat with the delinquency situation. He also explained that **VENTURE** was aggres-

sively pursuing delinquent members with a view to re-activating their accounts and, based on the provisioning, correcting the delinquency situation in short order. He explained that there was a WOCCU standard that credit unions should set aside 100% provisioning for delinquent loans greater than 12 months and the credit union is below that target at present. He explained that a loan loss provision is not a write-off or a waste of money; it is a cushion.

8.3.5 Safety Committee: The organization's Safety Committee comprised members from the sponsor companies and staffers.

8.3.6 Education Committee: All the activities of the Education Committee for the year will be published on the website and on the notice boards at the various branches of the credit union, so that members can avail themselves of the dates and times of those events.

8.4 Acceptance of the Board of Directors Report: A motion for acceptance of the report was moved by Mr. Thomas Henry and was seconded by Mr. Trevor Rogers. Voting in favour of the motion was unanimous.

8.5 Supervisory Committee Report:

8.5.1 The Interim Chairman of the Committee, Miss Esme' Raphael, drew members' attention to the Supervisory Committee's Report as stated on pages 35 to 38 of the Annual Report. The report was taken as read on a motion by Mr. Miles Dillon and seconded by Ms. Valerie Davidson.

8.5.2 Matters Arising: The committee made the following recommendations to management:

- Reduce the issue of new business loans in excess of \$1 million given the current economic environment and its resource constraints.
- Improve the collection programme which yielded good results during the third quarter of 2015.
- Revamp the loan procedures; have them authorized by the Board and roll out same to the loans officers in the shortest possible time.

Miss Raphael assured the meeting that each month the Balance Sheet is checked by at least one member of the Supervisory Committee and is placed on the Notice Board at each Branch of the credit union monthly in accordance with Bye-law 39(i).



8.5.3 Adoption of the Report: The Chairman requested a motion for the adoption of the Supervisory Committee Report 2015. A motion for the report was moved by Mr. Thomas Henry and was seconded by Ms. Cheryl George. Voting in favour of the motion was unanimous.

8.6 Credit Committee Report:

8.6.1 The Chairman of the Credit Committee, Mr. Wendell Mitchell, drew members' attention to the report as stated on pages 39 to 41 of the Annual Report.

8.6.2 Matters Arising: In response to a comment by Mr. Thomas Henry about members' awareness of the loan requirements, Mr. Mitchell indicated that the Loan Policy is set by the Board of Directors and the requirements for loan applications are available at all Branches of the credit union.

8.6.3 Adoption of the Report: The report was accepted on a motion moved by Mr. Charan Rambharose and was seconded by Mr. Hollis Williams.

9.0 ELECTION OF BOARD AND COMMITTEE MEMBERS

9.1 Returning Officer: Mr. Charles Percy handed over the Chair to the Returning Officer - Vice President, Mr. Roger Bertrand, who acted as Returning Officer for the elections. He was assisted by a

team of twenty-five persons headed by Mr. Hayden Lovell and Ms. Janet Khan. Ms. Charlene Mylan and Ms. Michelle Cole Padilla of the Co-operative Division, Ministry of Labour and Small Enterprise Development supervised the elections. Ms. Shinelle Gittens of Rolley Data Systems Ltd was responsible for the electronic counting of the ballots. Mr. Thomas Henry suggested that a Director should not conduct elections at an Annual General Meeting. Ms. Arlene Brathwaite of the Co-operative Division, Ministry of Labour and Small Enterprise Division indicated that, although it has been a practice for the Vice President to conduct the election, the Division strongly recommends that an independent person act as Returning Officer for the elections. The Chairman gave the assurance that, in future, an independent person will conduct the elections. The Returning Officer declared three seats on the Board of Directors and all on the Supervisory and Credit Committees vacant.

9.2 Second Credentials Report: A Credentials Committee Report, undertaken at 8.40 p.m., revealed that seven hundred and forty-nine (749) members and thirty-six (36) guests were present.

9.3 Nominating Committee Report: The Chairman drew members' attention

to the Nominating Committee's report as stated on pages 74 to 76 of the Annual Report

9.3.1 Acceptance of Report: The Chairman, Mr. Charles Percy, requested a motion for the acceptance of the Nominating Committee Report. A motion for the acceptance was moved by Ms. Cheryl George and was seconded by Ms. Valerie Davis. Voting in favour of the motion was unanimous.

9.3.2 Nominees for the Supervisory Committee:

The following persons were presented:

- Deodath Vijay Ramkumar
- Esme Raphael
- John Paul Mendes
- Orner King
- Ricardo Valentine
- Seeta Sinanan-Ramnarine
- Shivanand Gobin

9.3.3 Nominees for the Board of Directors:

The following persons were presented:

- Cole Patrick
- Gabriel O'Brien
- Haridath Bajnath
- Lionel Sookoo
- Naresh Ramoutar
- Richard Ramadoo

9.3.4 Nominees for the Credit Committee:

The following persons were presented:

- Bernadine Warrick
- Denis Basso
- Tricia Jones

9.4 The voting process was completed and the Chair was returned to the Chairman, Mr. Charles Percy.

10.0 Auditors' Report and Financial Statements - 2015

10.1 Auditors' Report: Mr. Charles Percy invited the representative of KPMG Chartered Accountants, Mr. Nicholas Mohan, to present the Auditors' Report for the year ended December 31, 2015, to members. The report as presented in the Brochure on page 43 was read by the KPMG Representative.

10.1.2 Acceptance of the Auditors' Report: The acceptance of the report was moved by Mr. Derwin Rodulfo and was seconded by Mr. Eric Wright. Voting in favour of the motion was unanimous.

11.0 Financial Statements: The Chairman led the meeting through the Financial Statements. Some highlights were:

- Increase in investments from **\$188,590,566 to \$204,572,304.**
- Increase in Loans to Members from **\$874,103,377 to \$1,059,070,623.**
- Increase in Members' Shares from **\$940,354,478 to \$1,138,967,571.**
- Growth in Assets from **\$1,164,789,266 to \$1,384,693,631.**
- Total Members' Equity and Liabilities increased from **\$1,164,789,266 to \$1,384,693,631.**

11.1 Overall Concerns:

11.1.1 Investments: There were some concerns as to whether there were investment targets or an investment guide, whether there were specialists who are able to properly monitor investments in KCL and Firstline Securities Limited in place and if there were a concentration risk with the investments in KCL Capital Market Brokers Limited.

11.1.2 Dividends: It was suggested that dividends paid should be part of the Financial Statements.

11.1.3 Cash: A question was posed as to why \$85 million was kept as cash.

11.2 Responses to Concerns: The Chairman explained that all \$85 million was not in cash, some was in short-term

investments which can be cashed in quickly, if necessary. He also explained that the credit union has to operate in accordance with IFRS standard and follow the PEARLS guidelines. He directed members to the investments as listed on Page 46, Note 3, of the Annual Report. He also encouraged members to always write to the credit union putting forward recommendations for improvements in the operations of the Society. He indicated that the dividends will be in either "Change in Members' Deposits" or "Change in Members' Shares". He explained that investments are managed against the backdrop of an Investment Policy Statement, which indicates what percentage of investments should be in the various securities, inclusive of equities and bonds. Also, Firstline Securities Limited and KCL Capital Market Brokers Limited are brokerage companies through which the credit union purchases additional investments, so the underlying risk is not with those companies. The underlying risk is with the corporate paper or the government paper that they bring to market where they bring investors and borrowers with **VENTURE** being the investor and either a company or the government being the borrower. They are just brokerage companies that bring both parties together. There is a finance team that does a thorough due diligence

on each investment and it goes through a chain of command before it is approved. In addition, these companies have EULER international insurance coverage which covers approximately 90% of the investment amount. KCL Capital Market Brokers Limited was AIC Capital Market Brokers Limited was AIC Brokers, headed by a team with years of experience in brokerage business.

11.3 Acceptance of the Financial Statements: A motion for the acceptance of the Financial Statements was moved by Mr. Derwin Rodulfo and was seconded by Mr. Thomas Henry. Voting in favour of the motion was unanimous.

12.0 BUDGET PRESENTATION

12.1 Budget Projection for 2016: The Chairman presented the budget for 2016 as stated on page 77 of the Annual Report. Some projections were:

- **Total Income of \$135,986,421**
- **Total Expenditure of \$65,190,929**
- **Net Surplus of \$70,795,492**
- **Capital Budget of \$9,452,933**

12.1.1 Matters Arising: In response to a query from Ms. Cheryl George. The Chairman informed members that there is an Internal Audit Team which presents quarterly reports to the Board of Directors and that system has yielded

significant benefits for the credit union. Mr. A. Mohammed expressed the view that the credit union can save money if it exploits alternative energy, for instance, on weekends and public holidays. The Chairman invited Mr. Mohammed to come into **VENTURE** Credit Union and have a conversation on the issue with the Board and Management.

12.2 Adoption: A motion for the adoption of the 2016 Budget was moved by Mr. Sheldon Campbell and was seconded by Mr. Derwyn Rodulfo. Voting in favour of the motion was unanimous.

13.0 RECOMMENDATIONS

13.1 Distribution of Surplus: On behalf of the Board of Directors, the Secretary, Miss Tracey Elcock, presented the following recommendation:

13.1.1 Dividend: The Board of Directors recommended a dividend payment of four per cent (4%) on fully paid up shares. The Board further recommended that the dividend payment be deposited to members' deposit accounts after all outstanding arrears were satisfied. A motion in favour of the recommendation was moved by Ms. Cheryl George and was seconded by Ms. Valerie Davidson. Voting in favour the recommendation was accepted by the majority of members. There was one (1) abstention.



13.1.2 Common Good: The Board of Directors recommended an allocation of \$200,000 to the Common Good Fund to assist schools, sporting endeavours and community groups. The recommendation was moved by Mr. Travis Sookoo and was seconded by Ms. Seeta Sinanan-Ramnarine.

13.1.3 Children's Foundation: The Board recommended an allocation of \$100,000 toward the VENTURE Children's Foundation. A motion in favour of the recommendation was moved by Mr. Ormester King and was seconded by Mr. Sheldon Campbell. There were no negative votes or abstentions, the motion was therefore carried.

13.2 RESOLUTIONS

13.2.1 Appointment of Auditors: The Board of Directors recommended the firm KPMG as Auditors for the period January 01, 2016 to December 31, 2016. A motion in favour of the recommendation was moved by Ms. Sherisse Chee Mook and was seconded by Ms. Allison Skinner-Walker. There were no negative votes or abstentions, the motion was therefore carried.

14.0 OTHER BUSINESS

14.1 The following were raised by members:

14.1.1 VENTURE Staff: A member noted that there was a high turnover of staff at VENTURE Credit Union. Another member felt that the positions held by Ms. Abbey Mohammed and Mr. Charles Mitchell were not properly advertised.

14.1.2 Member Service: Members expressed operational issues such as letter of condolences should be sent to the families of bereaved members in a timely manner and beneficiaries should be promptly attended to with respect to the benefits, difficulty in contacting offices via telephone, lack of washroom facilities for members, limited tokens on Credit Union Day, there is a lack of change when members pay with cash at offices, Online Banking should be simplified and made more user-friendly, revisit the membership application documents for children with respect to the request for utility bill.

14.1.3 Fraudulent Activity: A member enquired about the status of the fraud matter discussed at the last AGM.

14.1.4 Education Committee: A member suggested that there should be programmes for young members such as SEA and CAPE awards.

14.1.5 Annual General Meetings: A member suggested that the Annual



General Meeting on a Saturday instead of Thursday, while another suggested it should commence at 2.00 p.m. on whatever day it is held.

14.1.6 Statutory Committee Member:

A member questioned the participation in meetings, via Skype, of a member during the period under review. Another member suggested that there should be term limits for Directors to serve the credit union.

14.2 Chairman Responses: The Chairman apprised members as follows: A lot of supervisory staff training was

being conducted and it was hoped that over time, the high staff turnover would be under control.

- As the computer system was modernised, the credit union continues updating members' information and this is taking some time.
- The acting appointments at the credit union came about because the organization was in dire need of those services.
- Member relations will be focused on at the Strategic Planning Session.

■ Telephone system at the credit union's office was currently being worked on.

- The Fraud Squad is investigating the matter and **VENTURE** is also doing its own investigations.
- All members with concerns should go to the office to have them rectified.
- The Director who participated in meetings via Skype was posted outside of this country in the middle of his term by his company and he

did not present himself for election, so the issue no longer arose.

- The tradition has been for members to attend the Annual General Meeting on an afternoon after work on the Point Lisas Estate.
- A Special General Meeting to deal with the amendment of Bye-Laws will be held in mid-term so members can forward their suggestions, in writing, to the credit union.

15.0 ELECTIONS RESULTS

15.1 The Chairman, Mr. Charles Percy, announced the results of the elections were as follows:

15.1.1 Board of Directors:

Officers	No. Of Votes
Cole Patrick	409
Gabriel O'Brien	380
Lionel Sookoo	284
Naresh Ramoutar	256 (1st Alternate)
Richard Ramadoo	145 (2nd Alternate)
Haridath Bajrath	130

15.1.2 Supervisory Committee:

Officers	No. Of Votes
Esme Raphael	472
Ricardo Valentine	415
Ormester King	383
Seeta Sinanan Ramnarine	372
John Paul Mendes	362
Deodath Vijay	
Ramkumar	313 (1st Alternate)
Shivanand Gobin	259 (2nd Alternate)

15.1.3 Credit Committee

Officers	No. Of Votes
Bernadine Warrick	469
Denis Basso	331
Tricia Jones	270 (1st Alternate)

The above officers of the Credit Committee will join Dorinda Baxter, Wendell Mitchell and Marina Gina Richins who are currently serving for two years.

15.2 Destruction of Ballots: A motion for destruction of the physical and electronic ballots was moved by Mr. Thomas Henry and was seconded by Mr. Travis Sookoo. Voting on the motion was unanimous.

15.2.1 Electronic Voting System: In response to a query about the cost of the electronic voting system, the Chairman indicated that the cost was \$6,000.00. He also explained that electronic counting of ballots was faster as well as accurate.

16.0 VOTE OF THANKS


16.1 Mr. Lionel Sookoo thanked Almighty God for making it possible for members to attend the Annual General Meeting. He specially thanked the President for conducting the meeting in a professional manner; the committees, in particular, the Credit Committee that meets at least once per week, for the job they have done during the past year; Management and staff for their hard and smart work; CUNA Caribbean Insurance Company Limited; the Co-operative Officers for their continued guidance; KPMG Chartered Accountants, the audio

and video team for their fantastic job; management and staff of Centre Pointe Mall; the caterers for an enjoyable meal and being punctual; members, the Society's most cherished assets; the Board and Committees for taking time off their busy schedules to attend the Annual General Meeting. He then wished everyone a safe journey home.

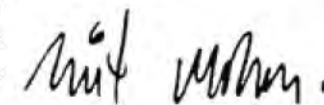
17.0 CLOSE OF MEETING

17.1 There being no further business to discuss, Chairman Charles Percy thanked the members for attending the meeting and closed the meeting at 10.10 p.m.

Recorded by
Tracey Elcock



Respectfully submitted



Clint Mohan
Secretary to the Board
September 21, 2016



2015



From left to right standing: Clint Mohan, Charles Percy, Tracey Elcock, Roger Bertrand, Naresh Ramoutar, Cole Patrick,
Seated: Lionel Sookoo, Cindy Raphael, Gabriel O'Brien.

INTRODUCTION

Despite the subdued economic climate, 2016 marked another year of good financial performance and increased profitability for **VENTURE** Credit Union. When compared to 2015, our revenues increased by \$17 M or 14% and net surplus by \$12 M or 21%. This was achieved through prudent management of expenses and heightened collections efforts.

During the year, **VENTURE** conducted its regular strategic planning exercise, for the period 2017-2019. The focus was clearly geared toward improving our efficiency, sustainability and soundness, while ensuring a measured growth profile. The organization has therefore identified the following six (6) pillars of strategic focus for the three (3) year period:

- **Governance**
- **Portfolio Quality**
- **Operational Integrity and Risk Mitigation**
- **Human Resource Capability and Commitment**
- **Caring and Responsible Member Service**
- **Marketing and Product Development**

With the heightened emphasis on good governance, **VENTURE** has reviewed and updated its Operational Policies and Procedures, inclusive of its Lending and Delinquency Policies, to ensure enhanced controls and increased efficiency. Additionally, the collections efforts were amplified, with improved monitoring systems and earlier corrective actions taken on delinquent accounts. In the interests of stability and the preservation of members'

capital, more prudent lending practices have been employed with increased due-diligence and assessment conducted on loans.

Going forward, significant downside risks persist in the economic environment, both locally and globally. There continues to be uncertainty in commodity markets, as well as, the potential for political and policy changes. However, with the collaborative effort of the Board of Directors; Credit Committee; Supervisory Committee; Management and Staff, we remain committed to achieving our overarching objective of improving the economic and social well-being of our members.

BOARD COMPOSITION/ ATTENDANCE

The inaugural meeting for the 2016 term was held on April 14, 2016. The elected officers, the alternates and their attendance are presented in the following table. A total of 14 meetings were held; 11 regular and 3 special.

ATTENDANCE

No.	Directors	Position	Regular	Special	Excused	Total
1	Charles Percy	President	10	3	1	13
2	Roger Bertrand	Vice President	10	1	2	11
3	Desmond E Baxter, MOM	Secretary ⁽¹⁾	1			1
4	Gabriel O'Brien	Assistant Secretary	11	3	-	14
5	Clint Mohan	Secretary ⁽²⁾	11	3	-	14
6	Cindy Raphael	Director	9	3	2	12
7	Tracey Elcock	Director	11	2	1	13
8	Lionel Sookoo	Director	9	2	3	11
9	Cole Patrick	Director	11	2	1	13
10	Naresh Ramoutar	1 st Alt Director ⁽³⁾	11	3	-	14
11	Richard Ramadoo	2 nd Alt Director ⁽⁴⁾	9	2	3	11

(1) Mr Desmond E. Baxter, MOM, departed this life on May 9, 2016, while serving as secretary to the board.

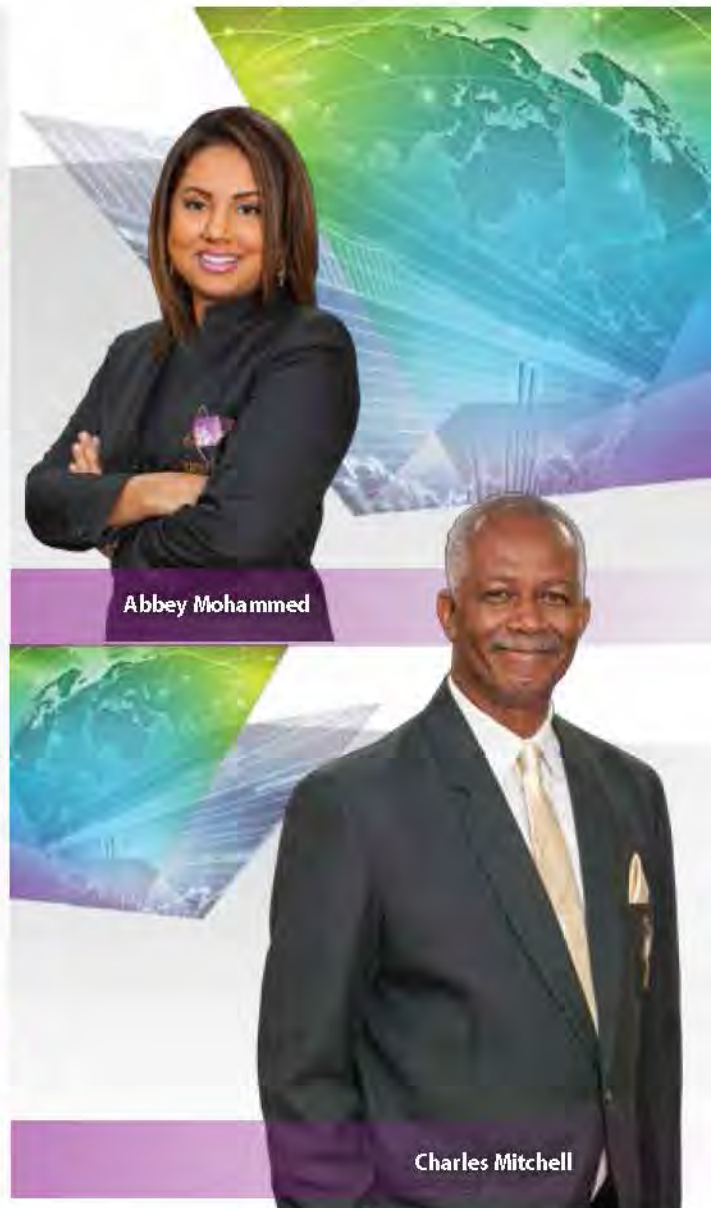
(2) Mr Clint Mohan was elected Secretary at the 2nd Regular Meeting of the Board.

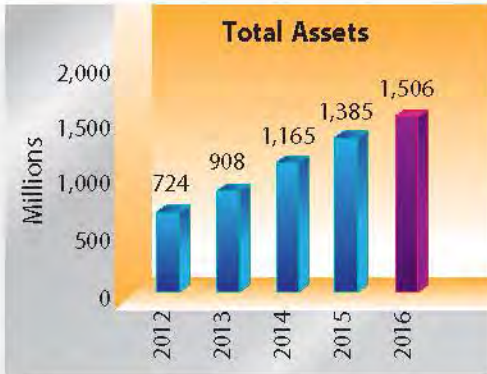
(3) Mr Naresh Ramoutar, 1st Alternate Director filled the vacant position created by the passing of Mr Desmond Baxter, MOM.

(4) Alternate directors are invited to meetings but are not required by statute to attend.

Tenure of Directors:

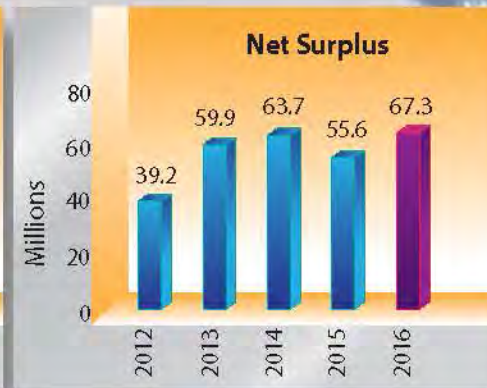
Outgoing - AGM 2017	Outgoing - AGM 2018	Outgoing - AGM 2019
Roger Bertrand	Charles Percy	Gabriel O'Brien
Clint Mohan	Tracey Elcock	Cole Patrick
Naresh Ramoutar	Cindy Raphael	Lionel Sookoo





Total Assets increased by \$121 M or 9%, through the inflow of funds into the credit union.

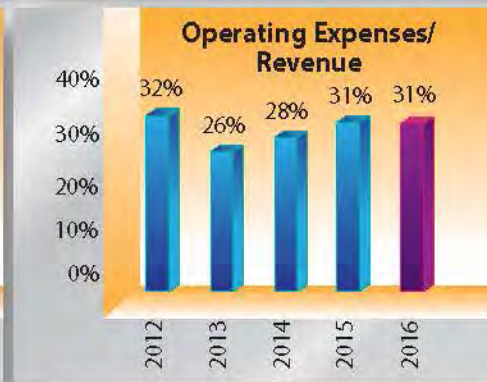
Total Shares increased by 9%, whilst Total Loans increased at a slower rate of 2%.



Total Revenue increased by \$17 M (14%), due to increased loan interest and investment income.

Expenses increased by \$5 M (8%) primarily due to increased staff complement to support the expanding needs of the business.

Net Surplus increased by \$12 M (21%).



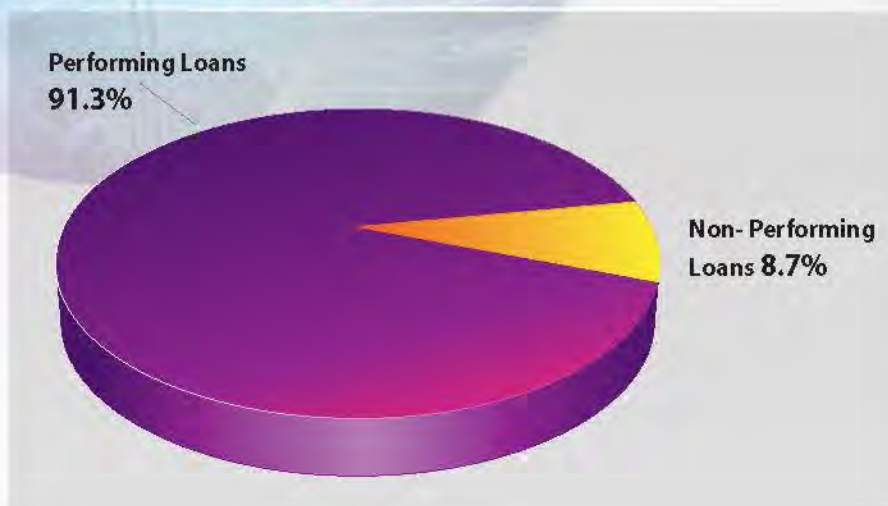
In 2016, VENTURE increased its Reserves and Institutional Capital by \$13 M and \$27 M respectively; strengthening the CU's financial structure.

The credit union has also continued to manage its expenses effectively, with its operating expenses/revenues ratio holding steady in 2016 compared with 2015.

Delinquency

In 2016, Non-Performing Loan exposure, as a percentage of total loans, stood at 8.7%, with the credit union taking the prudent decision to increase its provision for loan loss balance by \$24 M. In 2017, the strengthening of our collections efforts will continue to be a key priority for the organization.

Non- Performing Loan Exposures



Branch Performance

The majority of loans were booked at the Couva office (62%) with contributions from San Fernando (21%) and Arouca (17%).

Couva

The Couva branch remains the hub of activity for the majority of members' daily transactions.

San Fernando

The San Fernando branch continued to generate new business, as well as, act as a service centre for our South members. It has also allowed VENTURE to attract new membership from employees of South based businesses.

Arouca

The Arouca Branch provides us with a presence in the East-West corridor, allowing us to service our members who live and work in the vicinity of this area.

% of Total Loans Disbursed by Branch (January to December 2016)



Total Membership

This figure stood at 32,058 as at December 31st, 2016, representing an addition of 4,137 new members during the year.

Deceased Members in 2016

The Board mourns the passing of members and extends condolences to the families of:

Alroy Pariag	Harridath Singh	Lennox Christopher	Rajaram Sawh
Ann Pierre	Hassina Khan	Linton Sanchez	Raymond Cook
Carl Colley	Hector Ramrattan	Lucille Vialva	Roopchand Roopnarine
Chaitram Ramdass	Herman Seepersad	Maureen Gonzales	Ruby Ifill
Colin Andrews	Jaikaran Samlal	Maureen Maturasingh	Savitri Ramjattan
David Francis	Jasodora Sinanan	Neela Boodram	Sherwin Thomas
Desmond E. Baxter, MOM	Krishna Ramkissoon	Parakash Gowrie	Terence Hyacinth
Fazal Ali	Kurt Caballero	Philbert Richards	Trivickramasena Bachoo
George Pack	Lalchan Ramoutar	Phyllis Hernandez	

CHILDREN'S FOUNDATION

The **VENTURE** Children's Foundation was formed in October 2006 by the Board of Directors of **VENTURE** Credit Union Co-operative Society Limited (VCU). The Children's Foundation aims to improve the lives of children through community based activities.

The Foundation continued to host three camps for children residing in Morne Diabie, Carapichaima and Todd's Road. The camps are free and are offered to children in the age group of 10-12 years over a 3-week period during the months of July to August. Each camp has 35 to 40 campers. The facilitators are school teachers and the topics include agriculture, craft and the steel pan. A practice of all three camps was bringing the campers in one space for a day. In 2016 this practice took the form of a Sports Day which was enjoyed by all. The Board of the Foundation takes this opportunity to thank those members who continue to contribute to the Foundation for improving the lives of children and encourage all **VENTURE** members to support them in this effort.



Children's Foundation



Ronnie and Friends



Hawaiian Affair

Children's Foundation Fund Raising Events

Ronnie and Friends Carnival Lime

VENTURE hosted its 8th Annual All Inclusive Carnival Lime on Friday 22nd January, 2016 at **VENTURE's** premises in Couva. Guest artistes, Erphaan Alves, 5Star Akil, and Sekon Sta, entertained patrons with their live performances and ample food and drinks were available throughout the night.

Hawaiian Affair

This All Inclusive Hawaiian Affair event was held on Saturday 12th November, 2016 at **VENTURE's** premises in Couva. With door prizes, hula dancers, fire breathers and a live steel pan orchestra, attendees were thoroughly entertained.

The event continued to be well supported by the general membership and corporate entities that interface with **VENTURE** and provided a valuable opportunity for credit union stakeholders to network in a social setting.

*All proceeds from these events go towards **VENTURE** Children's Foundation.*

BOARD COMMITTEES

Corporate Social Responsibility Report - Chairman: Director Lionel Sookoo

Annual 5K Run and Fun Walk

VENTURE's 17th Annual 5K Run and Fun Walk took place on Sunday, September 18th, 2016. This year, the event was in remembrance of Mr. Desmond Baxter MOM, who played an instrumental role in the formation and execution of the annual 5K for the past sixteen (16) years.

It was held in collaboration with the CUNA Mutual Group and Athletics Central and was supported by VENTURE's host companies, and the wider business community. Over 1,700 persons participated from Trinidad and Tobago and abroad. Successful co-ordination of the event was due to careful planning and execution, by Mr. Lionel Sookoo, together with Mr. Alan Baboolal, Secretary of the National Amateur Athletic Association (NAAA) and VENTURE staff members. The event served to bring members of various communities together and emphasized the importance of health and wellness.



2015 5K Run and Fun Walk

2016 5K Run and Fun Walk

Common Good Fund - Chairman: Director Lionel Sookoo

It was with great pleasure that VENTURE made meaningful contributions to one hundred and fourteen (114) organisations in 2016, including schools, religious, social and cultural bodies. Non-Governmental Organisations were also beneficiaries of the Common Good fund. Donations were made to organisations throughout Trinidad and Tobago.

These donations were appreciated and recipients indicated their gratitude through thank you notes and phone calls. To those organisations, whose requests were not successful, letters were sent informing them of our regrets for not being able to accommodate same.

Delinquency Committee- Chairman: Director Gabriel O'Brien

The focus for 2016 was two-fold;

- The revision of all Credit Policies
- The management of delinquent loans

In total, four Credit policies inclusive of a Delinquency Policy, were approved by the Board and implemented in the Credit Union. These policies form an integral part of the system of controls which govern credit management and will serve to improve the quality of new loans approved and the administration of existing loans.

The Committee, together with the office, continued its management of existing delinquent loans. It was identified that many of these loans were Business Loans which were not being serviced as a result of lower sales and slower collection of receivables. As a result, during 2016, the Credit Union's focus was collecting on instead of disbursing Business Loans. Additionally, revised procedures were implemented which involved branch personnel and collections personnel in the management of delinquent loans. These procedures included the use of timely letters, text messaging and meetings with members to assist in the regularization of their accounts.



Business Loans Committee- Chairman: Director Clint Mohan

The Business Loans Committee is charged, by the Board, to review and assess Business Loan applications, before approval by the Credit Committee.

In 2016, given the uncertainty within the domestic economic climate, **VENTURE** took the decision to maintain thorough evaluation and assessment standards for small business loan applications. As a result of the higher risk inherent in commercial loans and in the interests of preserving members' capital, there was a reduction in the commercial lending activity during the year.

The Business Loans Committee reviewed eleven (11) Small Business Loans. Six (6) loans, valued at \$16 million, were approved. Loans that were not approved were as a result of:

- Poor repayment history at **VENTURE** and other financial institutions
- No clear source of future income indicative of limited capacity to repay
- Insufficient collateral

The Committee will continue to be vigilant and incorporate the changing economic, social, technological and regulatory environment into its analysis.

Building Committee Report- Chairman: Director Clint Mohan

During the 2016 fiscal year, the Building and Safety Committee's efforts were directed to ensuring that all offices were safe for its employees, members and the public, in compliance with the Occupational Health and Safety Act, Chapter 88:08.

The following outlines the major activities embarked on by the Building and Safety Committee within the 2016 fiscal year:

Couva- Building #1: Relocated the compressor for the air condition to facilitate easier access for cleaning. Additional handrails were installed on the stairwell to ensure the safety of persons using the facility.

Couva- Building #2: Relocated five (5) air conditioning compressors to facilitate easier access for cleaning.

Couva- Building #3: Co-ordinated **VENTURE's** expansion to a third location in Couva, which was required to meet the demands of the growing operations. During the last

quarter of 2016, renovations works were carried out and the building was outfitted for the Marketing, Human Resources and Accounting departments. The relocation of these departments to this new building has increased the capacity at the other buildings, for more Audit and Collections staff.

San Fernando Building: Extended operations to the ground floor increasing the floor area by approximately 2,000 square feet. The Member Services department will be relocated to this new floor, which will ease space limitations for both the Member Services and Loans departments, allowing for improved accommodation for members to conduct transactions, a greater level of privacy and improved security.

Arouca Building: Received all statutory approvals for the construction of the Arouca Building, with the tender documents currently in the processing phase. The construction of this two-storey building, which will have a floor area of approximately 5,500 square feet and 32

parking spots, will significantly ease the current space constraints experienced at the Arouca branch. Construction of the facility is scheduled to start in the first quarter of 2017.

Overall Safety:

The following represents some of the major safety initiatives implemented by the Committee in 2016:

- All Fire extinguishers in **VENTURE's** buildings have been serviced
- All fire escapes have been inspected
- All fire suppression systems have been inspected and serviced
- Security at all branches has been improved
- General servicing and maintenance of all AC, smokes detectors and security cameras has been conducted

**Education Committee - Chairman:
Director Tracey Elcock**

The Education Committee continued its aim to satisfy the copious needs of its robust and exuberant membership, with greater consideration paid to the millennials. To this end, an Amateur Photography Competition was held. The Liaison Officers Initiative was also rejuvenated and continues to improve communication between the host companies and the Society. Seminars were also held including a CUNA/FIP Seminar in Couva and Financial Planning, in Arouca. Heath Fairs were successfully conducted at the three branches between October and November. The committee is particularly pleased with the New Members' Orientation/Welcome Breakfast and the success of this initiative has led to a decision to have the event in June and November annually. The committee continues to communicate with its members periodically through the *adVENTURE* publication.



Transformation Committee Report - Chairman: Director Cole Patrick

During the 2016 term, the Transformation Committee, with the involvement of all key stake holders, organized an extensive review of the economic climate as well as the credit union's operations and developed a comprehensive strategic plan with deliverables for the next three years. The key strategic areas of focus for continued success were identified and ranked in order of strategic importance. These key areas were as follows; Governance, Portfolio Quality, Operational Integrity and Risk Mitigation, Human Resource Capability and Commitment, Caring and Responsible Member Service and Marketing and Product Development. The management and staff then developed a detailed action plan to achieve the objectives as set out under each strategic area which has since been adopted and implemented by the Board of Directors.

The responsibility of the Transformation Committee over the 2017 term would be to meet with representatives of the Management team on a bi-monthly basis to review and where necessary support their progress in executing the plans they have laid out to achieve our goals.

On behalf of the members of the Transformation Committee it was an honour for all who served on this committee and we remain committed to working with our management team as they take us forward to a sound financial future.



ICT Committee Report- Chairman: Director Roger Bertrand

The exigencies of the situation during the last term required that the previous Committee focus on providing oversight for the conversion and implementation of the new "Core Banking System". However, since that project has largely been completed, the Committee's mandate has changed to one that is more appropriate to a Board Committee, i.e. Governance.

Following are the areas on which the Committee focused:

1. Ensured the alignment with the Credit Union's strategic plans.
2. Provided oversight for the containment of ICT risks
3. Oversaw the delivery of value for the investment in ICT to the Credit Union
4. Reviewed and recommended ICT-related policies

Strategic Alignment. The Committee ensured that the strategic planning process in which **VENTURE** engaged highlighted a number of areas in which ICT could be employed to assist the credit union in meeting its strategic objectives. Subsequently an implementation plan was developed for review by the Committee to ensure that the expectations of ICT are converted to operational reality.

Containment of Risks. A risk analysis was conducted on the implemented architecture of the new information system and corrective measures are nearing completion. In addition, more technical staff is being recruited to allow for constant monitoring of the system and mitigation of identified risks.

ICT investment Value. The Committee ensured that a system was in place to record and resolve all issues with the ICT systems so that maximum support is provided for the credit union's business processes. Furthermore, new opportunities arising from our investments are explored and assessed guided by the fundamental objective of improving member satisfaction and operational effectiveness.

ICT-related Policies. A number of critical policies have been identified that govern ICT operations. A master policy on ICT security has been drafted, based on international standards, and was submitted for review and approval by the Board.



The Esmé Raphael Bursary

Over the last eighteen (18) years, **VENTURE** Credit Union has actively been supporting young persons to acquire tertiary education as well exposing them to the role of Credit Unions in the financial industry. **VENTURE** remains committed to educating the youth and establishing a pathway for their self-sustainable growth and advancement. The Bursary is named after a pioneer and member of the Credit Union, Ms. Esmé Raphael, who has given over fifty (50) years of sterling service to the Industry twenty (20) of which has been contributed to **VENTURE**. During her years of service Miss Raphael has held senior positions at many co-operative related institutions such as FEDCHEM Credit Union, GRASTAFF Credit Union, Arouca Credit Union, **VENTURE** Credit Union, Northwest Regional and Central Regional Chapters of Co-operative Credit Unions, the Credit Union League of Trinidad and Tobago, Trinidad and Tobago Stabilization Fund, the Association of Cooperative Credit Union Presidents of Trinidad and Tobago and the Central Finance Facility. The award of this bursary goes through very strict criteria based on their merit and economic circumstances.



VENTURE Credit Union Co-Operative Society Limited Awards Esmé Raphael Bursary to UWI Student. The Esmé Raphael Bursary, sponsored by **VENTURE** Credit Union, has been awarded to final year student Ms. Kasey Ramdhan for her outstanding achievement in Management Studies at the University of The West Indies.

NATIONAL BODIES

Trinidad and Tobago Credit Union Deposit Insurance Fund (TTCUDIF)

VENTURE's contribution and membership in this organization provides coverage of deposits and shares. The coverage for shares and deposits is \$125,000 and \$50,000, respectively. During the year, **VENTURE** continued to participate in training sessions organized by TTCUDIF, such as, Risk Management and Compliance Training.

Central Finance Facility

The Central Finance Facility, the financial institution of the Co-operative Movement, continues to enjoy a mutually beneficial relationship with **VENTURE** Credit Union.

Quite recently, its Management team met to apprise our Board of Directors of its 2017 initiatives and to seek its support. These initiatives include the offer of Home Mortgage and Business Loans to Credit Union members along with provision of Management Support and Training; and a national survey targeting the millennials.

Association of Co-operative Credit Union Presidents (ACCUPTT)

This organization of Credit Union Presidents is a lobby group representing the interests of its member units. In November 2016, representatives from **VENTURE** participated in ACCUPTT's 6th Annual Leadership Conference in Montego Bay, Jamaica from Nov 1 - Nov 6, 2016. Topics covered included Governance, Enterprise Risk Management, Legislative Issues, Insights about Millennials, Community Engagement, etc.

PRODUCTS

Group Health Plan

VENTURE, in its thrust to assist members who are not privileged to participate in a company Health Plan in taking care of medical expenses, continued to partner with Sagacor to provide this product. The Health Plan remains a rewarding and successful product, which more members are encouraged to access to receive the benefits.

CUNA Insurance

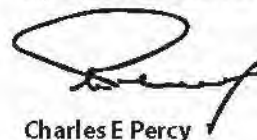
VENTURE's association with CUNA Caribbean as a service provider for the insurance on share and loan protection on the death of a member continues to be a success and a benefit to the member's beneficiary. The Family Indemnity Plan (FIP) is another product provided by CUNA. This plan is used for funeral expenses and covers up to 6 family members. The promotion of this Plan to our members is ongoing.

CONCLUSION

The local economic outlook remains subdued with limited upward momentum expected in the short term, whilst, the global economy is rife with policy and political uncertainty. **VENTURE** is well poised to navigate through this uncertain landscape with our unwavering commitment to stability and sustainability. Enhancement of our members' well-being remains as our core priority and as such, we will continue to identify and explore opportunities to increase convenience and improve our value proposition to our membership.

As we look forward to 2017, I congratulate the members of your Board, Committee members and all Staff for yet another successful year of leadership and collective good governance which has contributed immeasurably to the growth and business results accomplished.

On behalf of your Board, I convey sincerest thanks to all members for your trust, loyalty and confidence that continue to be the driver of **VENTURE's** success.



Charles E Percy
President

The following report summarises the activities of the Supervisory Committee for the year 2016.

Committee Members

Ms Esmé Raphael	<i>Chairman</i>
Mrs Seeta Sinanan-Ramnarine	<i>Secretary</i>
Mr Ormester King	<i>Member</i>
Mr Ricardo Valentine	<i>Member</i>
Mr John Paul Mendes	<i>Member</i>
Mr Deodath Vijay Ramkumar	<i>1st Alternate Member</i>
Mr Shivanand Gobin	<i>2nd Alternate Member</i>

Mr John Paul Mendes was excused to treat with a personal matter and the 1st alternate Mr Deodath Ramkumar was brought on board to fill the vacant position.

Oath of Secrecy

All elected members and alternate members of the Committee signed an "Oath of Secrecy" in accordance with Bye-law 27.

Activities of the Supervisory Committee during 2016

The Committee undertook the following activities prescribed by the Bye-laws of **VENTURE** Credit Union during 2016:

- i. Elected its Chairman and Secretary
- ii. Conducted the election of the Senior Officers (Executive of the Board)
- iii. Invited to conduct the election of the Chairman and the Secretary of the Credit Committee
- iv. Examined minutes of the Board Meetings
- v. Attended all statutory meetings of the Board of Directors
- vi. Prepared its Audit Plan for 2016
- vii. Reviewed the monthly financial statements
- viii. Reviewed the work done by the Internal Auditor
- ix. Continued monitoring loans greater than one million



From left to right standing: Ms Esmé Raphael, Mrs Seeta Sinanan-Ramnarine
Seated: Mr Ormester King, Mr Deodath Vijay Ramkumar
Missing from photo: Ricardo Valentine

Audit Plan 2016:

The Committee developed the Audit Plan taking into consideration the areas already being audited by the Internal Audit Department.

The following table highlights the main areas of focus of the Supervisory Committee in 2016:

No	Area of Audit		Details	Risk
1.0	Information & Communication Technology (ICT)	Review	Compared closing member balances in legacy IT system to opening member balances in the new IT system	High
2.0	Human Resources	Review	Audit of HR Policies and Procedures	High
3.0	Operations	Review	Management Letter from Year-end Audit by External Auditors Dormant Accounts CUNA Family Indemnity Plan (FIP)	High
4.0	Loans	Review	Review and Follow-up: All categories of loans Delinquency Portfolio	High
5.0	Reports	Review	Board Minutes and Actions Monthly Financial Statements and attest to them	High
6.0	General	Review	Policies Organization Chart Delegation of Authority Fixed Assets Register Representation at Board Meetings	Medium

Implementation of the Audit Plan:

Area of Audits

1.0 Information & Communications Technology

1.1 Computer Changeover Audit

1.1.1 On December 31, 2015 there was a changeover of the Electronic Information System CUMME (legacy system) to CRUISE (new system). An exercise was undertaken to match the balances of all Members' accounts and Loan balances by comparing a listing of Balances as at December 31, 2015 in CUMME to those in CRUISE as at January 1, 2016.

1.1.2 Summary of Findings:

The Committee found that all member balances (98,428 records) were correctly transferred to the new IT system.

1.1.3 The Committee commended the management on the efficient work executed for the success of this project.

2.0 Audit of Human Resource (HR) Policies and Procedures:

2.1 The Committee reviewed the HR audit report done by consultant PMSL together with information on exit interviews, in the context of the existing HR policies and procedures in VENTURE credit union.

2.1.1 Summary of Findings:

- More guidance is required for new employees in performance of their job function
- Lack of consultation between management and employees
- Lack of feedback to employees on performance

2.1.2 Recommendations:

The Committee recommended the following:

- Conduct benchmarking studies on Compensation, Needs assessment, plus Time and motion studies
- A comprehensive Training and Orientation program
- Develop a Recruitment and Retention Policy
- Conduct Leadership training for managers and senior staff
- Document clearly defined roles and responsibilities for Management
- Improvement to the performance appraisal system

2.1.3 Management's Response:

- Training sessions have been arranged for HR staff and managers in the Credit Union to correct some of these weaknesses.

3.0 Operations

3.1 Review of Management Letter from Year-end External Auditors:

- ##### 3.1.1
- The Committee was satisfied that the areas of weaknesses were addressed adequately and in keeping with best practice.

4.0 Audit of Dormant Accounts:

- ##### 4.1
- A review was performed on the list of dormant accounts with a view of re-establishing contact with members. The Committee liaised with the Internal Auditor to implement a process for monitoring dormant members.

4.1.1 Summary of Findings:

- Access to these accounts was not restricted
- Some members were contacted and some reactivated their account
- Some members migrated
- Some are deceased and their beneficiaries were in the process of finalizing legal status
- Some members could not be contacted

4.1.2 Recommendations:

Recommendations were made for improvement as follows:

- Restrict access to dormant accounts
- Develop guidelines on how to treat with the accounts of deceased members
- Communicate with members to reactivate dormant accounts
- Apply By-law #12 (b) Payment to Nominee

4.1.3 Management's Response:

- Restricted access was initiated immediately
- The administration of the other recommended areas was placed as a matter of high priority.

5.0 Audit of CUNA Family Indemnity Plan (FIP) Product:

- ##### 5.1
- A review of the status of the CUNA member listing identified that 51% of members fell into the category of being in arrears or having insufficient funds in their account. Staff members were also included in this listing even though salary deductions were made to service their commitment to the product. Another investigation was undertaken to verify the accuracy of the data.

5.1.1 Summary of Findings:

Further investigation by Management revealed that only 25% was in fact in arrears.

5.1.2 Recommendation:

Closer monitoring of the product to ensure that payments for members covered under the plan do not lapse and VENTURE credit union does not incur a liability.

5.1.3 Management's Response:

The administration of this product was placed on a high priority status.

6.0 Loan Audits-Business Loans

- ##### 6.1
- The Committee continued to monitor the loans greater than 1 million dollars by receiving continuous updates on the performance of these loans.

General

1.0 Training

1.1 A member of the Committee, Mr. Ricardo Valentine, attended a Leadership program in Jamaica, promoted by the Association of Co-operative Credit Union Presidents of Trinidad and Tobago. In addition, three (3) members attended VENTURE's strategic planning session that was held in St. Vincent.

2.0 Representation at Board Meetings

2.1 Attendance at Board Meetings

2.1.1 The Chairman of the Committee was invited to attend Monthly Board Meetings.

3.0 The Committee received copies of the policies which were being reviewed for approval by the Board, and copies of the Delegation of Authority, the Fixed Assets Register and the Organization Chart. These items were not examined by the Committee as there was insufficient time to carry out an in depth assessment and make recommendations.

4.0 Governance

4.1 Meetings

A total of twelve (12) meetings were held during the period; eleven (11) regular and one (1) special. The records show the attendance status:

ATTENDEES NAMES	REGULAR			SPECIAL		TOTAL
	PRESENT	EXCUSED	ABSENT	PRESENT	EXCUSED	
Esmé Raphael	11			1		12
Seeta Sinanan-Ramnarine	9	2			1	9
Ricardo Valentine	6	3	2	1		7
Omester King	9		2		1	9
John Paul Mendes	4	2	3	1		5
Deodath Ramkumar *	9	2			1	9
Shivanand Gobin (2nd alternate)	3	4	4		1	3

* Filled the vacancy created by the absence of Mr John Paul Mendes as stated above.

5.0 Appreciation

5.1 The Committee sincerely appreciated the contribution and effort made by all members of staff for their support and co-operation during its term in office. Their timely feedback and prompt response on short notice went a long way to the success of the Committee's work.

Special thanks to Mr Charles Mitchell who held the position of CEO during our period of transition. We wish him well in his future endeavours.

Finally, the Committee thanks you the members for allowing us the opportunity to serve during the period 2016-2017.

Respectfully submitted,
For and on behalf of the Supervisory Committee



Esmé Raphael
Chairman
January 20, 2017

Credit Committee Report for the year ended December 31st, 2016
The following report summarises the activities of the Credit Committee over the period 2015 to 2016.

At the last AGM, the members elected to serve on the Committee were as follows:

Name	Position
Wendell Mitchell	Chairman
Dorinda Baxter	Secretary
Denis Basso	Member
Bernadine Warrick	Member
Marina Richins	Member

A total of fifty one (51) meetings were held in accordance with Bye Law 44 page 22. Meetings were held every Wednesday and were rescheduled where this day coincided with a Public Holiday. The attendance by members of the Committee is as follows.

Name	Present	Excused	Percentage of Total Present
Wendell Mitchell	50	1	98%
Dorinda Baxter	50	1	98%
Denis Basso	43	8	84%
Bernadine Warrick	51	-	100%
Marina Richins	30	21	59%
Total number of meetings	51		

During the period under review, the Committee approved loans with a total value of \$215,964,392.09. This figure represents a decrease of \$65,608,727 or 23% on the value of loans approved in 2016.

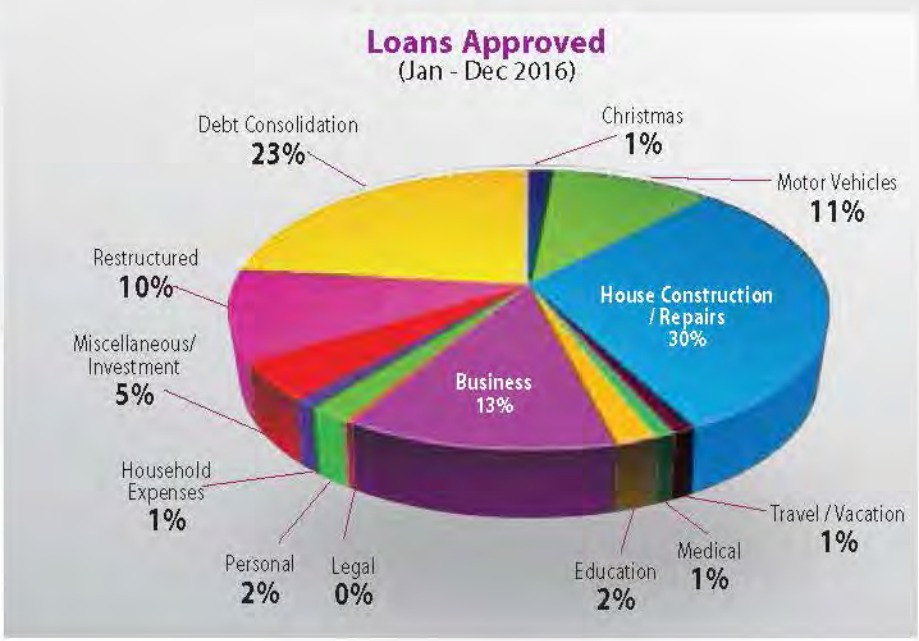


From left to right : Dorinda Baxter, Wendell Mitchell, Bernadine Warrick, Denis Basso, Marina Richins



In a drastic shift from the 2015 trend where Business Loans accounted for the highest value of loans approved, in 2016, the highest category of loans were primarily for House Construction and Repairs with the second most common purpose being for Debt Consolidation.

Purpose	Amount Approved
House Construction / Repairs	64,478,912
Debt Consolidation	50,134,187
Business	27,007,524
Motor Vehicles	23,322,009
Restructured	22,107,351
Miscellaneous / Investment	10,063,780
Education	4,332,847
Personal	4,243,746
Christmas	3,074,836
Travel / Vacation	2,501,947
Household Expenses	2,298,860
Medical	1,721,386
Legal	677,006
Total	215,964,392



Loans to a value of \$20,183,292.98 were not approved and a further \$27,230,914.64 worth of loans was placed on hold. The reasons for the non-approval of loans included members' DSR being too high, poor credit history, delinquency, inability to repay, no job security or proof of income, as well as non-recommendation by management. Those loans that were placed on hold are awaiting the submission of additional information from members that includes job letters, proof of income, increase to be made to their shares, identifying a co-maker and in a few instances debt consolidation has been recommended.

As our economy continues to contract, and given the challenges facing many industries, in particular the Oil and Gas industry, where many of our members are employed, we need to be mindful of the impact this will have on our members. We are seeing a continued slowdown in the borrowing not only in terms of numbers, but most definitely in terms of the value of the loans. More concerted efforts must be taken to further educate our members on not only the proper use of credit to ensure that we continue to book good, viable loans to the books, but more importantly in these times, the benefits and advantages of developing good savings habits.

Interviews and Financial Counselling

During the period the Committee continued to hold interviews with members. During these interviews, the loans in question were reviewed and discussed with the members. These decisions and recommendations ranged from non-approval of requests pending submission of additional information, recommendations for further interviews with the Business Committee as well as recommendations for further Financial and Credit counselling.

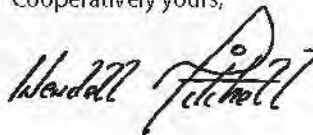
Loan Reviews

Further to the loan review exercise that was conducted in 2015, the Committee is pleased to report that the recommendations which were put forward have been adhered to by Management and staff and in particular, the instances of loans being forwarded without the member's signature has stopped.

We urge all persons engaged in the credit process to continue to be mindful of the role and function of the Credit Committee, as laid out not only in the Bye Laws, but also in the Act which governs Credit Unions, as well as the FIU guidelines which we, as a listed financial institution, are bound by.

I would like to take this opportunity to thank the members of this Committee for their continued hard work and dedication during the year. A sincere thanks is also extended to the Board, Management and staff for their continued support and assistance to this Committee. A special thanks to you the members for placing your confidence in us and for your continued support as we strive together to ensure that we continue to keep the social and economic well-being of our members at the forefront of our activities.

Cooperatively yours,



Wendell Mitchell
Chairperson – Credit Committee

FINANCIAL STATEMENTS





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**Independent Auditors' Report to the Members of
VENTURE Credit Union Co-operative Society Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of VENTURE Credit Union Co-operative Society Limited ("the Society"), which comprise the statement of financial position as at December 31, 2016, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2016, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Information Other Than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Company's annual report.

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





Information Other Than the Financial Statements and Auditors' Report Thereon (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.





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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Chartered Accountants

Port of Spain
Trinidad and Tobago
March 10, 2017



Statement of Financial Position

December 31, 2016

	Notes	2016	2015
ASSETS		\$	\$
Cash and cash equivalents	2	83,580,046	85,347,926
Investments	3	330,875,244	204,572,304
Loans to members	4	1,052,437,694	1,059,070,623
Property, plant and equipment	5	26,722,710	27,973,176
Intangible asset	6	2,469,269	2,575,164
Investment property	7	333,699	333,699
Other assets	8	9,288,626	4,820,739
Total assets		<u>1,505,707,288</u>	<u>1,384,693,631</u>
MEMBERS' EQUITY AND LIABILITIES			
MEMBERS' EQUITY			
Undivided earnings		94,499,886	74,443,275
Reserve fund		49,764,685	42,955,938
		<u>144,264,571</u>	<u>117,399,213</u>
LIABILITIES			
Members' deposits	9	115,159,836	118,451,178
Other funds and liabilities	10	8,185,081	9,875,669
Members' shares	11	1,238,097,800	1,138,967,571
		<u>1,361,442,717</u>	<u>1,267,294,418</u>
Total members' equity and liabilities		<u>1,505,707,288</u>	<u>1,384,693,631</u>

The accompanying notes are an integral part of these financial statements.



President



Supervisory Committee



Chief Executive Officer

Statement of Profit or Loss and other Comprehensive Income

Year ended December 31, 2016

	Notes	2016	2015
REVENUE		\$	\$
Interest on loans		120,673,128	109,263,536
Income from investments	12	14,471,281	8,735,749
Other income		863,513	973,335
		<u>136,007,922</u>	<u>118,972,620</u>
EXPENDITURE			
Personnel costs		17,653,346	14,574,008
Occupancy costs		4,112,966	4,290,321
CUNA Insurance		3,782,179	4,115,578
AGM expenses		408,953	381,968
Advertising and promotions		1,617,836	1,562,380
Education		61,221	138,111
Social events		322,406	188,953
Insurance		187,488	186,147
Co-operative costs		1,596,425	1,211,414
Depreciation		3,026,335	2,298,202
Board and Committee expenses		1,631,872	1,210,147
Interest on members' deposits and savings		3,109,510	3,107,770
Office expenses		2,088,436	2,059,134
Professional fees		2,960,203	2,481,871
Financial costs		276,835	226,505
Other expenses		1,901,843	832,376
Provision for loan losses		24,000,000	24,526,528
		<u>68,737,854</u>	<u>63,391,413</u>
Net Surplus for the Year		<u>67,270,068</u>	<u>55,581,207</u>

The accompanying notes are an integral part of these financial statements.

Statement of Changes in Members' Equity

Year ended December 31, 2016

	Reserve Fund	Undivided Earnings	Total Members' Equity
	\$	\$	\$
<i>Year ended December 31, 2016</i>			
Opening balance as at January 1, 2016	42,955,938	74,443,275	117,399,213
Transfer from net surplus	6,727,007	60,543,061	67,270,068
Entrance fees	81,740	-	81,740
Transfer to Children's Foundation Fund	-	(100,000)	(100,000)
Transfer to Common Good Fund	-	(200,000)	(200,000)
Dividends paid	-	(40,186,450)	(40,186,450)
Closing balance as at December 31, 2016	49,764,685	94,499,886	144,264,571
<i>Year ended December 31, 2015</i>			
Opening balance as at January 1, 2015	37,314,447	72,934,689	110,249,136
Transfer from net surplus	5,558,121	50,023,086	55,581,207
Entrance fees	83,370	-	83,370
Transfer to Children's Foundation Fund	-	(100,000)	(100,000)
Transfer to Common Good Fund	-	(200,000)	(200,000)
Dividends paid	-	(48,214,500)	(48,214,500)
Closing balance as at December 31, 2015	42,955,938	74,443,275	117,399,213

The accompanying notes are an integral part of these financial statements.

Statement of Cash Flows

Year ended December 31, 2016

	2016	2015
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Net surplus for the year	67,270,068	55,581,207
Adjustment to reconcile net surplus for the year to net cash used in operating activities:		
Depreciation	3,026,335	2,298,202
Provision for loan losses	24,000,000	24,815,039
Impairment of deposits due on demand	1,333,328	666,672
Gain on disposal of property, plant and equipment	-	(85,122)
Unrealised loss on revaluation of investments	1,006,727	1,049,461
Unrealised gain on foreign currency translation	<u>(104,397)</u>	<u>(45,787)</u>
Net surplus before changes in assets and liabilities	96,532,061	84,279,672
Changes in current assets and liabilities		
Change in other assets	(4,467,887)	302,359
Change in other funds and liabilities	(1,990,588)	5,155,861
Change in loans to members	(17,367,071)	(209,782,285)
Change in members' deposits	<u>(43,477,792)</u>	<u>(27,475,541)</u>
Net cash from (used in) operating activities	<u>29,228,723</u>	<u>(147,519,934)</u>
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,507,237)	(5,699,185)
Proceeds from disposal of property, plant and equipment	-	85,122
Purchase of intangible asset	(162,737)	(2,575,164)
Net purchases of investments	<u>(128,538,598)</u>	<u>(17,652,085)</u>
Net cash used in investing activities	<u>(130,208,572)</u>	<u>(25,841,312)</u>

Statement of Cash Flows

	2016	2015
	\$	\$
CASH FLOWS FROM FINANCING ACTIVITIES		
Change in members' shares	99,130,229	186,559,468
Entrance fees received	<u>81,740</u>	<u>83,370</u>
Net cash from financing activities	<u>99,211,969</u>	<u>186,642,838</u>
Net (decrease) increase in cash and cash equivalents	(1,767,880)	13,281,592
Cash and cash equivalents at the beginning of the year	<u>85,347,926</u>	<u>72,066,334</u>
Cash and cash equivalents at the end of the year (Note 2)	<u>83,580,046</u>	<u>85,347,926</u>

The accompanying notes form an integral part of these financial statements.

Notes to Financial Statement

Reporting Entity

VENTURE Credit Union Co-operative Society Limited (“the Society”) is incorporated under the Cooperative Societies Act 1971 of Trinidad and Tobago (“the Act”) on March 3, 1997. It was formed in order to improve the economic and social conditions of its members chiefly by promoting savings among its members and providing loans to members for provident and productive purposes. Its registered office is #32 Southern Main Road, Couva, Trinidad and Tobago.

These financial statements were authorised for issue by the Board of Directors on March 10, 2017.

Basis of Presentation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations as issued by the International Accounting Standards Board.

These financial statements are prepared under the historical cost convention except the following assets and liabilities which are stated at their fair value: financial instruments at fair value through profit and loss, and financial instruments classified as available-for-sale.

Items included in these financial statements are measured using the currency that best reflects the economic situation of the underlying events and circumstances relevant to the Society. The financial statements are presented in Trinidad and Tobago dollars, which is the Society’s functional currency.

The preparation of financial statements in compliance with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 1.

Significant Accounting Policies

The significant accounting policies adopted in the preparation of these financial statements are set out below:

a) *Cash and cash equivalents*

Cash and cash equivalents includes cash on hand, deposits with banks, other short-term highly liquid investments with original maturities of three months or less; and for the purpose of the statement of cash flows, bank overdrafts that are repayable on demand.

Cash and cash equivalents are classified as loans and receivables and are carried at amortized cost, which is equivalent to fair value.

Significant Accounting Policies (continued)

b) *Investments*

i) *Deposits Due on Demand and Fixed Deposits*

Deposits due on demand comprise deposits held with various financial institutions with original maturities of more than one year, which have since matured and the Society is awaiting settlement. Fixed deposits comprise deposits with various financial institutions with maturities of less than one year.

These deposit instruments are classified as loans and receivables and are carried at amortized cost less impairment losses.

ii) *Equity Instruments*

These instruments are classified as either financial assets at fair value through profit or loss or as available-for-sale.

Fair value through profit or loss

These instruments are either acquired for generating a profit from short-term fluctuations in price, or are securities included in a portfolio in which a pattern of short-term profit taking exists. These instruments are initially measured at fair value plus transaction costs that are directly attributable to their acquisition.

Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value, based on their quoted market price at the reporting date without any deduction for transaction costs.

Gains and losses, both realised and unrealised, arising from the change in the fair value of equity instruments at fair value through profit or loss are recognized in net surplus for the year.

Available-for-Sale

These instruments are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition. Subsequently, they are carried at fair value, unless they do not have a quoted market price in an active market and fair value cannot be reliably measured in which case they are stated at cost, including transaction costs, less impairment losses.

Significant Accounting Policies (continued)

b) *Investments* (continued)

ii) *Equity Instruments* (continued)

Available-for-Sale (continued)

Changes in fair value, except for those arising from interest calculated using the effective interest rate, are recognized as a separate component of other comprehensive income. Where there is a significant or prolonged decline in the fair value of an equity instrument classified as available-for-sale (which constitutes objective evidence of impairment), the full amount of the impairment, including any amount previously recognized in other comprehensive income, is recognized in net surplus for the year.

Purchases and sales of equity instruments classified as available-for-sale are recognized on the settlement date with any change in fair value between the trade date and settlement date being recognized in other comprehensive income. On sale, the amount held in other comprehensive income associated with that instrument is removed from equity and recognized in net surplus for the year.

iii) *Corporate Bonds, Notes and Repurchase Agreements*

Held-to-Maturity

Held-to-maturity assets are financial assets with fixed or determinable payments and fixed maturities, which the Society has the intent and ability to hold to maturity. All held-to-maturity assets are measured at cost less impairment losses.

Available-for-Sale

These instruments are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition. Subsequently, they are stated at cost, including transaction costs, less impairment losses as they do not have a quoted market price in an active market and fair value cannot be reliably measured.

Significant Accounting Policies (continued)

c) *Loans to members*

Member loans are initially measured at fair value, net of loan origination fees and inclusive of transaction costs incurred. They are subsequently measured at amortised cost, using the effective interest rate method, less any impairment losses. Loans to members are reported at their recoverable amount representing the aggregate amount of principal, less any allowance or provision for impaired loans.

The Society maintains a loan loss provision, which in management's opinion, is adequate to absorb all incurred credit-related losses in its loan portfolio. Provisions for loan losses are calculated using a formula method taking into account recent loss experience.

Loans are written-off after all the necessary legal procedures have been completed and the amount of the loss is fully determinable.

d) *Property, plant and equipment*

Property, plant and equipment are initially recorded at cost and subsequently measured at cost less accumulated depreciation and any accumulated impairment losses, with the exception of land which is not depreciated. Upon retirement or disposal of property, plant and equipment, the gain or loss, if any, is reflected in net surplus for the year. Depreciation is provided on the straight-line basis at rates estimated to write off the costs of the assets over their estimated useful lives.

The annual depreciation rates used are as follows:

Leasehold improvements	20%
Furniture and equipment	20%
Computer equipment	20% - 33.33%
Vehicles	20%
Buildings	2%

The assets' residual value, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each reporting date. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Notes to Financial Statement

e) *Investment property*

The Society's investment property consists of freehold land held for capital appreciation. Investment property is initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment losses. Land is not depreciated.

f) *Intangible asset*

The Society's intangible assets are initially recorded at cost and subsequently measured at cost less accumulated amortization and any accumulated impairment losses. Upon retirement or disposal of the intangible asset, the gain or loss, if any, is reflected in net surplus for the year. Amortization is provided on the straight-line basis over ten years which is estimated to write off the costs of the assets over their estimated useful lives. Annual license fees and maintenance costs are expensed as incurred.

g) *Impairment*

The carrying amounts of the Society's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated and an impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in surplus or loss.

The recoverable amount of the Society's financial assets is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e. the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted.

The recoverable amount of the non-financial assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Notes to Financial Statement

h) *Members' deposits*

All member deposits are initially measured at fair value, net of any transaction costs directly attributable to the issuance of the instrument. Member deposits are subsequently measured at amortized cost, using the effective interest rate method.

Retiree members' deposits represent funds collected from members that have been invested on their behalf. They are initially measured at fair value, net of any transaction costs directly attributable to the issuance of the instrument and subsequently measured at amortized cost, using the effective interest rate method.

i) *Other funds and liabilities*

Liabilities for trade creditors and other payables are classified as other financial liabilities and initially measured at fair value net of any transaction costs directly attributable to the issuance of the instrument and subsequently carried at amortized cost using the effective interest rate method.

i) *Other funds and liabilities* (continued)

Included within this financial statement caption are the following funds:

i) *Children's Foundation Fund*

This comprises funds collected from members, fund raising events of the Society and allocations from net surplus after statutory deductions to the Reserve Fund (approved by the membership at the Annual General Meeting), to assist underprivileged children in Trinidad and Tobago.

ii) *Common Good Fund*

This represents funds allocated from net surplus after statutory deduction to the Reserve Fund (approved by the membership at the Annual General Meeting), to assist individuals, schools and non-profit organizations for social, educational, cultural and charitable purposes.

j) *Provisions*

Provisions are recognized for liabilities of uncertain timing or amount that have arisen as a result of past transactions, including legal or constructive obligations. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

Significant Accounting Policies (continued)

k) Members' shares

Upon opening an account at the Society, new members are required to subscribe for a minimum of one share. Subsequently, every member subscribes at least one share per month to his/her share capital in the Society. Members can withdraw all or any portion of their unencumbered shares from the Society at any time.

Members' shares are classified as other financial liabilities under the International Accounting Standard (IAS) 32 *Financial Instruments: Disclosure and Presentation* and are measured at par value.

Dividends are paid on an annual basis at rates that are determined at the Annual General Meeting of members of the Society. Dividends are calculated based on the monthly minimum share balance of each active member of the Society and distributed via additional shares and credits to members' deposits.

l) Reserve fund

In accordance with the Act (Section 47(2)) and Bye Law 58 of the Society, at least 10% of the net surplus of each year is transferred to the Reserve Fund. The reserve fund is indivisible and no member is entitled to any specific share thereof.

Under Regulation 47 of the Co-operative Society Act 1971, the Reserve Fund of a society may, with the approval of the Commissioner, be applied to meet bad debts or losses sustained through extraordinary circumstances over which the Society has no control.

m) Revenue recognition

Interest on loans is accounted for on the receipts basis. The interest charged on loans to members is calculated at rates varying between 1% and 1.5% per month on the reducing balance. Interest accrued but not recorded is \$1.1 million (2015: \$2.0 million).

n) Foreign currency

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated to Trinidad and Tobago dollars at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of profit or loss and other comprehensive income. There are no non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency.

Significant Accounting Policies (continued)

o) New standards and interpretations not yet adopted

Certain new, revised and amended standards and interpretations have been issued which are not yet effective for the current year and which the Society has not early-adopted. The Society has assessed the relevance of all such new standards, amendments and interpretations with respect to the Society's operations and has determined that the following are likely to have an effect on the financial statements.

- **IFRS 9, *Financial Instruments***, which is effective for annual reporting periods beginning on or after January 1, 2018, replaces the existing guidance in IAS 39 *Financial Instruments: Recognition and Measurement*. IFRS 9 includes revised guidance on the classification and measurement of financial assets and liabilities, including a new expected credit loss model for calculating impairment of financial assets and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. Although the permissible measurement bases for financial assets – amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL) – are similar to IAS 39, the criteria for classification into the appropriate measurement category are significantly different.

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' model, which means that a loss event will no longer need to occur before an impairment allowance is recognised.

The Society is assessing the impact that this amendment will have on its financial 2018 statements.

- **IFRS 15, *Revenue From Contracts With Customers***, effective for accounting periods beginning on or after January 1, 2018, replaces IAS 11, *Construction Contracts*, IAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programmes*, IFRIC 15, *Agreements for the Construction of Real Estate*, IFRIC 18, *Transfer of Assets from Customers* and SIC-31 *Revenue – Barter Transactions Involving Advertising Services*. It does not apply to insurance contracts, financial instruments or lease contracts, which fall in the scope of other IFRSs. It also does not apply if two entities in the same line of business exchange non-monetary assets to facilitate sales to other parties.

The Society will apply a five-step model to determine when to recognise revenue, and at what amount. The model specifies that revenue should be recognised when (or as) an entity transfers control of goods or services to a customer at the amount to which the entity expects to be entitled. Depending on whether certain criteria are met, revenue is recognised at a point in time, when control of goods or services is transferred to the customer; or over time, in a manner that best reflects the entity's performance.

There will be new qualitative and quantitative disclosure requirements to describe the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers.

The Society is assessing the impact that this amendment will have on its 2018 financial statements.

Significant Accounting Policies (continued)

- IFRS 16, *Leases*, which is effective for annual reporting periods beginning on or after January 1, 2019, eliminates the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Instead, there is a single, on-balance sheet accounting model that is similar to current finance lease accounting. Entities will be required to bring all major leases on-balance sheet, recognising new assets and liabilities. The on-balance sheet liability will attract interest; the total lease expense will be higher in the early years of a lease even if a lease has fixed regular cash rentals. Optional lessee exemption will apply to short-term leases and for low-value items with value of US\$5,000 or less.

Lessor accounting remains similar to current practice as the lessor will continue to classify leases as finance and operating leases.

Early adoption is permitted if IFRS 15, *Revenue from Contracts with Customers* is also adopted.

The Society is assessing the impact that this amendment will have on its 2019 financial statements.

p) *Comparatives*

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

Notes to Financial Statement

1. Critical Accounting Estimates and Judgments

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next financial year are discussed below:

(i) *Allowances for credit losses*

Loans accounted for at amortised cost are evaluated for impairment on a basis described in significant accounting policy (g).

(ii) *Financial asset and liability classification*

The Society's accounting policies provide scope for assets and liabilities to be designated on inception into different accounting categories. In classifying financial assets or liabilities as "fair value through profit or loss", the Society has determined that it meets the description of trading assets and liabilities.

2. Cash and Cash Equivalents

	<u>2016</u>	<u>2015</u>
	\$	\$
T&T Unit Trust Corporation - Second Unit Scheme	484,377	479,324
Roytrin Money Market Fund	27,898,704	50,052,046
KCL Capital Market Brokers Limited-Participation Investments	6,879,887	246,269
Guardian Asset Management Limited		
- Private Wealth Client Cash Accounts	1,393,724	866,751
JMMB/Interactive Brokers Cash Account	1,423,348	-
Cash at bank	44,945,797	33,230,313
Cash on hand	<u>554,209</u>	<u>473,223</u>
	<u>83,580,046</u>	<u>85,347,926</u>

Notes to Financial Statement

	<u>Ordinary Shares or Units</u>	<u>2016</u> \$	<u>2015</u> \$
3. Investments			
<i>Fair value through profit or loss</i>			
ANSA TTD Income Fund	962	506,251	502,036
First Citizens Bank Limited	101,828	3,561,943	7,063,980
T&T Unit Trust Corporation - First Unit Scheme	128,928	2,195,643	2,222,717
Guardian Asset Management Limited (GAML)			
- TTD Income Fund	14,519	145,188	143,173
GAML - USD Income Fund	8,871	598,470	562,723
Manulife Mutual Funds	27,106	1,458,676	1,247,361
Roytrin Income & Growth Fund	1,763,317	5,083,643	9,333,532
First Citizens Bank Limited Abercrombie Fund	4,822	96,437	95,490
First Citizens Bank Limited Paria USD Fund		144,354	136,276
Republic Bank Limited	15,099	1,637,336	1,690,031
ANSA TTD Secured Fund	1,080	1,080,321	1,080,321
Neal & Massy Holdings Limited	67,325	3,500,900	4,137,121
Angostura Holdings Limited	-	-	349,250
Guardian Holdings Limited	70,264	888,840	930,998
Clico Investment Fund	114,478	2,589,492	2,604,375
Savinvest India Asia Fund	8,503	502,789	490,803
Unilever Caribbean Limited	29,986	1,794,362	2,039,370
Royal Bank of Canada	848	387,342	295,981
Scotiabank Trinidad and Tobago Limited	11,447	673,542	709,027

Notes to Financial Statement

	Ordinary Shares or Units	2016 \$	2015 \$
3. Investments (continued)			
<i>Fair value through profit or loss</i>			
Trinidad Cement Limited	159,816	703,190	637,666
ANSA Merchant Bank Limited	28,695	1,150,670	1,117,957
Point Lisas Industrial Port Development Corporation Limited	78,606	290,842	308,136
Guardian Asset Management Limited - Mutual Funds	3,992	233,049	231,278
One Caribbean Media Limited	44,212	879,819	972,664
National Enterprises Limited	31,000	330,150	507,470
Agostini Limited	9,844	172,270	168,726
Prestige Holdings Limited	56,433	620,763	75,073
National Flour Mills Limited	3,628	9,143	9,796
Grace Kennedy Limited	43,500	116,145	176,175
Guardian Media Limited	25,000	474,750	493,750
West Indian Tobacco Company Limited	22,527	2,859,577	2,844,935
Sagicor Financial Corporation	102,539	792,626	379,192
T&T NGL Limited	41,026	861,546	882,059
		36,340,069	44,439,442

Notes to Financial Statement

	<u>2016</u>	<u>2015</u>
	\$	\$
3. Investments (continued)		
<i>Held-to-Maturity</i>		
KCL Capital Market Brokers Limited		
- TTD Participatory Investments	31,307,547	25,200,391
Total Convenience Management Caribbean Limited		
- TTD Participatory Investments	3,569,815	5,124,836
MiTECH Trust		
- TTD Participatory Investments	13,541,055	14,398,858
I.T. Mc Leod Projects Limited		
- TTD Participatory Investments	2,090,000	-
KCL Capital Market Brokers Ltd.		
- USD Participatory Investments	4,736,514	4,507,341
Giant Screen Entertainment Holding Limited	9,970,500	9,970,500
JMMB: 1 year Repurchase Agreements TTD-GORTT	10,202,351	-
KSBM: Goldman Sachs backed 1 year Repurchase Agreement	2,243,823	2,063,051
KSBM: 1 year USD Repurchase Agreements	12,053,361	8,398,271
Treasury Bill OMO 15-47	3,626,562	-
Firstline Securities Limited	32,600,837	29,975,947
Guardian Holdings Limited 400M Fixed Rate Loan 2017	12,000,000	-
Telecommunications Services of T&T 700M Bridge Loan	8,000,000	-
Telecommunications Services of T&T 400M Bridge Loan	3,000,000	-
NIPDEC 6.55% Fixed Rate Bond 2030	2,254,006	2,224,874
Value Asset International SA Bond 2025	16,145,802	15,555,194
Guardian Holdings Limited 4.25% Note 2019	4,988,317	4,988,317
Massy Holding Limited 5.25% Fixed Rate Bond 2029	4,309,595	4,309,595

Notes to Financial Statement

	<u>2016</u>	<u>2015</u>
	\$	\$
3. Investments (continued)		
<i>Held-to-Maturity</i>		
Petrotrin \$850M 9.75% Bond due 2019	1,553,154	1,499,658
Petrotrin 6% Bond 2022	240,736	347,728
T&T Mortgage Finance Co. Ltd. 4.56% Fixed Rate Bond 2024	2,000,000	2,000,000
T&T Mortgage Finance Co. Ltd. 4.24% Fixed Rate Bond 2025	2,700,000	3,000,000
T&T Mortgage Finance Co. Ltd. 4.62% Fixed Rate Bond 2021	4,902,967	4,902,967
T&T Mortgage Finance Co. Ltd. 4.62% Fixed Rate Bond 2021	4,905,394	-
T&T Mortgage Finance Co. Ltd. 4.62% Fixed Rate Bond 2021	4,906,304	-
Government of T&T Fixed Rate Bonds	15,866,920	-
Government of T&T (CLICO) Bonds	176,969	-
Government of T&T (HCU) Bonds	4,623,732	-
T&T Housing Development Corporation 3.75% Fixed Rate Loan	8,949,081	-
NIDCO 4.9% Fixed Rate Bond 2031	10,153,490	-
Government of T&T 4.5% Bond 2030	4,821,429	-
Urban Development Corporation of T&T 4% Fixed Rate Loan 2026	7,967,237	-
Urban Development Corporation of T&T 3.30% Fixed Rate Bond 2021	5,000,000	-
Government of Barbados 7.0% Bond 2022	560,087	538,181
US West Communication Inc 6.875% Debenture 2033	865,739	826,065
Cliffs Natural Resource Inc SR Secured Bond 2020	856,563	856,563
Petrobras Global Finance SR Secured 2.0% Bond due 2016	-	314,612
Prospect Capital Corporation 5.875% Bond 2023	692,814	658,958
Genworth Financial Inc. 7.7% Bond 2020	664,147	664,147

Notes to Financial Statement

	<u>2016</u>	<u>2015</u>
	\$	\$
3. Investments (continued)		
<i>Held-to-Maturity</i>		
Odebrecht Financial 5.125% Fixed Rate Bond 2022	1,116,463	1,082,473
Transocean Inc. 6.5% Bond 2020	732,993	732,993
US Steel Corporation 7.375 % Bond 2020	341,460	326,239
CBL & Associates LP 4.6 % Bond 2024	634,124	-
Embraer Netherlands Finance 5.05% Bond 2025	612,200	-
Micron Technology Inc 7.5% Bond 2023	709,737	-
Motorola Solutions Inc. 4% Bond 2024	1,175,153	-
Tringen 5.25 % Fixed Rate Bond 2027	1,933,102	-
Total held-to-maturity	<u>266,302,080</u>	<u>144,467,759</u>
<i>Available-for-sale</i>		
Citigroup Steepener Callable Leveraged		
- CMS Spread Notes 2033	962,940	962,940
Societe Generale Callable CMS Spread Notes 2033	1,612,065	1,612,065
Guardian Asset Management: Exchange Traded funds	1,417	218,784
Co-operative Credit Union League of T&T – 9,000 shares	9,000	9,000
FNCU Venture Capital Company Limited – 200,000 shares	200,000	200,000
Central Financing Facility – 26 shares	650,000	650,000
Total available-for-sale	<u>3,435,422</u>	<u>3,652,789</u>

Notes to Financial Statement

	<u>2016</u>	<u>2015</u>
	\$	\$
3. Investments (continued)		
<i>Deposits due on demand</i>		
First National Credit Union (matured June 1, 2007)		
Balance brought forward	1,333,328	2,000,000
Impairment write-off	(1,333,328)	(666,672)
Balance carried forward	<u>-</u>	<u>1,333,328</u>
<i>Fixed deposits</i>		
Central Finance Facility Co-operative Society T&T Ltd.	2,684,865	2,678,986
Caribbean Finance Company Limited	9,112,808	5,000,000
CEMCU Credit Union Co-operative Society Ltd.	3,000,000	3,000,000
NCB Global Finance Limited	5,000,000	-
Republic Bank Limited	5,000,000	-
Total fixed deposits	<u>24,797,673</u>	<u>10,678,986</u>
 Total investments	 <u>330,875,244</u>	 <u>204,572,304</u>

KCL Capital Market Brokers Limited, KSBM Asset Management Limited and Firstline Securities Limited are brokerage institutions. The investments in these institutions represented above are invested in several individual securities.

Notes to Financial Statement

	2016	2015
	\$	\$
4. Loans to Members		
4.1 Concentration of credit		
Ordinary loans	390,794,698	368,229,119
Real estate loans	175,517,775	169,393,468
Special loans	183,065,132	172,408,987
Small business loans	190,710,282	196,982,962
Debt consolidation loans	82,522,882	90,918,179
Car loans	77,334,925	82,873,196
Soft mortgages	14,035,241	18,861,932
Medical/education loans	5,722,678	5,479,857
Christmas loans	2,418,710	-
Personnel loans	-	17,912
	<u>1,122,122,323</u>	<u>1,105,165,612</u>
Less: Provision for loan losses	(69,684,629)	(46,094,989)
Total loans net of provision for loan losses	<u>1,052,437,694</u>	<u>1,059,070,623</u>

4.2 Terms and conditions

Member loans carry a fixed rate of interest and varied between 0.5% and 1.5% per month for the year ended December 31, 2016.

Ordinary loans consist of term loans that are not real estate or vehicle secured and, as such, have various repayment terms.

Car loans consist of term loans secured by the vehicle being purchased. A down payment into members' shares is required depending on the status of the vehicle being purchased (10% down payment into member's shares for new vehicles, 20% down payment for foreign used vehicles, and 30% down payment for local used vehicles).

Mortgages (real estate loans and soft mortgages) are loans and lines of credit secured by the residential property (freehold or leasehold land and/or building). 10% of the requested loan must be held in members' shares prior to acquisition of the loan.

Small business loans consist of term loans to sole traders, partnerships and companies and are secured by various types of collateral.

Medical/education loans consist of term loans to members with sudden illnesses, accidents or tertiary education financing needs.

Notes to Financial Statement

4. Loans to Members (continued)

4.2 Terms and conditions (continued)

Special loans may consist of term loans of any of the above categories and are offered to long-standing members of the Society or members employed by a host company. They are offered preferential rates of interest and repayment terms.

Debt consolidation loans are used by members to consolidate existing debt.

	2016	2015
	\$	\$
4.3 <i>Aging of loans to members</i>		
Principal neither past due nor impaired	847,847,003	808,541,665
Principal which is past due but not impaired	188,685,682	220,835,789
Principal which is impaired	85,589,638	75,788,158
Gross loans	1,122,122,323	1,105,165,612
Provision for loan losses	(69,684,629)	(46,094,989)
Total loans net of provision for loan losses	1,052,437,694	1,059,070,623
4.4 <i>Loans past due but not impaired</i>		
30 – 59 days	61,873,002	61,672,984
60 – 89 days	18,151,550	57,101,378
Greater than 90 days	108,661,130	102,061,427
	188,685,682	220,835,789
4.5 <i>Analysis of movement in provision for loan losses</i>		
Provision, beginning of year	46,094,989	21,279,950
Add: Provision for the year charged to net income	24,000,000	24,526,528
Less: Loans written off against provision, net of recoveries made	(410,360)	288,511
Provision, end of year	69,684,629	46,094,989

The above represents a collective provision for loan losses. An estimate of the collective provision is based on the period of repayments that are past due.

Notes to Financial Statement

5. Property, Plant and Equipment

	Freehold Land	Freehold Building	Leasehold Improve- ments	Computer Equipment	Motor Vehicles	Office Furniture & Equipment	Capital Work in Progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Year ended December 31, 2016								
Cost								
Balance at January 1, 2016	4,606,576	18,214,145	1,086,715	2,626,174	371,001	9,733,474	844,818	37,482,903
Additions	-	182,872	354,236	380,558	-	449,677	139,894	1,507,237
Balance at December 31, 2016	4,606,576	18,397,017	1,440,951	3,006,732	371,001	10,183,151	984,712	38,990,140
Accumulated depreciation								
Balance at January 1, 2016	-	(3,271,426)	(727,862)	(2,136,244)	(217,026)	(3,157,169)	-	(9,509,727)
Depreciation charge	-	(470,079)	(150,767)	(298,588)	(74,200)	(1,764,069)	-	(2,757,703)
Balance at December 31, 2016	-	(3,741,505)	(878,629)	(2,434,832)	(291,226)	(4,921,238)	-	(12,267,430)
Net Book Value								
As at December 31, 2016	4,606,576	14,655,512	562,322	571,900	79,775	5,261,913	984,712	26,722,710
As at December 31, 2015	4,606,576	14,942,719	358,853	489,930	153,975	6,576,305	844,818	27,973,176

Notes to Financial Statement

5. Property, Plant and Equipment (continued)

	Leasehold Freehold Land	Freehold Building	Improve- ments	Office Computer Equipment	Capital Motor Vehicles	Furniture & Equipment	Work in Progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Year ended December 31, 2015								
Cost								
Balance at January 1, 2015	4,606,576	17,975,919	1,082,414	2,264,577	644,116	5,031,889	1,465,992	33,071,483
Additions	-	75,325	4,301	361,597	-	4,711,950	546,012	5,699,185
Transfers	-	162,901	-	-	-	978,775	(1,141,676)	-
Disposals	-	-	-	-	(273,115)	(989,140)	-	(1,262,255)
Reclassification	-	-	-	-	-	-	(25,510)	(25,510)
Closing Balance at December 31, 2015	4,606,576	18,214,145	1,086,715	2,626,174	371,001	9,733,474	844,818	37,482,903
Accumulated depreciation								
Balance at January 1, 2015	-	(2,825,162)	(534,062)	(1,839,076)	(393,183)	(2,882,298)	-	(8,473,781)
Depreciation charge	-	(446,264)	(193,800)	(297,168)	(96,959)	(1,264,011)	-	(2,298,202)
Disposals	-	-	-	-	273,116	989,140	-	1,262,256
Closing Balance at December 31, 2015	-	(3,271,426)	(727,862)	(2,136,244)	(217,026)	(3,157,169)	-	(9,509,727)
Net Book Value								
As at December 31, 2015	4,606,576	14,942,719	358,853	489,930	153,975	6,576,305	844,818	27,973,176
As at December 31, 2014	4,606,576	15,150,757	548,352	425,501	250,933	2,149,591	1,465,992	24,597,702

The capital work in progress comprises renovation work at the Couva location and initial design work on the Arouca

Notes to Financial Statement

6. Intangible Asset

The intangible asset comprises of the software related to the Society's core application for the operation of members' accounts, which was purchased and installed in 2015 to replace the Society's previous application software. It includes the purchase cost as well as developmental costs to tailor the software to the Society's needs.

	<u>2016</u>	<u>2015</u>
	\$	\$
Opening balance at January 1	2,575,164	-
Acquisitions during the year	162,737	2,575,164
Amortization during the year	<u>(268,632)</u>	<u>-</u>
Closing balance at December 31	<u>2,469,269</u>	<u>2,575,164</u>

7. Investment Property

Investment property comprises of freehold land held at Bacolet, Tobago for value appreciation.

	<u>2016</u>	<u>2015</u>
	\$	\$
Investment property	<u>333,699</u>	<u>333,699</u>

The fair value as determined by the Directors is \$0.9 million (2015: \$1 million).

8. Other Assets

Other assets comprise the following:

Accounts receivable

Interest receivable on investments

Other receivables

Prepaid expenses

	<u>2016</u>	<u>2015</u>
	\$	\$
Interest receivable on investments	5,449,768	2,222,487
Other receivables	3,281,265	2,184,013
Prepaid expenses	<u>557,593</u>	<u>414,239</u>
	<u>9,288,626</u>	<u>4,820,739</u>

Notes to Financial Statement

	<u>2016</u>	<u>2015</u>
	\$	\$
9. Members' Deposits		
Venture deposit	61,515,252	71,828,829
Members Savings deposit	30,542,757	26,683,774
Retiree Members deposit	4,717,049	5,138,181
Members Savings plan	5,841,270	5,054,925
Members Special deposit	2,390,848	2,143,246
Members USD Fixed deposit	<u>10,152,660</u>	<u>7,602,223</u>
	<u>115,159,836</u>	<u>118,451,178</u>

Terms and Conditions

Venture Deposit represents member funds placed with the Society for a fixed term, usually one year, on which interest is paid monthly to members at rates varying between 1.75% and 3.5% per annum. The minimum investment amount is \$20,000.

Members Savings Deposit represents funds placed by members on deposit from which they can withdraw funds to meet their day to day living expenses. No interest is paid on this account.

Retiree Members Deposit represents fund collected from members who are retirees which have been specially invested on their behalf in other securities at competitive interest rates. Interest is paid monthly.

Members Savings Plan represents savings plans operated on behalf of host companies for their employees on terms and conditions negotiated with the Society.

Members Special Deposit represents funds placed by members on deposit to be uploaded by the Society to JMMB Bank (T&T) Limited to facilitate the use of the Venture Visa Debit Card.

Members USD Fixed Deposit represents members US\$ funds placed with the Society for one (1) year at 1% per annum. The minimum investment amount is US\$15,000. Interest is paid upon maturity.

Notes to Financial Statement

	<u>2016</u>	<u>2015</u>
	\$	\$
10. Other Funds and Liabilities		
Other funds and liabilities consist of the following:		
Christmas venture	-	1,126,000
Accounts payable	3,729,135	5,115,319
CCULTT dues reserve	1,154,102	904,689
Death claims payable	619,223	815,184
Provision for employee benefits	435,906	435,906
Life Savings/Loan Protection Premium	283,545	363,280
Member's health plan and CUNA premium	678,497	-
Other	554,337	390,892
Employee benefits payable	248,530	281,126
Children's Foundation Fund	196,400	247,108
Unclaimed shares	133,825	133,676
Unverified deposits	47,193	41,893
Common Good Fund	104,388	20,596
	<u>8,185,081</u>	<u>9,875,669</u>

11. Members' Shares

The Society's ability to lend is built upon the foundation of shares savings. The value of a share is twenty dollars (\$20.00). Members agree to save at least one share per month in order to maintain active financial status. Savings can be made via:

- (i) Cash and cheque payments
- (ii) Salary deductions
- (iii) Standing orders and/or
- (iv) Postdated cheques

Members can use their share savings as collateral for loans. Dividends are paid on a yearly basis at a rate that is determined at Annual General Meetings.

Notes to Financial Statement

	<u>2016</u>	<u>2015</u>
	\$	\$
12. Investment Income		
Investment income comprises the following:		
Net unrealized gain (loss) on revaluation	1,006,727	(1,049,461)
Interest income	12,389,749	9,006,744
Dividend income	999,706	761,917
Gain on sale of investments	<u>75,099</u>	<u>16,549</u>
	<u>14,471,281</u>	<u>8,735,749</u>

13. Income Tax

The profits arising from the Society are exempt from income tax.

14. Related Parties

(a) Identity of a related party

A party is related to the Society if:

- (i) Directly or indirectly, the party
 - controls, is controlled by, or is under common control with the Society;
 - has an interest in the Society that gives it significant influence over the Society; or
 - has joint control over the Society.
- (ii) The party is a member of the key management personnel of the Society.
- (iii) The party is a close member of the family of any individual referred to in (i) or (ii) above.

Notes to Financial Statement

(iv) The party is a post-employment benefit plan for the benefit of employees of the Society, or any company that is a related party of the Society.

(b) Related party transactions and balances

A number of banking transactions have been entered into with related parties in the normal course of business. These transactions were conducted at market rates, on commercial terms and conditions, except for certain loans made available to officers. Loans deemed to be below market rates in accordance with personal income tax legislation are taxed as dictated for in law.

	<u>2016</u>	<u>2015</u>
	\$	\$
(i) <i>Outstanding balances</i>		
Member loans to directors and key management personnel	<u>3,329,788</u>	<u>6,712,172</u>
Member deposits held by directors and key management personnel	<u>(439,975)</u>	<u>(988,591)</u>
Member shares held by directors and key management personnel	<u>(15,932,844)</u>	<u>(16,924,777)</u>

Notes to Financial Statement

14. Related Parties (continued)

(b) Related party transactions and balances (continued)

(i) Outstanding balances (continued)

There were no provisions for loan losses related to the loans outstanding from directors and key management personnel.

	<u>2016</u>	<u>2015</u>
	\$	\$
(ii) <i>Transactions</i>		
Interest income earned on member loans to directors and key management personnel	<u>347,688</u>	<u>568,539</u>
Interest expenses incurred on member deposits and shares held by directors and key management personnel	<u>(6,924)</u>	<u>(25,778)</u>

(c) Transactions with key management personnel

Key management comprises individuals responsible for planning, directing and controlling the activities of the Society

Key management compensation:
Short-term benefits

	<u>1,140,872</u>	<u>692,000</u>
--	------------------	----------------

15. Financial Instruments

a) Overview

The Society's investment activities expose it to a number of financial risks:

- Credit risk
- Liquidity risk
- Market risk

Risk Management Framework

The Board of Directors has overall responsibility for the management of financial and other risks faced by the Society. The Board establishes and monitors the risk management policies of the organisation which are reviewed regularly to reflect market conditions and the Society's activities.

15. Financial Instruments (continued)

a) Overview (continued)

Risk Management Framework (continued)

The Supervisory Committee is responsible for monitoring compliance with the Society's risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to the risks faced by the Society. The Supervisory Committee is assisted in these functions by the Audit Technician and Credit Committee.

b) Credit risk

Credit risk arises from the possibility that counterparts may default on their obligation to the Society. The amount of the Society's maximum exposure to credit risk is indicated by the carrying amount of its financial assets. Financial assets which potentially expose the Society to concentrations of credit risk consist primarily of loans to members.

Loans

Management of credit risk

The Credit Committee is responsible for the granting and general supervision of all loans to members in accordance with the Loan and Mortgage Policy established by the Board of Directors. The Board of Directors may from time to time revise the Loan Policy to reflect market conditions and the activities of the Society. Loans Officers have delegated authority to approve loans within specified limits. The Credit Committee and Loans Officers perform internal credit assessments but also rely on external credit reports before loans are granted to members. Once members have the capacity to repay, loans are granted in accordance with the terms and conditions outlined in the Loan Policy. The Credit Committee submits a report to the Board of Directors on its activities on a quarterly basis.

The Society has a Delinquency Department which actively monitors members' loans in arrears on a monthly basis. Delinquent members are contacted and reminded of their responsibility to repay their loans in accordance with the loan agreement signed between them and the Society. The Department has the authority to seize and liquidate members' shares and other collateral to recover the loan outstanding. The Society may also seek further redress by referring the matter to the Commissioner for Co-operative Development to obtain judgment against the member in accordance with the Co-operative Societies Act 1971.

Notes to Financial Statement

15. Financial Instruments (continued)

b) Credit risk (continued)

Loans (continued)

Allowance for impairment

The Society monitors the aging and credit quality of each loan facility extended. Allowances are established on an aggregate basis on all loans classified as bad debt.

Investments

The Society limits its exposure to credit risk by only investing in liquid securities i.e. securities traded on the open market and in fixed deposits held with reputable financial institutions.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Carrying amount	
	2016	2015
	\$	\$
Investments	330,875,244	204,572,304
Loans to members	1,122,122,323	1,105,165,612
Other assets	9,288,626	4,820,739
Cash and cash equivalents	83,580,046	85,347,926
	<u>1,545,866,239</u>	<u>1,399,906,581</u>

c) Liquidity risk

Liquidity risk is the risk that the Society may not be able to meet its financial obligations as they fall due.

Management of liquidity risk

The Society's approach to managing liquidity is to ensure, as far as possible, that it has sufficient liquidity to meet its liabilities without incurring losses or risking damage to its reputation. In order to achieve this objective the Society maintains a certain percentage of its total assets in cash, fixed deposits (maturing 3 months – 1 year) and money market instruments to meet demands for cash withdrawals and other short-term liabilities. The Society also monitors its cash balances on a daily basis and maintains an overdraft facility of \$1 million with its bankers.

Notes to Financial Statement

15. Financial Instruments (continued)

c) *Liquidity risk* (continued)

Management of liquidity risk (continued)

The table below shows the maturities of financial instruments:

	Due on Demand	Up to one year	Two to five years	Over five years	Total
	\$	\$	\$	\$	\$
December 31, 2016					
Members' Shares	1,238,097,800	-	-	-	1,238,097,800
Other funds and liabilities	8,185,081	-	-	-	8,185,081
Members' deposits	38,774,875	68,887,425	7,408,536	89,000	115,159,836
	1,285,057,756	68,887,425	7,408,536	89,000	1,361,442,717
December 31, 2015					
Members' Shares	1,138,967,571	-	-	-	1,138,967,571
Other funds and liabilities	9,875,669	-	-	-	9,875,669
Members' deposits	33,881,945	63,108,708	20,443,475	1,017,050	118,451,178
	1,182,725,185	63,108,708	20,443,475	1,017,050	1,267,294,418

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

d) *Market risks*

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Society's income or the value of its holdings of financial instruments.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises on financial instruments that are denominated in a foreign currency, that is, in a currency other than the functional currency in which they are measured.

Notes to Financial Statement

15. Financial Instruments (continued)

d) Market risks (continued)

Foreign currency risk (continued)

Exposure to foreign currency risk

The Society's exposure to currency risk was as follows based on notional amounts:

	TTD	USD	CAD	Total
	\$	\$	\$	\$
Year ended December 31, 2016				
Cash and cash equivalents	78,463,042	5,117,004	-	83,580,046
Investments	278,636,752	51,560,398	678,094	330,875,244
	<u>357,099,794</u>	<u>56,677,402</u>	<u>678,094</u>	<u>414,455,290</u>
Year ended December 31, 2015				
Cash and cash equivalents	78,961,046	6,386,880	-	85,347,926
Investments	159,875,258	44,124,884	572,162	204,572,304
	<u>238,836,304</u>	<u>50,511,764</u>	<u>572,162</u>	<u>289,920,230</u>

The following significant exchange rates applied during the year:

Reporting date spot rate:	<u>2016</u>	<u>2015</u>
USD 1	6.7460	6.4196
CAD 1	<u>5.0547</u>	<u>4.6708</u>

Sensitivity analysis

At December 31, 2016, if the currency had weakened/strengthened by 5% against the United States dollar (USD) with all other variables constant, post-tax profit for the year would have been \$2,833,870 (2015: \$2,525,588) lower/higher, mainly as a result of foreign exchange losses/gains on translation of USD denominated balances.

At December 31, 2016, if the currency had weakened/strengthened by 5% against the Canadian dollar (CAD) with all other variables constant, post-tax profit for the year would have been \$33,905 (2015: \$28,608) lower/higher, mainly as a result of foreign exchange losses/gains on translation of CAD denominated balances.

Notes to Financial Statement

15. Financial Instruments (continued)

d) Market risks (continued)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk arises on interest-bearing financial instruments recognized in the statement of financial position.

Management of interest rate risk

The primary goal of the Society's investment strategy is to maximize investment returns while maintaining risks at an acceptable level. The value of the Society's financial investments will fluctuate due to changes in market prices of the quoted equity and debt securities. The Society manages market risks by using the following strategies:

- Investing a certain percentage of total assets in financial instruments and monitoring the mix of debt and equity securities in its investment portfolio based on market expectation
- Monitoring the price movements of debt and equity securities on a monthly basis in order to determine market trends
- Investing in debt and equity securities that do not have a documented history of high price volatility and are easily tradable
- Relying on advice from external professional financial advisors before making a decision to buy or sell investments, and
- Decisions to buy and sell investments must be approved by the Board of Directors.

Profile

At the reporting date, the interest rate profile of the Society's interest-bearing financial instruments was:

	Carrying Amount	
	2016	2015
	\$	\$
Fixed rate instruments		
Financial assets	1,401,256,161	1,242,003,435
Financial liabilities	<u>(115,159,836)</u>	<u>(118,451,178)</u>
	<u>1,286,096,325</u>	<u>1,123,552,257</u>

Notes to Financial Statement

15. Financial Instruments (continued)

d) *Market risks* (continued)

Interest rate risk (continued)

Profile (continued)

	Carrying Amount	
	2016	2015
	\$	\$
Variable rate instruments		
Financial assets	<u>92,259,923</u>	<u>108,878,712</u>

Sensitivity analysis

The Society does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect surplus or loss.

A change of 1% in interest rates would have increased or decreased equity by \$922,599 (2015: \$1,088,787).

e) *Fair value measurements*

The Society measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

15. Financial Instruments (continued)

e) Fair value measurements (continued)

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exist. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The Society uses widely recognised valuation models to determine the fair value of common and simple financial instruments, such as interest rate and currency swaps, that use only observable market data and require little management judgement and estimation. Observable prices or model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and simple OTC derivatives such as interest rate swaps. The availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values. The availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

At year end, the financial instruments were measured at fair value as follows:

	<u>2016</u>	<u>2015</u>
	\$	\$
Level 1	36,341,486	44,658,226
Level 2	2,575,005	2,575,005
Level 3	<u>293,197,944</u>	<u>156,154,677</u>
	<u>332,114,435</u>	<u>203,387,908</u>

f) Capital management

The board seeks to maintain a strong capital base so as to maintain shareholder and creditor confidence. The Society defines capital as total members' equity and reserves. There were no changes in the Society's approach to capital management during the year. The Society is not subject to any externally-imposed capital requirement.

16. Contingent Liabilities

As at December 31, 2016, there were no contingent liabilities (2015: NIL).

VENTURE's Board of Directors facilitates the selection process for Board and Statutory committee members, as outlined in the Bye-Laws 37, section (k), through the Nominating Committee.

COMPOSITION OF THE COMMITTEE

The Nominating Committee Team comprised:

Mr. Lionel Sookoo	Director
Ms Cindy Raphael	Director
Mr. Gabriel O'Brien	Assistant Secretary to the Board

SYSTEM ADOPTED

Notice to all eligible members interested in serving on the Board of Directors, Credit and Supervisory Committees was published in the daily newspapers, on **VENTURE** Credit Union website, on our Facebook page and notice boards at our various offices and host companies.

The deadline date for receipt of all applications was January 27th, 2017.

FIT AND PROPER REQUIREMENT

All application forms were thoroughly examined to ensure they were properly completed. The applicants were in good financial standing and met the fit and proper standard as reflected in our guidelines.

Total Nominations Received:-

Board of Directors	Five (5)
Supervisory Committee	Six (6)
Credit Committee	Six (6)

INTERVIEWS

All applicants were interviewed by the Nominating Committee where their qualifications were verified and they also shared their experiences and aspirations going forward with **VENTURE**.

ORIENTATION

An orientation seminar was held on Saturday March 4th 2017 for all nominees. The roles and responsibilities of the Board of Directors, Supervisory and Credit Committees were articulated in an interactive environment facilitated by an external consultant.

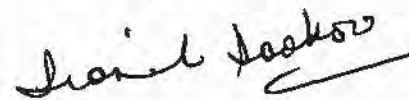
PROFILE

A profile of the nominees would be presented at the Annual General Meeting, which is also included in the Brochure for your perusal.

CONCLUSION

We take this opportunity to thank the members who volunteered to serve **VENTURE** Credit Union in various capacities and those selected. We welcome you and consider it a pleasure to work with you as we continue to make **VENTURE** the leading Credit Union committed to good governance.

Respectfully submitted,



Lionel Sookoo
Convenor
Nominating Committee
March, 6th 2017

NOMINEES FOR THE SUPERVISORY COMMITTEE



Deyson Scott

BSc, Postgraduate Diploma
Senior Portfolio Manager
UnitTrust Corporation
Served on the following:
Board of Trustees for Unit Trust
Corporation Staff Pension Plan



Esmé Raphael

Self Employed
Imaging
Served on the following:
VCU-Secretary – Board of
Directors (1997-2014)
VCU Supervisory Committee



Jason Mohammed

BA, MSc
Head – Manufacturing
Operations
Blue Waters Limited
Served on the following:
Board Member – Massy Energy
Engineered Solutions
Board Member – Massy Energy
Supply
Board Member – Ansa
Automotive
Board Member – Massy
Kerstern Energy Services



Keegan Denny

Tertiary, BA-Business
Management
Advanced Diploma
Senior Refinery Operator (Ag.)
Petrotrin
Served on the following:
Vice President Tri-Elites
Sports Club
Trade Union (Committee
Member & Assist Secretary
/Treasurer



Kurt Belgrave

Tertiary, BTEC HND Computing
Systems Development
Advanced Diploma
IT Consultant
Micromix
Served on the following:
IT – for Central Finance Facility
&Textel Credit Union
Launch Rockit, Saint Vincent D.
Paul



Norris Pierre

Tertiary, ACCA - Qualified
Accountant
Unit Trust Corporation
Served on the following:
VCU – Supervisory Committee

NOMINEES FOR THE CREDIT COMMITTEE



Avinash Persad

Tertiary, BSc, - Agri Business
(General) Second Class
Honours, Master of Marketing -
Distinction
Loans Officer I
Agricultural Development Bank
(ADB)



Collin Arthur

Primary
Welder
Couva Tabaquite-Talparo
Regional Corporation



Dorinda E. Baxter

Secondary, Tertiary
HDC - Clerk
Served on the following:
VCU – Supervisory Committee
VCU – Credit Committee



Marina Gina Richins

Secondary, Tertiary, HR, Masters
HRM
Immigration Officer
Ministry of National Security
Served on the following:
VCU – Credit Committee



Tricia Jones

Tertiary, Certificate – Dental
Surgical Assistant, Geriatric
Nursing, Business Management I
Personal Assistant
Living Lovely Co. Ltd
Served on the following:
Couva Police Youth Club



Wendell Mitchell

Tertiary, HR- Management,
Co-operative Studies on the Credit
Union Movement, Industrial
Relations
Prison Officer
Ministry of National Security
Served on the following:
VCU – Credit Committee – as
Chairman
PRO – Prisons Officer's Association
Member of the Mayaro Basketball
Member of Mayaro Tourism Action
Committee
National Commission Judge

NOMINEES FOR THE BOARD OF DIRECTORS



Clint Mohan

MBA- Project Management,
BSc – Mechanical Engineering
Assistant Manager Engineering
Yara Trinidad Limited
Served on the following:
VCU - Board



Manchan Sonachansingh

Tertiary education, Banking, Public
Accounting, Credit Unions,
Investment Management, Financial
Planning
Management Consultant
Self Employed
Served on the following:
GRASTAFF Board of Directors
Executive Member of Clubs in
Trinidad & Tobago and Canada
President of the Immigrant Services
Society of British Columbia



Naresh Ramoutar

MBA, BSc., Certified
Project Management Professional
Project Manager
Guardian Group
Served on the following:
VCU-Credit Committee
VCU-Supervisory Committee
VCU-Board



Richard Ramadoo

Certified Quality Manager, Certified
Training Manager, Post Grad
Diploma Certified John Maxwell
Trainer, BA, MBA
Head Training
National Gas Company Limited
(NGC)
Served on the following:
VCU – Board – 1st Alt



Roger Bertrand

Retired – ICT Manager
Corporate Planning Manager
Served on the following:
VCU – Board
Head Family Life Education Unit R.C.
Church – San Fernando
Board President- GRASTAFF

	2017 \$	2016 \$
INCOME		
Interest on loans	130,330,061	128,941,438
Investment Income	7,514,632	6,130,483
Other Income	1,342,892	914,500
TOTAL INCOME	139,187,585	135,986,421
EXPENDITURE		
Personnel Costs	21,353,429	20,920,924
Occupancy Costs	5,469,383	4,379,226
CUNA Insurance	4,000,000	4,504,180
Annual General Meeting	469,500	516,500
Special General Meeting Celebrations	80,000	40,000
Advertising & Promotions	100,000	-
Insurance	1,568,700	1,771,700
Co-operative Costs	306,795	397,000
Depreciation	655,665	1,585,000
Board and Committee Expenses	3,519,117	4,247,658
Office Expenses	1,494,467	1,723,800
Bank Charges	1,994,101	2,617,100
Interest on members' deposits & savings	285,000	205,000
Impairment Allowance - Loans	3,504,852	3,490,085
Investment Write-off - FNCU	12,000,000	12,000,000
Other Expenses	666,667	666,667
Education	840,960	433,500
Social Event	285,000	612,000
Professional Fees / Consultancy	370,000	250,000
	3,000,000	4,830,589
Operating Expenditure	61,963,635	65,190,929
Strategic Expenditure	1,019,990	-
TOTAL EXPENDITURE	62,983,625	65,190,929
NET SURPLUS	76,203,960	70,795,492
CAPITAL BUDGET	16,697,000	9,452,933

RECOMMENDATIONS AND RESOLUTIONS

RECOMMENDATIONS

1.0 Distribution of Surplus

1.1 **Dividend:** The Board would make its recommendation at the Annual General Meeting on March 23, 2017.

1.2 **Common Good:** The Board recommends an allocation of \$200,000 to assist schools, sporting endeavours and community groups.

PROPOSED BY: The Board of Directors

1.3 **Children's Foundation:** The Board recommends an allocation of \$100,000 towards the **VENTURE** Children's Foundation.

PROPOSED BY: The Board of Directors

RESOLUTIONS

1.0 Appointment of Auditors

1.1 WHEREAS the Board of Directors of **VENTURE** Credit Union Co-operative Society Limited (**VENTURE**) approved a motion to change the Auditors, and;

WHEREAS the incumbent Auditors KPMG served **VENTURE** over the past years;

BE IT RESOLVED that the BDO Trinidad and Tobago be appointed Auditors for the next financial period January 01, 2017 to December 31, 2017.

PROPOSED BY: The Board of Directors

2.0 Potential Bad Debt Write- Off

2.1 WHEREAS **VENTURE** Credit Union Co-operative Society Limited (**VENTURE**) monitors the status of its business operations, and;

WHEREAS **VENTURE** is aware of potential write-offs;

BE IT RESOLVED that the sum of Eight Hundred and Ninety thousand (\$890,000) be written off during the financial period 2017.

PROPOSED BY: The Board of Directors.

VENTURE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

CELEBRATES ITS *20th Anniversary*

In 1960 the Co-operative began as FEDCHEM Credit Union and was later known as HYRDO AGRI Credit Union. On January 18th, 1969 GRASTAFF Credit Union was formed for employees working and/or living in the County of St. George.

On 3rd March 1997, **VENTURE** Credit Union was formed through the amalgamation of HYDRO AGRI Credit Union and GRASTAFF Credit Union. A new logo was born. Twenty (20) years later, this logo continues to represent **VENTURE** Credit Union and we take this opportunity to share with you the symbolism of each component.



The cupped hands symbolize the financial and social security, along with steadfast support offered by the international Credit Union network. It also represents the fact that the success of the Movement is in the hands of its members.



The globe symbolizes the worldwide scope of the Movement and suggests the impact that a truly united Movement can have on the financial development of all countries.



The people within the globe represent the real focus of the Credit Union Movement. It is the human element – the harmony of people working for people – that distinguishes Credit Unions from other financial institutions.



The "hands family and globe" symbol as it is called, stands for Credit Unions worldwide. The Hands and Globe logo has historic significance for the Credit Union Movement. It was selected as a trademark that stands for Credit Unions worldwide.



Central to the design is a cube which symbolizes the impenetrable nature, the strength and solidity of GRASTAFF Credit Union and HYDRO AGRI Credit Union. The strong colours of HYDRO AGRI's blue and GRASTAFF's red blended together in a dramatic declaration of their unity to form the recognizable purple which is **VENTURE** Credit Union.



The two blended rings, orange and gold represents the amalgamation of GRASTAFF Credit Union and HYDRO AGRI Credit Union. The third orange and gold blended ring represents **VENTURE** Credit Union.

These orbiting rings hold the cube together and indicate that we shall go where no Credit Union has gone before. They represent the dynamism and growth of the amalgamated organization.



VENTURE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

WHY JUST DREAM...WHEN YOU CAN VENTURE

VENTURE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

Products

Share Account

This account affords you the opportunity to earn attractive dividends annually. Shares can be used as collateral for loans. No withdrawal fees and easy access to your funds at any time.

Fixed Deposit

This investment instrument is offered in TT and US Dollars and is tailored to members who wish to invest for a specific period. Interest can be paid on a monthly basis to share account.

VENTURE Visa Debit Card

The VENTURE Visa Debit Card is an International co-branded debit card that allows members to access their funds at ATM's and Point of Sale terminals both locally and internationally.

Loans

VENTURE Credit Union offers a range of loan products to suit your financial needs for the following purposes:

- Vehicle
- Small Business
- Debt Consolidation
- Mortgages
- Medical
- Education

We offer low processing fees, no penalty for lump sum payments and competitive interest rates.

Family Indemnity Plan

An affordable plan which provides cash benefits to cover funeral expenses for yourself and your family.

- Covering the cost of funeral expenses for up to 6 eligible family members including the member.
- Will cover the member's spouse or significant other, his/ her children up to age 24 and parents or in-laws up to age 76.
- We give you the opportunity to claim your payment within 48 hours.

Group Health Insurance

Health care is probably one of the most uncertain and expensive cost that every family faces. VENTURE's Group Health Plan helps with the Medical expenses such as:

- Major medical (surgeries, etc.)
- Doctors' visits / specialists visits
- Hospital
- Dental
- Vision
- Maternity

Services

E-Statements

On a quarterly basis your E-statement is available to you via your online account where you can easily view your share and loan balances.

TeleVENTURE

TeleVENTURE is a fully automated telephone financial service which allows you to check your account and loan balance. This automated service is simple to use and is available 24 hours, 7 days a week.



VENTURE CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

WHY JUST DREAM...WHEN YOU CAN VENTURE



For All People

THE FAMILY INDEMNITY PLAN: CRITICAL ILLNESS RIDER



Sign up today,
or for more
information call
your Credit Union
or FIP provider!

Pushing your limits brings out the best in you and helps you overcome adversity. If that adversity happens to be a serious illness, then you could receive an additional benefit of up to \$100,000 to help you keep going.* It's **for all who never give up!**

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*Conditions apply

A member of  CUNA MUTUAL GROUP

Endless possibilities are achieved
when we come together.

At **VENTURE** Credit Union, you are everything to us.
We just don't work for you, we work with you;
helping you achieve your goals
every step of the way.

Why just DREAM...
When you can **VENTURE**.



VENTURE CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

No. 32 Southern Main Road, Couva
No. 92 Eastern Main Road, Arouca
No. 63 Rushworth Street, San Fernando
Tel: 225-4VCU (4828)

venturecreditunion.com





**VENTURE
CREDIT UNION**

CO-OPERATIVE SOCIETY LIMITED

2016 ANNUAL REPORT

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