

2015

ANNUAL REPORT



NEAL & MASSY (NORTH)
CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED



our mission

to serve our members by
providing innovative solutions
and a personalized customer
relationship that will positively
impact their economic, social
and cultural needs



NEAL & MASSY (NORTH)
CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED





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.



prayer of St. Francis of Assisi

Lord, make me an instrument of thy peace
Where there is hatred, let me sow love
Where there is injury, pardon
Where there is doubt, faith
Where there is despair, hope
Where there is darkness, light
And where there is sadness, joy
O Divine master,
Grant that I may not so much seek
To be consoled as to console;
To be understood as to understand;
To be loved as to love;
For it is in giving that we receive;
It is in pardoning that we are pardoned;
And it is in dying
That we are born to eternal life.

renewal

table of contents

Notice & Agenda	3
Standing Orders	4
Highlights	5
Five Year Review.....	6
Minutes of the 62nd AGM	7
Report of the Board of Directors	13
Financial Statements	
Independent Auditor's Report	21
Statement of Financial Position	23
Statement of Income	24
Statement of Changes in Equity	25
Statement of Cash Flow	26
Receipts & Payments Account	27
Notes to the Financial Statements	30
Report of the Credit Committee	49
Report of the Supervisory Committee	52
Report of the Education Committee	55
Report of the Nominations Committee.....	59
Nominations for Board of Directors & Statutory Committees	60
Liaison Officers	63
Staff Members	64
Ten Year Review	66
Secondary Entrance Assessment Application Form	71

notice

Notice is hereby given that the 63rd Annual General Meeting of Neal & Massy (North) Credit Union Co-operative Society Limited will be held at the Radisson Hotel, Wrightson Road, Port of Spain, on Saturday, May 14th, 2016 at 1:00 p.m.

1. To receive, examine and discuss:
 - a) The reports of the Board of Directors and Committees
 - b) The Financial Statements for year ended 31st December, 2015
2. To elect Officers for the new term 2016/2017
3. To appoint Auditors
4. To transact any business that may properly come before the house.

BY ORDER OF THE BOARD



REYNOLD YORK
Secretary



NEAL & MASSY (NORTH)
CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

agenda

1. Call to Order
2. National Anthem / Invocation
3. First Credential Report
4. Reading of Notice
5. Acceptance of The Standing Orders
6. President's Address
7. Business Presentation
8. Reading and confirmation of
The Minutes of The 62nd Annual General Meeting held on Saturday 18th April, 2015
9. Presentation of Reports: -
 - Board of Directors
 - Credit Committee
 - Supervisory Committee
 - Education Committee
 - Auditors' Report
 - Presentation of Financial Statements
10. Budget Projections for 2016
11. Election of Officers: -
 - Nominations Committee Report
 - Closure of Nominations / Voting
12. Resolutions
13. Other Business
14. Election Results and Destruction of Ballots
15. Vote of Thanks

standing orders

1. (a) A Member to stand when addressing the Chair.
(b) Speeches to be clear and relevant to the subject before the meeting.
2. A member shall only address the meeting when called upon by the Chairman to do so, after which he shall immediately take his seat.
3. No member shall address the meeting except through the Chairman.
4. A member may not speak twice on the same subject except:
(a) The Mover of a Motion -who has the right of reply.
(b) He rises to object or to explain (with the permission of the Chair).
5. The Mover of a Procedural Motion-(Adjournment laid on the table, Motion to postpone) shall have no right of reply.
6. No speeches to be made after the "Question" has been put and carried or negatived.
7. A member rising on a "point of order" to state the point clearly and concisely. (A "point of order" must have relevance to the "Standing Order").
8. (a) A member shall not "call" another member "to order" but may draw the attention of the Chair to a "breach of order".
(b) In no event can a member call the Chair to order.
9. A "Question" shall not be put to the vote if a member desires to speak on it or move an amendment to it-except, that of a "Procedural Motion". "The Previous Question" "Proceed to the next Business" or the Closure: "That the question be Now Put", may be moved at any time.
10. Only one amendment shall be before the meeting at one and the same time.
11. When a motion is withdrawn, any amendment to it fails.
12. The Chairman to have the right to a "casting vote".
13. If there is equality of voting on an amendment, and if the Chairman does not exercise his casting vote, the amendment, is lost.
14. Provision to be made for protection by the Chairman from vilification (personal abuse).
15. No member shall impute improper motives against another member.



highlights


TOTAL ASSETS 2015  \$ 219,859,090
 (DOLLARS) 2014  \$ 204,611,013

SHARES 2015  \$ 179,378,609
 (DOLLARS) 2014  \$ 164,158,920

LOANS 2015  \$ 107,782,232
 (DOLLARS) 2014  \$ 103,088,618

TOTAL INCOME 2015  \$ 15,000,085
 (DOLLARS) 2014  \$ 16,480,662

SURPLUS 2015  \$ 7,705,166
 (DOLLARS) 2014  \$ 9,460,780

MEMBERSHIP 2015  9,796
 2014  9,368

STAFF 2015  22
 2014  22



**NEAL & MASSY (NORTH)
 CREDIT UNION
 CO-OPERATIVE SOCIETY LIMITED**

AUDITORS:

Hardys Chartered Accountants

Limetree House,
 27 Gordon Street,
 San Fernando, Trinidad W.I.

SOLICITORS:

Johnson, Camacho & Singh

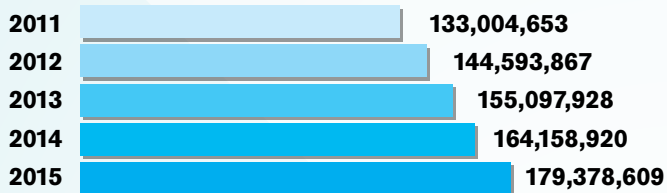
First Floor Briar Place,
 #10 Sweet Briar Road,
 St. Clair,
 Port of Spain

T. Malcolm Milne & Co.

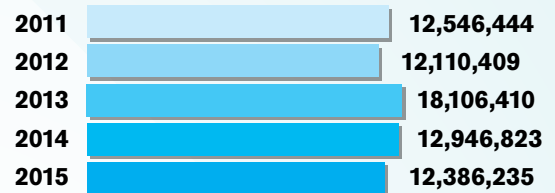
#34 Edward Street,
 Port of Spain

five year review

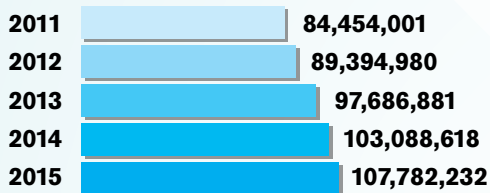
SHARES



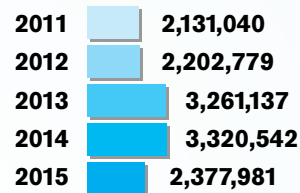
INTEREST (ON MEMBERS' LOANS)



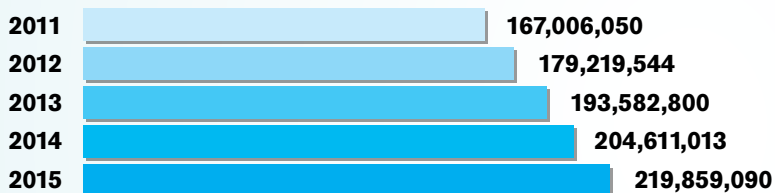
MEMBERS' LOANS



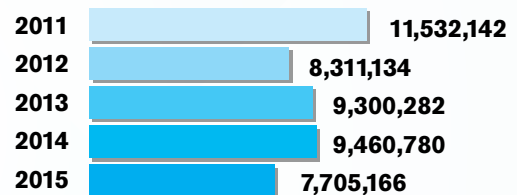
INVESTMENT INCOME



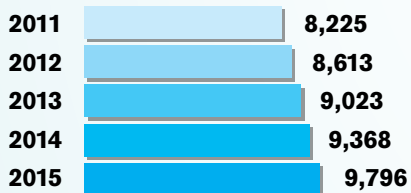
TOTAL ASSETS



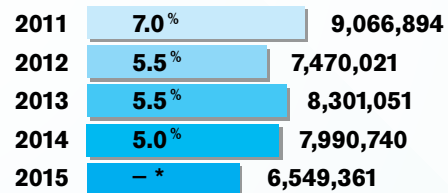
SURPLUS (OF INCOME MINUS EXPENDITURE)



MEMBERSHIP



DIVIDEND AMOUNT PAID



* to be approved at the AGM

minutes

OF THE 62ND ANNUAL GENERAL MEETING OF NEAL & MASSY (NORTH) CREDIT UNION CO-OPERATIVE SOCIETY HELD ON SATURDAY 18TH APRIL 2015.

The 62nd Annual General meeting of Neal and Massy (North) Credit Union Co-operative Society Limited was convened on Saturday 18th April 2015, at the Radisson Hotel Wrightson Road, Port of Spain.

COMMENCEMENT

The meeting convened at 1:08 p.m. with the singing of the National Anthem followed by the recitation of the Credit Union Prayer and the observance of one minute's silence in memory of dearly departed members. Special mention was made of Mr. Joseph Rodriguez and Ms. Celia Griffith who served as Directors.

REPORT OF THE CREDENTIAL COMMITTEE

The President reported that in accordance with Bye Law (23) the meeting was duly constituted as the report of the Credential Committee confirmed that at 1:08 p.m. a total of 124 members were present comprising:

100 members, 10 Directors, 1 Credit Committee member and 13 members of staff.

The hotel's Security Officer welcomed all to the Radisson and briefed the meeting about the emergency evacuation procedures. The President conveyed thanks to the Officer and introduced the members of the head table to the meeting.

NOTICE OF MEETING

In the absence of the Secretary, Ms. Stacy Ann la Roche, the President invited the Assistant Secretary Ms. Lynne Gairy to read the Notice of the meeting.

ADOPTION OF STANDING ORDERS

A motion to adopt the standing orders of the 62nd Annual General Meeting of Neal & Massy (North) Credit Union was moved by Mr. Stephen Thomas, seconded by Mr. Edward King and unanimously accepted by the meeting.

The President requested a variation to the Agenda and invited Mrs. Jennylyn Bailey to explain same. Mrs. Bailey advised that the Credit Union would like to launch Surepay and

requested that this item be placed at No. 9 on the Agenda, thus rearranging the numbering of the Agenda. This motion was moved by Mrs. Jennylyn Bailey, seconded by Ms. Gemma Davis and unanimously accepted by the meeting.

PRESIDENT'S ADDRESS

The President extended apologies on behalf of the Board for the late circulation of the annual report and assured members that the reports would be presented at a reasonable pace to facilitate members. He welcomed all to the meeting and reflected that at 62 years the Credit Union was into its seventh decade of existence and it would be appropriate to briefly reflect on the Credit Union's history; and to acknowledge the persons who contributed to its success. In so doing he emphasized that the day's focus was the business of the meeting and towards a future endowed with opportunities to be embraced. The President noted that there can be no progress without surmounting the challenges that one may encounter along the way.

He reflected that the Credit Union was born of the now Massy Group and saluted the persons responsible for its rebranding; advising that in the not too distant future the Credit Union would also be rebranding in a manner that is intended to take the Credit Union along our own designed pathway to progress.

The President referred to the Credit Union Bill and noted that once it became law in its present form there would be a new regulatory framework where the philosophy of "people helping people" may give way to conducting business with a focus on profit instead of service. He also shared highlights of 2014 and the initiatives for 2015 including the completion of the new office facilities during 2016.

In concluding the President urged members to cherish and build the Credit Union while preserving the pillars of their predecessors and resolve to work selflessly together, to advance the welfare and wellbeing of one another. He thanked his fellow Board members, other elected Officers, Liaison officers, Management and Staff and all members for their support during the term.

minutes

(CONTINUED)

FEATURE ADDRESS

Ms. Risa Raghunanan introduced the Feature Speaker, Economist Dr. Ralph Henry. Dr. Henry began his presentation by stating how privileged he was to be part of the meeting as the Credit Union celebrated its 62nd anniversary; a testimony of a solid foundation.

Dr. Henry explained that in 1953 when this Credit Union was born, a certain kind of institutional framework had been laid which allowed for credit unions and cooperatives to born and grow. He emphasized that it was positive legislation that contributed to the growth and development of the Movement which had antecedents such as the Sou Sou.

Dr. Henry further explained that the next stage of the development of the Credit Union Movement came with a new set of legislation in the 1970's when the Government at the time was concerned to build a people's sector. The mobilizing of resources and the revenues garnered contributed to the realization of the Point Lisas Industrial Estate. He indicated that the intention at the time was that at some stage the Government was going to divest itself of the ownership of those assets among the very people of the country. Dr. Henry pointed out that another element in the strategy, was the promotion of small and medium enterprises - the most critical element was the Cooperative Societies Act which contributed to lifting the entire Movement onto a new plateau.

He then questioned to what extent is the new legislation designed to take the Movement to another higher plateau; and to what extent will this Credit Union rise to the occasion to be part of another higher plateau.

Dr. Henry spoke about the challenges faced by credit unions from the 1940's to the 1970's. He compared the performance of credit unions over the banks reiterating that credit unions provide quality service to their members while the banks focus on quantity and profits. He however pointed out that credit unions are still controlling only 5% of the financial assets in the country, and that there was still a lot of space to grow.

In his closing remarks, Dr. Henry commended the Credit Union's plans to rebrand and encouraged the Leadership to think of a different world. He reminded that as the country move away from the reliance on oil and gas, we would now have to sweat human capital, entrepreneurship, and new cutting-edge businesses that are able to hold their own in competition with the rest of the world.

A vote of thanks and a presentation of a token of appreciation to Dr. Henry was moved by Mr. Raymond Lewis, Director.



MEMBERS AT THE 62ND AGM

minutes

(CONTINUED)

READING AND CONFIRMATION OF MINUTES

The President took the meeting through the Minutes from page 7 to page 12. There were no corrections and the meeting voted unanimously for the acceptance of the minutes of the 61st Annual General meeting on a motion moved by Mr. Edward King and seconded by Mr. Wendell Noel.

BOARD OF DIRECTORS REPORT

The report of the Board of Directors was unanimously accepted by the meeting on a motion moved by Ms. Hazel Ryan and seconded by Ms. Alexia Richards, subject to the following corrections:

Page 15, Top right hand corner, Change "Income" to "Gross Income", and 1st line change \$9.4M to \$16.5M.

AUDITORS REPORT

The Auditor's report was presented by Mr. Anil Bridgelal of the firm Hardys Chartered Accountants.

FINANCIAL STATEMENTS

The Treasurer was about to present the Financial Statements for the year ended December 31, 2014 when Mr. Stephen Thomas requested whether the Auditor would respond to a question on the Auditor's report. The Auditor was not in agreement and the Chairman advised that the Treasurer would respond to the question/s. Mr. Thomas reiterated that his questions were for the Auditor. After consultation with both the Auditor and the Treasurer; the Treasurer responded to several questions from Mr. Thomas during his presentation. There being no further questions the financial statements were unanimously accepted by the meeting on a motion moved by Ms. Cheryl Poleon and seconded by Ms. Aruna Singh.

REPORT OF CREDIT COMMITTEE

The report of the Credit Committee was presented by Mr. Sherland Emmons, Chairman of the Credit Committee. A motion to adopt the report of the Credit Committee was moved by Mr. Francis Hutchinson and seconded by Mr. Karl John. The meeting voted unanimously in favour.

REPORT OF THE SUPERVISORY COMMITTEE

Mr. Godfrey Peters, Chairman presented the report of the Supervisory Committee. A motion for the adoption of the report of the Supervisory Committee was unanimously accepted by the meeting on a motion moved by Mr. Rennie Seepersad Jagdip and seconded by Ms. Judy Applewhite.

MATTERS ARISING

Mr. Stephen Thomas commented that the structure of the agenda was not interactive, as members did not have the opportunity to interact with the Board or Committees after each report was presented. His point was noted by the Board.

Mr. Stephen Thomas enquired about the steps that were taken to disseminate information to the membership on the impending legislation and made a few suggestions for improvement.

REPORT OF THE BOARD OF DIRECTORS

Ms. Kathleen Lewis Garcia commended the delinquency team as she noted a reduction in delinquency and commended members for repaying their loans timely.

Mr. Larry Olton provided the meeting with a brief overview of the Credit Union's rebranding initiative based on a request by Mr. Stephen Thomas.

REPORT OF THE SUPERVISORY COMMITTEE

Mr. Stephen Thomas questioned the jurisdiction of the Supervisory Committee over staff members as presented in the report and Mr. Godfrey Peters explained the areas of interaction with the staff. Ms. Aruna Singh reminded the meeting that the responsibility of the Supervisory Committee was for good governance and the control of policies within the management of the Credit Union.

SUREPAY LAUNCH

A skit was presented by members of staff promoting SurePay as another payment option that was safe and easily accessible at several locations throughout Trinidad and Tobago.

NOMINATING/ELECTIONS OF OFFICERS

The report of the Nominating Committee was presented by the Chairman Mr. Larry Olton. In his report Mr. Olton highlighted the composition of the committee and its modus operandi.

The report of the Nominating Committee was adopted by the meeting on a motion moved by Ms. Elicia Douglas-Cruikshank and seconded by Mr. Stephen Thomas. The meeting voted unanimously in favour.

The Credential Report at 4 p.m. was as follows:

345 members, 11 Directors, 5 Credit Committee members, 3 Supervisory Committee members and 18 staff. A total of 382 members were present and eligible to vote.

Ms. Dianne Joseph, Returning officer introduced her team to the meeting. She explained the voting process and added that apart from the persons listed in the Nominating's Committee report, nominations would also be accepted from the floor.

NOMINATIONS FOR SUPERVISORY COMMITTEE

The following persons were nominated to serve on the Supervisory Committee:

Mr. Shawn Alexander	Ms. Juliet Forde
Mr. Godfrey Peters	Mr. Robin Ragoonath
Ms. Kemby Ross Jones	

The floor was opened for nominations to the Supervisory Committee; however there were no nominations from the floor. The motion voted unanimously in favour of the motion to cease nominations to the Supervisory Committee, on a motion moved by Ms. Jemma Davis and seconded by Ms. Natasha Blackman.

NOMINATIONS FOR CREDIT COMMITTEE

The following persons were nominated to the Credit Committee:

Mrs. Denise Alexander	Mr. Sherland Emmons
Ms. Jizelle Glasgow	Mr. Keston James
Ms. Lynette Telesford	Ms. June White

The floor was opened for nominations to the Credit Committee. There were no nominations from the floor and the meeting voted unanimously in favour of the motion to cease nominations to the Credit Committee, which was moved by Mr. Shawn Alexander and seconded by Ms. Jemma Davis.

NOMINATIONS TO THE BOARD OF DIRECTORS

The following persons were nominated to serve on the Board of Directors:

Mr. Christopher Auguste	Mrs. Jennylyn Bailey
Mrs. Lynne Conyette-Gairy	Mr. Edward King
Mr. Curtis Lee Poy	Mr. Raymond Lewis
Ms. Cheryl Poleon	Mr. Rennie Seepersad Jagdip

There were no nominations from the floor. The meeting voted unanimously in favour of the motion to cease nominations for the Board of Directors which was moved by Mr. Stephen Thomas and seconded by Mr. Stephen Khan.



**“GOOD VIBES ONLY”
UWI STUDENTS AT OUR 2015
EDUCATION AWARDS**

PRESENTATION OF BUDGET

Mr. Curtis Lee Poy, Treasurer, presented the budgetary proposals for the year 2015. He advised that the budget catered for a surplus of \$8.7M after the statutory transfer to Reserve and Education Fund. He then invited questions from the membership.

Clarifications on some items were sought by Mr. Stephen Thomas and Mr. Rennie Seepersad Jagdip and the Treasurer provided the information which included the accounting treatment for funds associated with the construction of the new building.

The meeting voted unanimously in favour of a motion for the acceptance of the budgetary proposals for 2015, which was moved by Ms. Jennylyn Bailey and seconded by Mr. Robert Williams.

RESOLUTIONS

Ms. Jennylyn Bailey, Director, read the following resolutions:

Resolution 1

"Be it resolved that this 62nd Annual General Meeting accept the recommendation of the Board of Directors to appoint Hardys Chartered Accountants, as Auditors for the financial Year ending December 31, 2016"

The resolution was seconded by Ms. Kathleen Lewis Garcia and unanimously accepted by the meeting.

Resolution 2

"Be it resolved that this 62nd Annual General Meeting accept the recommendation of the Board of Directors to pay a dividend of 5% on members' shares for the financial year ending December 31, 2014".

The resolution was seconded by Mr. Robert Williams however the meeting voted 80 for and 82 against the resolution.

The Chairman together with the Treasurer provided additional information to the membership with respect to the decision to offer 5% dividend. After deliberations on the matter, the said resolution was put to the floor and seconded by Mr. Robert Williams. The meeting voted unanimously in favour of the resolution.

Resolution 3

"Be it resolved that the 62nd Annual General Meeting accept the recommendation of the Board of Directors to pay honoraria to the elected officers not exceeding \$157,200.00."

The resolution was seconded by Mr. Stephen Thomas and unanimously accepted by the meeting.

OTHER BUSINESS

Mr. Wayne Mc Donald extended greetings on behalf of Angostura Credit Union.

On enquiry, the Meeting was advised that dividend payments would be made within one week of the AGM.

SurePay prizes were presented to Ms. Kathleen Lewis-Garcia and Mr. Junior Davis. Ms. Lewis-Garcia expressed her joy in knowing that SurePay was implemented and boasted that NM(N)CU was the first Credit Union to become a Surepay Biller. She urged members to use the facility.

Mr. Sean Byer Chairman of the events committee announced a boat ride scheduled for June 20th 2015 and gave the relevant details. He urged members to attend with their family. Door Prizes were drawn and gifts presented to the winning members.

minutes

(CONTINUED)

ELECTIONS

The Returning Officer Ms. Dianne Joseph presented the results of the elections.

Supervisory Committee

Mr. Shawn Alexander	248	
Mr. Godfrey Peters	235	
Ms. Juliet Forde	198	
Ms. Kemby Ross Jones	147	1st Alternate
Mr. Robin Ragoonath	113	2nd Alternate

Credit Committee

Mrs. Denise Alexander	246	
Ms. Natasha Charles	222	
Mr. Sherland Emmons	266	
Mr. Keston James	255	
Ms. Lynette Telesford	234	
Ms. Jizelle Glasgow	201	1st Alternate
Ms. June White	115	2nd Alternate

Board of Directors

Mrs. Jennylyn Bailey	263	
Mr. Raymond Lewis	253	
Ms. Cheryl Poleon	249	
Mr. Christopher Auguste	221	
Mrs. Lynne Conyette Gairy	215	
Mr. Curtis Lee Poy	229	
Mr. Edward King	207	1st Alternate
Mr. Rennie Seepersad Jagdip	157	2nd Alternate

A motion for the destruction of the Ballots was moved by Ms. Elicia Douglas-Cruikshank and seconded by Ms Cheryl Poleon. The meeting voted unanimously in favour.

The elected members were invited on stage to take the Code of Ethics Pledge.

A vote of thanks was moved by Mr. Larry Olton, Director.

There being no further business, the meeting ended at 7:10 p.m.



**MR. CURTIS LEE POY, TREASURER
PRESENTING THE BUDGET**



MR. REYNOLD YORK, SECRETARY

A handwritten signature in black ink, appearing to read 'Reynold York'.

**REYNOLD YORK
Secretary**

A close-up photograph of a green, unopened flower bud, likely a tulip, with a translucent green overlay. The text "report of the board of directors" is written in a bold, italicized, light green font across the bottom half of the image.

*report
of the
board of
directors*



NEAL & MASSY (NORTH)
CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED



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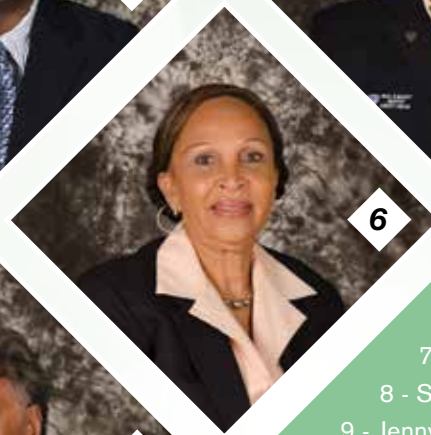
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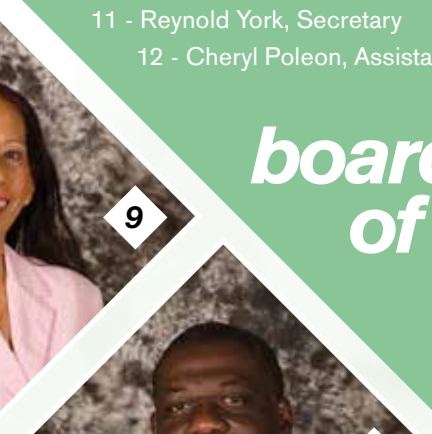
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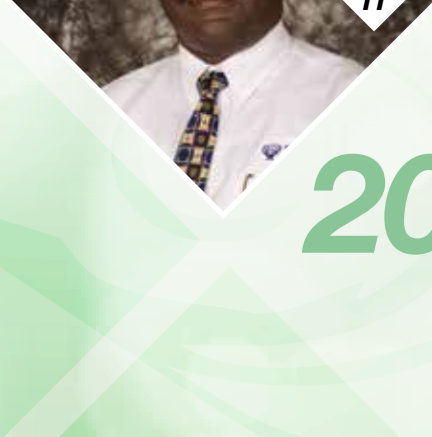
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11



12



- 1 - Raymond Lewis, President
- 2 - Larry Olton, Vice-President
- 3 - Christopher Auguste, Director
- 4 - Curtis Lee Poy, Director
- 5 - Richard Thomas, Director
- 6 - Lynne Conyette-Gairy, Director
- 7 - Nizamudin Mohammed, Director
- 8 - Sean Byer, Director
- 9 - Jennylyn Bailey, Director
- 10 - Risa Raghunanan Mohammed, Assistant Secretary
- 11 - Reynold York, Secretary
- 12 - Cheryl Poleon, Assistant Treasurer

board of directors

2016

report of the board of directors

INTRODUCTION

During the fiscal year 2015 the Board of Directors persevered in our efforts to serve you the owners/members amidst the unrelenting economic, social and political challenges that persisted at home in Trinidad and Tobago, within the region and throughout the international community. Our report to you for said period will include highlights of 2015, insights into 2016 and the year ahead.

Neal & Massy (North) Credit Union success story continues, having sustained another year of growth and having facilitated the continued development of many of our owners/members. This is evidenced for example from our loan records that captures your reasons for borrowing and essentially reflect the kinds of developmental initiatives that are contributing to the improvement of the lives of our owners/ members.

Said records would also reveal however, that many more of us as owners/members need to access funds from our collective savings pool to finance our provident and productive needs. Sharing your success stories can serve to inspire other owners/members who borrow elsewhere to understand the real value of borrowing from our Credit Union family, a growing financial co-operative.

Your continued confidence in our Credit Union is however unwavering evidenced by the phenomenal growth in shares during 2015. Assured by your continued demonstration of confidence we affirm that our Credit Union is poised for "renewal" during 2016/2017.

A "renewal" of our commitment to be of service to you the owners/members; a renewal that will establish a new strong brand, one that appeals to our community and promotes the credit union business model of "people helping people".

ECONOMIC REVIEW

The prevailing economic circumstances are widely discussed and documented as analysts' debate whether the country is in fact experiencing a recession or stagflation. The reality is that Trinidad and Tobago remains extremely vulnerable to the fluctuations in world oil prices and our efforts to diversify the economy have not attained significant proportions. A disproportionate contributor to revenue inflows continue to be the dependence on royalties from the energy sector.

A proliferation of retail and distribution activities serve principally to consume; and by extension, to export hard currency earnings.

As the effects of the economic conditions deepen there appears to be growing concern among various stakeholder groups about matters ranging from job security, job lost, diminution in real incomes and impoverization of domestic households. This is part of the negative picture that characterizes the landscape within which we operate.

Historically credit unions have done their best and most creative work as architects of social and economic resurgence against the backdrop of the circumstances described above. The tasks are herculean however the challenge is for us to assert ourselves intellectually and to produce pragmatic evidence that we deserve the title of protectors of the middle class and the social underclass.

An Account of our Stewardship

BOARD OF DIRECTORS

At the 62nd Annual General Meeting held April 18, 2015, the persons listed hereunder were elected to serve on the Board of Directors:-

Mrs. Jennylyn Bailey
Mr. Raymond Lewis
Ms. Cheryl Poleon
Mr. Curtis Lee Poy
Mr Christopher Auguste (2 years)
Ms Lynne Conyette-Gairy (1 year)

The inaugural meeting of the Board was held on April 23rd, 2015 and the Directors listed hereunder were elected to the Executive:

Mr. Raymond Lewis - President
Mr. Larry Olton - Vice President
Mr. Curtis Lee Poy - Treasurer
Ms. Cheryl Poleon - Assistant Treasurer
Mr. Reynold York - Secretary
Mrs. Risa Raghunanan - Assistant Secretary

report of the board of directors

(CONTINUED)

OTHER DIRECTORS OF THE BOARD WERE:

Mr. Christopher Auguste Mrs. Jennlyn Bailey
 Mr. Sean Byer Mrs. Lynne Conyette-Gairy
 Mr. Nizamudin Mohammed Mr. Richard Thomas

RECORD OF BOARD MEETINGS AND DIRECTOR'S ATTENDANCE

During the period of review, the Board met its statutory obligations through regular monthly meetings and special meetings as required. The record of attendance is detailed hereunder:-

BOARD	PRESENT	ABSENT	EXCUSED
Mr. Raymond Lewis	13	–	
Mr. Larry Olton	12	–	1
Mr. Reynold York	12	–	1
Ms. Risa Raghunanan	9	–	4
Mr. Curtis Lee Poy	12	–	1
Ms. Cheryl Poleon	6	–	7
Mr. Christopher Auguste	12	–	1
Mrs. Jennylyn Bailey	12	–	1
Mr. Sean Byer	10	–	3
Mrs. Lynne Conyette-Gairy	11	–	2
Mr. Nizamudin Mohammed	10	–	3
Mr. Richard Thomas	9	–	4

SPECIAL	PRESENT	ABSENT	EXCUSED
Mr. Raymond Lewis	9	–	–
Mr. Larry Olton	7	–	2
Mr. Reynold York	8	–	1
Ms. Risa Raghunanan	5	–	4
Mr. Curtis Lee Poy	9	–	–
Ms. Cheryl Poleon	5	–	4
Mr. Christopher Auguste	7	–	2
Mrs. Jennylyn Bailey	6	–	3
Mr. Sean Byer	2	–	7
Mrs. Lynne Conyette-Gairy	6	–	3
Mr. Nizamudin Mohammed	8	–	1
Mr. Richard Thomas	9	–	–

OUTGOING MEMBERS

In accordance with Bye - Law 28 (b), Mr. Sean Byer, Ms. Lynne Conyette-Gairy, Mr. Richard Thomas and Mr. Reynold York will retire by rotation.

Mr. Sean Byer having served 3 consecutive terms, a total of 9 years is statue barred for a period of one year. The Board extends our profound thanks to Mr. Byer for his unstinting contribution to our Credit Union over the years.

Accordingly, there are 4 vacant positions on the Board of Directors to be filled through the democratic process at the annual general meeting.



MS. LEWIS-GARCIA RECIVES HER SUREPAY PRIZE FROM MR. RAYMOND LEWIS.

report of the board of directors

(CONTINUED)

2015 PERFORMANCE HIGHLIGHTS

Our 2015 performance generated a surplus of \$7,705,166 with growth experience in four key areas:

Growth in Membership

Our membership grew by 558 during 2015, and 130 resignations were tendered for various reasons. Accordingly, the membership as at December 31st 2015 was 9,796.

Growth in Shares

Members' shares recorded growth of 15 million with shares of 179 million as at December 31st 2016 as compared to 164 million in 2014.

Growth in Assets

Total assets as at December 31st 2015 were \$219.9 million as compared to \$204.6 as at December 31st, 2014. An increase of \$15 million or 7.5%

Growth in Loans

Loan growth for 2015 was modest recording an increase of \$4.8 million. The total balance as at December 31st, 2015 was \$112,167,811.

Income

Gross income for the period was \$15.0 million. 82% of our income was derived from interest on loans to members. Funds not in demand for loans by owners/members are invested in accordance with our investment policy, accordingly during 2015 investment income of \$2.3m contributed to our net surplus.

Expenditure

Expenditure increased from \$7m in 2014 to \$7.1m in 2015, an increase of \$140,796 for the corresponding period.

Non-Performing Loans

Associated with the granting of credit to members is the inherent risk of default by some persons. Included in our efforts to manage delinquency is the task of loan recovery which is dedicated to our Recoveries Officers who work with defaulting members to regularise the status of their accounts.

A total of \$961,515 was collected during the financial year ended December 31st 2015, and 26 accounts were referred for arbitration to the Co-operative Division. Of these 11 members settled their accounts and settlement agreements were signed by other members. At the close of the financial year ended December 31st 2015 non-performing loans represented 4.9% of the loan portfolio.

Members/owners who are experiencing difficulty in managing their debt obligations are urged to work with our Recoveries Officers who can assist you in identifying the option/s that will enable you to regularize the status of your account.

Appropriation

The sum of 770,517 or 10% was transferred to the reserve fund and \$385,258 or 5% was transferred to the Education fund in accordance with our Bye laws.

The net surplus of \$6,549,392 for the year ended 2015 is available for distribution.

The Board of Directors recommends Honoraria as follows:

BOARD OF DIRECTORS

President	\$11,500.00
Vice President	\$10,500.00
Treasurer	\$10,500.00
Secretary	\$10,000.00
Assistant Secretary	\$ 9,000.00
Assistant Treasurer	\$ 9,000.00
Other Directors	\$ 8,000.00

CREDIT COMMITTEE

Chairman	\$ 7,500.00
Secretary	\$ 7,200.00
Other Officers	\$ 6,800.00

SUPERVISORY COMMITTEE

Chairman	\$ 4,800.00
Secretary	\$ 4,500.00
Officer	\$ 4,300.00

report of the board of directors

(CONTINUED)

APPOINTED COMMITTEES

Consistent with our established practice Directors were appointed to chair committees that provided valuable support to the Board during the period of review.

The under mentioned lists Directors and their appointed portfolio for the 2015/2016 term:

Mr. Curtis Lee Poy - Finance Committee;
Risk Committee & Investment Committee

Mr. Christopher Auguste - Human Resource Committee
& Nominations Committee

Mrs Lynne Conyette-Gairy - Events Committee

Mr Larry Olton - Marketing Committee
& Education Committee

Mr. Richard Thomas - Information Technology Committee

Mr. Reynold York - Building Committee

Mrs. Jennylyn Bailey - Performance Management
Review Committee

LEGISLATION FOR CREDIT UNIONS

It is generally agreed that the Credit Union Movement was opposed to the construct of the proposed (revised) governing legislation. Under a new political dispensation, the Ministry of Labour and Small Enterprise Development in response to the sentiments of the Movement facilitated consultation workshops during January 2016.

The general consensus was in support of one legislation that would regulate the Movement. The understanding is that the submissions of the Movement will influence a redraft of the Bill which is expected to be on the 2016 Legislative Agenda.

The results of the study undertaken by Kairi Consultants is also expected to inform the redrafting of the Bill. That study was commissioned by the Movement through an initiative of TECU Credit Union. Further consultation on this redraft is likely, your Board commits to maintaining an active interest in the process and will keep our owners/members informed of the developments

REVIEW OF BYE-LAWS

A Special General Meeting was called on November 7, 2015 at the Bureau of Standards conference facilities, Macoya, to consider and approve the revised Bye- Laws. As a consequence of not having the required quorum the meeting was aborted and a new date will be announced via the appropriate Notice to members.

The Board urges all owners/members to note the importance of attending and participating at a meeting that is called for the specific purpose of amending the Credit Union's Bye-Laws.

NEW OFFICE FACILITIES

Our new office facilities is on track for completion albeit later this year. What appeared to be an interruption of the project was that period where necessary work to the basement area progressed, during which time a review of the floor plans was undertaken to create an improved environment for our owners/members and staff to interact, one that will facilitate an improved member experience. The building is about 40% complete and in the ensuing weeks works will accelerate as planned.

Once again the Board records our sincerest apologies to all members for the continuing inconveniences at our present location and seek your very understanding support in the ensuing months.

report of the board of directors

(CONTINUED)

SUREPAY

Approximately one year later, having officially announced at our last AGM that our Credit Union became a Surepay Biller, we are pleased to report that over 800 transactions were recorded as at December 31st 2015 and more than 100 members now use Surepay monthly to make payments to their account at various locations. Their feedback continues to be positive.

Owners/members are reminded that as a SurePay Biller our members can make payments to your shares, your deposit account and your loan account via SurePay's locations throughout Trinidad & Tobago. Members who have been using Surepay will affirm that your transactions will be safe and secure and will be posted to your account within 24 hours. While you are encouraged to use Surepay to make payments to your account owners/members are always welcomed to conduct your business at the Credit Union's office.

REBRANDNG

The process of rebranding continues and will gain momentum in the ensuing months as we prepare for the "reveal" which is expected to culminate with the official opening of our new office facilities. Our new Brand promises to enhance owner/member experience. It's more than assuming a new name and logo it's an ongoing process of adapting to the increasingly changing environment in our efforts to maintain/improve our ability to meet the expanding needs of our owners/members

The Board assures our owners/members that appropriate communication will be maintained regarding our rebranding initiative.

CORPORATE GOVERNANCE

During the period of review the Board devoted considerable time and attention to policy review and new policy development cognizant of our responsibility to ensure that our governing policies maintain conformity with regulatory requirements and best practices. By way of example a review of our Credit Policy and Procedures was undertaken and amendments made to improve the process of credit administration including improvement in the turnaround time for transacting a loan.

An increase in the approval limits delegated to Credit Officers assisted in expediting loan processing and the lifting of limits/restrictions for authorized cheque signatories' facilitated timelier loan disbursement to members.

Several hours were also devoted to the review of the Bye-laws and a Special General Meeting was called in November 2015 to consider and approve same. This meeting was unsuccessful and a new date will be announced. The Board also completed a review of the Policy and Procedures manual, as well as the Nominations Policy and Officer's Travel Policy. In addition to policy review the Board committed time and attention to other governance matters such as the organization's structure and its strategic direction.

STRATEGIC MANAGEMENT

The Board of Directors and General Manager, convened in 2015 to engage in a critical Strategic Management exercise. A methodology designed to enhance our Credit Union's chances of achieving its financial and strategic objectives in the short, medium and long term was adopted.

By utilizing the 'Four Disciplines of Execution' (4DX) model, our Credit Union has now equipped itself with a first in class management tool, which will aid immensely with the achievement of our 'Wildly Important Goal' (WIG).

In pursuance of our WIG, our Credit Union will anchor its activities and initiatives around five (5) key pillars:

- Best in class Member services and Operations
- Prudent Financial management
- An aggressive Marketing and Sales strategy
- Member Education
- A focus on employee (people) engagement

Lead measures of performance have been identified. In the coming months with further engagement from the relevant stakeholders, our Credit Union will be restructured to support the development of a high performance organization. Scorecards will be developed to keep track of progress and organizational processes will be implemented to ensure that the Board of Directors, Committees and our Credit Union operations will be held accountable for achieving clearly defined deliverables and outcomes.

the way forward

As we look ahead we acknowledge there may be the kinds of challenges that are inherent in times of economic uncertainty; we are mindful that opportunities also abound therefore our focus will be on reinvigorating our efforts consistent with our new Brand to meet/exceed the expectation of you our owners/members and all stakeholders.

We recommit to safeguarding your assets by ensuring that our operations continue to be guided by established regulatory requirements and best practices.

Further, we remain steadfast in our commitment to the cooperative principles that are the key to understanding and supporting the needs of all those whom we have volunteered to serve.

In this context we look forward to delivering the following:

- The launching of our new Brand and the completion of our new office facilities.
- The introduction of a medical plan
- New and enhanced products/services
- The upgrade of our website
- Improved accessibility to members

ACKNOWLEDGEMENTS

The Board acknowledges the contributions of our statutory and appointed committees in managing the affairs of our Credit Union for the period of review and record our thanks to all. We appreciate the dedication and loyalty of all staff members and value the contributions of all liaison officers and company contacts who continue to make a difference every day by being of service to our owners/members.

Many thanks to all, and to you our valued members/owners we convey our appreciation for your continued co-operative support and your patronage. We acknowledge the work and contributions of our Consultants, Attorneys and other service providers during the period of review and record our appreciation to all.

Many thanks to the companies comprising the Massy Group, other sponsor companies, the Co-operative Credit Union League of Trinidad and Tobago, Cuna Caribbean and the Co-operative Division for your continued support.

We graciously thank the Creator for his continued guidance and blessings.



MR. RAYMOND LEWIS
President



**YOUNG TALENTED MEMBERS AT
THE 2015 EDUCATION AWARDS**



auditor's report

AUDITORS' REPORT

TO

THE MEMBERS

OF

NEAL AND MASSY (NORTH) CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

Report on the Financial Statements

We have audited the accompanying Financial Statements of Neal and Massy (North) Credit Union Co-operative Society Limited, which comprise the Statement of Financial Position at December 31, 2015, the Statement of Income, the Statement of Changes in Equity, the Statement of Cash Flows, and the Receipts and Payments Account for the year then ended and incorporating a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the Financial Statements

Management is responsible for the preparation and the fair presentation of these Financial Statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of Financial Statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the Financial Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Financial Statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

The Society accounts for Interest Income on Member Loans on a cash basis, which is the acceptable standard practice for this industry and acceptable under the Co-operative Societies Act. This basis is a departure from IAS 1 which requires that an entity prepare its Financial Statements, except for the cash flow information, using the accrual basis of accounting.

Opinion

In our opinion, except for the effects of the preceding paragraph, the accompanying Financial Statements present fairly, in all material respects, the Financial Position of Neal and Massy (North) Credit Union Co-operative Society Limited at December 31, 2015, and its financial performance and its Statement of Cash Flows, for the year then ended in accordance with the Co-operative Societies Act and with International Financial Reporting Standards.



Hardys
CHARTERED ACCOUNTANTS

April 25, 2016

San Fernando,

Trinidad, W.I.

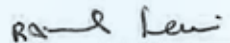


NEAL AND MASSY (NORTH) CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

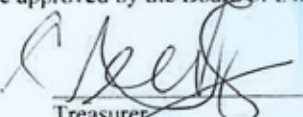
STATEMENT OF FINANCIAL POSITION AT DECEMBER 31, 2015

ASSETS	NOTES	2015	2014
Non-Current Assets			
Property, Plant and Equipment	5	\$ 11,647,041	\$ 11,851,861
Capital Work in Progress		8,574,663	1,867,337
Members' Loans	6	107,782,232	103,088,618
Long-Term Investments	7 (a)	<u>71,479,972</u>	<u>80,908,841</u>
Total Non-Current Assets		<u>199,483,908</u>	<u>197,716,657</u>
Current Assets			
Receivables and Prepayments	9	1,514,851	1,651,356
Short-Term Investments	7 (b)	14,747,064	1,508,986
Cash at Bank and in Hand	8	<u>4,113,267</u>	<u>3,734,014</u>
Total Current Assets		<u>20,375,182</u>	<u>6,894,356</u>
TOTAL ASSETS		<u>\$ 219,859,090</u>	<u>\$ 204,611,013</u>
MEMBERS' EQUITY AND LIABILITIES			
Members' Equity			
Asset Re-valuation Reserve		\$ 2,348,806	\$ 2,348,806
Reserve Fund	22	16,363,028	15,583,736
Education Fund	21	466,529	473,039
Dividend Equalization Fund		1,710,256	1,710,256
Undivided Earnings		<u>10,905,013</u>	<u>12,313,226</u>
Total Members' Equity		<u>31,793,632</u>	<u>32,429,063</u>
Non-Current Liabilities			
Members' Share Balances	10	<u>179,378,609</u>	<u>164,158,920</u>
Current Liabilities			
Members' Savings and Deposit Accounts		8,054,680	7,388,952
Payables and Accruals	11	<u>632,169</u>	<u>634,078</u>
Total Current Liabilities		<u>8,686,849</u>	<u>8,023,030</u>
Total Liabilities		<u>188,065,458</u>	<u>172,181,950</u>
TOTAL MEMBERS' EQUITY AND LIABILITIES		<u>\$ 219,859,090</u>	<u>\$ 204,611,013</u>

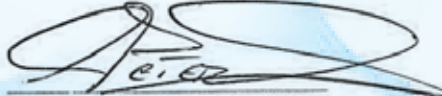
These Financial Statements were approved by the Board of Directors on April 25th, 2016.



 President



 Treasurer



 Chairman,
 Supervisory Committee

NEAL AND MASSY (NORTH) CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF INCOME FOR THE YEAR ENDED DECEMBER 31, 2015

	NOTES	2015	2014
INCOME			
Interest on Members' Loans		\$ 12,386,235	\$ 12,946,823
Investment Income	15	2,377,981	3,320,542
Other Income	16	235,869	213,297
		<u>15,000,085</u>	<u>16,480,662</u>
EXPENDITURE			
Personnel Costs	17	2,643,791	2,547,857
Administrative Expenses	18	1,329,682	1,648,980
Establishment Expenses	19	1,294,361	923,616
Interest on Members' Deposits		34,260	46,317
Finance Charges		42,076	16,087
Other Fees and Charges		35,386	87,907
Officers' Expenses	20	532,927	384,032
Insurance		1,332,886	1,353,989
Rental		49,550	11,097
		<u>7,294,919</u>	<u>7,019,882</u>
SURPLUS OF INCOME OVER EXPENDITURE		<u>7,705,166</u>	<u>9,460,780</u>
APPROPRIATIONS			
Transfer to Reserve Fund (10%)	22	770,517	946,078
Transfer to Education Fund (5%)	21	385,258	473,039
TOTAL APPROPRIATIONS		<u>1,155,775</u>	<u>1,419,117</u>
NET SURPLUS AFTER APPROPRIATIONS		<u>\$ 6,549,391</u>	<u>\$ 8,041,663</u>

NEAL AND MASSY (NORTH) CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 31, 2015

YEAR ENDED DECEMBER 31, 2015

Particulars	Asset Re-Valuation Reserve	Reserve Fund	Education Fund	Dividend Equalization Fund	Undivided Earnings	Total
Balance at January 1, 2015	\$ 2,348,806	\$15,583,736	\$ 473,039	\$ 1,710,256	\$12,313,226	\$ 32,429,063
Adjustments						
Net Surplus for the Year					7,705,166	7,705,166
Transfer to the Reserve Fund		770,517			(770,517)	-
Transfer to the Education Fund			385,258		(385,258)	-
Entrance Fees to Reserve Fund		8,775				8,775
Education Expenses			(391,768)			(391,768)
Dividends Paid					(7,957,604)	(7,957,604)
Balance at December 31, 2015	\$ 2,348,806	\$16,363,028	\$ 466,529	\$ 1,710,256	\$10,905,013	\$ 31,793,632

YEAR ENDED DECEMBER 31, 2014

Particulars	Asset Re-Valuation Reserve	Reserve Fund	Education Fund	Dividend Equalization Fund	Undivided Earnings	Total
Balance at January 1, 2014	\$ 2,348,806	\$14,630,441	\$ -	\$ 1,710,256	\$12,369,629	\$ 31,059,132
Adjustments						
Net Surplus for the Year					9,460,780	9,460,780
Transfer to the Reserve Fund		946,078			(946,078)	-
Transfer to the Education Fund			473,039		(473,039)	-
Entrance Fees to Reserve Fund		7,217				7,217
Dividends Paid					(8,098,066)	(8,098,066)
Balance at December 31, 2014	\$ 2,348,806	\$15,583,736	\$ 473,039	\$ 1,710,256	\$12,313,226	\$ 32,429,063

NEAL AND MASSY (NORTH) CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2015

	2015	2014
OPERATING ACTIVITIES		
Net Surplus Before Appropriations	\$ 7,705,166	\$ 9,460,780
Adjustment For:		
(Gain) on Disposal of Property, Plant and Equipment	-	(9,466)
Depreciation	338,351	386,028
	-----	-----
Operating Surplus Before Changes in Working Capital and Reserves Components	8,043,517	9,837,342
(Increase) in Members' Loans	(4,693,614)	(5,401,737)
Decrease in Receivables and Prepayments	136,505	34,005
Increase in Members' Savings and Deposit Accounts	665,728	776,643
(Decrease) in Payables and Accruals	(1,909)	(179,353)
	-----	-----
Net Cash Generated From Operating Activities	4,150,227	5,066,900
	-----	-----
INVESTING ACTIVITIES		
Decrease / (Increase) in Long Term Investments	9,428,869	(14,446,570)
(Increase) in Capital Work in Progress	(6,707,326)	(1,867,337)
Additions to Property, Plant and Equipment	(133,531)	(261,524)
Proceeds from Disposal of Property, Plant and Equipment	-	20,896
	-----	-----
Net Cash Generated From / (Used In) Investing Activities	2,588,012	(16,554,535)
	-----	-----
FINANCING ACTIVITIES		
Increase in Members' Shares	15,219,689	9,060,992
Entrance Fees	8,775	7,217
Dividends Paid	(7,957,604)	(8,098,064)
Education Expenses	(391,768)	-
	-----	-----
Net Cash Generated From Financing Activities	6,879,092	970,145
	-----	-----
Net Change For The Year	13,617,331	(10,517,490)
Cash and Cash Equivalents at the Beginning of the Year	5,243,000	15,760,490
	-----	-----
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	\$ 18,860,331	\$ 5,243,000
	=====	=====
REPRESENTED BY:-		
	-----	-----
Cash at Bank and in Hand	\$ 4,113,267	\$ 3,734,014
Short-term Investments	14,747,064	1,508,986
	-----	-----
	\$ 18,860,331	\$ 5,243,000
	=====	=====

NEAL AND MASSY (NORTH) CO-OPERATIVE SOCIETY LIMITED

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2015

RECEIPTS	2015	2014
Bank Interest	\$ 228	\$ 196
Capital Work-in-Progress	356,489	-
Commissions	167,049	143,879
Education Expenses	5,992	11,877
Family Indemnity Plan/Payment Protector Plan Deposits	475,387	396,138
Honorarium	-	19,100
Insurance Claims	1,130,340	981,540
Interest on Investments	59,257	109,852
Interest on Members' Loans	3,090,502	2,413,744
Investments	13,763,008	22,711,707
Legal and Professional Fees	27,580	28,545
Loan Application Fees	19,385	18,575
Loan Suspense	976	-
Massy Gas Products (Trinidad)	1,857,545	1,725,935
Massy Machinery Limited	2,665,035	2,460,165
Massy Technologies Infocom	3,657,241	3,643,873
Member Relations	7,782	3,452
Members' Deposits	13,501,270	11,282,230
Members' Loans	9,997,167	8,511,534
Members' Shares	13,698,085	7,698,426
Miscellaneous Income	3,430	5,588
National Insurance	-	28,294
New Member Applications	12,660	9,820
Other Receipts	2,475	27,179
Payables and Accruals	6,036,410	1,643,533
Property, Plant and Equipment	-	48,410
RBC Royal Bank Credit Card	15,044	33,640
Receivables and Prepayments	26,032,279	25,177,588
Retained Earnings	17,340	67,287
Shortages and Overages	180,794	153,614
Sundry Creditors	433,144	148,689
Sundry Debtors	1,058,932	326,135
Teller Account	21,890,753	24,391,819
Total Receipts	\$ 120,163,579	\$ 114,222,364
Opening Balance	\$ 3,734,014	\$ 6,765,089
Total Receipts	120,163,579	114,222,364
Less Payments	119,784,326	117,253,439
Closing Balance	\$ 4,113,267	\$ 3,734,014
REPRESENTED BY:		
Cash at Bank and in Hand	\$ 4,113,267	\$ 3,734,014



NEAL AND MASSY CO-OPERATIVE SOCIETY LIMITED

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2015

PAYMENTS	2015	2014
Annual General Meeting	\$ 275,617	\$ 190,943
Audit Fees	51,750	-
Bad Debt Expense	959	1,122
Bank Charges	24,127	16,248
Capital Work-in-Progress	7,061,639	-
Commissions	-	26
Communications Expenses	107,316	155,603
Computer Hardware and Software	-	209,914
Convention Expenses	277,086	47,171
Co-Op Activities	40,287	31,119
Credit Committee Expenses	100	600
Data Processing	41,032	21,631
Debt Collection	7,385	5,430
Dividends Paid	7,982,706	8,171,121
Donations	33,350	65,245
Education Expenses	255,230	321,029
Electricity	40,851	40,989
Family Indemnity Plan/Payment Protector Plan Deposits	20,501	20,902
Honorarium	154,123	162,000
Insurance	48,667	53,312
Insurance Claims	1,007,995	1,035,059
Interest on Members' Loans	46,852	21,243
Investments	16,316,297	27,148,963
Janitorial	66,862	65,245
League Dues	49,594	49,594
Legal and Professional Fees	452,011	448,883
Loan Application Fees	40	200
Marketing, Advertising and Promotions	495,125	73,408
Massy Technologies Infocom	-	275,314
Member Relations	85,541	59,525
Members' Deposits	16,132,542	14,460,552
Members' Loans	41,398,305	41,441,097
Members' Shares	14,307,379	12,847,524
Miscellaneous Expenses	624	550
National Insurance	242,497	286,788
Office Furniture	-	-
Office Maintenance	54,803	83,063
Other Employee Benefits	-	90,432
Other Fees and Charges	7,518	33,868
Pantry	10,200	6,999
Payables and Accruals	7,908,425	3,338,877
PAYE Payable	200,417	213,012
Payroll Clearing	1,138,560	1,191,541
Pre-paid Expenses	-	26,224
Printing and Stationery	67,817	77,282
Property, Plant and Equipment	98,287	1,823,772
RBC Royal Bank Credit Card	254,302	178,901
Receivables and Prepayments	519,175	265,020
Refreshments and Meeting Expenses	91,832	94,189
Rental	59,550	10,371
RISP	322,191	250,875
Security Services	134,800	129,752



NEAL AND MASSY CO-OPERATIVE SOCIETY LIMITED

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2015

Shortages and Overages	114,354	33,883
Staff Costs	62,434	60,788
Stationery	70,139	101,880
Strategic Planning	636	35,939
Subsistence	1,020	669
Sundry Creditors	1,569,926	1,385,530
Teller Account	-	369
Training and Development	47,923	56,295
Travelling and Courier Expenses	23,564	20,400
Water Rates and Taxes	2,063	15,158
Total Payments	\$ 119,784,326	\$ 117,253,439

NEAL AND MASSY (NORTH) CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

1 REGISTRATION AND PRINCIPAL ACTIVITIES

The Society was registered under the Co-operative Societies Act Chapter 81:03 of Trinidad and Tobago on April 25, 1953. Its objectives are to promote the economic welfare of its members, self-help and co-operation and to promote the development of co-operative ideas.

2 ACCOUNTING POLICIES

a) Basis of Accounting

These Statements have been prepared on the historic cost basis and in accordance with International Financial Reporting Standards and the requirements of the Co-operative Societies Act.

b) New Accounting Standards and Interpretations

The Credit Union has not applied the following new or amended standards and interpretations which were issued but not yet effective for the year under review because either (i) the Credit Union has not opted for early adoption; (ii) their application has no material impact of these Financial Statements:

New or Amended Standards

IFRS 5 Non Current Assets Held for Sale and Discontinued Operations – Adds specific guidance in IFRS 5 for cases in which an entity reclassifies an asset from held for sale to held for distribution or vice versa and cases in which held – for – distribution accounting is discontinued. Effective for periods beginning on or after January 1st, 2016.

IFRS 7 Financial Instruments: Disclosures (with consequential amendments to IFRS 1) – Adds additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset for the purpose of determining the disclosures required. It also clarified the applicability of the amendments to IFRS 7 on offsetting disclosures to condensed interim Financial Statements. Effective for annual periods beginning on or after January 1st, 2016.

IFRS 9 Financial Instruments – This final version of IFRS 9 adds a new expected loss impairments model and amends the classification and measurement model for financial assets by adding a new fair value through Other Comprehensive Income (FVTOCI) category for certain debt instruments and additional guidance on how to apply the business model and contractual cash flow characteristics test. The final version of IFRS 9 supersedes all previous versions of the standard. However, for annual periods beginning 1 January 2018, an entity may elect to apply those earlier versions of IFRS 9 if the entity's relevant date of initial application is before 1 February 2015.

IAS 19 Employee Benefits – Clarifies that the high quality corporate bonds used in estimating the discount rate for post – employment benefits should be denominated in the same currency as the benefits to be paid (thus, the depth of the market for high quality corporate bonds should be assessed at currency level). Effective for annual periods beginning on or after 1 January 2016.

IAS 34 Interim Financial Reporting – Clarifies the meaning of “elsewhere in the interim report” and requires a cross – reference. Effective for annual periods beginning on or after 1 January 2016.

NEAL AND MASSY (NORTH) CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

The adoption of the above will not have a significant effect on these Financial Statements.

c) Use of Estimates

The preparation of Financial Statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the credit union's accounting policies. It also requires the use of assumptions that affect the amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of these Financial Statements and the reported amounts of income and expenditure during the period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

d) Property, Plant and Equipment

Property, Plant and Equipment are recorded at cost and depreciation is computed on the Straight Line basis at rates which are considered sufficient to write off the cost of the assets over their estimated useful lives.

Upon disposal or retirement of assets, the cost and related depreciation are removed from the accounts and the gain or loss, if any, is reflected on the Statement of Income. In accordance with IAS 16 – Property, Plant and Equipment, the property held should be revalued regularly, so that the carrying amount of an asset does not differ materially from its fair value at the Statement of Financial Position date. The property at #24 Borde Street, Port of Spain was revalued in March, 2010.

The depreciation rates are as follows:

Building and Improvements	- 2% on Cost
Office Furniture & Equipment	- 12.5 - 20% on Cost
Computer Hardware and Software	- 33.33% on Cost

e) Investments

The Society has investments in equities and other investments for quick redemption.

These securities are intended to be held for an indefinite period of time but may be sold in response to the needs for liquidity or changes in interest rates, exchange rates or equity prices. After initial recognition, investments are measured at a fair value with unrealized gains or losses reported in the Statement of Income.

For actively traded investments, fair value is determined by reference to the Stock Exchange quoted market prices at the Statement of Financial Position date, adjusted for transaction cost necessary to realize the investment. For investments where there is no quoted market price, the carrying value is deemed to approximate fair value.

f) Financial Instruments

Financial instruments are contracts that give rise to financial asset of one entity and a financial liability or equity instruments of another entity.

Financial assets and financial liabilities are recognized on the Society's Statement of Financial Position when the Society becomes a party to the contractual provisions of the instrument.

NEAL AND MASSY (NORTH) CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

All regular way purchases and sales of financial assets are recognized or derecognized on the trade date, that is, the date on which the Society commits itself to purchase or sell an asset. A regular way purchase and sale of financial assets is a purchase or sale of an asset under a contract whose terms require delivery of the asset within the timeframe established generally by regulation or convention in the marketplace concerned.

Financial assets are derecognized when the contractual rights to receive the cash flows expire or where the risk and rewards of ownership of the assets have been transferred.

g) Impairment of Financial Assets

The Society assesses at each Statement of Financial Position date, whether there is objective evidence that a financial asset or a group of financial assets are impaired. Impairment Losses are incurred only if there is objective evidence of impairment as a result of one or more events that have occurred after the recognition of the asset and that the loss event(s) has an impact on the future of the financial asset or group of financial assets. Observable data used to determine that there is objective evidence of an impairment loss are;

- i. Significant financial difficulty of the borrower.
- ii. A breach of contract, such as delinquency in contractual payments.
- iii. It's becoming probable that the borrower will enter bankruptcy or other financial reorganisation.
- iv. The disappearance of an active market for that financial asset because of financial difficulties.

If there is objective evidence that an impairment loss on loans and other financing has been incurred, the amounts of the loss is measured as the difference between the asset's carrying amount and the estimated future cash flows. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the Statement of Income.

When a loan is uncollectable, it is written off against the related provision for impairment loss. Such loans are written off after all the necessary procedures have been completed and the amounts of the loss have been determined. Subsequent recoveries of amounts previously written off decrease the amount of the provision for impairment loss in the Statement of Income.

Impairment losses are recorded in an allowance account and are measured and recognized as follows:

i.) Financial assets measured at amortized cost

The difference between the assets' carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate is recognized in the Statement of Income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as improvement in the debtor's credit rating), the previously recognized loss is reversed to the extent that the carrying amount of the financial asset does not exceed what the amortized cost would have been had the impairment not been recognized at the date that the impairment is reversed. The amount of the reversal is recognized in the Statement of Income.

ii.) Financial assets measured at cost

The difference between the assets' carrying amount and the present value of the estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the current market's rate of return for similar financial assets is recognized in the Statement of Income. These losses are not reversed.

NEAL AND MASSY (NORTH) CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

iii.) Financial Liabilities

When financial liabilities are recognized initially, they are measured at fair value of the consideration given plus transaction costs directly attributable to the acquisition of the liability. Financial liabilities are re-valued at amortized cost using the effective interest method.

Financial liabilities are derecognized when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability extinguished and the consideration paid is recognized in the Statement of Income.

Cash and Cash Equivalents

Cash and cash equivalents comprise of deposits held on call with Banks and investment units held with Unit Trust Corporation. These are short term liquid instruments, that are readily convertible to known amounts of cash and are so near to maturity, that they present insignificant risk of changes in value due to changing interest rates.

Receivables and Prepayments

Receivables and Prepayments are initially measured at cost. Appropriate allowances for estimated irrecoverable amounts are recognized in the Statement of Income when there is objective evidence that the asset is impaired.

Loans to Members

Loans to members are stated at principal amounts outstanding net of allowances for loan losses. Specific provisions are made for potential losses on non-performing loans on the basis of net realisable value. Periodic portfolio reviews are conducted during the course of each year to determine the adequacy of provisions. Loans are secured by various forms of collateral, including charges over tangible assets certificates of deposit, and assignment of funds held with other financial institutions.

Payables and Accruals

Payables and Accruals are initially measured at cost, and are subsequently measured at amortized cost, using the effective interest rate method.

Members' Deposits

Members' deposits are stated at the principal amounts invested by members together with any capitalised interest.

Members' Shares

Members' shares are classified as a Long term Liability and stated at fair value.

NEAL AND MASSY (NORTH) CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

h) Revenue Recognition

Loan Interest

Interest charged on all loans to members is calculated at 1% per month on the outstanding balance for Ordinary Loans and 7% to 12% per annum amortised for Mortgage Loans, Instruments of Charge and Bridging Loans, these are in accordance with Section 10 of the Loan Policy. Loan interest is accounted for on the cash basis.

Interest on non-performing loans is not accrued or taken into income on an ongoing basis because there is doubt as to the recoverability of the loans. Income from non-performing loans is taken into income on a cash basis, but only after specific provisions for losses have been made.

For non-performing loans, specific provisions are made for the unsecured portion of the loan. The amount of the provision is dependent upon the extent of the delinquency.

Investment Income

Income from investments is accounted for on the accruals basis except for dividends, which are accounted for on a cash basis, consistent with International Accounting Standard (IAS) #18.

i) Dividends payable to Members'

Dividends are computed on the basis of the average value of shares held throughout the year, the average being determined on the basis of the balance of shares held at the end of each month. Dividends that are proposed and declared after the Statement of Financial Position date are not shown as a liability in accordance with IAS #10.

j) Foreign Currency

Monetary assets and liabilities denominated in foreign currencies are expressed in Trinidad & Tobago dollars at rate of exchange ruling at the Statement of Financial Position date. All revenue and expenditure transactions denominated in foreign currencies are translated at the average rate and the resulting profits and losses on exchange from these trading activities are recorded in Statement of Income.

k) Provisions

Provisions are recognised when the Society has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the Statement of Financial Position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

l) Comparative Figures

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

3 FINANCIAL RISK MANAGEMENT

The Society's activities expose itself to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or a combination of risks. Taking risks is core to the financial business, and the operational risks are an inevitable consequence of being in business. The Credit Union's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on the Credit Union's financial performance.

The Credit Union's risk management policies are designed to identify and analyze these risks, to set appropriate risk limits and controls, and to monitor the risk and adherence to limits by means of reliable and Up-to-date information systems. The Credit Union periodically reviews its risk management policies and systems to reflect changes in products and emerging best practice.

Risk Management of Loans is carried out by the Finance Committee under policies approved by the Board of Directors.

The Finance Committee identifies and evaluates financial risks in close co-operation with the Credit Union's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as interest rate and credit risk. In addition, the Supervisory Committee is responsible for the independent review of risk management and the control environment. The most important type of risks are credit risks and other operational risks.

i. Credit Risk

The Credit Union takes on exposure to credit risk, which is the risk that a member(s) will cause a financial loss for the Credit Union by failing to discharge an obligation.

Management of Risk

Credit risk is the most important risk for the credit union's business which principally arises in lending activities that lead to loans and other financing. The credit risk management and control are reported to the Board of Directors regularly. In order to effectively manage credit risk, the following are considered;

- a) Proper judgement of the creditworthiness of the member when analyzing the loan application
- b) Adequate collateral held as security for funds advanced
- c) Maintenance of a strict and aggressive collection policy
- d) Monthly review of the risk ratios for the management of credit risk
- e) Maintenance of a prudent loan provisioning policy
- f) Monitor exposures against limits to any one member
- g) The Credit Committee to be informed of any large exposures to any one borrower or borrower group in default
- h) The information technology system for reporting, monitoring and controlling risks is properly maintained and updated
- i) Regular reporting to the Board of Directors on the performance of the loan portfolio

ii. Interest Rate Risk

The interest rate risk arises from the possibility that changes in market rates will affect future cash flows or the fair values of financial instruments externally and held internally by its members. The

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

credit union is exposed to interest rate risks on annuity, fixed deposits and money market investments that can experience fluctuations on interest rates currently or upon reinvestment after maturity.

Management of Risk

The credit union should mitigate interest risk by setting interest rates on loans and other financing facilities taking into consideration the effects of an increase in funding cost during the short to medium term. Management is expected to monitor interest rate risks on these financial instruments and report on changes in the Statements of Financial Position and Statement of Income.

iii. **Liquidity Risk**

Liquidity Risk is the risk where the Credit Union will be unable to meet its payment obligations when they fall due under normal and stressed circumstances.

Management of Risk

Through experience and monitoring, the Credit Union is able to maintain sufficient liquid resources to meet current obligations. The current asset ratio which compares current asset to current liabilities is 2.34 to 1 (2014: 0.86 to 1). The largest of the current liability is Members' Deposits which has shown a consistent increase over the years suggesting that there is a greater tendency of members to save using this facility. This trend suggests a lesser possibility of any extraordinary call by the overall membership for these savings which can lead to undue stress on the Credit Union's Liquidity.

iv. **Market Risk**

The Credit Union is exposed to market risk, which is the risk that the fair values or future cash flows of invested financial instruments will fluctuate because of changes in market prices. Market risks arise from open positions in interest rates, equity prices, currency exchange rates and other market factors.

Management of Risk

Management is entrusted with the responsibility to monitor this risk, there is a formal system in place to effectively and specifically report on market changes and do sensitivity analysis on investments, considering future impact on cash flows on a systematic basis.

v. **Foreign Currency Exchange Risk**

The credit union is exposed to foreign exchange risk as a result of fluctuations in exchange rates, since it has financial assets that are denominated in the US dollar currency.

Management of Risk

Management is responsible to monitor and report on changes that impacts on these financial assets.

vi. **Operational Risk**

Operational risk is the risk derived from deficiencies relating to the Society's information technology and control systems, as well as the risk of human error and natural disasters. The Society's systems are evaluated, maintained and upgraded continuously. Supervisory controls are installed to minimise human error. Additionally, staff is trained on an on-going basis.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

vii. **Compliance Risk**

Compliance risk is the risk of financial loss including fines and other penalties, which arise from non-compliance with laws and regulations of the state. The risk is limited to a significant extent due to the supervision applied by the Inspector of Financial Institutions at Central Bank of Trinidad & Tobago, as well as by the monitoring controls applied by the Society.

viii. **Reputation Risk**

The risk of loss of reputation arising from the negative public relating to the Society's operations (whether true or false) may result in a reduction of its clientele, reduction in revenue and legal cases against the Society. The Society engages in public social engender trust and minimise this risk.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of Financial Statements in accordance with International Financial Reporting Standards requires management to make judgements, estimates and assumptions in the process of applying the Society's accounting policies. See Note 2 (c).

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events, that are believed to be reasonable under the circumstances. The Society makes estimates and assumptions concerning the future. However, actual results could differ from those estimates as the resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Changes in accounting estimates are recognized in the Statement of Income in the period which the estimate is changed, if the change affects that period only, or in the period of the change and future periods if the change affects both current and future periods.

The critical judgements, apart from those involving estimations, which have the most significant effect on the amounts recognized in the Financial Statements, are as follows:

- i) Whether investments are classified as held-to-maturity investments, available-for-sale or loans and receivables.
- ii) Whether leases are classified as operating leases or finance leases.
- iii) Which depreciation method for plant and equipment is used.

The key assumptions concerning the future and other key sources of estimation uncertainty at the Statement of Financial Statement Position date (requiring management's most difficult, subjective or complex judgement(s) that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

NEAL AND MASSY (NORTH) CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

i) Impairment of Assets

Management assesses at each Statement of Financial Position date whether assets are impaired. An asset is impaired when the carrying value is greater than its recoverable amount and there is objective evidence of impairment. Recoverable amount is the present value of the future cash flows. Provisions are made of the excess of the carrying value over its recoverable amount.

ii) Plant and Equipment

Management exercises judgement in determining whether future economic benefits can be derived from expenditures to be capitalized and in estimating the useful lives and residual values of these assets.

NEAL AND MASSY (NORTH) CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

5 PROPERTY, PLANT AND EQUIPMENTS

(i) Year Ended December 31, 2015 – The sum of \$ 11,647,041 is made up as follows:-

	Land	Building & Site Improvements	Computer Hardware & Software	Office Furniture	Total
Cost					
At Jan. 1, 2015	\$ 8,995,000	\$ 2,557,843	\$ 1,143,424	\$ 486,988	\$13,183,255
Additions	-	-	52,599	80,932	133,531
At Dec. 31, 2015	8,995,000	2,557,843	1,196,023	567,920	13,316,786
Depreciation					
At Jan. 1, 2015	-	140,036	860,427	330,931	1,331,394
Charge	-	51,157	191,987	95,207	338,351
At Dec. 31, 2015	-	191,193	1,052,414	426,138	1,669,745
Net Book Value					
At Dec. 31, 2015	\$ 8,995,000	\$ 2,366,650	\$ 143,609	\$ 141,782	\$11,647,041

(ii) Year Ended December 31, 2014 – The sum of \$ 11,851,861 is made up as follows:-

	Land	Building & Site Improvements	Computer Hardware & Software	Office Furniture	Total
Cost					
At Jan. 1, 2014	\$ 8,995,000	\$ 2,536,175	\$ 959,676	\$ 458,822	\$12,949,673
Additions	-	21,668	209,393	30,463	261,524
Disposal	-	-	(25,645)	(2,297)	(27,942)
At Dec. 31, 2014	8,995,000	2,557,843	1,143,424	486,988	13,183,255
Depreciation					
At Jan. 1, 2014	-	91,879	601,950	268,047	961,876
Charge	-	48,157	273,435	64,436	386,028
Disposal	-	-	(14,958)	(1,552)	(16,510)
At Dec. 31, 2014	-	140,036	860,427	330,931	1,331,394
Net Book Value					
At Dec. 31, 2014	\$ 8,995,000	\$ 2,417,807	\$ 282,997	\$ 156,057	\$11,851,861

NEAL AND MASSY (NORTH) CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

6 MEMBERS' LOANS

Members' loans are stated at principal outstanding, net of a provision for loan losses. The provision for loan losses is based on the Board of Directors' evaluation of the performance of the loan portfolio under current economic conditions and past loan loss experience.

	2015	2014
Loans to Members	\$ 112,167,811	\$ 107,337,496
Less: Provision for loan losses (see below)	(4,385,579)	(4,248,878)
	<u>-----</u>	<u>-----</u>
	\$ 107,782,232	\$ 103,088,618
	<u>=====</u>	<u>=====</u>
<u>Provision for loan losses:</u>		
Balance, beginning of the year	4,248,878	3,999,099
Charge for the year	136,701	249,779
	<u>-----</u>	<u>-----</u>
Balance, end of year	\$ 4,385,579	\$ 4,248,878
	<u>=====</u>	<u>=====</u>

NEAL AND MASSY (NORTH) CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

7 (a) LONG TERM INVESTMENTS

The sum of \$71,479,972 is made up as follows:-

	2015	2014
Scotiabank (T&T) Limited - Shares	\$ 525,994	\$ 522,428
Republic Bank Limited - Caribbean Equity Fund	2,110	1,997
Guardian Holdings Limited - Private Wealth Management	2,759,391	69,574
West Indian Tobacco Company Limited	2,500,542	2,402,334
Guardian Asset Management - Fixed Rate Commercial Paper	-	5,988,631
Guardian Asset Management - (TT) Monthly Income Fund	1,060,079	455,404
Guardian Asset Management	14	13
SavInvest IAH Fund	270,267	280,896
Guardian Holdings Limited	1,958,973	1,321,767
Neal and Massy Holdings Limited	3,232,577	3,590,292
ANSA Secured Fund	-	6,000,000
First Citizens' Bank Limited - Shares	1,750,000	1,853,000
First Line Security	4,813,456	15,000,000
GOTT (NIPDEC Bonds)	6,248,584	6,264,716
Petrotrin 2019 Bond Investment	3,363,377	3,328,848
Guardian Holdings Limited - Bond	7,375,216	12,527,525
Trinidad Cement Limited	1,713,705	1,073,750
CLICO Investment Fund	2,075,119	2,103,396
Massy Holdings - Series A Bond	670,000	670,000
Unit Trust Corporation - Growth Fund	552	538
Roytrin (TTD) Income and Growth Fund	970	986
Bourse SavInvest – Structured Fund	23,610,466	16,865,020
ANSA Finance Limited	580,426	587,726
Massy Finance (G.F.C) Limited	5,000,000	-
Trinidad and Tobago NGL Limited	1,968,154	-
	<u>\$ 71,479,972</u>	<u>\$ 80,908,841</u>

(b) SHORT-TERM INVESTMENTS

The sum of \$14,747,064 is made up as follows:-

Financial Institution	2015	2014
Unit Trust Corporation- US Income Fund	\$ 31,669	\$ 30,522
Unit Trust Corporation- TT Income Fund	323,654	320,721
Unit Trust Corporation-Money Market Fund	1,165,685	1,155,101
RBC Royal Bank- Roytrin	2,563	2,642
Guardian Asset Management – Fixed Rate Commercial Paper	3,257,490	-
Guardian Holding Limited – 3.92% Pro Note	4,966,003	-
First Line Security	5,000,000	-
	<u>\$ 14,747,064</u>	<u>\$ 1,508,986</u>

NEAL AND MASSY (NORTH) CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

8 CASH AT BANK AND IN HAND

The sum of \$4,113,267 is made up as follows:-

	2015	2014
Cash in Hand	\$ 26,634	\$ 23,387
RBC Royal Bank (T&T) Limited – Current Account	3,624,965	3,544,942
– Dividends Account	(130,343)	(61,217)
-- Linx Account	230,720	59,727
– US Account	361,291	167,175
	<u>\$ 4,113,267</u>	<u>\$ 3,734,014</u>

9 RECEIVABLES AND PREPAYMENTS

The sum of \$1,514,851 is made up as follows:-

	2015	2014
Accounts Receivable	\$ 309,510	\$ 176,512
Payroll Deductions Receivable	559,110	663,393
Sundry Debtors	576,309	788,150
Prepayments	69,922	23,301
	<u>\$ 1,514,851</u>	<u>\$ 1,651,356</u>

10 MEMBERS' SHARE BALANCES

The sum of \$179,378,609 is made up of:-

	2015	2014
Ordinary Shares @ \$5.00 each	\$ <u>179,378,609</u>	\$ <u>164,158,920</u>

According to the By-Laws of Neal and Massy (North) Credit Union Co-operative Society Limited, the capital of the society may be composed of an unlimited number of shares of \$5.00 each.

NEAL AND MASSY (NORTH) CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

11 PAYABLES AND ACCRUALS

The sum of \$632,169 is made up as follows:-

	2015	2014
RBC Royal Bank Credit Card	\$ 59,470	\$ 27,109
Accounts Payable	76,797	29,773
Sundry Creditors	134,432	251,996
Accrued Charges	96,341	95,649
Accrual for Audit Fees	50,625	151,676
Insurance Claims	(145,441)	(129,842)
Other Payables	321	577
CUNA FIP &PP Plan	(156,169)	(156,169)
Other Liabilities	515,793	363,309
	-----	-----
	\$ 632,169	\$ 634,078
	=====	=====

12 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial decisions.

Key Management Personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Society.

A number of transactions are entered into with related parties in the normal course of business. These transactions were carried out on commercial terms at market rates.

Assets, Liabilities and Members' Equity

	2015	2014
Loans due from Directors, Committee Members and Key Management Personnel	\$ 1,156,134	\$ 1,136,873
	=====	=====
Shareholding and Deposits due to Directors, Committee Members and Key Management Personnel	\$ 2,589,775	\$ 1,977,529
	=====	=====

NEAL AND MASSY (NORTH) CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

13 FAIR VALUES

Fair Values is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. The existence of published price quotation in an active market is the best evidence of fair value. Where market prices are not available, fair values are estimated using various valuation techniques, including using recent arm's length market transactions between knowledgeable, willing parties, if available, current fair value of another financial instrument that is substantially the same and discounted cash flow analysis.

The following methods have been used to estimate the fair values of various classes of financial assets and liabilities:

a) Current Assets and Liabilities

The carrying amounts of current assets and liabilities are a reasonable approximation of the fair values because of their short-term nature.

b) Members' Loans

Loans are net of specific provisions for losses. These assets result from transactions conducted under typical market conditions and their values are not adversely affected by unusual terms. The inherent rates of interest in the portfolio approximate market conditions and yield discounted cash flow values which are substantially in accordance with Financial Statement amounts.

c) Investments

The fair values of investments are determined on the basis of market prices available at December 31, 2015.

14 CAPITAL RISK MANAGEMENT

The Society manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to members, whilst providing value to its members by offering loan and savings facilities. The Society's overall strategy remains unchanged from previous years.

The capital structure of the Society consists of equity attributable to members, which comprises stated capital, reserves and undivided surplus.

15 INVESTMENT INCOME

The sum of \$2,377,981 is made up as follows:-

	2015	2014
Interest on Investments	\$ 2,377,828	\$ 3,320,429
Interest on Savings Accounts	153	113
	-----	-----
	\$ 2,377,981	\$ 3,320,542
	=====	=====

NEAL AND MASSY (NORTH) CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

16 OTHER INCOME

The sum of \$235,869 is made up as follows:-

	2015	2014
Loan Applications	\$ 39,380	\$ 39,455
Commissions	167,049	143,902
Miscellaneous	29,440	20,474
Gain on Disposal of Property, Plant and Equipment	-	9,466
	<u>-----</u>	<u>-----</u>
	<u><u>\$ 235,869</u></u>	<u><u>\$ 213,297</u></u>

17 PERSONNEL COSTS

The sum of \$2,643,791 is made up as follows:-

	2015	2014
Salaries and Wages	\$ 2,122,791	\$ 2,070,687
National Insurance, Health Plan and Other Benefits	338,507	316,425
Retirement - Income Security Plan	134,570	105,950
Training and Development	47,923	54,795
	<u>-----</u>	<u>-----</u>
	<u><u>\$ 2,643,791</u></u>	<u><u>\$ 2,547,857</u></u>

18 ADMINISTRATIVE EXPENSES

The sum of \$1,329,682 is made up as follows:-

	2015	2014
Legal and Professional Fees	\$ 245,997	\$ 288,277
Audit Fees	(49,300)	51,750
Printing and Stationery	142,782	170,910
Office Maintenance	56,204	53,488
Information Technology	132,779	37,110
Utilities	174,677	214,694
Janitorial Services	67,976	69,914
Rates and Taxes	2,063	3,155
Bad Debts	136,755	262,200
Donations	33,350	59,825
Depreciation	338,351	386,028
Traveling and Courier	37,849	44,341
Other	10,199	7,288
	<u>-----</u>	<u>-----</u>
	<u><u>\$ 1,329,682</u></u>	<u><u>\$ 1,648,980</u></u>

NEAL AND MASSY (NORTH) CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

19 ESTABLISHMENT EXPENSES

The sum of \$1,294,361 is made up as follows:-

	2015	2014
Annual General Meeting	\$ 279,425	\$ 201,591
Marketing / Advertising Promotions	708,156	79,017
Education	-	378,795
Credit Union League Dues	49,594	49,594
Member Relations	69,237	48,141
Security	147,026	128,939
Strategic Planning	636	37,539
Co-operative Activities	40,287	32,526
	<u>-----</u>	<u>-----</u>
	\$ 1,294,361	\$ 923,616
	<u>=====</u>	<u>=====</u>

20 OFFICERS' EXPENSE

The sum of \$532,927 is made up as follows:-

	2015	2014
Honoraria	\$ 154,123	\$ 157,200
Meetings and Conferences	378,804	194,306
	<u>-----</u>	<u>-----</u>
	\$ 532,927	\$ 210,026
	<u>=====</u>	<u>=====</u>

21 EDUCATION FUND

	2015	2014
Opening Balance	\$ 473,039	\$ -
Less: Education Expenses	(391,768)	-
Transfer from Statement of Income	385,258	473,039
	<u>-----</u>	<u>-----</u>
Closing Balance	\$ 466,529	\$ 473,039
	<u>=====</u>	<u>=====</u>

The Education Fund is set up in accordance with Bye-Law 19 (a), approved by the Commissioner for Co-operative Development, which requires the Credit Union to set aside at least one percent of the remaining net surplus, after reserve fund, to the education fund. The amount proposed by the Board is five percent of the net surplus.

NEAL AND MASSY (NORTH) CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

22 RESERVE FUND

	2015	2014
Opening Balance	\$ 15,583,736	\$ 14,630,441
Transfer from Statement of Income	770,517	946,078
Entrance Fees	8,775	7,217
	<u>-----</u>	<u>-----</u>
Closing Balance	\$ 16,363,028	\$ 15,583,736
	<u>=====</u>	<u>=====</u>

The Reserve Fund is set up in accordance with Bye-Law 19 which requires the Credit Union to set aside at least ten percent of the net surplus to the reserve fund

23 RESTATEMENT AND RECLASSIFICATION

Re-classification to prior year's figures has been made to match and to represent balances in conformity with the current year's reporting.

- 
- *credit committee*
 - *supervisory committee*
 - *education committee*
 - *nominating committee*

reports

report of the credit committee

INTRODUCTION

The Credit Committee is pleased to present our report for the financial year ended December 31st 2015 to you our valued members.

COMPOSITION OF THE COMMITTEE

At the 62nd Annual General Meeting of the Society held on April 18th 2015 the following members were elected to the Credit Committee to serve for the 2015/2016 term.

Mr. Sherland Emmons

Mr. Keston James

Ms. Natasha Charles

Mrs. Denise Alexander

Mrs. Lynette Telesford

Ms. Jizelle Glasgow (1st Alternate)

Ms. June White (2nd Alternate)

At the inaugural meeting of the Society held on April 23rd 2015 the Chairman and Secretary were elected as follows:

Mr Sherland Emmons – Chairman

Mr Keston James – Secretary

MEETINGS

The committee fulfilled our obligations by maintaining our weekly scheduled meetings to consider loan applications and to review and ratify loan applications approved by key personnel who have been delegated such authority by the Board. Where applicable interviews and site visits were conducted to assist in making more informed decisions in our efforts to facilitate the varying needs of members. A total of 46 meetings were held as detailed hereunder:

OFFICERS ATTENDANCE AT COMMITTEE MEETINGS

NAME	MEETING	PRESENT	EXCUSED	ABSENT
Sherland Emmons	46	45	1	0
Keston James	46	44	2	0
Natasha Charles	46	46	0	0
Lynette Telesford	46	42	4	0
Denise Alexander	46	40	6	0

LOAN PORTFOLIO PERFORMANCE

Fewer loans were demanded by members during 2015 as a consequence of tight economic conditions and the increasingly fierce competition in the financial services sector. As recorded in Table 1 a total of 2,032 loans valued \$42.6m were granted for the period ended December 31st 2015 as compared to 2,251 loans valued \$42.3 as at December 31st 2014. This reflects a marginal increase of \$290,474.00 in the value of loans granted and a decrease of 119 in the number of loans granted.

Vehicle loans, housing and debt consolidation accounted for more than 50% of the total loans granted.

Efforts to grow the loan portfolio included loan promotions such as the thirty thousand loan special which attracted new borrowers and accounted for \$ 2.5m of the total loans granted. The PAL Special promoted during Credit Union Month recorded loans valued \$994,749. The Committee supported all initiatives to attract new loans and worked diligently to assist members while minimizing the exposure to potential risks.

With the improvements to the revised loan policy the frequency of referring loans to the Board for policy waivers has reduced substantially all to the benefit of members as decisions have been more timely.

The Committee also benefitted from training opportunities during the period of review and interacted with the Board and other elected Officers on the affairs of the Credit Union.

report of the credit committee

(CONTINUED)

The accompanying table provides a visual of the 2015 loan portfolio.

LOAN PORTFOLIO 2014 
2015 

CATEGORIES	NO.	DOLLARS (\$)
UTILITIES	1	4,000.00
	0	0
INVESTMENT	50	1,503,350.00
	56	1,764,703.00
MEDICAL EXPENSES	105	963,819.00
	125	1,306,875.00
EDUCATION	247	2,141,895.00
	221	2,466,891.00
HOUSEHOLD	260	2,067,556.00
	272	2,177,373.00
LEGAL	16	161,800.00
	17	197,070.00
PERSONAL	13	66,300.00
	19	75,452.00
VACATION	200	1,907,030.00
	180	1,924,967.00
CONSOLIDATION OF DEBTS	159	3,274,495.00
	141	3,223,971.00
MOTOR VEHICLE /REPAIRS ETC	320	4,669,736.00
	274	4,221,345.00
VEHICLE SALES I.O.C.	129	12,701,905.00
	97	9,335,416.00
CEREMONIAL	126	1,238,658.00
	67	780,941.00
SMALL BUSINESS	1	10,000.00
	3	96,000.00
HOME FURNISHINGS	40	555,327.00
	27	616,703.00
CHRISTMAS SHOPPING	292	2,766,775.00
	196	1,408,958.00
HOUSINGS	290	7,769,964.00
	297	9,335,174.00
MORTGAGES	2	520,103.00
	40	3,681,348.00

2014 TOTALS 2251 \$42,322,713.00
2015 TOTALS 2032 \$42,613,187.00

report of the credit committee

(CONTINUED)

CONCLUSION

The Credit Committee is appreciative of the cooperation and support received from all Elected Officers, the Staff, Liaison Officers and the Board of Directors during the period of review. We record our profound thanks to the membership for the privilege to have served you in this capacity and pray for continued blessings on our Credit Union.



KESTON JAMES
Secretary



CREDIT COMMITTEE

- 1 - Keston James, Secretary
- 2 - Lynette Telesford
- 3 - Sherland Emmons, Chairman
- 4 - Natasha Charles (not pictured)
- 5 - Denise Alexander (not pictured)

report of the supervisory committee

INTRODUCTION

The Supervisory Committee wishes to thank the membership for granting us the opportunity to serve over the past year. As a team we were committed to our responsibilities by continually working towards fulfilling our mandate and operations in a professional and respectable manner.

A brief review of the period 2015-2016 is as follows:

Committee composition:

Godfrey Peters - Chairperson

Juliet Forde-Davis - Secretary

Shawn Alexander - Officer

The Committee is pleased to report that Neal & Massy (North) Credit Union co-operative society performs its functions and operations in line with the bye-laws of the Credit Union. It maintains proper accounting records, internal controls and procedures. Based on our reviews and audits, we are pleased to announce that members' assets are secure.

CHARTER OF THE COMMITTEE

The mandate of the Supervisory Committee is –

To perform the annual audit, members' account verification and periodic internal audits of operational areas throughout the year.

To ensure that the decisions and duties of the Board, other Committees and staff members are carried out effectively and efficiently and in accordance with the bye-laws of the Credit Union and the co-operative society's act and regulations.

MEETING AND AUDITS

During the period under examination the Supervisory Committee met on seventeen occasions to review and organize its activities:

NAME	PRESENT	EXCUSED	ABSENT
Godfrey Peters	17	0	0
Juliet Forde-Davis	14	3	0
Shawn Alexander	14	3	0

In addition to our formal meetings, the members of the Supervisory Committee visited the Credit Union's office on different occasions to perform various onsite audit exercises. Meetings were also held with various chairmen of the sub-Committees from the Board of the Credit Union, the Credit Union's Manager, Accountant, Treasurer and other staff members to review and follow-up on audit findings.

SCOPE OF WORKS

Professional Development

The Committee attended the following development programs which assisted in the discharge of our obligations:

- How to conduct the audit and roles and responsibilities of Board & Committees
- Briefing of Committee members
- Money Management seminar part 1 & 2
- FIU – money laundering/terrorist financing
- Board & Committee meeting and conducting effective meetings

Corporate Governance

Members of the Supervisory Committee attended meetings of the Board of Directors and the Credit Committee to observe proceedings and to ensure that sessions were conducted in accordance with the Credit Union's bye-laws and loan policy.

The Supervisory Committee is pleased to announce that the functions of both the Board of Directors and Credit Committee are being executed in a professional and effective manner.

At times, it was observed that the general bye-laws of the Credit Union were upheld. It was also notably observed, that meetings were well managed and discussions were conducted in a constructive manner.

report of the supervisory committee

(CONTINUED)

Financial Review

In accordance with the bye-laws, the monthly financial statements were reviewed and attested to by the Supervisory Committee. All comments and recommendations made by the external auditors on the management letter were reviewed and follow up sessions held with the Credit Union's Manager and Accountant. The Supervisory Committee is elated to announce that significant improvements were achieved in closing off items raised.

Cash Verification

Impromptu checks were conducted to verify tellers' cash along with petty cash. The Credit Union's Manager and Accountant ensured us that discussions are continually being held to ensure tight controls are maintained at all times in this area of operations.

Inspection of Members Accounts and Member Files

A sample review was conducted on members' files with the aim of ensuring the hardcopy files were consistent. Generally this was consistent with stipulated polices and guidelines. Board members, Credit Committee and Supervisory Committee files were examined to ensure compliance with the Credit Union's bye-laws. Where concerns arose, we consulted the Credit Union's Manager for clarification. In the end, they were more or less consistent with the bye-laws.

Loans and Delinquency

The loan approval process was in line with the Credit Union's polices and guidance. Recommendations made on the presentation and content of the delinquency report are currently being addressed by the Credit Union's Manager.

The Supervisory Committee met with the Accountant and the recoveries officers to get a better understanding of the arrears management report. We were able to understand how the figures and dates are presented and have gained a better appreciation for the report.

Observations that we noted are as follows:

- The emmortelle system
 - Credit Union should review with the service provider areas of improvement or upgrades to the current software
- Lack of field visits due to limited officers
- The timeframe to settle instances of delinquency being referred to the cooperative division for arbitration

Compliance Audit

Members of the Supervisory Committee met the Credit Union's Compliance Officer on numerous occasions to:

- Understand the roles and responsibilities
- Review the required documents and storage of same
- Conduct an audit into the records for period January to November 2015

After attending those meetings, the Supervisory Committee is pleased to announce that from our observations the Credit Union is conducting business/transaction in accordance with the FIU guidelines.

RECOMMENDATIONS

It is the opinion of the Supervisory Committee that moving forward; the Credit Union should look into additional personal and professional development programs for the Board of Directors, Committee members and the general membership. This we believe will encourage more members volunteering to serve on the various Committees, having gain the required skill sets to be more effective in conducting their roles within the Credit Union.

Recommendations were made to increase the cashiers' daily float and for a suitable mechanism to assist in detecting counterfeit currency.

Finally, that the Credit Union work more aggressively on a marketing strategy to promote more loan sales, especially in the areas of mortgages, seeing that based on our findings, this area was low as compared to other areas.

report of the supervisory committee

(CONTINUED)

CONCLUSION

As members' representatives, we sincerely appreciate the support extended to us by the management and staff of Neal & Massy (North) Credit Union Co-operative Society.

We wish to record our warmest and sincere thanks to the Neal & Massy (North) Credit Union Co-operative Society for all courtesies extended to us, and for their commitment and dedication throughout the years.

Our sincerest appreciation to the general membership for giving us the privilege to serve on this important Committee and to encourage other members with the requisite skills and good standing to offer themselves for election with the aim of ensuring professional and effective management of our collective investments.

Respectfully,



GODFREY PETERS
Chairman



JULIET FORDE-DAVIS
Secretary



SUPERVISORY COMMITTEE

- 1 - Godfrey Peters, Chairman
- 2 - Juliet Forde-Lewis, Secretary
(not pictured)
- 3 - Shawn Alexander, Member



report of the education committee

INTRODUCTION

Consistent with the Credit Union's Bye-Laws, the Education Committee is responsible for facilitating the development and continuous education of members, and growth and improvement of their skillsets towards their own economic independence. Steadfast in our commitment to achieve these objectives the committee maintained focus on member development striving to maintain/enhance our annual developmental initiatives. Our report will highlight those executed for the period of review as well as our objectives for the 2016/2017 term.

The committee was chaired by the Vice President Mr. Larry Olton and the role of Secretary was fulfilled by Mrs. Risa Raghunanan-Mohammed. Our 2015 events were successfully executed with the assistance of our Member Relations/ Marketing Assistant, Ms Kevaune Seedarnee supported by other staff members.

VOLUNTEER DEVELOPMENT

In the context of the cooperative construct, the EC recognizes the importance of developing those persons who successfully offer themselves to serve the membership, to improve the effectiveness with which our volunteers and officers are able to perform their duties. As such, in addition to ensuring the internal orientation of elected officers, the Statutory Committees were exposed to training relevant to their roles and function. In this regard, the Supervisory Committee participated in the Cooperative Credit Union League's (CCULTT) Internal Audit programme and Credit Committee members participated in the workshop on Credit Evaluation Techniques.

In respect of training for all elected Officers in process and meetings protocol, a workshop addressing the "Conduct of Effective Meetings" was facilitated by Mr. Jerome Chambers of Going Global. Additionally, the annual mandatory AML/ CFT training was facilitated by the CCULTT.

In order to strengthen communication and foster strategic development, Joint meetings of all elected Officers were also held during the period of review. This also served to deepen the Team's appreciation of our collective responsibility for achieving same.

MEMBER DEVELOPMENT

Money Management Seminars

In order to improve the financial literacy of our members, for yet another year, members were able to avail themselves, at no personal cost, of Money Management seminars which were highly valued by participating members.

Twenty three members made the deliberate choice to dedicate 5 Saturday mornings over a 6 month period to benefit from topics such as Estate Planning; Retirement Planning & Goal setting and Investments.

Small Business Programme

In keeping with our mandate to foster financial independence and economic wellbeing, four members attended the Small Business Programme hosted annually by the CCULTT. The members who attended were either owners of a small business or were in the process of establishing one.

The EC continues to work on attracting members who require this kind of training and support.

YOUTH INITIATIVES

The all-round development of our youth members continues to be a key focus of the EC. Our youth members embraced the opportunity to attend the following camps during the July/ August vacation period:

- ***Manners Maketh Me***
- ***Designed for Greatness***
- ***From Classroom to Boardroom***

These camps are hosted annually by Catherine Gordon Finishing School and our Credit Union has been sponsoring the attendance of interested young members, with excellent results out of the program.

report of the education committee

(CONTINUED)



EDUCATION AWARD RECIPIENTS

EDUCATION AWARDS

Thirty four (34) of our youth members were proud recipients of awards at our Annual Education Awards function held on Thursday 22 October, 2015 at Massy Training room. The talent of our youth members was evident as the programme included participation from among the recipients and contributed to an overall enjoyable event by all in attendance.

The Awardees were comprised as follows:

- **Secondary Entrance Assessment Exam (SEA)**
– 21 recipients
- **Advanced Level Certification** – 6 recipients
- **Tertiary level education** – 7 recipients

We record our congratulations and best wishes once again to all awardees as they proceed to the next steps in pursuit of academic excellence.

In the context of prevailing levels of inflation and in order to ensure that the grants provided keeps pace with cost, a review of our Education Awards was undertaken and members can expect a level of improvement in the opportunities offered. An update will be announced in due course.

COIN DAY

Our Coin Day initiative forms part of Credit Union Month observances and specifically targets our young members who look forward to the eventful day to deposit their savings into their account. Winners are determined on the highest value of coins deposited on Coin day from age groups 1 to 13 and 14 to 25 years.

The prizes in both groups are as follows:

- 1st prize - \$250.00**
- 2nd prize - \$200.00**
- 3rd prize - \$150.00**

report of the education committee

(CONTINUED)

CREDIT UNION MONTH ACTIVITIES

International Credit Union Month observances during the month of October provide an excellent opportunity to promote the credit union ethos and principles and the difference credit unions continue to make in the lives of members around the world. In recognition of this annual international celebration, our Credit Union maintained our support for the CCULTT's annual program of activities.

Commencing with the official opening of Credit Union Week, NMNCU demonstrated significant support as a contingent of members journeyed to Gilbert Park, Couva, for the Opening Ceremony and a family fun filled day. It was immensely enjoyed by all.

We were also in attendance at the CCULTT's signature Awards Ceremony and Dinner and walked away once again with the prestigious Award of:

Best Performing Credit Union – HR Development (Large Size Credit Union)

The Education Committee is indeed proud to be associated with the Credit Union's now established track record of attaining this Award and record our heartfelt appreciation to all members for your valued loyalty and support to this end.

NATIONAL CREDIT UNION FAIR

The Credit Union League in collaboration with COPOS Credit Union hosted a National Reality Fair. In keeping with our focus and commitment to youth development, Neal & Massy (North) Credit Union was a proud sponsor of the Fair and participated at the event.

The Financial Reality Fair targeted secondary schools in the East and was held at the Centre of Excellence on October 11, 2015 during Credit Union Week.

Participating students are given the opportunity to simulate the experience of facing and addressing some of the financial challenges typical of life as independent adults. Financial Counselors are integral to the Fair and students benefit from their guidance and experience as they prepare for their future. Several schools participated throughout the day contributing to a very successful event.

Our Credit Union is more than pleased to have contributed to this noteworthy venture by co-operating with other Credit Unions and by extension, demonstrating our "concern for community".

NEWSLETTER

Our newsletter was published and circulated in July, 2015. A June 2016 Issue is anticipated for circulation.

LOOKING AHEAD

As we go forward, the committee has proposed the following initiatives, which will be executed during the course of 2016:

Youth and Volunteers Education

The North American based Centre for Credit Union Board Excellence (CCUBE), a program under the Credit Union Executives Society (CUES), provides an excellent source of training and development online for Directors and other voluntary officers which the committee will commence in the third quarter of 2016.

In relation to youth development, the committee will initiate a fun program from North American based "Biz Kid\$" entitled "Teaching Kids How to Make and Manage Money". This is an online program accessible at bizkids.com, using "ed-u-tainment", for use by our youth members. The training is facilitated via toolkits, business plans, games, DVD box sets and starter kits, social media and website.

report of the education committee

(CONTINUED)



2015 EDUCATION AWARDS RECIPIENTS



**MEMBERS OF STAFF AT
OUR EDUCATION AWARDS**

Liaison Officers

In June of 2016, the committee will host a training and development workshop for all Liaison Officers of the Credit Union, to update them on the latest information as it relates to the provisions of the anti-money laundering and anti-terrorist financing legislations, and the Credit Union's processes and procedures for compliance in this regard. At this workshop, we will also address the changing role of the Liaison Officer, and how they can continue to add value to our membership, in today's changed environment.

CONCLUSION

The committee conveys our appreciation to all members for your unwavering support and acknowledges the contribution of our Elected Officers, Liaison Officers and staff in all that we do with many thanks

A handwritten signature in black ink, appearing to read "Larry Olton".

LARRY OLTON

Chairman

Education Committee

report of the nominating committee

The Nominating Committee for the 2016 Annual General Meeting humbly submits this account of its in furtherance of the important mandate under Bye-law 33 (a) of the society. The committee is mindful of its critical role in ensuring that members nominated meet the basic knowledge and skills required for eligibility to serve on the Board of Directors and other Statutory Committees. More than this, candidates should possess a passion for volunteerism and the attitude and personal characteristics so necessary to function efficiently in the environment unique to credit unions.

The members of the Nominating Committee were as follows:

- **Mr. Christopher Auguste (Chairman)**
- **Mrs. Jennylyn Bailey**
- **Ms. Gemma Davis**
- **Mrs. Yvette Smart-Paul**

The following nominations were received:

- 6 Nominees for the Board
- 6 Nominees for the Credit Committee
- 3 Nominees for the Supervisory Committee

All nomination forms received were reviewed by the Supervisory Committee. Nominees were screened by the Credit Union under the fit and proper criteria as identified by the Central Bank. These include honesty, integrity, diligence, capability, soundness of judgment. Their financial status was checked for irregularity or delinquency, including TransUnion reports.

We are pleased to report that all nominees listed are in full compliance and in good standing. The Committee conducted face to face interviews with all first time nominees who are seeking to serve, and those seeking to serve a committee for the first time.

At these interviews, nominees were made aware of the nature of functions and responsibilities under the area they seek to serve. They were tested for commitment, attitude and availability given the investment in time required. They were given an opportunity to seek clarity on any concerns or gaps in

their understanding of the roles and responsibilities regarding the area they seek to serve. They were advised of the skill, competencies and experience necessary to serve effectively and were counselled on the need for confidentiality in respect of the business of the Credit Union and its members.

The NC is hereby pleased to recommend the following nominees for consideration by the membership at the Annual General Meeting 2016:

Nominees for the Board of Directors:

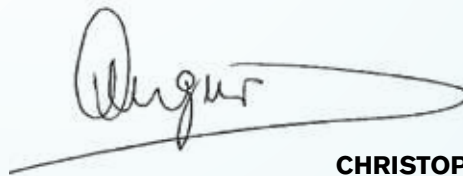
- 1. Mrs. Lynne Conyette-Gairy**
- 2. Mrs. Elicia Douglas-Cruickshank**
- 3. Mr. Sherland Emmons**
- 4. Mr. Edward King**
- 5. Mr. Richard Thomas**
- 6. Mr Reynold York**

Nominees for the Credit Committee

- 1. Mrs. Denise Alexander**
- 2. Ms. Natasha Charles**
- 3. Mr. Keston James**
- 4. Ms. Jaya Samaroo**
- 5. Ms. Lynette Telesford**
- 6. Mr. Aaron Wilson**

Nominees for the Supervisory Committee

- 1. Mr. Shawn Alexander**
- 2. Mr. Devon Gayah**
- 3. Ms. Jizelle Glasgow**



CHRISTOPHER AUGUSTE
Chairman
Nominations Committee

2016 board of directors nominees

LYNNE CONYETTE-GAIRY

Occupation: Events Coordinator

Educational Background: Tertiary Education

C.U. & Other Activities (Cultural, Social, Sporting, Etc.):
Carib DE/ Director, Carnival Judge

Nominated by: Reynold York, Massy Technologies

Seconded by: Raymond Lewis, Massy Technologies

EDWARD KING

Occupation: Pensioner

Educational Background: Post Primary,
Cipriani College of Labour

C.U. & Other Activities (Cultural, Social, Sporting, Etc.):
Director at NMNCU, Served on Credit Committee and Supervisory Committee; Vice President NWRC, President NWRC

Nominated by: Sean Byer, Risk Management Services Limited

Seconded by: Reynold York, Massy Technologies

ELICIA DOUGLAS-CRUICKSHANK

Company/Location: Transport & Industrial Workers Union

Occupation: Labour Relations Officer

Educational Background: Cipriani College of Labour,
Academy of Tertiary Studies, Training With ILO, Carib DE

C.U. & Other Activities (Cultural, Social, Sporting, Etc.):
Served on Credit Committee NMNCU, Dance(IDTA) Social & Cultural Committee, Gabilan Street & Environs Social & Cultural Club

Nominated by: Sherland B Emmons,
Southern Supplies Limited

Seconded by: Keston James, Aegis Business Solutions

RICHARD THOMAS

Occupation: Retired

Educational Background: Tertiary Level, CaribDE., Dynamics Motivational Management

C.U. & Other Activities (Cultural, Social, Sporting, Etc.):
Director, Chairman of Membership Committee, Board Member of POS Central Rotary Club

Nominated by: Sean Byer, Risk Management Services Limited

Seconded by: Natasha Charles, Ferreira Optical

SHERLAND B EMMONS

Occupation: Entrepreneur

Educational Background: Tertiary Level

C.U. & Other Activities (Cultural, Social, Sporting, Etc.):
Chairman Credit Committee NMNCU, Valencia Catholic Church Leader

Nominated by: Keston James, Aegis Business Solution Limited

Seconded by: Sean Byer, Risk Management Services Limited

REYNOLD YORK

Company/Location: Massy Technologies - Infocom - Woodbrook

Occupation: Credit Manager

Educational Background: Certified Financial Planner. Carib DE, Liaison Officer, Credit Committee Director 11 years,

C.U. & Other Activities (Cultural, Social, Sporting, Etc.):
Member of T&T Cadet Force

Nominated by: Nizamudin Mohammed, Massy Technologies
Infocom - Woodbrook

Seconded by: Raymond Lewis, Massy Technologies
Infocom - Curepe

2016 credit committee nominees

KESTON JAMES

Company/Location: Aegis Business Solutions Limited

Occupation: Payroll Administrator 2

Educational Background: Spanish For Business

C.U. & Other Activities (Cultural, Social, Sporting, Etc.):
Credit Committee Officer

Nominated by: Sherland B Emmons, Southern Supplies Limited

Seconded by: Lynette Telesford, Massy Technologies Infocom - Curepe

DENISE ALEXANDER

Company/Location: Retiree

Educational Background: Secondary

C.U. & Other Activities (Cultural, Social, Sporting, Etc.):
Former Director, Liaison Officer, Credit Committee

Nominated by: Lynette Telesford, Massy Technologies Infocom - Curepe

Seconded by: Sherland B Emmons, Southern Supplies Limited

AARON WILSON

Company/Location: Massy Machinery Limited

Occupation: Warehouse Clerk II

Educational Background: Associates Degree in Business Management

C.U. & Other Activities (Cultural, Social, Sporting, Etc.):
Pursuing Bachelor's Degree in Business Administration (Finance), YMCA member, Recreational Basketball.

Nominated by: James Alexander, Massy Machinery Limited

Seconded by: Phillip Ash, Massy Machinery Limited

LYNETTE TELESFORD

Company/Location: Massy Technologies Infocom - Curepe

Occupation: Technical Services Representative

Educational Background: Secondary, Tertiary

C.U. & Other Activities (Cultural, Social, Sporting, Etc.):
Supervisory, Credit Committee

Nominated by: Denise Alexander, Retiree

Seconded by: Natasha Charles, Ferreira Optical Limited

NATASHA CHARLES

Company/Location: Ferreira Optical Limited

Occupation: Customer Service Representative I

Educational Background: Secondary, Tertiary

C.U. & Other Activities (Cultural, Social, Sporting, Etc.):
Credit Committee

Nominated by: Lynette Telesford, Massy Technologies Infocom - Curepe

Seconded by: Sherland Emmons, Southern Supplies Limited

JAYA SAMAROO

Company/Location: Massy Technologies Infocom - Curepe

Occupation: HSE Technician

Educational Background: HSE, IT, Project Management, HRM, Microsoft Certified, Real Estate Management

C.U. & Other Activities (Cultural, Social, Sporting, Etc.):
Fire Warden, Cricket, Water Sports, Backhoe Operator etc.

Nominated by: Natasha Blackman, Massy Technologies Infocom - POS

Seconded by: Kernisha Harris, Massy Technologies Infocom - Curepe

2016 supervisory committee nominees

SHAWN ALEXANDER

Company/Location: Ferreira Optical Limited

Occupation: Customer Service Representative

Educational Background: econdary

C.U. & Other Activities (Cultural, Social, Sporting, Etc.):

Credit Committee, Supervisory Committee, Hockey

Nominated by: Natasha Charles, Ferreira Optical Limited

Seconded by: Nizamudin Mohammed, Massy Technologies Infocom - POS

JIZELLE GLASGOW

Company/Location: Risk Management Services Limited

Occupation: Claims Administrator

Educational Background: Tertiary - Marketing

C.U. & Other Activities (Cultural, Social, Sporting, Etc.):

Credit Committee, Supervisory Committee

Nominated by: Sean Byer, Risk Management Services Limited

Seconded by: Shawn Alexander, Ferreira Optical Limited

DEVON GAYAH

Company/Location: Massy Gas Products Trinidad Limited

Occupation: Assistant Accountant

Educational Background: Secondary, ACCA level 1

C.U. & Other Activities (Cultural, Social, Sporting, Etc.):

Guitarist, Weight Training

Nominated by: Jeetesh Ramlal, Massy Gas Products Trinidad Limited

Seconded by: Nizamudin Mohammed, Massy Technologies Infocom - POS



OUR ENGAGED MEMBERSHIP



DEMOCRACY IN ACTION

liaison officers 2016-2017



- WENDY REYES** - Electrical Industries Limited
PATRICIA SAMUEL - Fereira Optical
ANGELA MATAS - G4S Securicor (North)
WAYNE JOSEPH - G4S Securicor (East)
LOIS MASON - G4S Securicor (South)
CHERI-ANN TAM - Guardian General
DENISE CROOKS-MENDES - Huggins Shipping (Massy Shipping)
MARIE AUDAIN - Massy CAT | Massy Machinery
KATHLEEN LEWIS-GARCIA - Massy CAT | Massy Machinery
JUDY APPLEWHITE - Massy Distrubution
EDWARD BLACKMAN - Massy Distrubution
DAVID ADAMS - Massy Finance
GARTH PANTIN - Massy Technologies Infocom - Curepe
CHRISTOPHER AUGUSTE - Massy Gas Products
JEWEL LEIGERTWOOD - Massy Motors - Automotive Components
TIMOTHY ROOPCHAND - Massy Motors - Automotive Components
MARSHA ALI - Massy Holdings
MELISSA CALLENDER - Massy Motors (Morvant)
KESTON JAMES - Massy Motors (Morvant)
ROBERT WILLIMAS - Massy Motors (Morvant)
GILIAN POLO - Massy Motors (South)
NATASHA BLACKMAN - Massy Technologies (Tragarete Road)
TERRY-JO CASSIM-GRUNY - Massy Technologies (Scarborough)
RAYMOND LEWIS - Massy Technologies (Tragarete Road)
LYNETTE TELESFORD - Massy Technologies (Curepe)
REYNOLD YORK - Massy Technologies (Tragarete Road)
THOMAS ADOLPHE - Massy PRES-T-CON
LORRAINE DAVID - Massy Wood Group
DARREN LENNARD - Massy Wood Group
SHANNON PLACIDE - Massy Wood Group
GAIL TAITT - MDC-UM
TRISTA SAMMY - Massy Motors/Quickservice
SEAN BYER - Risk Management Services Limited
DEBBIE-LYN MOORE - Massy Stores
JULIA VILLAROEL - Massy Stores
DENISE ALEXANDER - Pensioner
EDWARD KING - Pensioner
GEORGE ROBERTS - Pensioner

staff members



1



2



3

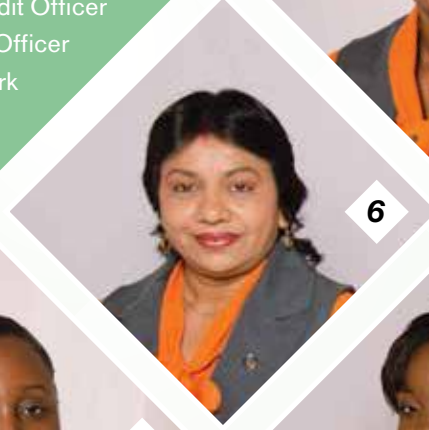


4

- 1 - Jamila John-Collingwood - Clerk
- 2 - Mr. Tyrone Thomas - IT Officer
- 3 - Mrs. Christal Ledger-Moore - Credit Officer
- 4 - Mrs. Janelle Giroux - CSR
- 5 - Mrs. Josanne Julien-Robinson - Recoveries Officer
- 6 - Mrs. Lata Mangroo - Credit Officer
- 7 - Ms. Audrey Joy Garcia Medford - Credit Officer
- 8 - Ms. Avilon Wren - Recoveries Clerk
- 9 - Ms. Chantal Louis - Teller
- 10 - Ms. Charlene Hamblin - Accounts Clerk



5



6



7



8



9



10

staff members

(CONTINUED)



11



12



13



14



15



16



17



18



19

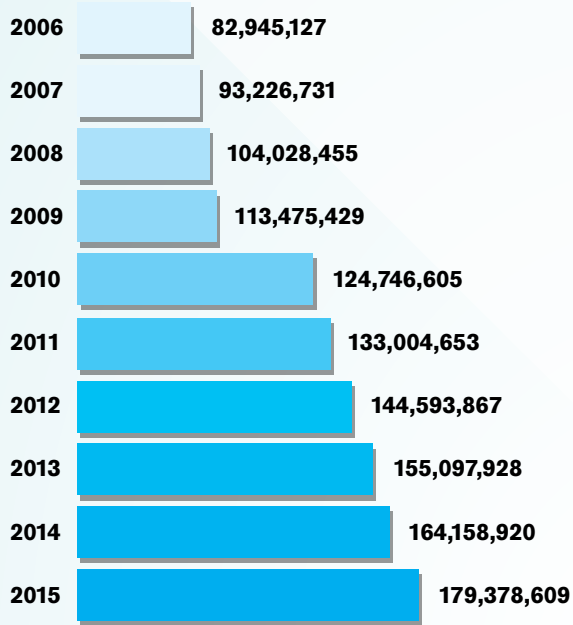


20

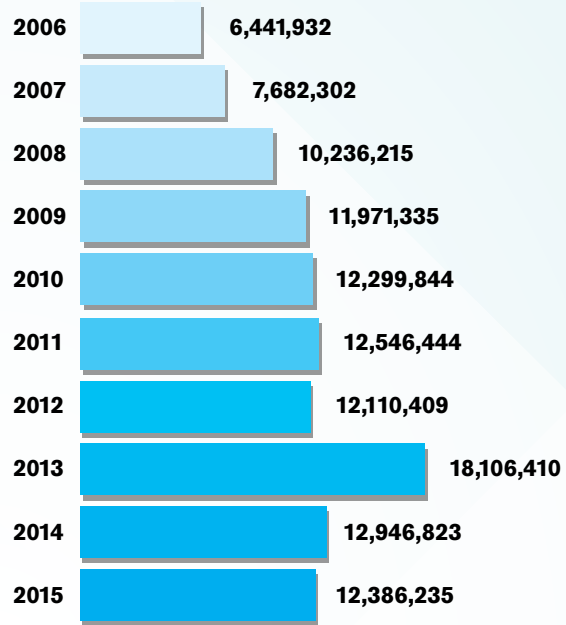
- 11 - Ms. Cynthia Kennedy - Credit Officer
- 12 - Ms. Danielle Delpeche - Teller
- 13 - Ms. Jonelle Allick - Clerk
- 14 - Ms. Kevaunee Sedarnee - Member Relations
- Marketing Assistant
- 15 - Ms. Martha Lawrence - Credit Administrator Supervisor
- 16 - Ms. Safiya Reid - Recoveries Officer
- 17 - Ms. Yolande Arthur - Executive Assistant
- 18 - Dale Prince - Assistant Accountant
- 19 - Ricardo Pyle - Accountant
- 20 - Manuelita Gomez-Thomas - General Manager

ten year review

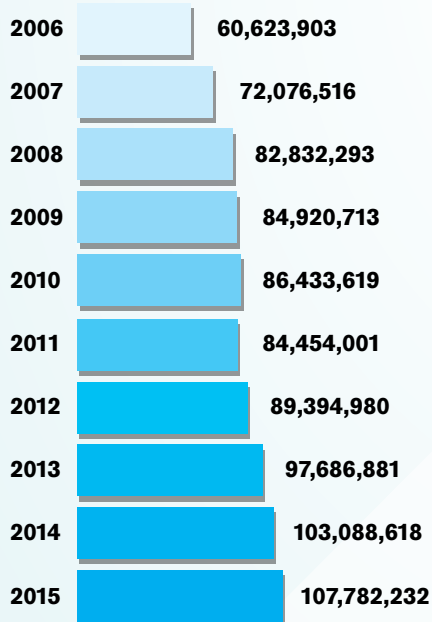
SHARES



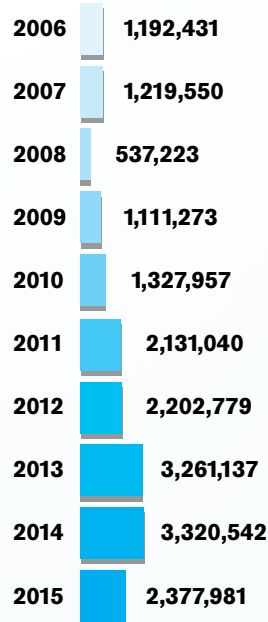
INTEREST (ON MEMBERS' LOANS)



MEMBERS' LOANS



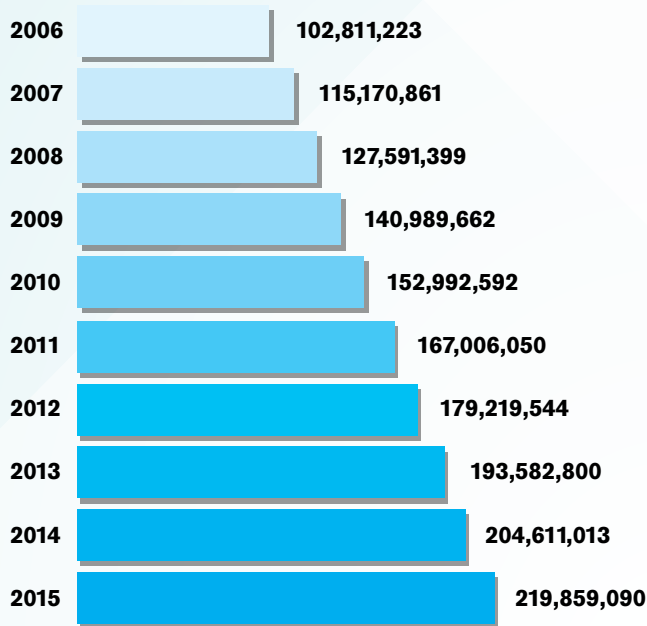
INVESTMENT INCOME



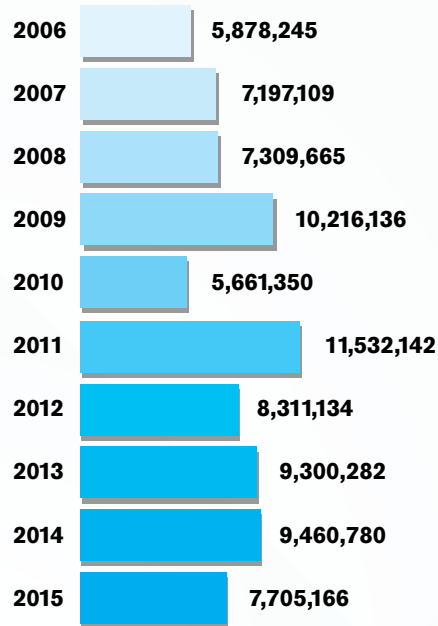
ten year review

(CONTINUED)

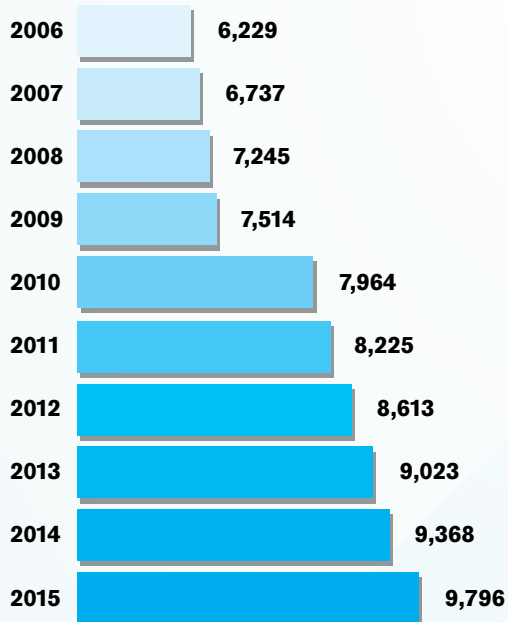
TOTAL ASSETS



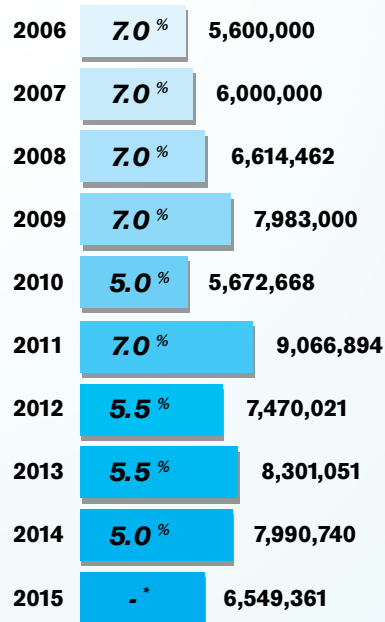
SURPLUS (OF INCOME MINUS EXPENDITURE)



MEMBERSHIP



DIVIDEND AMOUNT PAID



* to be approved at the AGM

FOR ALL WHO LOVE

 CUNA CARIBBEAN
INSURANCE

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your Credit Union
or FIP provider!

Family Indemnity Plan

Love lasts more than a lifetime. That's why we help make it a bit easier for your loved ones to find comfort.*

Your benefits:

- One monthly premium covers final expenses for you and up to five eligible family members
- No medical examination required
- You are eligible to receive the full benefit (per person) where valid claims are made
- You get lifetime insurance coverage once you enrol before age 76

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*Conditions apply.

Your choice:

	Monthly Premium	Individual Benefits
Plan A	\$ 52.80	\$ 10,000
Plan B	\$ 79.20	\$ 15,000
Plan C	\$105.60	\$ 20,000
Plan D	\$158.40	\$ 30,000
Plan E	\$211.20	\$ 40,000
Plan F	\$343.20	\$ 65,000

For All People



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Prepare yourself with **Praesidia**.

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Guardian Group
Guardian Life of The Caribbean Limited

live secure | live easy



SECONDARY ENTRANCE ASSESSMENT FORM

MEMBER'S NAME: _____

ADDRESS HOME: _____

POSTAL: _____

TELEPHONE NO: _____

DATE OF BIRTH: _____

(Please submit copy of Birth Certificate)

ACCOUNT NO: _____

SCHOOL ATTENDED: _____

EXAMINATION #: _____

(Please submit copy of S.E.A slip)

PARENTS/GUARDIAN INFORMATION: _____

MOTHER'S NAME: _____

FATHER'S NAME: _____

COMPANY/DEPT: _____

LOCATION: _____

TELEPHONE: _____

Home # _____

Work # _____

Cell # _____

EMAIL: _____

CERTIFICATION

I _____, hereby certify that the information contained in this application is true and correct.

Dated this _____ day of _____ 2016.

APPLICANT'S SIGNATURE

PARENT'S SIGNATURE

SECONDARY ENTRANCE ASSESSMENT GRANT



NEAL & MASSY (NORTH)
CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

RULES

1. Applications must be completed in full and certified by the Member who must have held membership for at least six months prior to **March 31st 2016**.
2. **INCOMPLETE AND LATE** applications will not be considered.
3. Applicants must neither be delinquent nor inactive as at **30th April, 2016**.
4. All applications must be submitted in sealed envelopes clearly marked

**“NEAL & MASSY (NORTH) CREDIT UNION SECONDARY
ENTRANCE ASSESSMENT BOOK AWARD”**

and addressed to :-

**THE GENERAL MANAGER,
NEAL & MASSY (NORTH) CREDIT UNION,
#24 BORDE STREET,
PORT OF SPAIN**

to reach no later than **4:30 P.M. ON JULY 11, 2016** at the Credit Union's Office.

5. Selection for the award will be based on S.E.A results and will be made by a Special Committee in strictest confidence and in collaboration with the Ministry of Education.
6. Only students, who have accepted the placement by the Ministry, will be eligible for the award.
7. **THE DECISION OF THE BOARD OF DIRECTORS IS FINAL.**

This program is subject to annual review.



member services

REGULAR SHARE ACCOUNT

- Minimum \$20.00 to open account
- Bonus Shares
- Earns Dividends
- Your Primary Account at the Credit Union

DEPOSIT ACCOUNT

- Save and Withdraw cash as needed. Earns 0.5% Annually

LOANS

Borrowing money can sometimes be a painful experience.
Not at the Credit Union!

With affordable interest rates, no prepayment penalties, quick approvals,
payroll deductions and repayment schedules to fit your budget.

Loans at the Credit Union are easy, painless and convenient!

Vehicle Loans

New or Used Vehicles, Low Rates and Convenient Terms

Personal Loans

For any prudent and productive purpose.

P.A.L. - Pre-Approved Loan

In the event of an unforeseen emergency, based on your ability to repay.

C.A.P. - Career Advancement Program

C.A.P. is a special loan for tertiary level education designed to support
member development with a low interest rate of 1.0%

O.O.P.S. - Out of Pocket Saver

A small loan up to \$500.00 when you are really out of cash.

INSURANCE COVERAGE

Family Indemnity Plan

Provides a benefit for funeral expenses at the untimely passing of a loved one.

Loan Protection and Life Savings Plan

Protects your savings and loan in the event of death or permanent disability.



**NEAL & MASSY (NORTH)
CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED**

Mailing Address: P.O. Box 7136, Port of Spain, Trinidad.

24 Borde Street, Port of Spain, Trinidad.

T: 624-6428 / 625-9455 / 627-3412

e-mail: admin@nmncu.coop / member.services@nmncu.coop

www.nmncu.coop