

St Vincent & the Grenadines Police Co-operative Credit Union



12th

ANNUAL REPORT & FINANCIAL STATEMENT 2014

**Evolving
Transforming
and Growing
in an
Economically
Challenged
Environment**

Annual General Meeting



**14th April 2015
2:00pm**

Venue: Police Canteen



**SVG POLICE CO-OPERATIVE
CREDIT UNION
P.O Box 835
Central Police Station
Kingstown
St. Vincent of the Grenadines.**

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Blog: svgpccu.blogspot.com or find us on [Facebook.com](https://www.facebook.com)

MOTTO

Towards a Sustainable
Financial Future.

VISION STATEMENT

**TO BE THE PREMIER FINANCIAL
INSTITUTION CREATING
WEALTH FOR ITS
STAKEHOLDERS**

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CREDIT UNION PRAYER

*Lord, make me an instrument of Thy peace,
Where there is hatred, let me show 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 con-
soled, 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 pardoning, that we are pardoned;
And it is in dying, that we are born to eternal
life,*

*Bless, o lord our deliberations and grant that
whatever we may say and do will have thy
blessing and guidance through Jesus Christ our
lord. Amen!*

Prayer of St. Francis of Assisi

BROTHERS IN COOPERATION

*Men and women of the nation, Join us in co-
operation
For our social elevation, Hasten to the call
The present is the time for action; let no selfish
class or faction,
Here among you spread distraction, come one and
all.*

REFRAIN:

*Hand in hand on pressing, all our wrongs redress-
ing,
Work and we right soon shall see, wide scattered
many a Blessing. Ernest true co-operation, Be our
glorious Aspiration,
Till we see among the nation, love one and all.*

*Be our efforts never tiring, each success a new in-
spiring,
Here's a cause your aid requiring, Here's work for
you.*

*Come and make each man a brother, if you're
strong come help another, strong and weak can
aid each other, if their hearts be true.*

*See the banner waving o'er us; hear the men
who've gone before us, sending back the shouting
chorus, keep the flag unfurled,
there's the seed that now up- springing, Hope to
many a heart is bringing, all our moans we'll
change to singing Aye, throughout the world.*

THE NATIONAL ANTHEM

*Saint Vincent Land so Beautiful,
With joyful hearts we pledge to thee
Our loyalty and love and vow
To keep you ever free.*

*Hairoun Our fair and blessed Isle,
Your mountains high, so clear and green,
Are home to me, though I may stray,
A haven, calm serene.*

*Our little sister islands are
Those gems, the lovely Grenadines,
Upon their seas and golden sands
The sunshine ever beams.*

REFRAIN:

*What'er the future brings
Our faith will see us through,
May peace reign from shore to shore,
And God bless and keep us true.*

*Words By: Phyllis Punnett
Music By: Joel Miguel*

Notes

CORPORATE INFORMATION

REGISTERED OFFICE

Police Headquarters
P O Box 835
Kingstown

DATE OF REGISTRATION

January 16th 2003

BOARD OF DIRECTORS

Bro Junior	Simmons	President	S/sgt
Bro Collin	May	Vice President	Constable
Bro Cecil	Straker	Secretary	Retired
Bro. Michael	Charles	Treasurer	COP
Sis Thecla	Andrews	Asst Secretary/Treasurer	ASP
Bro Curtis	Clarke	PRO	S/Sgt
Sis Catherine	Cuffy	Chaplain	Teacher

CREDIT COMMITTEE

Bro Horace	Williams	Chairman	Entrepreneur
Bro Levon	Murray	Secretary	Constable
Sis Angela	Castello/Byron	Member	Corporal
Bro Rosalo	Mc Kie	Member	Constable
Bro Angus	Morris	Member	Sergeant

SUPERVISORY & COMPLIANCE COMMITTEE

Bro Henry	Delplesche	Chairman	Entrepreneur
Sis Heather	Williams	Secretary	Dental Surgeon
Bro Alpheus	Grant	Member	S/Sergeant
Bro Grafton	Samuel	Member	Corporal
Bro Sylvester	John	Member	Sergeant

EDUCATION & MARKETING COMMITTEE

Bro Meldon	James	Chairman	Sergeant
Sis Karla	Timm	Secretary	Constable
Bro Hawkins	Nanton	Deputy Chairman	Inspector
Bro Henry	Providence	Member	Corporal
Bro Dexter	Sutherland	Member	Retired
Sis Lovitha	Boyea	Member	Constable
Sis Nekisha	Layne	Member	Constable

BANKERS

Bank of St. Vincent & the Grenadines
General Employee's Co-operatives Credit Union Ltd.
St. Vincent Co-operative Bank

AUDITOR

K.D.L.T--PKF

REGULATOR

Financial Services Authority (F.S.A)

SOLICITOR

Olin J.B Dennie

NOTICE & AGENDA OF THE 12TH ANNUAL GENERAL MEETING

Dear Stakeholders,

Notice is hereby given that the 12th Annual General Meeting of the St. Vincent and the Grenadines Police Co-operative Credit Union Limited is scheduled to take place on Tuesday, 14th April, 2015 at 2.00pm, upstairs the Police Canteen, Central Market, Kingstown.

AGENDA

OPENING SESSION

- Call to Order
- Prayers/National Anthem/Credit Union Song
- Apologies for Absence
- Minute of silence for deceased
- President's Message
- Greetings- Fraternal Organizations
- Vote of Thanks

BUISNESS SESSIONS

- Adoption of Standing Orders
- Ascertainment of Quorum
- Minutes of the 11th Annual General Meeting
- Correction/ Amendment and Confirmation of the Minutes
- Matters Arising from the Minutes of Last A.G.M
- Reports:
 - Board Of Director's
 - Treasurer's
 - Auditor's
 - Credit Committee's
 - Supervisory & Compliance Committee's
 - Education & Marketing Committee's
 - Nominations Committee's
- Elections:
 - Board of Directors
 - Credit Committee
 - Supervisory & Compliance Committee
 - Auditor
- New Business
- Adjournment

Co-operatively yours,

Cecil Straker

Cecil Straker
Secretary

"PCCU, Evolving, Transforming and Growing in an Economically Challenged Environment".



Scholarship & Account holder



PCCU Bonhomme All Stars



AGM 2014



Credit Union March



Membership Appreciation



Financial Management Lecture



O.E.C.S Summit 2014



PCCU Clinchers 20/20 Cricket opening

"PCCU, Evolving, Transforming and Growing in an Economically Challenged Environment".

CREDIT UNION MONTH OF ACTIVITIES

Members of PCCU joined with the league and sister credit unions at the Kingstown Methodist Church for a service followed by a march to South River Road.

A Members' Appreciation Day was hosted at the SVGPCCU Office. This event took place on the October 16th, 2014. Members were offered fruits, and refreshments. Also, on that day, representatives of the Trinity School of Medicine assisted with free Blood Pressure checks for members and Sister Bruce, a retired nurse, assisted with blood screening.

A Karaoke and Domino Lime was done by PCCU at the Police Canteen as part of the activities. PCCU also collaborated with the Eastern Caribbean Central Bank and First Citizens Investment Bank for a lecture on Financial Management at the Old Montrose Police Station.

MARKETING PLAN

The Marketing Plan was approved by the Board of Directors and is currently being used by the Committee as a strategy to increase membership through different marketing initiatives.

BROCHURES

Brochures on Survivors Benefit, Loans, Junior Savers, and Shares are all available in the office in eye catching paper colours for all to have access to information on the services offered by the SVGPCCU Ltd. The quality of the brochures was improved with changes in the styling.

BILLBOARD

The SVGPCCU has erected a billboard next to the Biabou Police Station. The other billboard at Pembroke has maintained its position.

CONCLUSION

The year under review was very challenging yet rewarding. Although some of the objectives were not met, the Education and Marketing Committee is pleased with the performance of the Committee in executing its duties in marketing, Education and promoting the SVGPCCU Ltd. The Committee remains committed to working along with other committees, management and staff to ensure that there is positive growth in the SVGPCCU Ltd.

ACKNOWLEDGEMENTS

The Education and Marketing Committee would like to thank the Board of Directors, SVGPCCU's Manager and Staff and other Committees for their support during the year under review. Our success would not have been possible without you.

Moreover, we would like to express sincere gratitude to all members for their confidence in the Committee, which has played an essential part in our success.



Meldon James
Chairman



Karla Timm
Secretary

STANDING ORDERS

1. *a. A member is 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 Chairperson to do so, after which he/she shall immediately take his/her seat.*
3. *No member shall address the meeting except through the chair.*
4. *A member shall not speak on the subject except:*
 - A. *The Mover of a motion- who has the right to reply,*
 - B. *He/she rises to object or explain (with the permission of the Chair).*
5. *The mover of a "Procedural motion"- (Adjournment lay on the table, motion to have no to reply).*
6. *No speeches to be made after the "Question" has been put and carried or postponed.*
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. Member should not "Call" another member "To Order" but may draw the attention of the chair to a (Breach of Order).*
In no event shall a member call the chair to order.
9. *A "question" should not be put to the vote if a member desires to speak on it or move an amendment to it except, that a procedural motion, the "Previous Question"*
10. *"Proceed to the next business" or the Closure: "That the Question be now put", may be moved at any time.*
11. *When a motion is withdrawn any amendment to it falls.*
12. *The Chairman to have the right to a "casting Vote".*
13. *If there is equality of voting on amendment, and if the chairman does not exercise his/her casting vote, the amendment is "lost".*
14. *Provision to be made for protection by the chairperson from Vilification (Personal Abuse).*
15. *No member shall impute improper motives against another member.*

**PRESIDENT'S MESSAGE TO THE 12TH AGM
ANNUAL GENERAL MEETING OF THE
SVGPCCU LTD FOR THE YEAR ENDING DECEMBER 31ST, 2014**



Fellow co-operators, Board of Directors and Committee Members, Management and Staff of St. Vincent and the Grenadines Police Co-operative Credit Union Limited, distinguished guests, on behalf of the Board of Directors of the SVGPCCU, I humbly welcome you to our 12th Annual General Meeting under the theme ***"PCCU, Evolving. Transforming and Growing; in an Economically Challenged Environment"***.

On Tuesday May 6, 2014, I was elected to serve on the Board of Directors of the SVG Police Co-operative Credit Union Limited - then subsequently to the Presidency of the Board. During that same week as I reflected on the enormity of responsibility entrusted to me and my fellow directors, I had some sleepless nights – but we pooled our collective wisdom, along with management, staff and Committee Members and continued to build on the foundation that was left for us by our predecessors.

During the year under review, the SVG Police Co-operative Credit Union focused mainly on the following pillars which underpin its financial stability, growth and success namely:

1. Marketing
2. Good Corporate Governance,
3. Human Resource Development and;
4. Increased membership and asset base, among others.

Brothers and Sisters, resulting from the successful execution of the aforementioned, I am pleased to report to you that despite some inevitable challenges, PCCU continues to grow both in membership and asset.

As at December 31, 2014, the total accounts at our Credit Union amounted to one thousand eight hundred and fifty one (1851), compared to nine hundred and seventeen (917) in 2013. This increase is largely due to the aggressive marketing strategy that was employed by the organization. Similarly, our total asset base has grown from \$ 5,771,798 in 2013 to \$6,830,065 in 2014; an increase of 18.3%.

This growth is attributed to the increase in savings and financial prudence exercised by the board and management of the SVG Police Co-operative Credit Union.

Brothers and sisters, while we are very grateful that you chose to invest with the PCCU, we are asking you to exemplify a much higher level of "organizational citizenship" as we forge ahead.

So as of today, I am asking every member to convince one person to join the Police Credit Union - just think about the benefits that can be derived should this task be taken on by all of us. We will definitely see an increase in both our membership and asset base which will provide the much needed environment for the PCCU to offer more and better services to our members and the society as a whole

"PCCU, Evolving, Transforming and Growing in an Economically Challenged Environment"

SPONSORSHIP

PCCU has sponsored the Bonhomme Stars of Stubbs, a rural under-17 football team, to assist them with uniforms and other sporting gears.

The SVGPCCU Clincher 20/20 cricket competition at the Richland Park oval, another entity sponsored by the PCCU, was a huge success. The winners of this competition were the CGM Gallagher Novice, with Dr. Thomas Injectors and Young Strikers taking the second and third place, respectively.

The PCCU continues to demonstrate its commitment to the development of culture with the annual sponsorship of the Royal St. Vincent and the Grenadines Police Force caroling contest.

SCHOLARSHIPS

A full scholarship was awarded to Lewis Nanton, a past student of the Fairhall Government School at that school's graduation ceremony on July 21st, 2014, and also a Junior Savers account to Andrea Gonsalves.

RECRUITMENT

The Education and Marketing Committee organized membership drives to the windward side of the Island where they ventured to Marriaqua Valley, Georgetown and Fancy and met prospective members. This one-on-one approach provided an avenue to respond to enquiries that members of the public had. Another membership drive was hosted in Kingstown at the Central Police Station where free registration was offered. A total of forty five (45) members joined the Credit Union from both marketing drives. Promotional items were distributed on both drives.

During the year several presentations were done at different Pre Schools and as a result a number of those schools have opened School's Co-operatives at the PCCU. Additionally, a presentation was done at the Government Printery to recruit members.

ADVERTISEMENT

The SVGPCCU launched a television advertisement on IK TV to promote the Credit Union and services offered.

Other advertisements were done on the digital billboard from GCK investment at White Chapel Road and an advertisement on NBC radio. PCCU also collaborated with Randy's Supermarkets for a Radio Quiz on NBC Radio. Persons were awarded with an account at the SVGPCCU and gift voucher of \$100.00 from Randy's Supermarket on successfully answering questions related to SVGPCCU and Randy's Supermarket. This quiz was aired for (3) three weeks and had a total of three (3) winners.

"PCCU, Evolving, Transforming and Growing in an Economically Challenged Environment"

**EDUCATION & MARKETING COMMITTEE 'S REPORT
TO THE 12TH ANNUAL GENERAL MEETING OF THE
SVGPCCU LTD FOR THE YEAR ENDING DECEMBER 31ST, 2014**

INTRODUCTION

The following members have been appointed by the Board of Directors to serve on the Education and Marketing Committee:

Bro. Angus	Morris	Chairman (past)
Bro. Meldon	James	Chairman (current)
Bro. Hawkins	Nanton	Deputy Chairman
Sis. Karla	Timm	Secretary
Bro. Henry	Providence	Member
Sis. Nekisha	Layne	Member
Sis. Lovitha	Boyea	Member
Bro. Dexter	Sutherland	Member
Bro. Akiki	John	Marketing Officer/ Cashier

The Committee scheduled meetings to be held every third Wednesday of each month. Some members had challenges most of whom were Police officers, therefore at times the Committee meetings were convened outside the scheduled meeting days to discuss and plan activities.

MARKETING AND PROMOTION

During the period of 2014 under review the Committee continued to market the SVGPCCU Ltd. The Committee had numerous marketing and promotional activities, namely:

SVGPCCU JUNIOR SAVERS CHALLENGE

The SVGPCCU Junior Savers Challenge commenced on January 2nd, 2014. The basic rules and regulations surrounding the challenge stipulate that each child saves one (1) dollar more each week for 52 weeks. The challenge cannot be paid in advance or late as the child would have forfeited the challenge and will be automatically withdrawn. Upon completing the challenge at the end of 52 weeks each child would have saved no less than \$1378.00. The challenge started out with 67 junior savers and 38 children completed the challenge. Each was rewarded with a 7" Acer Tablet. A special prize was also given to the top saver.

DONATIONS

On January 7th, 2014, the Education and Marketing Committee organized a donation to the Cha-teaubelair Red Cross for the individuals affected by the flash flood that occurred on December 25th, 2013, Bro. Morris, Sis. Timm and Bro. Sutherland were present at the handing over ceremony.

A portion of vegetable seedlings and garden tools were donated to the Fairhall Government School for that school's green house to cut cost associated with the school feeding programme.

"PCCU, Evolving, Transforming and Growing in an Economically Challenged Environment".

As a financial institution, the SVG Police Co-operative Credit Union must be in compliance with the regulatory framework that governs us. To this end, we have strengthened the governance structure at the PCCU by formally adopting and implementing a number of policies namely; Fraud Policy, Investment Policy, a Revised Loan Policy and a Marketing Plan.

These and other initiatives along with our core values will continue to guide this Credit Union along as we strive to become *the "premier financial institution creating wealth for our stakeholders"*. At the top of the list for 2015, is the reviewing of our Strategic Plan in keeping with our organizational goals and objectives

Fellow Co-operators, capacity building is a critical component in our forward thrust at the PCCU. While our technical resources are important to our operations, we must acknowledge that our human resource is our most valuable asset.

Therefore, we took the targeted approach and embarked on a human resource development and training programme for personnel at all levels in the institution-primarily to improve efficiency and productivity at the PCCU. As president, I can report to you that I have seen tangible improvements in the overall operations at our Credit Union.

Ladies and gentlemen, in every organization, there will be challenges - the PCCU is not an exception; we have had ours.

However, I assure you my brothers and sisters, that these challenges are surmountable; and are being dealt with expeditiously as they arise – they will not deter or derail the "PCCU's Ship" from its voyage into calm and prosperous waters.

Finally, I wish to thank all Stakeholders, fellow directors, committee members, our manager Mrs. Seymonde

Mulcaire, the staff and other volunteers of the PCCU for their hard work, commitment and dedication during the past year. I also wish to pay tribute to our pioneers for their vision.

I wish to especially thank and pay tribute to Bro. Cecil Straker, the Board's Secretary for serving the members of SVGPCCU for the last six (6) consecutive years as a director. Bro. Straker will be retiring at this meeting and is not eligible for re-election.

Bro. Straker we salute you for your volunteerism to the PCCU and the Credit Union Movement in St. Vincent and the Grenadines and the region. We will all miss you; I will particularly miss your wise counsel at Board and other meetings/activities of the SVGPCCU.

As I close, please allow me to leave you with this thought from Mr. Phil Jackson, former basketball Head Coach of the Chicago Bulls. He said *"the strength of the team is each individual member"*. *"The strength of each member is the team"*. Brothers and sisters, as the PCCU continues to "evolve, transform and grow" let us continue to work as a team for the good of us all.



Junior O. Simmons
President
Board of Directors

"PCCU, Evolving, Transforming and Growing in an Economically Challenged Environment".

Minutes of the 11th Annual General Meeting of the SVGPCCU Ltd. held on Tuesday, 6th May, 2014 at the Police Canteen.

Call to Order

The Opening Session of the Eleventh (11th) Annual General Meeting (AGM) of the St. Vincent and Grenadines Police Co-operative Credit Union Limited was called to order at 2:35pm and chaired by Bro. Trevor Bailey, Vice President.

Prayers, National Anthem & Credit Union Song

Sis Catherine Cuffy called upon the Lord and asked for his presence and divine guidance over the proceedings of the Eleventh (11th) Annual General Meeting. This was followed by the reciting of the Credit Union's Prayer, the National Anthem - which was played on steel pan by Bro. Carlon Thomas (staff) - and the Credit Union's Song - sung by the gathering with the assistance of Sis Neva Cordice from the Financial Services Authority (FSA).

Apologies for Lateness/Absence

Apologies were made by the Chairperson for Bro Michael Charles (Treasurer) and Bro Cecil Straker (Secretary) who were late.

President's Message

Bro Brenton Smith delivered the President's message. He started by welcoming all to the AGM. The President in his remarks spoke on the challenging and complex environment in which credit unions operate.

He asked that the volunteers be recognized for the services provided through tireless work and commitment in order to make decisions in the best interest of members.

He spoke about the 10th Anniversary celebrations in 2012, where the primary focus of the Board of Directors (BOD) was to increase membership. He said One hundred and Seventy-Eight (178) persons joined the Credit Union.

The President said with the implementation of the Co-operative Society's Act No 12 of 2012 and the Financial Services Authority Act No. 33 of 2011 the sector will change significantly. He said these are to align the overall risk profile of the sector in a way that is sustainable and consistent with the ethos of the sector.

Greetings from Fraternal Organizations

Greetings were brought from sister organizations by the following representatives:

GECCU	Bro Ivo Joslyn, Senior Loans Officer
Project's Promotions	Bro Cecil Ryan, Manager
FSA	Bro Garry Matthias, Manager Credit Unions
MCCU	Stanley Stephens, Manager
SVG Co-op League & COMFI	Bro Junior Bacchus, President
KCCU	Bro Tyrell Mapp, BOD Member
TCCU	Bro Julian Jack, Manager
BCCU	Bro Monty Chambers, Member

"PCCU, Evolving, Transforming and Growing in an Economically Challenged Environment".

POLICIES

We are please to report that SVGPCCU has implemented a Fraud Policy and an Investment Policy .

MEMBERS ACCOUNTS

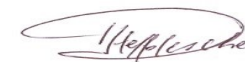
These records were examined on a regular basis. Though the electronic records are generally current and up to date there are instances where the physical files are not updated. We continue to encourage staff to endeavour to keep all files updated.

CONCLUSION

There are some key employees the Credit Union will have to consider hiring such as: an Internal Auditor, a Compliance Officer and an Accountant so that they are able to provide more indepth analysis of some areas that are beyond the scope of this Committee. Notwithstanding these however, we are pleased with the performance of the SVGPCCU and with the way the Board of Directors, Management and Staff continue to work with the regulators to continually improve the operations of the St. Vincent and the Grenadines Police Co-operative Credit Union Ltd.

ACKNOWLEDGEMENT

We will like to express sincere thanks to all Stakeholders, Management, Staff, Board of Directors and All Committee members of the St. Vincent and the Grenadines Police Co-operative Credit Union Limited for their unlimited support during the period under review.



Henry Delplesche
Chairman

"PCCU, Evolving, Transforming and Growing in an Economically Challenged Environment".

**SUPERVISORY & COMPLIANCE COMMITTEE'S REPORT
TO THE 12TH ANNUAL GENERAL MEETING OF THE
SVGPCCU LTD FOR THE YEAR ENDING DECEMBER 31ST 2014**

INTRODUCTION

The Supervisory & Compliance Committee presents its Annual Report of the affairs of the St. Vincent and the Grenadines Police Co-operative Credit Union Limited (SVGPCCU) for the year ended December 31st 2014.

The following persons were elected to serve on the Supervisory and Compliance Committee at the 11th Annual General Meeting of the St. Vincent and the Grenadines Police Co-operative Credit Union Limited. The appointed officers served in positions shown against their names.

Bro. Henry Delplesche	Chairman
Sis. Heather Williams	Secretary
Bro. Olsen Rodney	Member
Bro. Grafton Samuel	Member
Bro. Alpheus Grant	Member

Bro Olsen Rodney tendered his resignation on 15th May 2014 and was replaced by Bro Sylvester John who joined the committee in July 2014.

These changes had in no way hampered the functions of the Supervisory and Compliance Committee in carrying out independent assessment of the operations of the Credit Union. We examined processes and procedures ensuring adherence to the Co-operative Society Act No.12 of 2012 and the Financial Services Authority (FSA) Act No. 33 of 2011 and also SVGPCCU's bye-laws.

OVERVIEW

During the period under review, the Committee conducted periodic examination of a number of areas. These examinations were mainly to deal with:

- Inspection of Files
- Using the Emortelle System to ensure that it was functioning properly and meeting the needs of PCCU and its members.
- Inspection of the office and the employees in the procedures adopted for commencing the work day
- Monitoring of employees customer relations generally

DELINQUENCY

The Committee is pleased with the delinquency monitoring and controls at PCCU as the delinquency rate remains at one percent (1%). Given the competitive nature of the business environment; the Management and Staff should be commended for keeping delinquency at this acceptable level.

"PCCU, Evolving, Transforming and Growing in an Economically Challenged Environment".

Vote of Thanks

Bro Collin May, Assistant Secretary/Treasurer thanked Sis. Catherine Cuffy for invoking God's presence at the meeting, Bro. Brenton Smith for his remarks, Bro. Carlon Thomas for playing the National Anthem, fraternal organizations for their greetings, the canteen staff and to the general membership for attending the opening session of the Eleventh (11th) Annual General Meeting of the St. Vincent and the Grenadines Police Co-operative Credit Union Limited.

Business Session

The business session of the Eleventh (11th) Annual General Meeting was called to order and chaired by Bro. Brenton Smith, President.

Minute of Silence

One (1) minute of silence was observed for the deceased members of the Credit Union.

Bro Horace Williams asked that a Resolution be passed for the Twelfth (12th) Annual General Meeting to be changed to the Eleventh (11th) Annual General Meeting as there was a mistake in the numbering from the inception of PCCU. The Resolution was put to a vote with the following results.

For: 25

Against: 01

The Resolution was passed in favour of the proposed name change.

Adoption of the Standing Orders

The Standing Orders on page 8 were adopted on a motion moved by Bro Henry Delplesche and seconded by Bro Dexter Sutherland.

Ascertainment of Quorum

Sis. Neva Cordice-Phillips, representative of the FSA, indicated that a quorum had been ascertained as there were over twenty-five (25) members present.

Minutes of Eleventh Annual General Meeting

On a motion moved by Bro Rosalo Mc Kie and seconded by Sis Karla Timm, the minutes of the Eleventh (11th) Annual General Meeting held at the Methodist Church Hall on 28th May, 2013 were accepted as read.

The minutes of the 11th AGM were looked at by the meeting.

Corrections/ Amendments

The minutes of the Eleventh (11th) Annual General Meeting were corrected and amended by the general membership.

"PCCU, Evolving, Transforming and Growing in an Economically Challenged Environment".

Adoption of Minutes

There being no other corrections or amendments to the Minutes of the Eleventh (11th) Annual General Meeting, the Minutes were adopted on a motion moved by Bro Richard Browne and seconded by Sis Thecla Andrews. The motion was put to a vote and carried unanimously unopposed from the floor.

Matters Arising from the Minutes of the Last AGM

Bro Elgin Richards enquired about CUNA Insurance and if there had been anything done by PCCU to get this implemented. Bro Brenton Smith, President, responded and said that the Board was unable to contact Mr. David Wan (CUNA representative) via emails and phone calls.

Bro Junior Bacchus stated that the SVGPCCU should look to other avenues for insurance and get the assistance of the League to follow through on this matter as it seems that CUNA is only interested in our monies. He advised the SVGPCCU not to rush into any arrangement with CUNA as the League is trying to organize local insurance for Credit Unions.

Bro Richard Browne enquired about FSA's collaboration on the Fraud and Investment Policies. Bro Brenton Smith, President, stated that the work was still in progress.

At 3:51 pm Bro Michael Charles, Treasurer, joined the Annual General Meeting.

There being no other matters arising from the minutes of the Eleventh Annual General Meeting, the meeting moved on to Reports.

Reports

12.1 Board of Directors'

The BOD reported on meetings held during the year under review and the challenges faced with holding meetings because of the different duties of the BOD members.

An overview was given on Staffing, Membership, Permanent Shares, OECS Summit, Information Technology and CCCU Convention.

In charting the way forward, the BOD assured all that it will continue to provide high quality service in an efficient and effective manner to the stakeholders by:

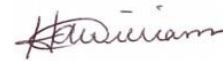
1. Continuing to assess the needs of our stakeholders and create new products for the delivery of high quality financial services.
2. Source training where necessary to develop both employees and all stakeholders.
3. Working with the Financial Services Authority to guarantee compliance with the Co-operative
4. Working in partnership with the St. Vincent and the Grenadines Co-operative League Ltd to build systems for a common good.
5. Continuing our sponsorship of the Clinchers 20/20 Cricket Competition and the Police Christmas Caroling.
6. Developing a Comprehensive Marketing Plan.
7. Developing a Retirement Plan for members.

"PCCU, Evolving, Transforming and Growing in an Economically Challenged Environment".

ACKNOWLEDGEMENTS

We must express sincere thanks to the members for giving us the opportunity to serve, the staff for working along with us, the Board, other Committees, sister Credit Unions, MSD from Trinidad, University of the West Indies and all those who contributed in one way or another to the Credit Committee in the execution of our duties.

To the Committee members who are leaving we wish you all the best and those who are joining, we welcome you. Let us continue to work together to build the PCCU from strength to strength.



Bro Horace Williams
Chairman



Bro. Levon Murray
Secretary

"PCCU, Evolving, Transforming and Growing in an Economically Challenged Environment".

The total number of approved loans has shown an overall increase from one thousand two hundred and twenty two (1,222) in 2013 to one thousand three hundred and fifty seven (1357) in 2014. These are analyzed and categorized in the following table.

LOANS GRANTED BY PURPOSE FOR 2014

LOANS GRANTED	PURPOSE	AMOUNTS	PERCENTAGE
1,327	Personal (Consumer)	2,281,361.00	75.46 %
2	Mortgage (Property)	295,360.00	9.75 %
19	Vehicle	332,083.00	10.54 %
3	Land purchase	80,444.00	2.66 %
6	Student	64,374.00	1.59 %
TOTAL - 1357		3,053,622.00	100%

LOANS GRANTED BY GENDER FOR 2014

GENDER	NUMBER OF BORROWERS	AMOUNTS	PERCENTAGE
MALE	1056	2,357,535.00	77.96%
FEMALE	298	616,826.00	19.41 %
ORGANIZATIONS	3	79,261.00	2.62 %
TOTAL	1357	3,053,622.00	100%

TRAINING

During 2014 the Committee had an opportunity for training using the Emortelle software and also a workshop in Reading and Understanding Financial Statements.

The Committee was also represented by Bro Angus Morris at the OECS Summit in Antigua & Barbuda in August 2014.

CONCLUSION

The Committee wishes to congratulate the Management and the Board for the Christmas Loans Special for persons with Christmas Club accounts where members were allowed to borrow one and a half (1^{1/2}) times their Christmas Club savings as a loan.

The Credit Committee will endeavour to assist our members in granting loans to improve their standard of living. However, we are ever mindful of capital constraints that exist globally and will continue to strive to make knowledgeable and prudent decisions on behalf of our stakeholders..

8. Developing a Fraud Policy.

9. Developing an Investment Policy.

Questions

Sis. Desrie Richards asked for an explanation on the “past” and “present” Manager situation at PCCU. The President, Bro. Brenton Smith, responded this would be done under “Other Business”.

Bro. Richard Browne asked in what capacity was Bro. Jovarni Browne reassigned to the SVGPCCU. Bro. Brenton Smith, President, answered and said, “As Accounts Clerk”.

Bro. Enville Williams quoting from Pg.23 Paragraph 3 of the Bye-Laws expressed the view that seeing that Bro. Daniel Robertson was so passionate about the membership of the Credit Union, the matter concerning his transfer from the Credit Union should not be relegated to “Other Business”.

Bro. Enville Williams referred to Sections 37 (i) and 38 (i) of SVGPCCU’s Bye-Laws and made mention of signatures delivered to the office the 24th March, 2014, requesting that a special meeting be held to address the issue of the Manager’s dismissal.

The President Bro. Brenton Smith replied and said that the Board received that letter on 3rd April, 2014.

Bro. Brenton Smith, President, invited a motion to adopt the Board of Directors’ Report as presented. The motion was moved by Bro. Horace Williams and seconded by Bro. Elgin Richards.

12.2 Treasurer’s Report

Bro. Michael Charles, Treasurer, presented the Treasurer’s Report in accordance with the Bylaws of the St. Vincent and the Grenadines Police Co-operative Credit Union Ltd.

He reported on assets, liabilities, and members’ equity and delinquency ratio, which he stated was less than 1%.

He concluded by saying PCCU continues to perform well despite many challenges. He assured all that PCCU will continue to provide support to meet the needs of members and expressed gratitude to all for their support and guidance.

Bro. Elgin Richards suggested that the Treasurer’s Report be presented along with the Auditor’s Report.

12.3 Auditor’s Report

Bro Kirk Da Silva presented the Auditor’s Report and Financial Statements for the year ending December 31, 2013, with comparative figures for 2012.

Questions

Sis Ruth Jacobs asked for an explanation on the amount of money payable on Permanent Shares. The then Acting Manager stated that each should have \$100 saved in Permanent Shares at \$5 Per Share. The Dividend will amount to \$20.00.

At 4:17 pm Bro Cecil Straker, Secretary, arrived at the Annual General Meeting.

There being no further questions or comments, the President invited a motion to adopt the Treasurer's Report and the Auditor's Report and Financial Statements for the year ending December 31, 2013. The motion was moved by Bro. David Wright and seconded by Sis Thecla Andrews.

12.4 Credit Committee's Report

Bro Horace Williams, Chairman of the Credit Committee, presented the report in accordance with the Bye-Laws. He gave an overview of the loans activity for 2013: of loans approved, not approved, cancelled and undisbursed. He also gave an analysis of the loans by purpose.

He concluded by assuring members that the Committee will endeavour to assist them in granting loans to improve their standard of living.

Questions

Bro Junior Bacchus suggested that the Credit Committee needs to rethink how it produces its numbers for the year under review and not for the life of the SVGPCCU as this is confusing.

Bro Junior Bacchus moved a motion for the Credit Committee to have the loan activity for 2013 be amended to Loan Activity as of 31st December, 2013. This motion was seconded by Bro. Rosalo Mc Kie.

The Chairman of the Credit Committee, Bro. Horace Williams, advised the meeting omit paragraph 1 which was a printing error on page 63.

Following the presentation of the Credit Committee's report, the President invited a motion for the adoption of the Credit Committee's Report. This motion was moved by Bro. David Wright and seconded by Sis. Desrie Richards.

12.5 Supervisory and Compliance Committee's Report

On a Point of Order raised by Bro. Junior Bacchus, he stated that the Chairman of the Supervisory and Compliance Committee should be at the podium to give a synopsis of the report and answer questions.

Bro. Alpheus Grant Chairman presented on behalf of this committee. He reported on meetings held and of the functions of the Supervisory and Compliance Committee which is to carry out the independent assessment of the operations of the Credit Union to ensure that the Acts and Bye laws are being adhered to. He spoke about loans, policies and members accounts.

In conclusion, he said that PCCU will have to consider hiring some key employees in order to be able to provide more in-depth analysis of some areas that are beyond the scope of the Committee. He thanked all for their support in 2013.

Following the presentation of the Supervisory Committee's report, the President invited a motion for the adoption of the report. This motion was moved by Bro. Richard Browne and seconded by Bro. Junior Bacchus.

**CREDIT COMMITTEE'S REPORT
TO THE 12TH ANNUAL GENERAL MEETING OF THE
SVGPCCU LTD FOR THE YEAR ENDING DECEMBER, 31ST 2014**

INTRODUCTION

The Credit Committee is honoured to have served the members of the St. Vincent and the Grenadines Police Co-operative Credit Union Limited during the year under review. It is the responsibility of the Credit Committee to ensure that all applications comply with the Credit Union's Loan Policy and also to evaluate a borrower's ability to repay in order to mitigate the risks of delinquency. This involved interviewing applicants where necessary, ensuring that securities/collateral are adequate and then ultimately approving or denying the loan request.

The following persons were elected to the Credit Committee and serve against the positions shown against their names.

Bro. Horace Williams	Chairman
Bro. Levon Murray	Secretary
Bro. Angus Morris	Member
Bro. Erickson Browne	Member
Bro. Rosalo Mc Kie	Member

For the first part of the year Sis Mahlon Cuffy and Bro Erickson Browne were part of this Committee. However, Sis Cuffy retired from that committee at the last AGM and Bro Browne left the Committee and was replaced by Sis Angela Castello-Byron.

The Committee generally meets on Thursday afternoons to perform its duties and additional meetings are held as needed.

OVERVIEW

During 2014 the demand for loans increased from that of last year's. A total of one thousand, four hundred and sixteen (1416) applications were received for various purposes. One thousand, three hundred and fifty seven (1,357) loans were approved for over \$3 million dollars. Thirty three (33) were not approved, twenty three (23) loans were cancelled and three (3) loans remained undisbursed.

LOAN ACTIVITY FOR 2014

PARTICULARS	NUMBER OF LOANS	AMOUNT
Loans Granted	1,357	\$ 3,053,625.00
Loans Not Approved	33	\$ 177,357.00
Loans Cancelled	23	\$ 132,349.00
Loans Undisbursed	3	\$ 23,104.00
Loan Application received	1,416	\$3,386, 435.00

ST. VINCENT AND THE GRENADINES POLICE CO-OPERATIVE CREDIT UNION LIMITED
Notes to the Financial Statements
For the Year Ended December 31, 2014
(Expressed in Eastern Caribbean Currency)

Note 31: Comparative Information

For the year ended December 31, 2014, the credit union reclassified its presentation of members' shares in the statements of financial position and cash flows. These reclassifications were retrospectively applied to the comparative

information as follows:

	Previously reported amount	Re-classification	Amounts Re- stated
	\$	\$	\$
Statement of financial position			
Members' equity shares - Equity	151,220	24,605	126,615
Members' redeemable shares - Liabilities	3,573,130	(24,605)	3,548,525

12.6 Education and Marketing Committee's Report

This report was presented by Bro. Angus Morris. He gave an overview of meetings, marketing and promotion, Customer Appreciation Day, the Marketing Plan, brochures and billboard. He concluded by saying 2013 was very challenging yet rewarding although all objectives were not met. He thanked the BOD, Manager, Staff and All Committees for their support as the success of the Committee would not have been possible without their input.

Bro. Brenton Smith excused himself from the meeting briefly at 4:54 pm the Chair was handed over to Bro. Trevor Bailey (Vice President).

Sis. Desrie Richards asked whether the Marketing Plan was done by the Management. Bro Morris responded that none was received from Management.

Bro. David Wright asked what promotional ventures were done including advertisement, visits to schools, etc to attract new persons to the Credit Union .

Bro. Richard Browne asked about the status of the erection of the billboard at the Biabou Police Station. The Chairman stated that the erection of the billboard was halted due to amalgamation talks that were in progress.

Bro. Junior Bacchus suggested that when compiling the next Education and Marketing Committee Report, mention should be made of the number of customers and Committee Members who participated.

There being no other questions or comments the Education and Marketing Committee's Report was adopted on a motion moved by Bro. Junior Simmons and seconded by Bro. Dexter Sutherland.

Bro Trevor Bailey returned the Chair to Bro Brenton Smith at 5:10 pm

Elections

Bro. Jimmy Black, representing the FSA, assisted with elections for officers to serve on the Board of Directors, Credit Committee, Supervisory and Compliance Committee, and an Auditor for the next financial year ending 2014.

A Nomination Committee was in place which comprised two members of the BOD and the Chairperson of the Credit and Supervisory and Compliance Committee as follows:

- Brenton Smith - BOD
- Collin May - BOD
- Henry Delplesche - Supervisory & Compliance Committee
- Horace Williams - Credit Committee
- Angus Morris - Education & Marketing Committee

Board of Directors

Bros. Brenton Smith and Trevor Bailey were retiring from the Board of Directors and were not eligible for re-election.

Nominees for Board of Directors by the Nominations Committee were Sis Thecla Andrews and Bro Junior Simmons. Nominations from the floor were Bros. Elgin Richard and Richard Browne.

"PCCU, Evolving, Transforming and Growing in an Economically Challenged Environment".

Following the nominations for the Board of Directors, Bro. Trevor Bailey moved a motion for the nominations to be closed. This was seconded by Bro. Horace Williams.

Results were as follows: J. Simmons = 42, T. Andrews = 30, E. Richards = 30, R. Browne =16.

There was a tie between Sis. Thecla Andrews and Bro. Elgin Richards therefore the vote was redone. The results were as follows: T. Andrews = 33 and E. Richards = 27.

Sis. Thecla Andrews and Bro Junior Simmons were elected to serve on the BOD for the next term.

Credit Committee Nominees

Sis. Mahlon Cuffy and Sis Ceilia Charles were retiring from the Credit Committee and were not eligible for re-election. Bro Angus Morris and Bro Levon Murray were nominated by the Nominations Committee to serve on the Committee for the next three (3) years.

These nominations were unopposed and a motion was moved by Bro. Junior Bacchus and seconded by Rosalo Mc Kie to have these two persons serve on the Credit Committee.

Bro Angus Morris and Bro Levon Murray were elected to serve on the Credit Committee for the next term.

Supervisory Committee Nominee

Bro Henry Delplesche was retiring from this Committee, but was eligible for re-election. Bro. Delplesche was nominated unopposed. Bro Junior Simmons moved a motion for nominations to be closed. This was seconded by Sis Thecla Andrews.

Bro Henry Delplesche was elected to serve on the Supervisory Committee for the next term.

Nominations for Auditors

KDLT was nominated unopposed on a motion moved by Bro. Richard Browne and seconded by Bro. Michael Charles. Nomination was closed on a motion moved by Bro. Junior Bacchus and seconded by Bro. Trevor Bailey.

KDLT was returned as the Credit Union's Auditor for the next financial year from January 1st to December 31st, 2014.

The newly elected Directors Bro Junior Simmons and Sis. Thecla Andrews took up their seats at the head table at 5:50 pm.

Destruction of Ballots

Following the elections the supervisor Bro Jimmy Black sought permission from the meeting to destroy the ballots that were cast on a motion moved by Bro Henry Delplesche and seconded by Sis Karla Timm.

ST. VINCENT AND THE GRENADINES POLICE CO-OPERATIVE CREDIT UNION LIMITED
Notes to the Financial Statements
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Note 29: Credit Risk

Credit Risk is the risk of financial loss to the Credit Union if a member or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Credit Union's loans and advances to members and other credit unions and investment securities.

	2014	2013
	\$	\$
Deposits at bank	585,971	273,486
Investments	327,230	160,755
Loans to members	5,854,345	5,285,948
Interest receivables	21,966	8,924
	6,789,512	5,729,113

Note 30: Commitments

(i) Loans to Members

Loans and advances committed but not yet drawn at the year-end:

	2014	2013
	\$	\$
Personal Loans	3,457	34,386
Student Loans	810	79,429
Vehicle Loans	0	13,407
Mortgage Loans	1,400	0
Land Loans	53,502	0
	59,169	127,222

(ii) Dividends

The board of directors proposed a dividend of 8 per cent of members' share capital, amounting to \$26,339 for the year ended December 31, 2014, (2013: \$43,234). The proposed dividend is subject to approval by the membership at the annual general meeting and is not recorded as a liability in these financial statements.

ST. VINCENT AND THE GRENADINES POLICE CO-OPERATIVE CREDIT UNION LIMITED
Notes to the Financial Statements
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Note 27: Related Party Transactions (Cont'd)

Management and Staff – Deposit and Shares		
Management and staff	28,858	27,921
Deposits and shares at the end of the year	<u>28,858</u>	<u>27,921</u>

Note 28: Currency Risk

The Credit Union's operations are conducted in Eastern Caribbean currency and are exposed to currency risk associated with effect of fluctuations in rates of exchange in various currencies. Foreign currency transactions do not require the use of interest rate swaps and foreign currency options and other derivative instruments which all carry inherent risks. As of statement of financial position date, the Credit Union has the following significant currency positions:-

	2014	2013
	\$	\$
Assets		
Cash resources	597,260	274,954
Investment securities	327,230	160,755
Loans to members	5,854,345	5,285,948
Interest receivable	21,966	8,924
Total Assets	<u>6,800,801</u>	<u>5,730,581</u>
Liabilities		
Accounts payable and accrued liabilities	(15,344)	(35,592)
Interest payable	(1,812)	(27,582)
Members' regular deposit	(1,160,663)	(512,701)
Other deposits	(136,463)	(298,510)
Long-term loan	(356,633)	(485,029)
Members' deposit	(4,041,636)	(3,523,919)
Total Liabilities	<u>(5,712,551)</u>	<u>(4,883,333)</u>
Sensitivity Gap	<u>1,088,249</u>	<u>847,247</u>

New Business

14.1 Bro Brenton Smith brought the meeting up-to-date on a petition that was sent to the Board of Directors concerning the transfer of the Manager, Bro Daniel Robertson.

He stated the petition was received at the office on the 26th March, 2014. It was taken back from the office by the sender the same day and later returned on 30th March, 2014. He said however, members of the BOD had to travel overseas during the Easter weekend and the 11th Annual General Meeting was due soon after. Therefore, a decision was taken not to call a special meeting but to deal with the issue at the scheduled AGM.

14.1 a. Bro. Smith stated that Bro. Robertson's transfer was not based on feelings as some persons were saying 'on the street'. He further stated that Bro. Robertson was transferred due to his disrespect towards the BOD in particular by saying, "I am not coming to any meeting. Smith and Bailey are on their way out."

Bro Smith said this was not the first occasion that the Manager was spoken to by the BOD regarding his attitude hence, this contributed to the reasons for his transfer.

14.1 b. Sis. Desrie Richards, in response to the President's statement, was very passionate in voicing her support for Bro. Robertson. She stated that he was unfairly treated by the BOD. She further went on to accuse the BOD of being unreasonable in their treatment of the former Manager and said that the explanation given was unsatisfactory.

14.1 c. Bro. Elgin Richards also gave his support to Bro. Robertson and asked whether or not the promise made to Bro Robertson would be forthcoming.

14.1 d. Sis. Ruth Jacobs asked to see records i.e. letters, minutes, personal file relating to the warning that was given to Bro. Robertson regarding his previous conduct.

14.2 Bro. Keith Miller took the floor and outlined some developments he would like to see done at PCCU. These included:

Continuing education and training of members and staff.
 Education of general membership.

Adjournment

15.1 The President, on behalf of the members, thanked everyone for attending the meeting.

15.2 There being no other business, the Eleventh (11th) AGM of the SVGPCCU was adjourned at 6:05 pm on a motion moved by Bro. Junior Bacchus and seconded by Bro. Horace Williams.

Minutes recorded by:

Cecil Straker

Cecil Straker
 Confirmed this ----- day of -----, 2014 on motion by

----- and seconded by -----

**REPORT OF THE BOARD OF DIRECTORS AND MANAGEMENT
TO THE 12TH ANNUAL GENERAL MEETING OF THE
SVGPCCU LTD FOR THE YEAR ENDING DECEMBER 31ST, 2014**

INTRODUCTION

Fellow co-operators, stakeholders, committee members, staff, specially invited guests. The Board of Directors is pleased to present its Annual Report, the Auditor's Report and Financial Statements for the year ending December 31st, 2014, to the Twelfth (12th) Annual General Meeting of the St. Vincent and the Grenadines Police Co-operative Credit Union Limited.

The year 2014 marked another challenging year for the SVGPCCU as the economy in which we operate continues to be depressed. In these prevailing circumstances, the SVGPCCU has seen an increase in both its membership and asset base over the reporting period. With new members come growth, new opportunities and expectations from all our stakeholders.

Following the Eleventh (11th) Annual General Meeting on Tuesday 6th May 2014, Bro Junior Simmons and Sis Thecla Andrews were elected to serve on the Board of Directors.

At its first meeting the Board Directors elected from among themselves officers to serve the capacity as shown.	Bro Junior Simmons	President	of in
	Bro Collin May	Vice- President	
	Bro Cecil Straker	Secretary	
	Bro Michael Charles	Treasurer	
	Sis Thecla Andrews	Asst. Sec/Treasurer	
	Bro Curtis Clarke	P.R.O	
	Sis Catherine Cuffy	Chaplain	

BOARD OF DIRECTORS 2014

NAMES	Meetings Held	Meetings Attended	Absent/Excused
Bro Brenton Smith	4	4	0
Bro Junior Simmons	8	8	0
Bro Trevor Bailey	4	3	1
Bro Collin May	12	11	1
Bro Michael Charles	12	8	4
Bro Cecil Straker	12	11	1
Sis Thecla Andrews	8	4	4
Bro Curtis Clarke	12	8	4
Sis Catherine Cuffy	12	11	1

The Board of Directors remains committed to the SVGPCCU; its growth and its development. During the year under review the Board scheduled monthly meetings for every third Thursday. These meetings along with four (4) All Committee Meetings were geared towards formulating and implementing policies and initiatives to buttress the effective management of the SVGPCCU. This commitment thus far has been fulfilled with most if not all members present as the table indicates.

**ST. VINCENT AND THE GRENADINES POLICE CO-OPERATIVE CREDIT UNION LIMITED
Notes to the Financial Statements
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(Expressed in Eastern Caribbean Currency)**

Note 24: Income Tax

The credit union is exempt from the payment of income tax in accordance with Section 241 of the Co-operative Societies Act, 2012.

Note 25: Personnel costs

	2014	2013
	\$	\$
Salaries, wages and bonus	152,709	130,210
National Insurance Services Contributions	6,784	5,576
	159,493	135,786

Note 26: 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 party in making financial or operational decisions. The St. Vincent and the Grenadines Police Co-operative Credit Union considers the Board of Directors, its committees and staff as related parties.

Key Management, Committees and Directors

A number of transactions were entered into with related parties in the normal course of business. These include loans and other transactions. The volume of related party transactions and outstanding balances at the year-end are as follows:

	2014	2013
	\$	\$
Directors and Committees Loans		
Board of Directors	252,305	265,097
Committees	321,226	393,063
Loans outstanding at the end of the year	573,531	658,160
Directors and Committees - Deposits and Shares		
Board of Directors	68,519	54,753
Committees	112,888	140,036
Deposits and shares at the end of the year	181,407	194,789
Management and Staff loans		
Management and staff	47,324	169,709
Loans outstanding at the end of the year	47,324	169,709

ST. VINCENT AND THE GRENADINES POLICE CO-OPERATIVE CREDIT UNION LIMITED
Notes to the Financial Statements
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Note 21: Net Interest Income

	2014	2013
	\$	\$
Interest Income		
Personal loan interest	404,831	447,764
Mortgage loan interest	66,632	72,221
Student loan interest	33,057	28,798
Vehicle loan interest	90,864	21,858
Land loan interest	41,773	14,124
Savings interest	15,300	6,500
Investment interest	5,475	9,146
	657,932	600,411
Interest Expense	\$	\$
Ordinary deposits	1,362	1,211
Members' quick cash	1,765	2,081
Ordinary shares	63,934	31,670
Christmas club	15,647	14,613
Junior savers	517	441
Fixed deposit interest	10,230	12,747
GECCU loan interest	55,811	55,388
	149,266	118,151

Note 22: Other Income

	2014	2013
	\$	\$
Death benefit (<i>note 23</i>)	11,440	14,020
Other income	4,015	4,130
Phone cards income	2,140	3,688
	17,595	21,838

Note 23: Death benefit

	2014	2013
	\$	\$
Contributions received for the year	19,440	18,020
Benefits paid during the year	(8,000)	(4,000)
Excess of contributions over death benefits paid	11,440	14,020
Amounts allocated to reserve (death benefit plan)	(9,500)	0
Balance – ending of year	1,940	14,020

STAFF

During the year under review PCCU was staffed with nine (9) persons. Namely:

NAMES	POSITION
Bro Daniel Robertson	Manager (Transferred March 2014)
Sis Seymonde Mulcaire	Manager (Appointed May 2014)
Bro Dilshorn Peters	Accounts Clerk/Supervisor (30.1.14)
Sis Resa Mc Millan	Loans Officer
Bro Carlon Thomas	I.T Technician
Bro Akiki John	Marketing officer / Cashier
Sis Subrina Richards	Senior Cashier
Sis Curlene Ackie	Cashier /Loans Asst
Sis Kathleen Jack	Office Att/ Cleaner/ Relief Cashier

Sis Curlene Ackie proceeded on three (3) months maternity leave during the year under review and resumed work on the 30th March 2015.

SVGPCCU continues to embrace the partnership developed with Youth Empowerment Service (Y.E.S) Programme over the last twelve (12) years. Sis Seymonde Mulcaire, Bro Dilshorn Peters, Sis Curlene Ackie and Bro Akiki John, current members of staff are all products of the YES programme. The Board and management express sincere thanks to the Y.E.S programme for the continued partnership with PCCU over the years.

Despite the inevitable challenges, the manager and staff continues to work assiduously to ensure that quality services and products are delivered to all members in a professional and timely manner.

Staff Training

During the year under review, a comprehensive training programme was instituted for staff. The training included among other things:

1. MSD – Emortelle Software Training for all Staff – Collaboration with Sister Credit Unions
2. Reading and Understanding Financial Statements – University of the West Indies (UWI)
3. Competitiveness in the Financial Services Sector – Eastern Caribbean Central Bank (ECCB)
4. Youth Entrepreneurship & Co-operatives Programme (CARIBDE12) - Melvin Edwards
5. Counterfeit Currency Detection Training – S/Sgt Hesran Ballantyne
6. Business Symposium – Eastern Caribbean Central Bank
7. World Tariff & Trade Database - Ministry of Trade

In addition, the majority of the staff has embarked on programmes of higher learning at various learning institutions namely: the University of the West Indies (UWI), Association of Chartered Certified Accountants in the UK and Ashworth College in the US among others. As the SVGPCCU continues to grow, members of staff must equip themselves with the knowledge and expertise not only to meet the operational demands of the institution but to remain competitive in the local and global workforce.

Accordingly, the Board of Directors highly commends management and staff for their forward thrust in education and for their hard work, commitment and dedication to the SVGPCCU and its members.

MEMBERSHIP

The membership of the St. Vincent and the Grenadines Police Co-operative Credit Union Limited continues to increase at a steady pace. The total accounts at SVG PCCU at the end of 2014 amounted to One thousand eight hundred and fifty one (1851) compared to nine hundred and seventeen (917) in 2013. Members' regular share balance is now \$4,041,636.00 compared to \$3,523,820.00 in 2013. These accounts are comprised of organizations, depositors and shareholders.

Junior Savers increased from one hundred and seventy five (175) children to two hundred and three (203). This increase is mainly due to the introduction of the PCCU's Junior Savers Challenge initiative coupled with the aggressive marketing strategy employed by the PCCU.

ASSET BASE

Our asset base for 2014 has shown an increase of 18.3%. The majority of our growth during the year was driven by increased savings as a result of increased marketing effort from \$5.7 million to \$6.8 million

PERMANENT SHARES

As at 31st December, 2014, the Credit Union's Qualifying Permanent Share Capital stood at forty one thousand six hundred and sixty five (41,665) which is valued at two hundred and eight thousand three hundred and twenty five dollars (\$208,325.00). Equity Shares stood at twenty four thousand one hundred and eighty two (24,182) and has a value of one hundred and sixty one thousand seven hundred and eighteen dollars (\$120,913.00).

TRAINING FOR COMMITTEE MEMBERS

PCCU prides itself on its ability to empower staff, committee members and other volunteers through the relevant training. During the year under review, several training sessions were held to assist committee members in becoming more versed in the core principles of Credit Unionism. In May 2014, all staff and committee members participated in a training using Emortelle – the computer software currently being used by the majority of Credit Unions.

A training workshop on Reading and Understanding Financial Statements was attended at the University of the West Indies (UWI) by staff and Committee Members also a National Co-operative Sector Development Symposium was held at the SVG Co-operative League Office.

ST. VINCENT AND THE GRENADINES POLICE CO-OPERATIVE CREDIT UNION LIMITED

Notes to the Financial Statements

For the Year Ended December 31, 2014

(Expressed in Eastern Caribbean Currency)

Note 20: Statement of Administrative and General Expenses

	2014	2013
	\$	\$
Audit fees	9,775	9,775
Advertising and promotion	34,784	16,965
Amortization	1,087	14,711
Bank charges	1,568	1,256
Cleaning expense	697	1,539
Computer software license	8,342	6,808
Credit Union Week	6,223	4,373
Depreciation	18,991	18,220
Donation	7,184	2,828
Honorarium	17,800	16,430
League dues	2,980	2,376
Meals	1,428	0
Meeting expenses	12,520	12,450
Membership drive account	1,004	629
Miscellaneous expense	2,364	1,659
OECS summit	24,759	24,840
Stationery and office expenses	22,568	29,632
Repairs and maintenance	4,935	940
Personnel Costs (note 25)	159,493	135,786
Telephone	7,193	5,687
10th Anniversary activities	0	12,398
Training	24,753	7,920
Uniforms	5,223	1,969
	375,671	329,191

ST. VINCENT AND THE GRENADINES POLICE CO-OPERATIVE CREDIT UNION LIMITED
Notes to the Financial Statements
For the Year Ended December 31, 2014
(Expressed in Eastern Caribbean Currency)

Note 18: General Reserve Fund

Under the provision of the Co-operative Societies Act, 2012, the Credit Union is required to allocate at least twenty percent (20%) of net earnings to a reserve fund. This reserve fund may be used for specific purposes subject to approval by the Financial Services Authority.

	2014	2013
	\$	\$
Fund balance - beginning of the year	207,949	171,345
Transfer to reserve and development fund	30,116	35,654
Entrance fee	1,170	950
Fund balance - end of the year	<u>239,235</u>	<u>207,949</u>

Note 19: Development Fund

In Accordance with the provision of Article 125 of the Co-operative Societies Act, 2012, the Credit Union is required to establish and maintain a Development Fund, which is to be used for the development of registered societies. The fund is to be maintained by annual appropriations from net earnings, not exceeding five percent (5%) of each year's net earnings.

	2014	2013
	\$	\$
Fund balance - beginning of the year	45,426	36,512
Transfer to reserve and development fund	7,529	8,914
Payment during the year	(8,914)	0
Fund balance - end of the year	<u>44,041</u>	<u>45,426</u>

O.E.C.S Summit

A five (5) member delegation including Bro. Junior Simmons, Bro. Cecil Straker, Sis. Catherine Cuffy, Bro. Angus Morris and Sis. Seymonde Mulcaire attended the 12th Annual OECS Summit which was held at The Jolly Beach Resort in Antigua & Barbuda from August 13th -17th, 2014, under the theme “ Cementing the Credit Union Movement in an Economically, Challenging and Changing Environment”. The attendance at this summit was geared mainly towards networking with Sister Credit Unions and capacity building for the attendees. The summit was truly an ‘eye opener’ especially for those who were attending for the first time as many valuable lessons were learnt. Some of the topics discussed were:

1. Evolving competitively while remaining true to our core principles
2. ICT Security and your Credit Union
3. Succession Planning
4. The Foreign Account Tax Compliance Act (FATCA)
5. Innovate or disintegrate: How to build your portfolio

Caribbean Confederation of Credit Union (CCCU) Convention

The St Vincent and the Grenadines Police Co-operative Credit Union Limited was not represented at the 57th Annual CCCU convention during the year under review which was held in The Bahamas due to financial constraints.

OUTREACH EFFORTS

Since its adoption by the SVGPCCU, the Credit Union continues to provide support to the Fair Hall Government School (FHGS) which is a member of the School Co-operative. In May 2014, the SVGPCCU awarded its first full scholarship to Mr. Lewis Nanton, a former student of the Fair Hall Government School who was successful at passing the Caribbean Primary Exit Assessment (CPEA) examinations. He is now a student of the St. Vincent Grammer School; a Junior savers account was also awarded to Ms Andrea Gonsalves of the same school also for passing the CPEA examinations; she is presently a student of the St. Joseph’s Convent, Kingstown.

In our 2015 Budget, the SVGPCCU made allocation for three (3) additional scholarships and ten (10) bursaries for children of our members who successfully pass the CPEA examinations.

In October 2014, the SVGPCCU also donated a quantity of vegetable seedlings to the FairHall Government School for their greenhouse project. Other donations were made to other sporting organizations, for medical and other reasons. This outreach programme is part of SVGPCCU corporate social responsibility to the community.

COMFI

The SVGPCCU is a foundation shareholder of the St. Vincent and the Grenadines Small Business and Micro-Finance Co-operative Limited (COMFI) which was formed in 2011; this entity is owned by Credit Unions. At the time of its formation, the SVGPCCU was apportioned 2.5% share ownership. The Board and management is pleased to announce that the SVGPCCU has paid all amount due to COMFI and our shares in the business now amounts to one hundred and ninety thousand, two hundred and fifty dollars (\$190,250.00).

DIVIDENDS & INTEREST

The Board proposes a dividend of 8% on Equity Shares and an interest of 1% on shares savings.

BUILDING DEVELOPMENT FUND

One of the major strategic development plans of the SVGPCCU is to have its own Co-operative Headquarters. While we remain eternally grateful to the Royal St. Vincent and the Grenadines Police Force (RSVGPF) for accommodating us, the working environment has become too small and has impeded the Credit Union to serve our members optimally. During the year under review, the Board and Management took the decision to open a Building Fund at the St. Vincent Co-operative Bank with the main objective of purchasing/constructing a Headquarters for the SVGPCCU. The fund balance as at December 31, 2014 stood at six thousand dollars (6,000.00).

INFORMATION TECHNOLOGY

The SVGPCCU is in the process of constructing an official website with a view of marketing our products and services and improving our communication with the general public.

POLICIES

During the year 2014, the SVGPCCU implemented the following policies;

1. Fraud Policy,
2. Investment Policy,
3. A revised Loan Policy and
4. Education and Marketing Plan

These policies will guide the operational efficiency and good corporate governance at the SVGPCCU. At the top of the agenda for 2015 is to revise and implement our strategic plan in keeping with the organizational goals of PCCU.

CONDOLENCES

The Board of Directors, Management and Staff extends condolences to the families of Bro Owen Williams and Bro Jamarlo Cato who passed away in 2014.

APPRECIATION

The Board acknowledges the commitment and dedication of the staff and management, also the contribution of the volunteers on the BOD, Supervisory and Compliance Committee, Credit Committee and Education and Marketing Committee, FSA the SVG Co-op League and our sister Credit Unions for the role they have played in ensuring that the SVGPCCU continues to evolve, transform, and grow in this challenging economic environment and most important industry.

ST. VINCENT AND THE GRENADINES POLICE CO-OPERATIVE CREDIT UNION LIMITED **Notes to the Financial Statements** **For the Year Ended December 31, 2014** **(Expressed in Eastern Caribbean Currency)**

Note 15: Other Deposits

	2014	2013
	\$	\$
Christmas club	68,413	70,460
Fixed deposit	59,000	219,000
Benefit club (retirees)	9,050	9,050
	136,463	298,510

Deposits are repayable on demand. Interest is payable at the rates ranging between 1% and 6% per annum.

Note 16: Borrowings

	2014	2013
	\$	\$
Long-term loan	356,633	485,029

General Employees Co-operative Credit Union Ltd

Original loan of \$750,000 mainly to assist police officers with their studies at the University College of the Caribbean, Jamaica. The loan is repayable in monthly installments of \$14,850 inclusive of interest at the rate of 7% per annum. The Loan matures on November 30, 2016. The loan is unsecured. The current portion due within (2014 - \$158,248.86) and (2013 - \$113,969.57).

Note 17: Share Capital

Unlimited number of shares at a par value of \$5.00 per share, which is not redeemable.

	2014	2013
	\$	\$
Qualifying Permanent shares		
Share Capital - beginning of the year	100,725	204,060
Increase/decrease in share capital	107,600	(103,335)
Share Capital - end of the year	208,325	100,725
Equity shares		
Share Capital - beginning of the year	126,615	0
Increase in share capital	10,498	151,220
Transfer to members' redeemable shares	(16,200)	(24,605)
Share Capital - end of the year	120,913	126,615
Total	329,238	227,340

ST. VINCENT AND THE GRENADINES POLICE CO-OPERATIVE CREDIT UNION LIMITED
Notes to the Financial Statements
For the Year Ended December 31, 2014
(Expressed in Eastern Caribbean Currency)

Note 11: Accounts Payable and Accrued Liabilities

	2014	2013
	\$	\$
Accounts payable	15,254	33,155
Members' payroll clearing	91	0
	<u>15,345</u>	<u>33,155</u>

Note 12: Interest Payable

	2014	2013
	\$	\$
Fixed deposit	1,812	27,582
	<u>1,812</u>	<u>27,582</u>

Note 13: Members' Regular Deposits

	2014	2013
	\$	\$
Ordinary deposits	690,026	224,166
Members' quick cash	334,321	232,267
Junior saver	132,457	56,268
Junior saver challenge	3,859	0
	<u>1,160,663</u>	<u>512,701</u>

Members' deposits are repayable on demand. Interest is at the rate of 1% per annum.

Note 14: Members' Redeemable Share Deposits

Members' redeemable shares are redeemable in whole or in part at any time, subject to the approval of the Board of Directors. The redemption of a member shareholder is subject to notice not exceeding six months and the member indebtedness to the credit union. Redeemable shares are classified as liabilities on the credit union's statement of financial position.

	2014	2013
	\$	\$
Balance at beginning of the year	3,548,525	3,137,348
Shares received during the year	1,091,048	873,676
Transfers from shares capital	16,200	24,605
Share withdrawn	(573,332)	(487,104)
Ordinary Shares	<u>4,082,441</u>	<u>3,548,525</u>

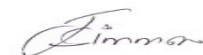
CONCLUSION

Despite the sluggish nature of the economy and the limitations with regards to our working environment, the SVGPCCU continues to forge ahead confidently knowing that our Credit Union is strong and growing. Some of the challenges faced during the year under review made the implementation of some of the programmes not as easy as we would have liked. However, we will continue to move forward with our plans, projects and improved services to ensure that our members and stakeholders retain maximum value and returns on their investments.

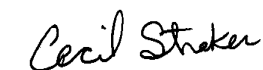
The Board and management will continue to work along with our sister Credit Unions, regulators and the wider Co-operative movement in our quest to improve the lives of all our members. Adherence to new laws and regulations is also paramount for our institution to remain relevant and viable in an ever shifting financial environment.

May the Almighty God continue to bless us all.

Thank you.



Junior O. Simmons
 President
 Board of Directors



Cecil Straker (Mr.)
 Secretary
 Board of Directors

**TREASURER'S REPORT
TO THE 12TH ANNUAL GENERAL MEETING OF THE
SVGPCCU LTD FOR THE YEAR ENDING DECEMBER 31ST 2014**

INTRODUCTION



Greetings fellow co-operators. It is my duty and privilege to deliver to you the Treasurer's Report detailing the financial standing and performance of PCCU throughout the year 2014. PCCU continues to perform commendably against the backdrop of an unstable economic atmosphere. However, PCCU has remained profitable through the increased income from the loan portfolio which is the main source of income.

ASSETS

The total assets moved from five million, seven hundred and seventy-one thousand, seven hundred and ninety-eight dollars (\$5,771,798.00) EC into 2013 six million eight hundred and thirty and sixty five dollars (\$6,830,065.00) EC in 2014 an increase of 18.3%

LIABILITIES

Total liabilities for 2014 stand at five million seven hundred and fifty three thousand three hundred and fifty seven dollars (\$5,753,357.00) EC in comparison to four million nine hundred and five thousand five hundred and two dollars (\$4,905,502.00) EC in 2013. These liabilities include accounts payable and accrued liabilities, interest payable, members deposit, other deposits as well as long -term loans.

MEMBERS' EQUITY

Total Members' Equity as of 31st December 2014 is over one million dollars when compared to Eight hundred and sixty six thousand in 2013 .

DELINQUENCY

The St. Vincent and the Grenadines Police Co-operative Credit Union Ltd continues to minimize delinquency by ensuring that those measures put in place are being adhered to when granting loans and recovering monies from delinquent customers. We have been working constantly to monitor and manage delinquency so there is no considerable deterioration in the loan portfolio. Currently, delinquency ratio is one percent (1%). This is well within the acceptable PEARLS monitoring ratio of 5%.

LOANS

The loans portfolio continues to grow steadily, while we strive to stay within our lending limits. (See page 17 note 7 of the Financial Statement).

"PCCU, Evolving, Transforming and Growing in an Economically Challenged Environment".

**ST. VINCENT AND THE GRENADINES POLICE CO-OPERATIVE CREDIT UNION LIMITED
Notes to the Financial Statements
For the Year Ended December 31, 2014
(Expressed in Eastern Caribbean Currency)**

Note 8: Investment Securities

	Opening Bal- ance January 1, 2014	Additions	Closing Balance December 31,2014	2013
	\$	\$	\$	\$
Securities available-for-sale				
Shares -SVG Small Business and Micro Finance Co-operative Ltd.	39,900	150,350	190,250	39,900
- SVG Co-operative Credit Union League	20,000	0	20,000	20,000
- GECCU	3,574	13,769	17,343	3,574
- St. Vincent Brewery Ltd	50,150	0	50,150	50,150
Securities held-to- maturity				
SVG Co-operative Credit Union League - Term Deposit	47,131	2,356	49,487	47,131
	<u>160,755</u>	<u>166,475</u>	<u>333,230</u>	<u>160,755</u>

Note 9: Equipment and Intangible Assets

	Computer \$	Furniture & Fittings \$	Total \$	Computer Software \$
Cost				
As of December 31, 2012	44,925	60,608	105,533	58,848
Additions or Valuation	3,932	8,630	12,562	0
As of December 31, 2013	48,857	69,238	118,095	58,848
Additions or Valuation	2,875	2,818	5,693	4347
As of December 31, 2014	51,732	72,056	123,788	63,195
Depreciation				
As of December 31, 2012	27,210	33,364	60,574	44,136
Charge-Current Period	8,901	9,319	18,220	14,711
As of December 31, 2013	36,111	42,683	78,794	58,847
Charge-Current Period	9,396	9,595	18,991	1,087
As of December 30, 2013	45,507	52,278	97,785	59,934
Net Book Value				
As of December 30, 2013	12,746	26,555	39,301	1
As of December 30, 2014	6,225	19,778	26,003	3,261

Note 10: Other Receivables

	2014	2013
	\$	\$
Prepayments - Uniform	0	1,915

"PCCU, Evolving, Transforming and Growing in an Economically Challenged Environment".

ST. VINCENT AND THE GRENADINES POLICE CO-OPERATIVE CREDIT UNION LIMITED
Notes to the Financial Statements
For the Year Ended December 31, 2014
(Expressed in Eastern Caribbean Currency)

Note 6: Interest Receivable

	2014	2013
	\$	\$
Interest receivable personal loans	7,115	3,804
Interest receivable mortgage loans	8,549	1,321
Interest receivable student loans	1,215	1,121
Interest receivable vehicle loans	5,041	2,663
Interest receivable land loans	1,520	1,489
	23,440	10,398
Loan loss provision	(1,474)	(1,474)
	21,966	8,924

Note 7: Loans to Members

Loans and advances are summarized as follows:

	2014	2013
	\$	\$
Personal	3,608,683	3,299,168
Mortgage - Property	911,005	576,543
Mortgage - Land	381,041	470,242
Vehicle	756,920	697,454
Student	316,172	350,417
	5,973,821	5,393,824
Allowance for loan losses	(119,476)	(107,876)
	5,854,345	5,285,948

Note 7a: Loan Impairment Analysis

	2014	2013
	\$	\$
Neither past due nor impaired	5,914,652	5,119,526
Past due not impaired	59,169	274,298
Gross	5,973,821	5,393,824
Less: allowance for impairment	(119,476)	(107,876)
	5,854,345	5,285,948

Note 7b: Allowance for loan losses

	2014	2013
	\$	\$
Balance - beginning of year	107,876	65,906
Allowance for loan impairment	11,600	41,970
Balance - end of year	119,476	107,876

SAVINGS

Savings trend over the course of the financial year grew due to the aggressive marketing campaigns to get members to save in more as well as insisting that members assign payroll deductions to service their loans thus ensuring that mandatory savings associated with loan payments are paid.

CONCLUSION

The most severe issue that has affected PCCU's performance during 2014 was the repeated request of members to settle loans from shares and the withdrawal of monies from shares. Not wanting to borrow a loan and pay interest was the main reasons for such request.

To curtail this; members must understand the importance of saving and the commitment they made to do so. The Credit Union is a people focused organization therefore we urge you to keep improving your commitment by providing PCCU with the solid support it needs in this financially challenging environment.

Thank you sincerely



Michael Charles
Treasurer

ST. VINCENT AND THE GRENADINES
POLICE CO-OPERATIVE CREDIT UNION LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2014

ST. VINCENT AND THE GRENADINES POLICE CO-OPERATIVE CREDIT UNION LIMITED
Notes to the Financial Statements
For the Year Ended December 31, 2014
(Expressed in Eastern Caribbean Currency)

Note 4: Critical Accounting Estimates and Judgments (Cont'd)
Fair Value of Financial Instruments (Cont'd)

The methods and assumptions applied, and the valuation techniques used, in determining the fair value of financial instruments are disclosed in Notes 6, 7, and 10.

Member Loan loss Provision

In determining the collective loan loss provision management uses estimates based on historical loss experience for assets with similar credit risk characteristics and objective evidence of impairment. Further details on the estimates used to determine the allowance for impaired loans collective provision are provided in Notes 7 and 7a.

Note 5: Cash resources

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

	2014	2013
	\$	\$
Cash on hand	11,289	1,468
Current account	373,671	155,469
Saving account	212,300	118,017
	597,260	274,954



Note 4: Critical Accounting Estimates and Judgments

The Credit Union makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

Judgments

Member Loan Loss Provision

In determining whether an impairment loss should be recorded in the statement of comprehensive income the Credit Union makes judgment on whether objective evidence of impairment exists individually for financial assets that are individually significant. Where this does not exist the Credit Union uses its judgment to group member loans with similar credit risk characteristics to allow a collective assessment of the group to determine any impairment loss.

Estimates

The effect of a change in an accounting estimate is recognised prospectively by including it in comprehensive income in the period of the charge, if the change affects that period only; or in the period of the change and future periods, if the change affects both.

The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Fair Value of Financial Instruments

The Credit Union determines the fair value of certain financial instruments using valuation techniques. Those techniques are significantly affected by the assumptions used, including discount rates and estimates of future cash flows. In that regards, the derived fair value estimates cannot always be substantiated by comparison with independent markets and, in many cases, may not be capable of being realised immediately.

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ST. VINCENT AND THE GRENADINES POLICE CO-OPERATIVE CREDIT UNION LIMITED

CORPORATE INFORMATION

REGISTERED OFFICE

Central Police Station
P.O. Box 835
Kingstown
St. Vincent and the Grenadines

BOARD OF DIRECTORS

Mr. Junior Simmons	President
Mr. Collin May	Vice President
Mr. Cecil Straker	Secretary
Mr. Micheal Charles	Treasurer
Miss. Thecla Andrews	Assistant Secretary/Treasurer
Mr. Curtis Clarke	Public Relations Officer
Mrs. Catherine Cuffy	Chaplain

GENERAL MANAGER

Mrs. Seymonde Mulcaire

SOLICITOR

Mr. Olin J.B. Dennie

FINANCIAL INSTITUTIONS

Bank of St.Vincent and the Grenadines
General Employees Co-operative Credit Union Limited
St. Vincent Co-operative Bank

AUDITORS

KDLT
Chartered Certified Accountants
(A member firm of PKF North America)
Kingstown Park
St. Vincent and the Grenadines

ST. VINCENT AND THE GRENADINES POLICE CO-OPERATIVE CREDIT UNION LIMITED

Notes to the Financial Statements

For the Year Ended December 31, 2014

(Expressed in Eastern Caribbean Currency)

**NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)**

Note 3: Summary of Significant Accounting Policies (Cont'd)

I. Investment Securities (Cont'd)
(ii) Securities held-to-maturity and available-for-sale

The Credit Union classifies its other investment securities into the following two categories: held-to-maturity and available-for-sale. Investment securities with fixed maturity where management has both the intent and the ability to hold to maturity are classified as held-to-maturity. Investment securities intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, exchange rates or equity prices are classified as available-for-sale. Management determines the appropriate classification of its investments at the time of the purchase. Investment securities are initially recognised at cost (which includes transaction cost). Available-for-sale financial assets are subsequently re-measured at fair value based on quoted bid prices or amounts derived from discounted cash flow models. Fair values for unquoted equity instrument are estimated using applicable price/earnings or price/ cash flow ratios refined to reflect the specific circumstances of the issuer. Un-realised gains and losses from changes in the fair value of securities classified as available-for-sale are recognised in equity. When securities are disposed of the related accumulated fair value adjustments are included in net investment trading income. When securities become impaired the related accumulated fair value adjustments previously recognised in equity are included in the profit and loss account as impairment expense on investment securities.

NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Note 3: Summary of Significant Accounting Policies (Cont'd)

k. Financial Instruments (Cont'd)

The Credit Union's financial instruments are carried at fair value. In cases where there are readily available trading markets, for financial instruments, their fair value is estimated using Net Present Value (NPV) or other valuation techniques, which are subject to assumptions concerning the amounts and timing of estimated future cash flows and discount rates.

l. Investment Securities

Investment securities are classified as either held-for-trading, or held-to-maturity, or available-for-sale, based on management's intention with respect thereto.

(i) Securities held-for-trading

Securities held for trading are securities which are either acquired for generating a profit from short-term fluctuations in price or are securities included in a portfolio in which a pattern of short-term profit taking exists. Securities held for trading are initially recognised at cost and subsequently re-measured at fair value based on quoted market prices where available or discounted cash flow models.

All related gains and losses realised and un-realised on trading securities are reported in net investment trading income.

Interest earned whilst trading securities is reported as interest income. All purchases and sales of trading securities that require delivery within the time frame established by regulation or market convention are recognised at settlement date.

INDEPENDENT AUDITORS' REPORT

To: The Members of
 St. Vincent and the Grenadines Police Co-operative Credit Union Limited.

Report on the Financial Statements

We have audited the accompanying financial statements of **St Vincent and the Grenadines Police Co-operative Credit Union Limited**, which comprise the statement of financial position as of December 31, 2014 and the related statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

The management of **St Vincent and the Grenadines Police Co-operative Credit Union Limited** is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have 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 about whether the financial statements are free of 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 judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers 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.



Chartered Certified Accountants

Kingstown Park
P.O. Box 908
Kingstown, St. Vincent
Tel: (784) 451-2280
Fax: (784) 451-2290
Email:kdlt@vincysurf.com

Independent Auditor’s Report (Continued)

Auditors’ Responsibility (cont’d)

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 audit opinion.

Opinion on Financial Statements

In our opinion, these financial statements present fairly, in all material respects, the financial position of the **St. Vincent and the Grenadines Police Co-operative Credit Union Limited** as of December 31, 2014 and the results of its operations, its cash flows and changes in equity for the year then ended in accordance with International Financial Reporting Standards.

KDLT
Chartered Certified Accountants
(A member firm of PKF North America)
Kingstown Park
St. Vincent and the Grenadines

March 19th, 2015

NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT’D)

Note 3: Summary of Significant Accounting Policies (Cont’d)

i. Loans to Members and Allowance for Loan Losses

Loans are stated net of allowance for loan losses. The allowance for losses is based on an annual appraisal of loans. Specific and general provisions for loan losses are based on the year-end appraisal of loans.

Specific provision relates to identified loans whereas the general provision relates to latent bad and doubtful loans, which may be present in the loan portfolio but which have not been specifically identified. Loans are written down to estimated realisable value when the normal financing relationship with the member has ceased; interest on the loan up to that time is credited to operations and provision is made where appropriate.

j. Investment Securities

Investment Securities in which the Credit Union does not exercise significant influence are accounted for by the cost method. Any impairment to the carrying value, where the decline of an investment is other than temporary, is charged against operations.

Investment Securities in which the Credit Union exercises significant influence are accounted for by the equity method.

k. Financial Instruments

The Credit Union recognises a financial asset or financial liability on its statement of financial position using the settlement date method. Accordingly, a financial asset or a financial liability is recognised on the date of receipt or delivery to or by the Credit Union. Any gains or losses arising from price, interest rate, or currency changes between the trade dates, the date the Credit Union commits to the purchase or sale of an asset and the statement of financial position date are recovered in current operations.

**NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)**

Note 3: Summary of Significant Accounting Policies (Cont'd)

f. Impairment of Non-Financial Assets

Non-financial assets are subject to impairment test whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the assets cash-generating unit, which is the lowest group of assets in which the asset belongs for which there are separately identifiable cash flows.

Impairment charges are included in Net Income, except to the extent they reverse gains previously recognised in other comprehensive income.

g. Accounts Payable and Accrued Liabilities

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

h. Foreign Currencies

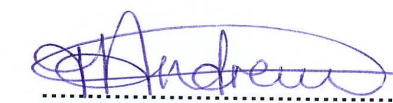
Assets and Liabilities denominated in foreign currencies are translated into Eastern Caribbean Currency at the rates of exchange prevailing at the statement of financial position date. Transactions arising during the year involving foreign currencies are converted at the rates of exchange prevailing on the dates the transactions occur. Exchange gains or losses arising on settlement or conversion of foreign currency denominated balances are included in operations for the year.

	Notes	2014 \$	2013 \$
ASSETS			
Cash resources	5	597,260	274,954
Interest Receivable	6	21,966	8,924
Loans to members	7	5,854,345	5,285,948
Investment securities	8	327,230	160,755
Equipment	9	26,003	39,301
Intangible assets		3,261	1
Other receivables	10	0	1,915
Total Assets		6,830,065	5,771,798
Liabilities			
Accounts payable and accrued liabilities	11	15,345	33,155
Interest payable	12	1,812	27,582
Members' regular deposits	13	1,160,663	512,701
Members' redeemable shares	14	4,082,441	3,548,525
Other deposits	15	136,463	298,510
Borrowings	16	356,633	485,029
Total Liabilities		5,753,357	4,905,502
Members' Equity			
Share capital	17	329,238	227,340
Reserve fund	18	239,235	207,949
Death benefit fund		9,500	0
Development fund	19	44,041	45,426
Accumulated surplus		454,695	385,581
Total Members' Equity		1,076,708	866,296
Total Liabilities and Members' Equity		6,830,065	5,771,798

The accompanying notes on pages 8 to 27 form an integral part of these financial statements.

Signed on behalf of the Board of Directors:

 President

 Treasurer

ST. VINCENT AND THE GRENADINES POLICE CO-OPERATIVE CREDIT UNION LIMITED
Statement of Comprehensive Income
For the year ended December 31, 2014
With Comparative Figures for 2013
(Expressed in Eastern Caribbean Currency)

	Notes	2014 \$	2013 \$
Revenue			
Interest income	21	657,932	600,411
Interest expense	21	(149,266)	(118,151)
Net interest income		508,666	482,260
Subvention manager's salary		11,589	41,661
		520,255	523,921
Impairment on loans		(11,600)	(38,297)
		508,655	485,624
General and administrative expenses	20	(375,671)	(329,191)
Other income	22	17,595	21,838
Total Comprehensive Income		150,579	178,271

The following expenses are included in the foregoing:-

Amortisation	1,087	14,711
Depreciation	18,991	18,220

The accompanying notes on pages 8 to 27 form an integral part of these financial statements.

ST. VINCENT AND THE GRENADINES POLICE CO-OPERATIVE CREDIT UNION LIMITED
Notes to the Financial Statements
For the Year Ended December 31, 2014
(Expressed in Eastern Caribbean Currency)

NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Note 3: Summary of Significant Accounting Policies (Cont'd)

c. Standards, amendments and interpretations not yet effective (cont'd):

IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9.

This standard is effective for annual periods beginning on or after January 1, 2018. The Credit Union is currently assessing the impact of the adoption of this standard on its financial statements.

d. Property, Plant and Equipment

Property, plant and equipment is initially recorded at cost and subsequently measured at cost less accumulated depreciation and any accumulated impairment (losses), with the exception of land which is not depreciated. Depreciation is recognised in net income and is provided on a straight-line basis over the estimated useful life of the assets as follows:

Computers	5 years
Furniture and office equipment	5 - 10 years

e. Intangible Assets

Intangible assets consist of computer software which is not integral to the computer hardware owned by the Credit Union. Software is initially recorded at cost and subsequently measured at cost less accumulated amortisation and any accumulated impairment (losses). Software is amortised on a straight-line basis over its estimated useful life of four (4) years.

NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)

Note 3: Summary of Significant Accounting Policies (Cont'd)

b. Basis of Preparation (Cont'd)

The preparation of financial statements in compliance with International Financial Reporting Standards requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Credit Union's accounting policies. The areas involved in a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

c. Standards, amendments and interpretations not yet effective:

Certain new standards, amendments and interpretations have been published that are mandatory for the Credit Union's accounting periods beginning on or after January 1, 2015 or later periods that the Credit Union has decided not to early adopt. The standards, amendments and interpretations that will be relevant to the Credit Union are:

IFRS 9 Financial Instruments (2013) ("IFRS 9")

IFRS 9, "Financial Instruments" establishes principles for the financial reporting classification of financial assets and financial liabilities. This standard also incorporates a new hedging model which increases the scope of hedged items eligible for hedge accounting and removes the requirement for quantitative thresholds when calculating hedge effectiveness, allowing flexibility in how an economic relationship is demonstrated. This new standard also increases required disclosures about an entity's risk management strategy, cash flows from hedging activities and the impact of hedge accounting on the financial statements.

ST. VINCENT AND THE GRENADINES POLICE CO-OPERATIVE CREDIT UNION LIMITED
Statement of Comprehensive Income
For the year ended December 31, 2014
With Comparative Figures for 2013
(Expressed in Eastern Caribbean Currency)

	Share Capital \$	General Reserve Fund \$	Development Fund \$	Death Benefit Fund \$	Accumulated Surplus \$	Total \$
Balance as at January 1, 2013	204,060	171,345	36,512	0	292,650	704,567
Profit for the year	0	0	0	0	178,271	178,271
Issuance of shares	47,885	0	0	0	0	47,885
Entrance fees	0	950	0	0	0	950
Transfer to reserve and development fund	0	35,654	8,914	0	(44,568)	0
Transfer to share capital	(24,605)	0	0	0	0	(24,605)
Dividend paid	0	0	0	0	(40,772)	(40,772)
Balance as at December 31, 2013	277,340	207,949	45,426	0	385,581	866,296
Profit for the year	0	0	0	0	150,579	150,579
Issuance of shares	118,098	0	0	0	0	118,098
Entrance fees	0	1,170	0	0	0	1,170
Development funds paid	0	0	(8,914)	0	8,914	0
Transfer to reserve and development fund	0	30,116	7,529	0	(37,645)	0
Transfer to share capital	(16,200)	0	0	0	0	(16,200)
Transfer to death benefit fund	0	0	0	9,500	(9,500)	0
Dividend paid	0	0	0	0	(43,234)	(43,234)
Balance as at December 31, 2014	329,238	239,235	44,041	9,500	454,695	1,076,708

The accompanying notes on pages 8-27 form an integral part of these financial statements

ST. VINCENT AND THE GRENADINES POLICE CO-OPERATIVE CREDIT UNION LIMITED

Statement of Cash Flows

For the year ended December 31, 2014

With Comparative Figures for 2013
(Expressed in Eastern Caribbean Currency)

	2014	2013
	\$	\$
Cash Flows from Operating Activities		
Surplus for the year	150,579	178,271
Adjustments for:		
Amortization	1,087	14,711
Depreciation	18,991	18,220
Impairment of interest receivable	(1,474)	(1,474)
Operating Profit (Loss) before changes in working capital	169,183	209,728
Change in loans to members and other receivables	(568,397)	(588,407)
Change in prepayments	1,915	(1,915)
Change in Operating Liabilities		
Change in members' regular deposit	648,270	136,302
Change in other deposits	(162,049)	12,127
Change in accounts payable and accrued liabilities	(17,810)	21,285
Cash Used in Operating Activities	71,112	(210,880)
Cash flows from Investing Activities		
Additions to equipment	(10,040)	(12,563)
Additions to investment securities	(166,475)	(32,731)
Net Cash Used In Investing Activities	(176,515)	(45,294)
Cash flows from Financing Activities		
Issuance of shares	101,898	23,280
Change in members' redeemable shares	533,916	386,573
Dividend paid	(43,234)	(40,772)
Remittance to development fund	(37,645)	0
Entrance fees	1,170	950
Loan payment	(128,398)	(122,812)
Cash Generated from Financing Activities	427,708	271,824
Change in Cash and Cash Equivalents	322,305	33,407
Cash and Cash Equivalents - Beginning of Year	274,954	241,547
Cash and Cash Equivalents - End of Year	597,260	274,954
Represented by:		
Cash and Cash Equivalents (Note 5)	597,260	274,954

The accompanying notes on pages 8 to 27 form an integral part of these financial statements.

ST. VINCENT AND THE GRENADINES POLICE CO-OPERATIVE CREDIT UNION LIMITED

Notes to the Financial Statements

For the Year Ended December 31, 2014

(Expressed in Eastern Caribbean Currency)

NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Note 1: Reporting Entity

The St. Vincent and the Grenadines Police Co-operative Credit Union Limited was registered on January 16, 2003 under the Co-operative Societies Act of 1999, as revised by the Co-operative Societies Act, Ch. 451 of 2010 and the Co-operative Societies Act, 2012.

The principal objectives of the St. Vincent and the Grenadines Police Co-operative Credit Union Limited are to promote thrift among its members, to receive the savings of its members and, make loans to its members exclusively for provident and productive purposes.

For financial reporting and regulation matters, the Credit Union is under the authority of the Financial Services Authority (FSA).

Note 2: Approval of Financial Statements

These Financial Statements have been authorised for issue by the board of directors on March 19th, 2015.

Note 3: Summary of Significant Accounting Policies

a. Statement of Compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS).

b. Basis of Preparation

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

These financial statements were prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, investment securities and property and equipment measured at fair value.

The Credit Union's functional and presentation currency is the Eastern Caribbean dollar. The financial statements are presented in Eastern Caribbean currency.