



NAJ & Health Services Co-operative Credit Union Limited

46th Annual General Meeting



**20 | ANNUAL
22 | REPORT**

HELPING YOU TO REALIZE YOUR DREAMS!



Mission Statement

The NAJ & Health Services Co-operative Credit Union is committed to the promotion of thrift among its members, the provision of sound financial advice and assistance offered through a wide range of financial services, delivered by a highly efficient and motivated staff; committed to excellence.

Our True Purpose

The **NAJ & Health Services Co-operative Credit Union** is in the business to **help** every medical professional to **realize their** dreams, by offering **trusted advice** and **better value** on the financial services that are available to them.

Trusted Advice means that we will never offer a **product or service** that does not put the needs of **you, our members FIRST**. We ask you about your **long-term goals** and take pride in **helping you** to make **smart decisions** that meet **your unique situation**. Unlike most financial institutions, we do not have the conflict of trying to serve the competing needs of customers and investors. **You, our members** are our owners. When we **help you**, we are meeting **your objectives as owners**.

Help People Get More means **improve your finances**. We choose to operate as a non-profit organization, so we can **share our earning with you, our owners**, instead of outside investors by offering **competitive rates, low fees, online services, high capital reserves** and more.

Better Value means that although we may not always offer the lowest cost, we consistently offer a combination of **competitive pricing, personal service and convenience**. We are transparent in our terms and do not engage in teaser rates or highly restrictive conditions.



The 46th Annual General Meeting

NAJ & HEALTH SERVICES
CO-OPERATIVE CREDIT UNION LIMITED

“Helping you to realize your dreams”



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MISSION STATEMENT

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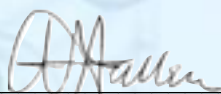
VISION STATEMENT

To provide a solid financial foundation and a secured future, by improving the lives of members within the health sector, and their families, through quality products and services to build shareholder value.



Notice is hereby given that the 46th Annual General Meeting of NAJ & Health Services Co-operative Credit Union Limited will be held as a Hybrid Meeting on Saturday, July 8, 2023, beginning at 9:30 a.m., at the Jamaica Co-operative Credit Union, 2a Manhattan Road, Kingston 5 to transact the ordinary business of the Society.

Yours truly,



Claudia Wallen (Ms.)
Board Secretary

Agenda

1. Ascertainment of Quorum
2. Call to Order
3. Notice Convening AGM
4. Prayer
5. Obituaries
6. Welcome
7. Apologies for Absence
8. Greetings
9. Reports
 - Boards of Directors
 - Credit Committee
 - Supervisory Committee
 - Treasurer and Auditor
10. Resolutions arising from the Treasurer's Report
Fixing of Maximum Liability
11. Nominating Committee's Report and Election of Officer
12. Nomination to the League's Annual General Meeting
13. Any Other Business
14. Adjournment



Minutes of the 45th Annual General Meeting NAJ & Health Services Co-operative Credit Union Limited Held on Saturday, July 9, 2022

The 45th Annual General Meeting of the NAJ & Health Services Co-operative Credit Union Limited which was held virtually and in person was called to order at 10: 00 a.m. by Mrs. Janet Coore-Farr, President, and Chairperson for the 45th AGM.

Assertatement of Quorum

Miss Doreen Cushnie, the Secretary, confirmed that a quorum was present.

Prayer

Miss Claudia Wallen was invited to pray which was followed by the recital of the Prayer of St. Francis of Assisi.

Apologies for Absence

There was no apology for absence.

Birthday Celebrations

Members celebrating birthdays in June and July were asked to show their hands and the song 'Happy Birthday' was sung in celebration.

Obituaries

One minute of silence was observed for members who had passed since the last AGM.

Miss Doreen Cushnie introduced members of the Board of Directors, Committees, Management, and staff to the AGM. From the Board of Directors, she introduced Mrs. Janett Coore-Farr, President of the Credit Union,

Dr. Robert Hibbert who was off the island, the Treasurer Mr. Derrick Tulloch, Assistant Treasurer Mrs. Charmaine O'Reilly, Assistant Secretary Miss Claudia Wallen, Mr. Deryck Graham, Dr. Hilary Jones, and Dr. Audrie McNab. From the Supervisory Committee, those introduced were Miss Bereta Thomas, Chairperson, Mrs. Serica Brandon-Betty, Mr. Barrington Hibbert, and Mrs. Mendis Dennis-Vincent. She also introduced the Credit Committee members, Mrs. Constance Robert Perkins, Chairperson, Miss Camille Williams, Mrs. Dion Murphy Nedrick, Mrs. Mureen Young-Sewell, and Miss Novlette Arthurs. Members of staff headed by Dr. Desreen Marquis, CEO were introduced, followed by Miss Vivienne Wallace Accounting Manager, Miss Renee Collins, Loans Manager, Mr. Ashani Thomas, Marketing Officer, Mr. Gary Fisher Accounting Officer, Mr. Tyrese Sterling, Delinquency Officer, Mr. Lindon Brown, Members Service Representative/Relief Cashier, Miss Elvira Austin, Office Assistant, Miss Annie-Kay Gray, Administrative Assistant, and Miss Donna Brown, Cashier/Payroll Officer.

Special Welcome to Invited Guests

The President welcomed persons physically present and those online. Among those welcomed were the President of the Nurses Association of Jamaica, Mrs. Patsy Edwards-Henry, the Recording Secretary,



Ms. Yvonne Bernard, Mr. Errol Gallimore, Registrar Department of Co-operatives and Friendly Societies (DCFS); Ms. Tanesha Facey, Director of Inspectorate (DCFS), Mrs. Sheryll Brown, Regional Manager (DCFS); Mr. Thomas Wint, Auditor, Bogle & Company, Mrs. Georgia Morrison, Assistant Vice President, Sales, CUNA Caribbean; Mr. Robin Levy, Group CEO of Jamaica Co-operative Credit Union League (JCCUL); Miss Vera Lindo, Manager, Member Services, (JCCUL); Miss Melanie Campbell, Member Services Officer, (JCCUL); Miss Kimberley Lindo, Member Services Officer, (JCCUL), Mrs. Marcia Osborne, Group HRD & Administration Manager, (JCCUL), Mrs. Kleo Errar, Risk Officer, (JCCUL), Mr. Fernando Facey CUMAX Wealth Management, Mr. Jeremy-Paul Bennett, Business Development Representative, JCIA; Miss Georgia Hamilton, Attorney-at-Law, Hamilton & Company, Mr. Stephen York, Videographer, Stephan York Videographer, Dwayne Wright, ResolveIT, Mr. Philip Bulli, Photographer.

At this juncture, greetings were presented as follows.

Nurses Association of Jamaica

Mrs. Patsy Edwards Henry, President of the Nurses Association of Jamaica brought greetings on behalf of the Association. She greeted members of the Board and invited guests, staff, colleagues, and members of the Credit Union. Continuing She quoted from Roy T. Bennett, “Don’t let others tell you what you cannot do. Don’t let the limitations of others

limit your vision. If you can remove your self-doubt and believe in yourself, you can achieve what you never thought possible.” She gave the history of how the NAJ Credit Union was started by a set of trailblazer nurses from the Nurses Association who used a suitcase as their office because they decided that they wanted to have a financial arm for the Association. She continued to say that the Credit Union gathered today to celebrate successes and achievements over the past year but without challenges and obstacles, there is not much great success. Continuing her presentation Mrs. Patsy Edwards Henry mentioned that the Credit Union grappled with the challenges of Covid 19, but she is proud to be a part of NAJ & Health Services Co-operative Credit Union. She said they have stood their ground and are still standing successfully today as one of the major partners in the financial institutions. She indicated that the Credit Union continues to rise and soar and to go beyond the call of duty.

She commended Dr. Marquis and the staff for placing easily visible signs throughout the year at the front doors to remind members of special events such as International Nurses Day, and Nurses’ Week. She also commended the Credit Union for continuing to move with what is happening in the global climate and for having operated and functioned even though there have been so many changes over the last two years in what is called the new norm. She congratulated the Credit Union on the work they have been doing and wished for a successful AGM. She pledged her support,



and the Nurses Association of Jamaica continues to pledge its support to ensure that the Credit Union stays a viable entity. In conclusion, she wished the members happy Health Care Workers Appreciation Month. She said that the Credit Union did a beautiful video depicting Health Care Workers Appreciation Month. She wished the members a wonderful day.

Jamaica Co-operative Credit Union League

Mr. Robert Levy, CEO of the Credit Union League, brought greetings on behalf of the organization. He acknowledged the President, Mrs. Coore-Farr, the Board and Committees, the Credit Union's CEO, Dr. Marquis, staff, and invited guests from the various organizations. Mr. Levy said that it was good to be at the AGM at the Credit Union's House, Sullivan Hall. He informed the meeting that the League is the umbrella organization to serve credit unions in Jamaica. He congratulated NAJ & Health Services Credit Union for managing another year which has been a challenging year. He encouraged the Credit Union to continue to be strong and to serve the members to the best of its ability. Assurance was given to the Credit Union that the League is there to support them in all that it does. He wished the Credit Union a successful AGM and a successful year to come.

CUNA Caribbean Jamaica Limited

Mrs. Georgia Morrison, Assistant Vice President, Sales brought greetings on behalf of CUNA Caribbean Jamaica Limited. She greeted the representatives of the Board, the Management, and the staff, and invited guests, and members. She congratulated the Credit Union on another year of doing business even though the last two years have been very challenging with the pandemic. Still, the Credit Union pressed on and continued to serve the members, and for that, she congratulated them.

Mrs. Morrison said that CUNA Caribbean is about making sure that the family is protected, and that they can send them home in a very dignified manner. Over the years the credit union's partners have signaled that they think it is time that they moved up from Plan G which is the highest of the Family Indemnity Plan and there are members who would like to have a higher benefit so that they can have the kind of farewell they would like to have for their loved ones. She said that they are currently in discussion with their regulators, and it is their hope that sometime in 2023 they will be able to offer a higher plan type than Plan G which currently pays a benefit of One Million Dollars. She stated that the members of the Credit Union should keep in touch with the Credit Union so that when the information becomes available on the higher plan type, they will be among the first to know.



A few years ago, Miss Morrison said, the members had reached out and let them know that it was not only about the death benefit, but they were also interested in a living benefit, so now they have a critical illness rider that is attached to the Family Indemnity Plan. This covers major illnesses such as stroke, heart attack, cancer, paralysis, coma, and major burns. She invited them to keep in touch with the Credit Union, CUNA Caribbean, and the League to get information. She said that CUNA will visit the members and provide them with all the information so that they can be provided with one of the insurances to protect them and their families, not only for a death benefit but for a living benefit as well. She thanked the Credit Union for inviting her and wished the Credit Union a successful AGM.

Cumax Wealth Management Limited

Mr. Fernando Facey, Financial Solutions Advisor at CUMAX Wealth Management, brought greetings on behalf of CUMAX. He said that he is happy to be at the AGM. He stated that CUMAX, which was previously known as the Credit Union Fund Management Company recently had a name change and is now known as CUMAX Wealth Management Limited. He stated that CUMAX was the wealth and asset management arm for credit unions. He informed the members of the products that CUMAX offers such as the collective Investment Scheme, the Equity Fund, and the Re-purchase Agreement. He commended NAJ Credit Union for performing well.

Mr. Facey gave the members' background information on himself. He said that he is an accounting graduate, and his background is in investments as well. He also gave a synopsis of how long he has been trading on the Stock Market and the associated financial benefits. He shared the strategy that he uses in trading on the Stock Exchange. He advised the members why they should invest in the Stock Market and said there are gains to be made and apart from salary, members can earn money to help prepare them for their retirement. He showed a graphical presentation of the gains made by the Stock Market over the past five years. He again commended NAJ Credit Union for performing well. Mr. Facey wished the Credit Union a successful AGM.

Jamaica Co-operative Insurance Agency

Mr. Jeremy Paul-Bennett, Business Development Representative, brought greetings on behalf of JCIA. He said one of his favorite credit unions is the NAJ & Health Services Co-operate Credit Union. He explained why the Credit Union is one of his favorite credit unions. He told how JCIA, and the Credit Union were able to help a young nurse who had just gotten her first car and was having difficulty insuring it because of the high price of insurance on the open market. He stated that JCIA and the credit union were able to help the nurse to insure the car for 50% less than what was offered on the open market.

Mr. Bennett said that over the past few years, JCIA experienced inflation. He said that it is



predicted that the country may be going into a recession, but members still had to pay insurance such as health insurance, life insurance, and property insurance when members come to JCIA they do not have to spend as much because JCIA tries to find a solution to all their insurance needs. He said that the health service workers including the nurses are JCIA heroes and he stands tall with them to ensure that Jamaica is a better place. He ended by informing the members that JCIA is always supporting the Credit Union because they are a part of the movement.

Minutes of the 44th AGM

The Secretary, Miss Doreen Cushnie presented the Minutes which were found on pages 5 to 19 in the booklet. She asked for a motion for the Minutes to be taken as read. This was done by Mr. Egon Fagon and seconded by Dr. Hilary Jones.

Corrections of Minutes of the 44th AGM

On Page 5, top right-hand corner, first paragraph, second to last line, 'the in bracket' should be corrected to be 'in the bracket.' In the third paragraph, the third line beside Doreen Cushnie should be 'change' and not 'changes.' Also, on pages 5 and 6, Sheryll and not Sheryl. Page 6, the third paragraph says, there were 140 members present both virtually and present in the room. The Resolution was passed with one hundred and twenty-six voting for the resolution virtually and fourteen members in the conference room voting for the resolution making it a total of 140. However, it is recorded in the Minutes

that three persons voted virtually against the Resolution, and four persons who attended virtually abstained. No in-house person abstained. This needs to be corrected because if there were 140 members confirmed to be present virtually and physically and they voted for the resolution there should be no abstention or voting against it. Page 8, top right hand, delete 'CUNA Mutual' and replace it with 'CUNA Caribbean'. Page 12 under Outreach Programme, insert the word 'it' between 'although' and 'had'. Under Credit Committee Report, replace 'edged' with 'etched'. Page 13, the third paragraph, line 6, change the 's' to 'd'. Also on page 13, line 8, change 'increased' to 'decrease'. Page 14, the first paragraph should be 'Mrs. Pearlie Esteen Marry', not Murray. The second to last line in the same paragraph should be 'Pearlie Esteen Marry'. Page 15 should be 'downturn in the global economy'. Delete the word 'spin' and insert 'economy'. In the same sentence delete the 'd' from 'experienced'. Page 16, first paragraph, third line, change 'Covet-19' to 'Covid-19'. Under the Credit Union Movement, 8th to the 9th line, 'Loans only grew by 3.57% moving from \$88.44B to \$91.60B. Delete the second 3.57%. Page 17, second paragraph, 6th line, change 'offers' to 'offering.' Same page 17, right side of the page, line 10 the total delinquent loan of \$1.1M. The figure should be \$101M. On page 18, 'Proposal for the Fixing of Maximum Liability' should be a heading. In the third line, the same paragraph, delete the 's' from 'remains. Same page 18 under Election of Officers, Miss Tresann Thompson presided



over the election of officers. Under Credit Committee 'Blondel' should be 'Blondelle'. Page 19, same correction 'Blondelle' under the Supervisory Committee in lines 4 and the second to last line. The last paragraph where Mrs. Brown reminded the members, to change Mrs. Brown to Miss Thompson. The second paragraph, 'Novellette' Robinson and not 'Novlette' Robinson. It was noted that the Minutes were not signed by the Secretary, which is to be ensured in the future.

The motion for the adoption of the Minutes was moved by Mrs. Constance Roberts-Perkins and seconded by Miss Beretta Thomas.

Matters Arising from the Minutes

There was no matter arising from the Minutes both in-house and online.

The Board of Directors Report

The Board of Directors' Report was presented by the President Mrs. Janett Coore-Farr. The President asked for a motion for the report to be taken as read. This was done on a motion moved by the Secretary, Miss Doreen Cushnie, and seconded by Dr. Hilary Jones.

Mrs. Coore-Farr said that it was her pleasure to present the report on behalf of the Board of Directors of the NAJ & Health Services Co-operative Credit Union. She stated that the Credit Union had weathered the Covid Pandemic and managed a successful year of operations. They were successful and skillful in financial negotiation and proactive actions

were necessary for the changing Covid environment. She said they did go through some difficult times.

Capital Base

The Credit Union continues to work in readiness for the Bank of Jamaica Credit Union Regulations. One of the main requirements for licensing under the BOJ Credit Union regulations is to ensure they meet Capital Adequacy. She informed the meeting that the Institutional Capital is above the standard set by the Jamaica Co-operative Credit Union League, PEARLS, and BOJ's primary ratio of 8% and 6% respectively. The Credit Union Institutional Capital stands at 8%, which is within both the League and BOJ's standards.

Key Operating Performance

- Members' Shares went up by 10% to \$388.70M in 2021 compared to 354.08M, in 2020.
- Permanent Shares grew from 15.21M in 2020 to 15.82M in 2021, a 4% growth.
- Members' Deposits grew from \$304.39M in 2020 to \$356.13M in 2021, a 17% growth.
- Loans grew from 517.21M in 2020 to \$369.02M, a growth of 40%
- Total Assets grew from \$777.41M in 2020 to \$861.80M in 2021, an 11% growth.
- Institutional Capital grew from \$67.96M in 2020 to \$68.02M in 2021, registering growth.
- Surplus/Deficit grew from (\$6.40M) in 2020 to (\$6.49M) in 2021, a 1% growth.



Risk and Compliance

The Credit Union continues to ensure that the policies, procedures, and programs to prevent and detect Money Laundering and the Financing of Counter-Terrorist activities in compliance with Jamaica's AML/CFT regulations are in place and being monitored.

The Credit Union also continues to maintain a high level of compliance with all regulations relating to its operation. Throughout the year 2021, the Credit Union continued to work with the Credit Union League on improving its AML/CFT framework as well as its Enterprise Risk Management framework.

The staff and all volunteers were trained in the Proceeds of Crime Act (POCA) on September 25, 2021. The training was administered by the Credit Union League and Shirley-Ann Eaton was the presenter.

Staff Complement

At the end of 2021, the Credit Union had a total staff complement of ten employees. Throughout the year, one staff resigned and three were employed.

The Board and Management welcomed the following persons to the staff.

- Mr. Ashani Thomas,
- Mr. Tyrese Sterling, and
- Miss Annie-Kay Gray.

Membership Growth

For the year 2021, 288 persons were received into membership compared to 169 in the

previous year, which is an increase of 119 members. The total membership now stands at 5350 compared to 5062 in 2020. The Credit Union's Marketing Team headed by Mr. Ashani Thomas has been making considerable efforts to market our products and services to all the medical professionals across the island to assist them to realize their dreams.

OBITUARIES

The Credit Union Board and Management extend condolences to all members and staff families who lost loved ones during the year 2021. The following members passed on during the period under review: Mrs. Edith Allwood Anderson, Kim Atkins, Veronica Stewart, Fitzroy Brown, Veva Martin, Ayinde Musari, Annette Best, and Mrs. Donnette Gray-Morris.

Meeting Attendance

Mrs. Coore-Farr advised that three Board Meetings were not held due to the Covid19 Pandemic nevertheless the members attended the meetings that were held.

League AGM

The Jamaica Co-operative Credit Union League's 80th Annual General Meeting was held at the Credit Union House's Sullivan Hall on Saturday, June 5, 2021. One hundred people were in attendance on the Zoom platform while 16 attended in person. Those who attended from the Credit Union were Mrs. Janett Coore- Farr, Mr. Derrick Tulloch, and Dr. Desreen Marquis.



Corporate Social Responsibility

Despite the challenges faced by the Credit Union, the Board of Directors saw it fit to continue to assist individuals and institutions as follows: Nurses Association of Jamaica Island Conference, NAJ Summer School, Hear the Children Cry, Tamar McFarlane Marshall, and Lillian Lewis McDonald.

Appreciation

On behalf of the Board of Directors, Mrs. Coore-Farr thanked the many individuals and organizations who partnered with the Credit Union throughout the year under review. These included the Credit Union League, Credit Union Fund Management, CUNA Caribbean Insurance, Jamaica Co-operatives Insurance Agency, Centralized Strategic Services, Department of Co-operatives and Friendly Societies, Nurses Association of Jamaica, and the Ministry of Health and Wellness In-Service Education Unit.

Special appreciation was extended to the Chief Executive Officer, Dr. Desreen Marquis, and the dedicated staff members. Mrs. Coore-Farr said that their performance throughout the year was exemplary. She also thanked the Supervisory and Credit Committees' members who have worked tirelessly to help the Credit Union members to realize their dreams. She also thanked the dedicated members who have supported their Credit Union and continue to make it successful. She said the Credit Union looked forward to giving continuous dedicated service to this awesome Credit Union family.

Corrections for the Board of Directors' Report

The Credit Committee Chair, Mrs. Constance Roberts Perkins, was also present at the Board Meetings.

There were no questions for the Board of Directors' Report. The motion for the adoption of the report was moved by Miss Beretta Thomas and seconded by Mr. Egon Fagon.

Credit Committee Report

Mrs. Constance Roberts Perkins, Chairperson of the Credit Committee presented the Credit Committee Report for the year ended December 31, 2021. In reading the report, she said that once more the Credit Union had come to the end of another challenging, yet successful year. The Credit Committee adapted to the new operations and new way of functioning as they continued amidst the COVID19 Pandemic and its protocols. She introduced the other team members; Mureen Young Sewell, Dion Murphy Nedrick, Camille Williams, and Novlette Arthurs.

Mrs. Roberts Perkins said that the Committee continued to carry out the mandate of the Credit Union and by extension, ensured that all the members realize their dreams. She stated that it was a privilege to have been entrusted with the very important task of assessing and approving members' loans. She says it was a challenging year, but the members of the Committee remained resolute and committed to the task entrusted to them.



She outlined some of the tasks that the Committee did such as weekly meetings to consider loan applications and attending quarterly joint meetings with members of the Board of Directors and Supervisory Committee.

The loans disbursed for the period January to December 31, 2021, were highlighted in a graph. A total of 452 loans were disbursed for the period. Many loans disbursed were personal loans, a total of 314 with a dollar value of \$49,541,418.72. The highest money value of \$187.3M was for Motor Vehicle purchases and Repairs. Computer Purchase was the lowest loan with a dollar value of \$50,000.00. She acknowledged the efforts and dedication of the Board of Directors, Management, and Staff and thanked the members who borrowed prudently over the last year, and encouraged other members to use the Credit Union more for their borrowing needs. She said that it was a pleasure serving the Credit Union for another year and they will continue to do so with God's guidance.

Question For the Credit Committee

The question was asked about the quantum of loans in money terms that were approved for the year under review. Mr. Derrick Tulloch, the Treasurer, said that it was \$627.47M coming from \$507M in the previous year. Loans grow by approximately 24% over 2020/21 so it was a significant year.

The adoption of the report was moved by Dr. Hilary Jones and seconded by Miss Doreen Cushnie.

The Supervisory Committee Report

Miss Bereta Thomas, Chairperson of the Supervisory Committee presented the report. She said that the Supervisory Committee continues to support the vision of the Credit Union to provide a solid financial foundation and secured future.

The Supervisory Committee takes pride in offering their service to our colleagues to improve their quality of life, she stated. She said that their scheduled meeting day remains the first Tuesday of each month. Continuing, she said that the Supervisory Committee had its capacity of five members but by the third week, the membership was reduced to four because of the migration of one member. For 50% of the meetings, only three of the members honoured the obligation to the Credit Union because of the COVID-19 Pandemic.

Ms. Thomas introduced the members who served on the Committee, Miss Bereta Thomas, Chairperson, Mrs. Serica Brandon-Betty, Secretary, Mr. Barrington Hibbert, and Mrs. Mendis Dennis-Vincent.

Activities Performed

The Supervisory Committee continued to perform the following activities as mandated to manage the internal control of the Credit Union and make recommendations to protect the Credit Union from operational risk and promote financial stability. The Committee members attended Joint Board Meetings that were held every quarter but only two of its



members attended these meetings in-house or via the Zoom platform.

Some of the areas that the Supervisory Committee focused on were Property Insurance, Source Recording Documentation, Bank Reconciliation, Property Tax Payment, Staff Attendance, Petty Cash Verification, Utility Payments, and Surprise Cash Count. The Smith and Associate Company was contracted to audit the internal control of the Credit Union quarterly. The recommendations from the audit were perused by the Supervisory Committee and the CEO was facilitated in several discussions where plans were discussed, and recommendations made to improve findings from the audit.

The Supervisory Committee was impressed that the operations of the Credit Union are in accordance with the policy and protocol of the Credit Union League.

Acknowledgement

Miss Bereta Thomas extended appreciation to the Board of Directors, the Management and staff, and the members of the Credit Union for entrusting the Supervisory Committee with such a vital responsibility to serve and protect the integrity and assets of the Credit Union.

Conclusion

During the Economic Performance of the Credit Union, the Credit Union recorded a deficit of \$6.49 million in comparison with a surplus of \$6.40 million. It is believed that the

deficit for 2021 was due to the negative impact of COVID-19 and the inflation of the Jamaican dollar which continue to linger with us. This resulted in Jamaica's economy declining by 4.6 percent in 2021 but is projected to show some growth in 2022 because some of the restrictions related to the COVID-19 Pandemic is lifted by the Jamaican Government. This facilitated increased revenue for the business sector and NAJ & Health Services Credit Union. Ms. Thomas continued to state that the Supervisory Committee stands in solidarity with the Credit Union, and observance of good fiscal discipline, policies, and procedures to facilitate improved performance for 2022 must be followed.

Questions For the Supervisory Committee Report

Mr. Egon Fagon asked if the deficit that was mentioned in the report was in relation to running the organization or that the staff facilitated it as a bad debt. Mr. Derrick Tulloch, Treasurer replied. He said that the Credit Union made a deficit of \$417,000. This is a result of two major impacts, one was a leak on the premises which took a very long time to be identified despite writing NWC at the highest level, and the leak cost approximately \$2M for the water, and sewage. The other impact was the Income Tax Department which did a review of some payments made. The CUNA benefits that were paid to staff go back several years and was assessed that they had to pay \$2.3M. That wiped out any



possibility of a surplus that would have been made for that year. Those were the reasons the Credit Union made a \$417,000 deficit. However, 2022 up to the end of May is showing positive results and the hope is that it will continue based on the policies and strategies that have been implemented.

Mr. Egon Fagon asked if there are any bad debts. Mr. Tulloch addressed the question by saying that the Credit Union has been able to manage its bad debts and as of May they had no outstanding debt beyond 260 days because they have been able to get the assets and loans have been repaid. There is just one major loan, and they are waiting on National Housing Trust to supply the Credit Union with the funds, and they are aggressively going after it. There are some people who have some small debts who have migrated, and they are trying through credit bureaus and other sources to make sure that they can collect, he stated.

Mr. Egan Fagon pointed out that there was a discrepancy in the report as it relates to the deficit, which is different from what the Treasurer said it should be and it needs to be corrected in the report.

The adoption of the Supervisory Report was moved on a motion by Mrs. Constance Roberts-Perkins and seconded by Mrs. Sheryll Brown.

The Treasurer's and Auditor's Report

After extending greetings to the Management, staff, and members of the Credit Union,

Mr. Derrick Tulloch, Treasurer saluted all health workers as the heroes of our nation. He asked Mr. Thomas Wint to present the Auditor's Report.

The Auditor's Report

Mr. Wint greeted the President, Management, Members of the Supervisory and Credit Committees, members of staff, and members of the Credit Union. He informed the meeting that the Auditor's Report was presented from pages 32 to 34 of the Annual Report which he read. He stated that he had obtained all the information and explanation, and, in his opinion, proper accounting records have been maintained as appeared from the examination of those records and the financial statements which agree therein given the information required by the Co-operative Societies Act in the manner required.

The Treasurer's Report

The Treasurer, Mr. Tulloch, said that the Treasurer's Report can be found on pages 76 to 81. He asked for the report to be taken as read. The motion for the report to be taken as read was moved by Miss Doreen Cushnie and seconded by Miss Bereta Thomas. Mr. Tulloch highlighted certain sections of the report.

Corrections: on page 77 under Credit Union Movement 'loans in 2021' should be \$96.93 Billion and in 2020 should be \$91.60 Billion.

The Jamaican Economy

Mr. Tulloch said that the Jamaican economy grew by an estimated six percent. The



inflation target projected by the Bank of Jamaica was between 4 to 6 percent, however, the global Pandemic, the disruption in the global logistic chain issues, and the Ukraine/Russian war have impacted our economy. At the time of preparing the report, inflation was 7.9%, however, the Governor of the Bank of Jamaica is predicting that inflation will increase between 11 to 15%, and by mid-2023 inflation should begin to level off. He said that interest rates have started to trend up. The movement in the economy is that banks have started to trend up interest rates on loans. He said that the Credit Union has started to look at the broad economy before it makes any move because it is very critical that they provide loans at very competitive rates.

The exchange rate has remained stable, moving from US\$143.27 at the end of 2020 to US\$151.62 reflecting a 5.74% depreciation over a one-year period. He said that we have been lucky to have some stability in that area. When he looked at the movement, he said that savings began to grow above inflation. It moved from \$105.80 Billion in 2020 to \$116.72 Billion in 2021, a growth of 10.32%. Loans did not grow on a movement level above inflation. It moved from \$96.93 Billion to \$91.60 Billion, a growth of 5.82%, a little below inflation. Assets grew a little above inflation, moving from \$136.97 Billion to \$150.40 Billion, a growth of 9.80%. Membership took a downward trend. It is not that membership has decreased but credit

unions have continued to look at their membership and move their membership into those that are now delinquent. Membership moved from 1,034,692 in 2020 to 1,000,157 in 2021, a decrease of 3.34%.

- Interest income, money that is earned from interest on loans, is \$59.738 million in 2021 as against \$56.312 million in 2020, a variance of \$3.426 million and a difference of 6.08%.
- Interest expenses remain relatively stable, it moves from \$11.674M in 2021 and it was \$10.713 million in 2020, a movement of 8.97.
- Net Interest Income, \$48.064M in 2021 from \$45.599M in 2020, a movement of 5.49%.
- Other Income was \$11.723 million in 2021 as against a deficit of \$1.514 million in 2020, a movement of 874.30%.
- Gross Margin, \$59.787 million in 2021 as against \$47.113 million in 2020, a movement of 26.90%.
- Operating Expenses increased to \$60.204 million in 2021 from \$56.291 million in the previous year. The previous year there was a loss of 6.95%.
- A Loss of \$9.178 million in 2020 and a loss of \$0.417 million in 2021. It was recovered in 2021.
- The Credit Union made a dramatic turn around of \$9.59 million in 2021.
- This was still not good. As indicated earlier, there were two major impacts, and



two impacts were water changes and retroactive taxes.

Balance Sheet Items

Total Assets moved from \$777,415 million in 2020 to \$861.798 million in 2021, a growth of 10.85%.

- Members' Shares, move from \$232.010 million in 2020 to \$256.517 million in 2021, a growth of 10.56%.
- Loans after Provision was \$627.470 million in 2021 and \$507.119 million in 2020, a growth of 23.73%. The Credit Union did exceptionally well in terms of loan growth.
- Member Deposits continue to grow because competitive interest is paid on these investments, moving from \$304.39M in 2020 to \$356.130 in 2021, a growth of 17%.
- Financial Investments went down slightly, moving from \$139.407 million in 2020 to \$129.028 million in 2021, a decline of 7.45%.
- Institutional Capital remains stable at \$68.016 million.

Delinquency

The total delinquency as at December 2021 was \$149M. He gave a breakdown of the categories that the loans were in. One Hundred and Two Million Dollars or 68% of the loans were in the 0- 29 days. He said what is happening is that they are not getting the funds from the various Regional Health

Authorities on a timely basis, so it is impacting the 0-29 days. Twenty-Five Million Dollars or 17% are in the category of 30 to 60 days. The delinquency portfolio showed that eight million or 5% were outstanding between 61 and 90 days, Four Million, or 3% in the category 91-180 days, and Ten Million, or 7% in the 181-350 days. He stated that the hard-core loans were in the 181 to 360 days, and they have been able to clear significant amounts of those loans by using agencies to assist in collecting funds.

The Way Forward

Continuing, he said that we are living in a society that is constantly changing and consequently the Credit Union must change not only to meet the members' needs but to successfully navigate the competition that is taking place in the financial economic climate. The economic climate in Jamaica is one where the cost of living continues to increase and hence there is a greater need for our members to have access to funding, so the credit union continues to look at the various products that we have, to ensure that we meet the needs of our members. He said that they must do a realignment and realignment is coming in terms of new minds, and new committees as we move forward, we must support the credit union to ensure that it continues to grow.

He informed the members that at the end of May, the assets had grown to \$902 million.



The projection with the help of the members is to bring the Credit Union to \$1 billion by the end of 2022. The surplus is \$3.6 million, and the projection is that by year-end the Credit Union should be nearer \$10 million. He said that they needed the members' support by them continuing to continue to borrow from the Credit Union for growth and to give the Credit Union all the support that they can give.

Conclusion

Mr. Tulloch thanked his assistant, Mrs. Charmaine O'Reilly, for the support that he had received, the support received from the Board, and for being welcomed by the members over the past number of years. On behalf of the Treasury, he extended his appreciation to the members for their commitment and dedication. He thanked the Almighty God for his steadfast guidance and assurance, and the Board, Management, and staff for their commitment and dedication. The Jamaica Co-operative Credit Union League in particular Vera Lindo for her support and the support of the League, the Registrar of Co-operatives and the staff for their support, the External Auditors, Bogle & Company, his various colleagues on the Board and the various colleagues on the Committees. He thanked the members personally for the support that he had received from them. He said he will continue to serve on the Finance Committee to give some support for the strengthening of the organization. He said over the years he has learned that leadership, dynamism, and

teamwork are critical ingredients for the survival of the Credit Union Movement and indeed this Credit Union. Finally, he asked for God's blessing on the Credit Union and in Jamaica.

Questions

Mr. Egan Fagon asked what the distinction is between the loans that were approved during the year and the overall loan portfolio. Mr. Tulloch reminded Mr. Fagon that what he was talking about was the loan balance at the end of the year. The Accounting Manager said what they were talking about was what was approved by the Credit Committee and when she added the total over \$250M was disbursed.

Turning to another question, Mr. Fagan said that he knew that it is good to make comparisons to talk about the whole movement, but he was a bit confused at times about whether the Treasurer was talking about the Credit Union Movement or the Credit Union. The Treasurer informed him that he had always made a distinction so that the members would know.

Mr. Robin Levy thanked Mr. Tulloch for the report. He suggested in response to the question that had been asked that some further clarity be considered for future reports. He said if the Credit Committee had just put, total loans approved' he probably would not have asked that question.



Mr. Levy drew Mr. Tulloch's attention to 'delinquency' on page 79 where it is stated that total delinquency loans were \$149M. \$102M or 68% of the loans are in the category 0-29 days. He commended him for holding himself to a higher standard than the League or the Registrar or the Bank of Jamaica would hold him to because usually loans in the 0-30 days category, are not counted as delinquent, only passed due.

Mr. Tulloch asked for a motion for the approval of the report. This was done by Miss Sharon Thomas and seconded by Miss Doreen Cushnie.

Fixing of the Maximum Liability

It was proposed that the maximum liability to December 31, 2021, remains sixteen times the capital and reserves. It was moved on behalf of the Board of Directors by Mr. Derrick Tulloch and seconded by Mrs. Janet Coore-Farr. The motion was carried.

The Standing Orders were suspended for the Registrar of Cooperatives, Mr. Gallimore, to bring greetings.

Department of Co-operatives and Friendly Societies

Mr. Gallimore greeted all his colleagues both in the room and online and members of the various committees and volunteers. He said that it was a pleasure to be at the meeting. He thanked the persons who have given yeoman service to the credit union. He said one of the

focuses of the credit union is the business of transformation. Most of them are moving to digitize their services. He said that he knows that NAJ&HSCCU will be making that move, but they have some housekeeping to do such as getting out of their accumulated deficit. He stated that he suspects that in the next two years, they will get out of the accumulated deficit, but it will take hard work, strategic planning, sacrifice, and prudent management of the Credit Union to get it back on track. He said that he wants the credit union to keep up with the digital transformation as digital banking will help to transform the credit union. He mentioned that the credit union was an aging credit union and while they are digital transformation, some of the older members are being left behind because they do not understand online banking, so we must make sure that the old system is still there alongside the digital system. He wished the credit union all the best.

Report of the Nominating Committee

The Nominating Committee Report was presented by Mrs. Constance Roberts-Perkins, Chairperson of the Committee. The report was found on pages 82 and 83. She introduced the members of the Committee - Miss Doreen Cushnie, Board Secretary, Renee Collins, Loans Manager, and Constance Roberts Perkins, Credit Committee Chairperson. She informed the meeting of the terms and conditions under which members could be nominated to serve and for what period.



Election of Officers

The President invited the representative from the Department of Co-operatives and Friendly Societies to preside over the elections.

The Board of Directors

The members of the Board of Directors retiring are Janett Coore-Farr, Derrick Tulloch, Deryck Graham, Charmaine O'Reilly, Hilary Jones, Doreen Cushnie, Audrie McNab, Claudia Wallen, and Robert Hibbert. She asked if there were any nominations from the floor and online three times. There being none, the members on the Board duly nominated to serve are Adella Campbell (2 years), Kevin Allen (2 years), Shailee Neish (2 years), Hilary Jones (2 years), Novelette Robinson (2 years), Nadine Anderson Lawrence (1 year), Audrie McNab (1 year), Claudia Wallen (1 year) and Barrington Hibbert (1 year).

A motion for the acceptance of the Board of Directors was moved by Mr. Derrick Tulloch and seconded by Mrs. Janet Coore-Farr. The motion was carried.

Supervisory Committee

The members of the Supervisory Committee retiring are Barrington Hibbert, Beretta Thomas, Serica Brandon-Betty, Mendis Dennis-Vincent, and Blondelle Walker. Nominated to serve are Shirley Hibbert, Beretta Thomas, Dight Burchell, Mendis Dennis-Vincent, and Fitzgerald Percy. She asked both persons present physically and online three times if there were any other

nominations to the Supervisory Committee. There being no other nominations, the members duly nominated are Shirley Hibbert, Beretta Thomas, Dwight Burchell, Mendis Dennis-Vincent, and Fitzgerald Percy. The motion to accept the above-mentioned persons as members of the Supervisory Committee was moved by Mrs. Mureen Young-Sewell and seconded by Dr. Audrie McNab.

Credit Committee

One member of the Credit Committee was up for retirement; Miss Lorna Calder and there was one new member, Miss Novlette Arthurs. It was asked three times if there were other nominations from the floor to the Credit Committee. There was none, therefore those nominated to serve were Miss Lorna Calder (2 years) and Miss Novlette Arthurs (2 Years). They will join Mrs. Dion Murphy-Nedrick (1 year), Mrs. Mureen Young-Sewell (1 year), and Miss Camille Williams (1 year) to form the Credit Committee. A motion was moved by Dr. Hilary Jones and seconded by Miss Sheryl Silpot to accept the nominees as members of the Credit Committee. The motion was carried.

Nominating to the League Annual General Meeting

Permission was sought for the CEO, President, and Treasurer to be elected to attend the League's Annual General Meeting. The motion was moved by Miss Doreen Cushnie and seconded by Dr. Hilary Jones. The motion was carried.




The representative from the Department of Co-operative and Friendly Societies (DCFS) informed the Board and the other Committees that within ten days after the meeting information relating to all Board and Committee members should be sent to the League and other Departments that have an interest in the Credit Union.

Any Other Business

Drawing of prizes was done.

In closing, the President informed the members that having completed her tenure, it was

a pleasure to have served the Credit Union. The motion for the termination of the Annual General Meeting was moved by Mr. Kevin Allen and seconded by Dr. Derrick Tulloch.



Board Secretary

Claudia Wallen (Ms.)



Board of Directors' Report to the Annual General Meeting for the Year Ended December 31, 2022

Opening Statement

Fellow Co-operators, I am indeed honoured to share with you the following report, on behalf of the Board, Management, and the hard-working staff of our beloved NAJ & Health Services Co-operative Credit Union (NAJ&HASSCU). This past year heralded the embracing of new methodologies for sharing with the wider community the benefits of becoming a member of the NAJ&HSCCU. We are also pleased, as this is the first full year wherein, we were able to have more of our meetings in person since the dreaded COVID-19 pandemic. We have endured the challenges of the financial stressors in our wider society and look forward to further strengthening the membership base so that together we will “help you to realize your dreams.”

Membership

At the end of the year under review, 274 members joined the Credit Union including 15 Future Leaders. The total membership stood at 5624. The marketing efforts at the Credit Union during 2022 were a priority, this was done by Mr. Ashani Thomas along with other members of staff and volunteers. Several hospitals and medical facilities were visited including dental practices, veterinary clinics, pharmacies, and health centers to name a few. The credit union became very visible on social media platforms such as Instagram, Twitter, Facebook, Tik Tok, and



Dr. Audrie McNab
President

YouTube, for which Mr. Thomas should be commended as he brought more awareness of the Credit Union to the medical profession and to the wider public.

Business Environment

The business environment in which the Credit Union operates experienced shifts because of the COVID-19 pandemic. Many changes were experienced in the Jamaican economy which changed how businesses operate which influenced the financial sector and ultimately the Credit Union Movement. Nevertheless, the economy continues to show signs of recovery from this negative impact.

Although the year under review had challenges, the Credit Union grew from strength to strength in various areas. The service



quality continues to improve as more members are accessing and utilizing the Golden Harvest and the Family Indemnity Plans. Several new products were also introduced such as the Partner Plan, and the Critical Illness Plan.

Education

Volunteers and staff continue to avail themselves of the opportunities for training provided by the Jamaica Co-operative Credit Union League (JCCUL).

Strategic Planning Retreat

A strategic retreat was held in the Sullivan Hall at the League where the operations of the Credit Union were reviewed, our strengths, weaknesses, and threats were analyzed, and strategic objectives for 2022-2026 were created. Based on the proposed strategic objectives, proposed initiatives were developed to ensure the Credit Union's continued survival and growth.

Bank of Jamaica Regulations

With the impending BOJ Credit Union Regulations, the Board recognized the need for continuous monitoring of their operations to manage the various risks facing the Credit Union and has asked the Credit Union League to assist in ensuring that our Anti-Money Laundering (AML), Enterprise Risk Management (ERM), and Counter Financing of Terrorism (CFT) Frameworks are sound. These services will be performed on a quarterly basis to ensure that the directives under the Proceeds of Crime Act (POCA), Money Laundering Prevention Regulations (MLPR),

Terrorism Prevention Act (TPA), and Bank of Jamaica (BOJ) Guidance Notes on AML/CFT are upheld.

Based on assistance from the League, the following functions were performed during 2022:

- Review and re-develop AML/CFT policies and related procedures.
- Co-ordinate and monitor the Credit Union's compliance with applicable AML/CFT laws and regulations and its own AML/CFT policy.
- Provide staff and volunteers with half-yearly training and testing and ensure that the appropriate records are maintained.
- Establish a schedule of ongoing training programs in respect of the Credit Union's AML/CFT Policy
- Advise the Board and staff in respect of proposed or pending regulatory changes regarding AML/CFT.
- Monitor the Nominated Officer of the Credit Union and ensure timely submission of TTRs, STRs, and Listed Entity reports to the Designated Authority within the specified timeframe and maintain them.
- Prepare and submit, on an annual basis, a comprehensive report to the CEO and Board of Directors, providing them with, at a minimum, an overview and evaluation of the overall effectiveness of the Credit Union's AML/CFT framework.

Delinquency

All efforts were made to reduce delinquency to a minimum. Most of the delinquency was



Representation

The following persons were nominated to attend the Jamaica Co-operative Credit Union League Annual General Meeting, which was held on June 3, 2023, at the Oceans Coral Springs Hotel in Trelawny:

- Barrington Hibbert - Delegate
- Desreen Marquis - Delegate
- Audrie McNab - Alternate Delegate

Outreach Programmes

During the year under review, the Credit Union holds to its social responsibilities and made donations to the following institutions:

- Phillipa Beckford
- NAJ Nurse of the Year
- Jamaica Youth for Christ
- Portmore Self-Help Disability
- Brown's Town Community College
- Nurses' Week, Bustamante Hospital for Children
- Dion Murphy-Nedrick
- Bellevue Hospital Health and Wellness Experience

The Way Forward

The Volunteers, CEO, and staff recognize that the financial environment is changing rapidly, and several negative forces are impacting how the Credit Union operates. It is therefore important that all critical steps are taken to mitigate against some of these forces, hence the engagement of our League to strengthen

our Anti-Money Laundering (AML), Enterprise Risk Management (ERM), and Counter Financing of Terrorism (CFT) Frameworks. Also, in today's shifting economic landscape, NAJ & Health Services Credit Union must continue to play a vital role in providing affordable financial options for its members, while remaining resilient in the aftermath of the pandemic. The Board and Management of the Credit Union are taking a fresh look at ways to fill the coffers: Agility and openness to new approaches will ensure that we maintain our lending capacity and support our members in achieving financial success.

Appreciation

Again, on behalf of the Board of Directors, the promise to continue working assiduously with the Management and Staff of the NAJ&HSCCU is paramount for the new year. Ensuring that the Credit Union remains relevant to our members in its nearly 50 years of existence is our accepted mandate.

Challenges there will be, but none that are insurmountable, under the stewardship of the CEO Dr Desreen Marquis, and the Staff of the Credit Union.

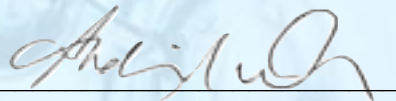
The Board would like to express sincere thanks to all members of the Credit Union family, Nurses Association of Jamaica, the Jamaica Co-operative Credit Union League, CUNA Caribbean, National Union of Co-operative Societies (NUCS) and the Department



of Co-operatives and Friendly Societies for your continued support and commitment during the year under review.

Appreciation is also extended to the members of the Credit and Supervisory Committees who ensured that “your dreams were realized”. Again, we thank you for this opportunity to serve.

Yours sincerely



Dr. Audrie McNab
President



Board Members



Dr. Audrie McNab
President



Dr. Adella Campbell
Vice President



Barrington Hibbert
Treasurer



Shailee Neish
Assistant Treasurer



Claudia Wallen
Secretary



Nadine Anderson Lawrence
Assistant Secretary



Dr. Hilary Jones
Director



Novelette Robinson
Director



Kevin Allen
Director





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Those Who Serve You



Vivienne Wallace
Accounting Manager



Renee Collins
Loans Manager



Gary Fisher
Accounting Officer



Tyrese Sterling
Delinquency Officer



Dr. Desreen Marquis, JP
CEO



Ashani Thomas
Marketing Officer



Donna Brown
Cashier/Payroll Officer



Elvira Austin
Office Assistant



Lindon Brown
Member Service Rep/
Relief Cashier



Annie-Kay Gray
Administrative Assistant





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- ★ NISSAN
- ★ TOYOTA
- ★ HONDA
- ★ SUBARU



Credit Union Activities

The NAJ & Health Services Co-operative Credit Union staff went in head on with

activities in July. Below are photos capturing some of the activities.



Crazy Hat Day: NAJ & Health Services Co-operative Credit Union Team members showcasing their creativity on Crazy Hat Day held on July 8, 2022. From left to right: Ms. Elvira Austin, Ms. Annie-Kay Gray, Dr. Desreen Marquis, Ms. Vivienne Wallace, Ms. Donna Brown, Mr. Tyrese Sterling, Ms. Renee Collins, Mr. Lindon Brown, Mr. Gary Fisher and in middle, Mr. Ashani Thomas.



Small Business & Financial Wellness Day Percy Junor Hospital: (L-R): Mr. Carlton Nichols, CEO Percy Junor Hospital, Ms. Annie-Kay Gray, Administrative Assistant and Mr. Ashani Thomas, Marketing Officer, NAJ & Health Services Co-operative Credit Union, Mr. Roosevelt Carty, Resident Physiotherapist and Chairman of Staff Welfare Committee and Mr. Denzil Williams, Regional Manager and Physiotherapist of Southern Regional Health Authority.



Health Care Workers Appreciation Month: Health & Wellness Minister, Dr. Christopher Tufton (middle) pause to take a photo after participating in the Health Care Workers Appreciation Month activities at the Percy Junor Hospital in Mandeville. From left to right: Mr. Marco Williams, Accounts Executive Sales, Ms. Tesia Douglas, Sales Associate, CUNA Caribbean Insurance Brokers, and Mr. Ashani Thomas, Marketing Officer, NAJ & Health Services Co-operative Credit Union.



Ms. Rochelle Hutchinson, Administrative Assistant at Percy Junor Hospital and Mr. Ashani Thomas Marketing Officer of NAJ & Health Services Co-operative Credit Union making preparation in educating new members about the benefits of being a member of the Credit Union.



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Plan C	\$ 792.00	\$ 150,000.00
Plan D	\$ 1,320.00	\$ 250,000.00
Plan E	\$ 2,112.00	\$ 400,000.00
Plan F	\$ 3,432.00	\$ 650,000.00
Plan G	\$ 5,280.00	\$1,000,000.00
Plan H	\$ 6,864.00	\$1,300,000.00
Plan I	\$ 8,864.00	\$1,600,000.00
Plan J	\$ 10,458.00	\$1,800,000.00
Plan K	\$ 12,680.00	\$2,000,000.00

Critical Illness Rider

18 - 34	\$ 350.00	\$ 700.00
35 - 44	\$ 715.00	\$ 1,430.00
45 - 54	\$ 1,490.00	\$ 2,980.00
55 - 59	\$ 2,245.00	\$ 4,490.00

Filing a Critical Illness Rider Claim:

- Complete a Claim Form as proof of diagnosis for the Critical Illness Rider benefit. The Claim Form must be accompanied by a detailed medical report, signed by the attending specialist of the Policyholder.
- Claims must be presented within two (2) years after the confirmed diagnosis.
- CUNA Caribbean Insurance Jamaica Ltd. reserves the right to request additional documentation during the claims process.





Financial Statements

NAJ & Health Services Co-operative Credit Union Limited
Financial Statements
For the Year Ending December 31, 2022



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DEPARTMENT OF CO-OPERATIVES & FRIENDLY SOCIETIES

CHARITIES AUTHORITY, JAMAICA

Ministry of Industry, Investment and Commerce

2 Musgrave Avenue, Kingston 10

Jamaica, W. I.

Tel: (876) 927-4912 | 927-6572 | 978-1946

E-mail: info@dcs.gov.jm

Website: www.dcs.gov.jm

ANY REPLY OR SUBSEQUENT REFERENCE TO THIS COMMUNICATION SHOULD BE ADDRESSED TO THE REGISTRAR AND THE FOLLOWING REFERENCE QUOTED:

S1
R456/685/05/22

May 3, 2023

The Secretary
NAJ & Health Services Co-operative
Credit Union Limited
6 Trevennion Park Road
Kingston 5

Dear Sir/Madam:

I forward herewith the Financial Statements of your Society for the financial year ended December 31, 2022.

The Annual General Meeting (AGM) must be convened under **Regulation 19, 21 and 25 a-f** of the Co-operative Societies (Amendment) Regulations, 2021. At least seven (7) days' notice shall be given before the meeting is held.

A copy of your report, which you intend to present to the Annual General Meeting on the year's working of the Society as set forth in **Regulation 35 (b)** of the Co-operative Societies Regulations should be forwarded to this office.

Kindly advise the Department of the date of the Annual General Meeting, so that arrangements can be made for representation.

Yours truly,

.....
Lavern Gibson-Eccleston (Mrs.)
(For) Registrar of Co-operative Societies
And Friendly Societies

HOPE GARDENS

Hope Gardens
Kingston 6
(876) 977-2508 / 927-1948

MANDEVILLE, MANCHESTER

23 Caledonia Road
(RADA Bldg.)
(876) 615-9083

MONTEGO BAY, ST. JAMES

10 Delisser Drive
(The Office of the Prime Minister)
(876) 952-7913





Bogle and Company
Chartered Accountants
Worrick Bogle FCCA, FCA, CMA

Independent Auditor's Report

To the Registrar of Co-operative Societies

NAJ & Health Services Co-operative Credit Union Limited

(A Society Registered Under the Co-operative Societies Act)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of NAJ & Health Services Co-operative Credit Union Limited ("the Credit Union") set out on pages 5 to 39, which comprise the statements of financial position as at December 31, 2022, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Credit Union as at December 31, 2022 and of financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), and the Co-operative Societies Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Credit Union in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

UNIT #6, DRAGON CENTRE, 6 SOUTH AVENUE, KINGSTON 10

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Independent Auditor's Report (cont'd)
To the Registrar of Co-operative Societies
NAJ & Health Services Co-operative Credit Union Limited
(A Society Registered Under the Co-operative Societies Act)
Report on the Audit of the Financial Statements (cont'd)

Key Audit Matters (cont'd)

Key Audit Matters	How we addressed key audit matters
<p>As at December 31, 2022 interest on shares and deposit was \$8,509,087.00, representing 11% of total expenses. The calculation of interest is done by way of an automated accounting programme based on parameters set by management. The risk of misapplication of this programme could result in interest expense being materially misstated in the financial statements.</p>	<p>We assessed and tested the operating effectiveness of the controls involved in recording interest expense in the general ledger and the members' ledger and found no material misstatements.</p>

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Board of Directors



Independent Auditor's Report (cont'd)

To the Registrar of Co-operative Societies

NAJ & Health Services Co-operative Credit Union Limited

(A Society Registered Under the Co-operative Societies Act)

Report on the Audit of the Financial Statements (cont'd)

Responsibilities of Management and the Board of Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) and the Co-operative Societies Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Credit Union's ability to continue as a going concern and disclosing, as applicable, matters related to going concern.

The Board of Directors is responsible for overseeing the Credit Union's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

A further description of our responsibilities for the audit of the financial statements is included in the appendix of this auditor's report. This description, which is located on page 4, forms part of our auditor's report.

Report on additional matters as required by the Co-operative Societies Act

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit. In our opinion, proper accounting records have been maintained, so far as appears from our examination of those records, and the financial statements, which are in agreement therewith, give the information required by Co-operative Societies Act, in the manner required.

The engagement partner on the audit resulting in this independent auditor's report is Worrick Bogle.


BOGLE & COMPANY
Chartered Accountants

April 28, 2023



Appendix to the Independent Auditor's Report

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Credit Union's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Credit Union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Credit Union to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that presents a true and fair view.

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

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

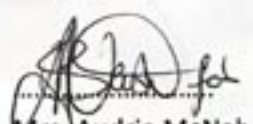
From the matters communicated with the Board of Directors we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2022

<u>Assets</u>	<u>Notes</u>	<u>2022</u>	<u>2021</u>
		\$	\$
Non-current assets			
Earning:			
Financial investments	5	75,952,751	15,529,784
Loans originated	6	744,905,077	627,469,703
		<u>820,857,828</u>	<u>642,999,487</u>
Non-earning:			
Property, plant & equipment	7	48,176,464	49,848,321
Retirement benefit asset	8	5,447,158	7,139,158
		<u>53,623,622</u>	<u>56,987,479</u>
Current assets			
Earning:			
Financial investments	5	18,058	129,028,020
Loans originated	6	21,479,054	11,551,733
Liquid assets	9	29,245,566	1,990,502
		<u>50,742,678</u>	<u>142,570,255</u>
Non-earning:			
Other assets	10	11,154,278	12,198,696
Cash and bank balances	11	19,923,096	7,042,173
		<u>31,077,374</u>	<u>19,240,869</u>
Total assets		<u>956,301,502</u>	<u>861,798,090</u>

The financial statements were approved by the Board of Directors on April 28, 2023, and signed on its behalf by:


Mrs. Audrie McNab
President


Mr. Barrington Hibbert
Treasurer




STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2022

<u>Equity and Liabilities</u>	<u>Notes</u>	<u>2022</u>	<u>2021</u>
		\$	\$
Equity:			
Members' permanent shares	12	16,457,443	15,817,871
Institutional capital	13	69,652,027	68,015,588
Non-institutional capital	14	10,610,390	12,195,553
Undistributed surplus	15	<u>(91,295)</u>	<u>(6,493,018)</u>
		<u>96,628,565</u>	<u>89,535,994</u>
Non-current liabilities			
Interest-bearing liabilities:			
Members' shares (voluntary)	16	223,351,259	132,155,188
External credit- long-term portion	17	<u>45,838,375</u>	<u>22,143,033</u>
		<u>269,189,634</u>	<u>154,298,221</u>
Current liabilities			
Interest-bearing liabilities:			
Members' shares (voluntary)	16	204,588,368	256,517,158
External credit - current portion	17	3,386,533	2,729,735
Members' deposits	18	<u>379,334,104</u>	<u>355,737,863</u>
		<u>587,309,005</u>	<u>614,984,756</u>
Non-interest bearing liabilities:			
Payables & accruals	19	<u>3,174,298</u>	<u>2,979,119</u>
		<u>3,174,298</u>	<u>2,979,119</u>
Total equity and liabilities		<u>956,301,502</u>	<u>861,798,090</u>

The financial statements were approved by the Board of Directors on April 28, 2023, and signed on its behalf by:


Mrs. Audrie McNab
President


Mr. Barrington Hibbert
Treasurer



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
AS AT DECEMBER 31, 2022

	Notes	2022 \$	2021 \$
Interest income			
Interest on members' loans		66,277,523	56,588,983
Interest on investments		2,368,728	3,149,203
		<u>68,646,251</u>	<u>59,738,186</u>
Financial expenses			
Loss on investment		1,237,519	103,621
External credit		2,805,234	2,201,364
Shares & deposits		8,509,087	9,368,831
		<u>12,551,840</u>	<u>11,673,816</u>
Net interest income		56,094,411	48,064,370
Movement on loan impairment provision		5,575,723	847,872
Bad debts (written off)		(9,438)	(1,249,114)
Net interest income after allowance for loan loss		<u>61,660,696</u>	<u>47,663,128</u>
Other income	20	<u>12,186,128</u>	<u>12,123,615</u>
Gross margin		73,846,824	59,786,743
Operating expenses	21	<u>(65,918,627)</u>	<u>(60,204,246)</u>
Surplus/(Deficit) for the year		<u>7,928,197</u>	<u>(417,503)</u>
Other comprehensive income			
<u>Items that will not be reclassified to profit or loss</u>			
Pension re-measurement		<u>(1,507,000)</u>	<u>(136,000)</u>
		<u>(1,507,000)</u>	<u>(136,000)</u>
Total comprehensive income		<u>6,421,197</u>	<u>(553,503)</u>



STATEMENT OF CHANGES IN EQUITY
AS AT DECEMBER 31, 2022

	Permanent Shares \$	Institutional Capital \$	Non - Intutional Capital \$	Undistributed Surplus \$	Total \$
December 31, 2020	15,205,745	67,963,988	13,482,911	(6,402,516)	90,250,128
Deficit for the year				(417,503)	(417,503)
Entrance fees		51,600			51,600
Pension remeasurement			(136,000)		(136,000)
Bad debt recoverable			(707,314)		(707,314)
Transfer from surplus			(327,001)	327,001	-
Share subscriptions	612,126				612,126
Share transfer fund			52,957		52,957
Donation reserve			(170,000)		(170,000)
December 31, 2021	15,817,871	68,015,588	12,195,553	(6,493,018)	89,535,994
Surplus for the year				7,928,197	7,928,197
Entrance fees		50,800			50,800
Statutory reserve		1,585,639		(1,585,639)	-
Bad debt reserve			125,835	(125,835)	-
Retirement benefit reserve			(185,000)	185,000	-
Pension remeasurement			(1,507,000)		(1,507,000)
Share subscriptions	639,572				639,572
Share transfer fund			34,356		34,356
Dividend reserve			1,826		1,826
Donation reserve			(55,180)		(55,180)
Balance December 31, 2022	16,457,443	69,652,027	10,610,390	(91,295)	96,628,565



STATEMENT OF CASH FLOWS AS AT DECEMBER 31, 2022

	<u>2022</u>	<u>2021</u>
	\$	\$
<u>Cash flows from operating activities</u>		
Surplus/(Deficit) for the year	7,928,197	(417,503)
Adjustments to reconcile loss for the year to net cash from operating activities		
Depreciation	1,655,626	1,534,377
Dividend	1,826	-
Bad debt reserve	-	(707,314)
Retirement benefit asset	1,692,000	463,001
	<u>11,277,649</u>	<u>872,561</u>
<u>Decrease in current assets</u>		
Other assets	1,044,418	4,799,525
<u>Increase in current liabilities</u>		
Payables & accruals	195,179	259,337
Net cash flows provided by operating activities	<u>12,517,246</u>	<u>5,931,423</u>
<u>Cash flows from investing activities</u>		
Loans to members	(127,362,695)	(121,807,189)
Financial investments	68,586,995	12,473,194
Acquisition of property, plant and equipment	(609,659)	(87,751)
Disposal of property plant and equipment	625,890	759,151
Net cash used in investing activities	<u>(58,759,469)</u>	<u>(108,662,595)</u>
<u>Cash flows from financing activities</u>		
Members shares & deposits	62,863,522	86,332,888
External credit	24,352,140	(1,494,688)
Permanent shares	639,572	612,126
Entrance fees	50,800	51,600
Appropriations	(1,527,824)	(253,043)
Net cash flows provided by financing activities	<u>86,378,210</u>	<u>85,248,883</u>
Net (decrease)/increase in cash & cash equivalents	40,135,987	(17,482,289)
Cash & cash equivalents at the beginning of the year	9,032,675	26,514,964
Cash & cash equivalents at the end of the year	<u>49,168,662</u>	<u>9,032,675</u>
<u>Represented by:</u>		
Liquid assets	29,245,566	1,990,502
Cash and bank balances	19,923,096	7,042,173
	<u>49,168,662</u>	<u>9,032,675</u>



NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

1. Identification & Activities

N A J & Health Services Co-operative Credit Union Ltd- "the Credit Union"

- a) The Credit Union is incorporated under the laws of Jamaica and is registered under the Co-operative Societies Act. The Credit Union's registered office is located 6 Trevenion Park Road, Kingston 5, Jamaica.
- b) Membership is restricted to members of the Nurses Association of Jamaica and other medical professionals and their families. The liability of members is limited by shares.
- c) No member may hold more than 20% of the total share capital.
- d) The main activities of the Credit Union are to promote thrift among its members by affording them an opportunity to accumulate their savings and to create for them a source of credit for provident or productive purposes at reasonable rates of interest.
- e) The Credit union is exempted from Income Tax under Section 59(1) of the Co-operative Societies Act and Section 12 of the Income Tax Act.

2. Significant Accounting Policies

a) Basis of preparation

The significant accounting policies that have been used in preparation of the financial statements are summarised below and have been consistently applied for all the years presented. The measurement bases used are those specified by International Financial Reporting Standards (IFRS) for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), and their interpretations adopted by the International Accounting Standards Board (IASB).

New, revised, amended standards and interpretations that became effective during the year.

Reference to the Conceptual Framework (Amendments to IFRS 3) effective after January 1, 2022.

Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) effective January 1, 2022.

These new, revised, amended standards and interpretations have had no impact on the Credit Union's financial statements.



**NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022**

2. Significant Accounting Policies (cont'd)**a) Basis of preparation (cont'd)****New, revised and amended standards and interpretations that are issued but not yet effective.**

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) effective after January 1, 2023.

This new, revised, amended standards and interpretations are not expected to have any significant impact on the Credit Union's financial statements

Functional currency

The amounts stated in the financial statements are in Jamaican Dollars which is the functional currency of the primary economic environment in which the Credit Union operates.

Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

In addition, for financial reporting purposes, fair value measurements are categorised into level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Credit Union can access at the measurement date.

Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly.



NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022

2. Significant Accounting Policies (cont'd)

a) Basis of measurement (cont'd)

Level 3 inputs are unobservable inputs for the asset or liability.

Use of estimates and judgements

The preparation of the financial statements to conform with International Financial Reporting Standards (IFRS) requires management to make estimates and assumptions that affect the reported amounts of, and disclosures relating to assets and liabilities at the reporting date, and the income and expenses for the year ended. Actual amounts could differ from these estimates.

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

Judgements made by management in the application of International Reporting Financial Standards (IFRS) that have significant effect on the financial statements and estimates with a significant risks of material adjustments are discussed below

I. Useful Lives of Property, plant and equipment

The useful life of property, plant and equipment are reviewed at the reporting date, and, if any expectations differ from previous estimates, the charge is accounted for as a change in accounting estimates.

II. Going concern

The preparation of the financial statements in accordance with IFRS assumes that the Credit Union will continue in operational existence for the foreseeable future. This means that the statements of profit or loss and other comprehensive income and financial position assume no intention or necessity to liquidate the Credit Union or curtail the scale of operation.



NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022

2. Significant Accounting Policies

b) Property, Plant and Equipment

The cost of an item of property, plant and equipment is recognised as an asset if, and only if: It is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be reliably measured.

An item of property, plant and equipment that qualifies for recognition as an asset is measured at its cost.

The Credit Union recognises depreciation under the expense heading of "depreciation" in the period.

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

The depreciation is charged using the straight-line method and is designed to write off the cost of the assets over the period of their useful lives. The annual rates of depreciation are as follows:

Building	2.5%
Furniture, fixtures & equipment	10%
Computer and Equipment	20%

Repairs and maintenance expenditures are charged to the profit or loss during the financial period in which they are incurred.

c) Employee benefits

The cost of providing employee benefits is recognised in the period in which the benefit is earned by the employee, rather than when it is paid, and each category of employee benefits are measured, providing detailed guidance in particular about post-employment benefits.

Defined benefit plan

The Credit Union participates in a multi-employer defined benefit plan administered by the Jamaica Co-operative Credit Union League Limited into which the Credit union and its employees make contributions. The Credit Union has an obligation to provide agreed benefits to current and past employees and effectively places actuarial and investment risk on the Credit Union.



NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

2. Significant Accounting Policies (cont'd)

c) Employee benefits (cont'd)

Defined Contribution Plan (cont'd)

The Credit Union also contributes to a defined contribution plan. Contribution by the Credit Union to this plan is an expense to the Credit Union and the Credit Union bears no further risk nor obligation.

d) Financial Instruments: Classification; Recognition; Derecognition and Measurement

A financial instrument is an instrument that give rise to a financial asset in one entity and a financial liability or equity instrument of another entity.

Classification

Financial assets comprise financial investments, loans originated, liquid assets, cash and bank balances and other assets. Financial liabilities comprise voluntary shares, members deposits and payables. Equity is described as permanent shares

Recognition & Initial Measurement

The Credit Union recognises a financial instrument when it becomes a party to the contractual terms of the instrument. The Credit Union initially recognise loans to members and other assets on the date they are generated. At initial recognition the Credit Union measures a financial asset or liability at its fair value. Transaction cost of assets or liabilities carried at fair value through profit or loss are expensed.

Classification and subsequent re-measurement

The Credit Union has classified its financial instruments in the following measurement categories:

- Amortised cost
- Fair value through profit or loss

Financial Investments

Financial investments are financial instruments which are held to collect contractual cash flows and to sell.

Permanent shares held with the Jamaica Co-operative Credit Union League are equity instruments. The Credit Union has elected to measure these shares at fair value through profit or loss.



**NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022**

2. Significant Accounting Policies (cont'd)

d) Financial Instruments: Classification; Recognition; Derecognition and measurement (cont'd)

Financial investments (cont'd)

Voluntary shares, mortgage fund, gilt edge securities and bond are debt instruments and are measured at fair value through the profit or loss.

Loans originated

Loans provided by the Credit Union to its members are classified as loans originated. The objectives of the loan portfolio is to hold and collect contractual cash flows; the performance targets of the portfolio are determined by the compliance rate in terms of interest and principal payments and the key performance index for each portfolio is the delinquency ratio. Loan originated are measured at fair value through the profit or loss.

Liquid assets

A liquid asset is an asset that can readily be converted into cash is similar to cash itself because the asset can be sold with little impact on its value. Investments are considered liquid assets if they can be readily liquidated. Savings accounts held at The National Commercial Bank Jamaica Limited and Cumax Money Market Account held with Credit Union Fund Management Company Limited are classified as liquid assets and measured at fair value through the profit or loss.

Cash and bank balances

Cash and Bank balances includes notes and coins on hand and unrestricted funds held at other financial institutions representing non-interest-bearing liquid assets owned by the Credit Union.

Other assets

Other assets are sundry receivables and prepayments. These are recognized at fair value and measured at amortized cost.

Members' voluntary shares

The voluntary shares are classified as interest earning liabilities. Interest is calculated and paid annually based on the weighted average balance on the members account during the year. The rate of interest is determined by the Board of Directors. Voluntary shares are initially recognized at fair value and subsequently measured at amortized cost.



2. Significant Accounting Policies (cont'd)

d) Financial Instruments: Classification; Recognition; Derecognition and measurement (cont'd)

Members' deposits

These are savings accounts held by the members of the Credit Union. These amounts are payable on demand. Interest on these accounts is calculated and paid annually. The rates of interest paid are determined by the Board of Directors. Members deposits are classified as financial liabilities and are measured at amortized cost.

Permanent shares

This represents equity in the Credit Union which cannot be withdrawn but may be transferred to another member or repurchased by the Credit Union. These shares are classified as equity and are measured at their nominal value.

Payables & accruals

These are short term liabilities which are recognized at fair value and measured at amortized cost

e) Institutional capital

Institutional Capital includes the Statutory Reserve Fund as well as various other reserves established from time to time as is deemed necessary by the Board of Directors to support the operation of the Credit Union and thereby protect the interest of the members. These reserves are not available for distribution.

The stronger the overall capital position, the easier it is for the Credit Union to deal with future uncertainties such as asset loss and adverse economic cycles.

f) Non - Institutional capital

Non institutional capital are amounts approved by the members at their annual general meetings and set aside to facilitate outreach and development activities of the Credit Union.



NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022

2. Significant Accounting Policies (cont'd)

g) Revenue recognition

Interest on loans

Interest on loans is recognized when interest is calculated on the outstanding balance at the beginning of each month, using the reducing balance method. When a loan is classified as impaired, recognition of interest in accordance with the original terms and conditions of the loan ceases and interest is taken into account on the cash basis.

Interest on investments

Interest income from investments is recognized on the accrual basis.

Dividend income

Dividend income is recognized when the Credit Union's right to receive payment is established.

Commission and Fees

Fees and commission income are generally recognised on a cash basis when the services have been provided.

h) Interest expense

Interest expense is recognized in the statement of profit or loss for interest bearing liabilities on the accrual basis using the weighted average method.

i) Operating expense

Operating expenses are recognized in profit or loss upon utilization of the service or as incurred.

j) Allowance for loan impairment

An allowance for loan impairment is established based on lifetime expected credit loss (ECL) which is the ECL that result from all possible default events over the expected life of the loan. Loans for which a lifetime ELC is recognized but which are not credit impaired are referred to as 'stage 1'. If significant increase in credit risk since initial recognition is identified, the loan moves to 'stage 2', but is not yet credit impaired. If the loan is credit impaired it moves to 'stage 3'



NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022

2. Significant Accounting Policies (cont'd)

j) Allowance for loan impairment (cont'd)

The loan loss provision is derived based on a model which takes account of, among other factors, the carrying amount and the recoverable amount, being the present value of expected cash flows, including amounts recoverable from guarantees and collateral, discounted at the original effective rate of interest of the loan and the probability of default. Provision is calculated as follows:

State 1: 12 months loan repayments for loans 30 days past due

Stage 2: Principal & interest for loans 31-90 days past due

Stage 3: Principal only for loans over 90 days past due.

In both current and prior year regulatory provisions are established for loans originated as a result of a review of the carrying value of loans in arrears and are derived based on the requirements stipulated by the Jamaica Co-operative Credit Union League Limited (JCCUL) provisioning policy of making full provision for loans in arrears over twelve (12) months. General provisions ranging from 10 % to 60% are established in respect of loans in arrears for two (2) to twelve months. Regulatory provision that exceeds International Financial Reporting Standards is accounted for as in a loan loss reserve.

write-offs

Loans are written of (either partially or in full) when there is no reasonable expectation of recovering it in its entirety or a portion thereof. This is generally the case when the Credit Union determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to write-off. This assessment is carried out at the individual asset level. Recoveries of amounts written off could still be subject to enforcement activities in order to comply with the Credit Union's procedures for recovery of amounts due.



NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022

3. Financial risk management

The Credit Union activities are related to the use of financial instruments which involves analysis, evaluation and management of risks. The Board of Director is responsible for the establishment of the risk management framework.

The Credit Union has exposure to the following risks from its use of financial instruments.

- Credit risk
- Liquidity risk
- Market risk

a) 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 primarily from the Credit Union's loans to members & debt instruments with other institutions.

Loans to members

The management of credit risk in respect of loans to members and guarantees is delegated to the Credit Committee. The Committee is responsible for oversight of the Credit Union's credit risk, including formulating credit policies, establishing the authorisation structure for the approval of credit facilities, reviewing and assessing credit risk, limiting concentration of exposure to counterparties and developing and maintaining the Credit Union's risk grading. There is a documented credit policy in place which guides the Credit Union's credit review process.

Exposure to credit risk

The carrying amount of financial assets represents the maximum exposure to credit risk (before recognition of collateral held) at the reporting date was:

	<u>2022</u>	<u>2021</u>
	\$	\$
Loans to members	766,384,131	639,021,436
Liquid assets	29,245,566	1,990,502
Financial investments	75,970,809	144,557,804
Other assets	11,154,278	12,198,696
	<u>882,754,784</u>	<u>797,768,438</u>



NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

3. Financial risk management(cont'd)

b) Liquidity risk

Liquidity risk is the risk that the Credit Union will encounter difficulty in meeting obligations for its financial liabilities. The Credit Union's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient funds to meet its obligations when due under both normal or stressed conditions. Prudent liquidity risk management which the Credit Union uses includes maintaining sufficient cash and marketable securities, monitoring future cash flows and liquidity on a daily basis.

The Credit Union is subject to a liquidity limit imposed by the Credit Union League and compliance is regularly monitored. The key measure used by the Credit Union for managing liquidity risk is the ratio of liquid assets to total savings deposit. For this purpose, liquid assets include loans which are expected to be repaid within the year, cash bank balances, deposits held with JCCUL and highly liquid investments which are readily converted into cash within three months. The liquid asset ratio at the reporting date was 0.29 (2021 0.03)

	<u>2022</u>	<u>2021</u>
	\$	\$
Cash resources:		
Loans (after provision for loan impairment)	5,112,744	5,388,943
Financial investments	114,815,678	18,058
Liquid assets	29,245,566	1,990,502
Other assets	2,596,537	1,439,576
Cash & bank balances	19,923,096	7,042,173
	<u>171,693,621</u>	<u>15,879,252</u>
Saving deposits and other liabilities:		
Members' share capital	204,588,368	256,517,158
Members deposits	379,334,104	355,737,863
External loans	822,585	682,434
Payables & accruals	3,174,298	2,979,119
	<u>587,919,355</u>	<u>615,916,574</u>
 Ratio	 0.29	 0.03



NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022

3. Financial risk management(cont'd)

b) Liquidity risk (cont'd)

The following table presents the undiscounted contractual maturities of financial liabilities, on the basis of their earliest possible contractual maturity.

	2022			
	Within 3 months	3 to 9 months	Over 12 months	Carrying value
	\$	\$	\$	\$
Members' share capital	200,308,972	4,279,396	223,351,259	427,939,627
Members' deposits	229,927,647	149,406,457	-	379,334,104
External loans	822,585	2,563,948	45,838,375	49,224,908
Payables and accruals	3,174,298	-	-	3,174,298
	434,233,502	156,249,801	269,189,634	859,672,937

	2021			
	Within 3 months	3 to 9 months	Over 12 months	Carrying value
	\$	\$	\$	\$
Members' share capital	252,630,534	3,886,624	132,155,188	388,672,346
Members' deposits	218,977,583	136,760,280	-	355,737,863
External loans	682,434	2,047,301	22,143,033	24,872,768
Payables and accruals	2,979,119	-	-	2,979,119
	475,269,670	142,694,205	154,298,221	772,262,096



NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

3. Financial risk management(cont'd)

c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. These arise mainly from changes in interest rate and equity prices and will affect the Credit Union's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk. Market risk exposures are measured using sensitivity analysis.

There has been no change to the Credit Union's exposure to market risks or the manner in which it manages and measures the risk.

Currency risk

Currency risk is the risk that the market value of, or the cash flows from, financial instruments will vary because of exchange rate fluctuations. The Credit Union does not deal in foreign currencies nor currently hold any securities denominated in foreign currencies. There was no exposure to currency risk at the end of the reporting period.

Interest rate risk

Interest rate risk is the risk of loss from fluctuations in the future cash flows or fair values of financial instrument because of a change in market interest rates. It arises when there is a mismatch between interest-earning assets and interest-bearing liabilities which are subject to interest rate adjustments within a specified period. It can be reflected as a loss of future net interest income and/or a loss of current market values. Interest rate risk is managed by holding primarily fixed rate financial instruments. The Credit Union exposure to interest rate risk at the end of the end of the reporting period was as follows:

	2022			
	Within 3 months	3 to 12 months	Over 12 months	Carrying value
<u>Assets</u>	\$	\$	\$	\$
Loans	5,112,744	16,366,310	744,905,077	766,384,131
Liquid assets	29,245,566	-	-	29,245,566
Financial investments	18,058	-	75,952,751	75,970,809
	34,376,368	16,366,310	820,857,828	871,600,506
<u>Liabilities</u>				
Savings deposits	229,927,647	149,406,457	-	379,334,104
Members' shares	200,308,972	4,279,396	223,351,259	427,939,627
External Loans	822,585.00	2,563,948	45,838,375	49,224,908
	431,059,204	156,249,801	269,189,634	856,498,639
Total interest rate gap	(396,682,836)	(139,883,491)	551,668,194	15,101,867
Cumulative gap	(396,682,836)	(536,566,327)	15,101,867	-



NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022

3. Financial risk management(cont'd)

c) Market risk (cont'd)

Interest rate risk(cont'd)

	2021			
	Within 3 months	3 to 12 months	Over 12 months	Carrying value
<u>Assets</u>	\$	\$	\$	\$
Loans	5,388,943	6,162,790	627,469,703	639,021,436
Liquid assets	1,990,502	-	-	1,990,502
Financial investments	114,815,678	14,212,342	15,529,784	144,557,804
	122,195,123	20,375,132	642,999,487	785,569,742
<u>Liabilities</u>				
Savings deposits	218,977,583	136,760,280	-	355,737,863
Members' shares	252,630,534	3,886,624	132,155,188	388,672,346
External Loans	682,434	2,047,301	22,143,033	24,872,768
	472,290,551	142,694,205	154,298,221	769,282,977
Total interest rate gap	(350,095,428)	(122,319,073)	488,701,266	16,286,765
Cumulative gap	(350,095,428)	(472,414,501)	16,286,765	-



NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022

4. Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Credit Union's processes, personnel, technology and infrastructure and from external factors other than financial risks such as arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. The Credit Union's objective when managing operational risk so as to balance the avoidance of financial loss and damages to its reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of control to identify operational risk is assigned to the Board of Directors. This responsibility is supported by overall co-operative standards for the management of operational risk in following areas:

Requirements for periodic assessment of operational risk faced, and the adequacy of controls and procedure to address the risks identified.

Requirements for the appropriate segregation of duties, including the independent authorisation of transactions;

Compliance with regulatory and other legal requirements;

Documentation of controls and procedures;

Requirements for the reporting of operational losses and proposed remedial action;

Development of contingency plans;

Ethical and business standards;

Risk, mitigation, including insurance where this is effective;

Compliance with the Credit Union's policies is supported by a programme of periodic reviews;

Capital management

The Credit Union's objectives when managing capital are to safeguard the Credit Union's ability to continue as a going concern. The Credit Union defines its capital as Permanent share capital, institutional capital and special reserve. Its dividend pay-out is made taking into account the maintenance of an adequate capital base. The Credit Union is required by the Jamaica Co-operative League Limited to maintain its institutional capital at a minimum of 8 % of total assets. At the statement of financial position date, this ratio was 9 % (2021:- 11 %) which is in compliance with the requirements.



NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

4. Operational risk (cont'd)

Insurance

The Credit Union has in place the following insurance coverage which are deemed adequate: fidelity bond; life savings & loan protection and general all risk.

Related party balances

At December 31, 2022, members of the Credit Union's Board of Directors, Committee members and staff had savings and loans inclusive of interest as stated below:

	<u>2022</u>	<u>2021</u>
	\$	\$
Savings	34,012,517	23,593,788
Loans (inclusive of interest)	94,921,975	73,501,973

Staff Compliment

	<u>2022</u>	<u>2021</u>
Number of persons employed		
Full time	9	7
Temporary	1	2
	<u>10</u>	<u>9</u>

General Ledger & Subledger Comparison

	<u>2022</u>	<u>2022</u>	<u>2022</u>
	Shares	Deposits	Loans
	\$	\$	\$
Balance as per general ledger	444,397,070	378,903,717	765,077,108
Balance as per members' ledger	444,397,070	378,889,506	765,077,108
Differences	-	14,211	-

	<u>2021</u>	<u>2021</u>	<u>2021</u>
	Shares	Deposits	Loans
	\$	\$	\$
Balance as per general ledger	404,490,217	355,297,592	643,495,252
Balance as per members' ledger	404,490,217	355,312,009	643,495,252
Differences	-	(14,417)	-



NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022

4. Operational risk (cont'd)

Collaterals

The Credit Union holds collateral against loans to members in the form of mortgage interests over property, lien over motor vehicles, other registered securities over assets, hypothecation of shares held in the Credit Union and guarantees. Estimates of fair values are based on value of collateral assessed at the time of borrowing and are generally not updated except when a loan is individually assessed as impaired.

5. Financial investments

	2022			
	Within 3 months	3 to 12 months	Over 1 year	Carrying value
Equity Instruments-Unquoted	\$	\$	\$	\$
Permanent shares	-	-	2,007,555	2,007,555
Ordinary shares	-	-	930,480	930,480
Equity Instruments-Quoted				
Ordinary shares	-	-	1,853,066	1,853,066
Debt Instruments				
Cumax Money Market Fund	18,058	-	-	18,058
Income portfolio	-	-	14,417,645	14,417,645
JCCUL Liquidity Reserve	-	-	56,744,005	56,744,005
	18,058	-	75,952,751	75,970,809

	2021			
	Within 3 months	3 to 12 months	Over 1 year	Carrying value
Equity Instruments-Unquoted	\$	\$	\$	\$
Permanent shares	-	-	2,007,555	2,007,555
Ordinary shares	-	-	930,480	930,480
Equity Instruments-Quoted				
Ordinary shares	-	-	2,606,726	2,606,726
Debt Instruments				
Cumax Money Market Fund	114,815,678	-	-	114,815,678
Income portfolio	-	14,212,342	-	14,212,342
Wealth Management fund	-	-	9,957,316	9,957,316
Capital Growth Fund	-	-	27,707	27,707
	114,815,678	14,212,342	15,529,784	144,557,804



NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022

6. Loans originated

	2022				Total Value
	Within 3 Months	3 to 12 Months	1 to 5 Years	Over 5 Years	
	\$	\$	\$	\$	\$
Principal	813,444	18,002,561	266,231,442	480,029,661	765,077,108
Interest receivable	4,299,300	-	-	-	4,299,300
Less provision for loan loss	-	(1,636,251)	(1,356,026)	-	(2,992,277)
Carrying value	5,112,744	16,366,310	264,875,416	480,029,661	766,384,131

	2021				Total Value
	Within 3 Months	3 to 12 Months	1 to 5 Years	Over 5 Years	
	\$	\$	\$	\$	\$
Principal	1,294,759	14,730,790	261,259,980	366,209,723	643,495,252
Interest receivable	4,094,184	-	-	-	4,094,184
Less provision for loan loss	-	(8,568,000)	-	-	(8,568,000)
Carrying value	5,388,943	6,162,790	261,259,980	366,209,723	639,021,436

Movement in loan loss provision

	2022	2021
	\$	\$
Allowance for loan loss at the beginning of year	8,568,000	9,415,872
Decrease in provision	(5,575,723)	(847,872)
Net provision at December 31,	2,992,277	8,568,000



NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022

6. Loans originated (cont'd)

Provision for loan loss

The credit union provides for loan loss using the expected credit loss model. At the reporting date the provision for loan loss was as follows:

2022

Stages	Aging	Number of Loans	Expected Credit Loss	Calculated Provision
Stage 1	Less than 2 months	517	60,751,334	2,553,926
Stage 2	2 - 3 months	29	2,386,997	211,915
Stage 3	over 3 months	14	1,808,376	226,436
Total		560	64,946,707	2,992,277

2021

Stages	Aging	Number of Loans	Expected Credit Loss	Calculated Provision
Stage 1	Less than 2 months	501	68,905,209	6,456,062
Stage 2	2 - 3 months	25	5,042,238	1,083,917
Stage 3	over 3 months	18	3,076,113	1,028,021
Total		544	77,023,560	8,568,000



NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022

6. Loans originated (cont'd)

Regulatory provision

Provision required by the rules of the Jamaica Co-operative Credit Union League Limited are stated below for comparative purposes.

2022

Months in Arrears	Total Number of loans	Total Delinquent loans	Savings Held	Exposure	Provision	
		\$	\$	\$	\$	%
Less than 2 months	179	211,625,629	274,696,098	(63,070,469)		-
2-3 months	7	3,824,936	3,295,899	529,037	382,494	10%
4-6 months	7	3,681,725	4,269,953	(588,228)	1,104,518	30%
7- 12 months	2	248,731	214,689	34,042	149,239	60%
Over 12 months	2	1,481,861	1,591,463	(109,602)	1,481,861	100%
Totals	197	220,862,882	284,068,102	(63,205,220)	3,118,111	

2021

Months in Arrears	Total Number of loans	Total Delinquent loans	Savings Held	Exposure	Provision	
		\$	\$	\$	\$	%
Less than 2 months	158	126,633,217	159,007,754	(32,374,537)		-
2-3 months	11	8,018,717	6,571,368	1,447,349	801,872	10%
4-6 months	9	4,767,711	3,106,287	1,661,424	1,430,313	30%
7- 12 months	6	9,827,122	2,640,521	7,186,601	5,896,273	60%
Over 12 months	-	-	-	-	-	100%
Totals	184	149,246,767	171,325,930	(22,079,163)	8,128,458	

Loan loss reserve

	2022	2021
	\$	\$
Regulatory provision	3,118,111	8,128,458
Expected credit loss	(2,992,277)	(8,568,000)
	<u>125,834</u>	<u>-</u>

No loan loss reserve was required in prior year as expected credit loss exceeded regulatory provision.



NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

7. Property, plant & equipment

	Furniture & fixtures	Building	Computers	Total
<u>At cost</u>	\$	\$	\$	\$
Balance December 31, 2020	3,918,606	60,281,508	2,069,218	66,269,332
Addition during 2021	9,551	-	78,200	87,751
Assets written off	(663,235)	-	(95,916)	(759,151)
Balance December 31, 2021	3,264,922	60,281,508	2,051,502	65,597,932
Addition during 2022	-	-	609,659	609,659
Assets written off	(215,426)	-	(410,464)	(625,890)
Balance December 31, 2022	3,049,496	60,281,508	2,250,697	65,581,701
<u>Accumulated depreciation</u>				
Balance December 31, 2020	2,845,900	10,794,741	574,593	14,215,234
Charge for the year 2021	344,585	1,507,038	441,979	2,293,602
Depreciation written off	(663,235)	-	(95,990)	(759,225)
Balance December 31, 2021	2,527,250	12,301,779	920,582	15,749,611
Depreciation charged	298,489	1,507,113	477,921	2,283,523
Depreciation written off	(216,493)	-	(411,404)	(627,897)
Balance December 31, 2022	2,609,246	13,808,892	987,099	17,405,237
<u>Carrying value</u>				
December 31, 2022	440,250	46,472,616	1,263,598	48,176,464
December 31, 2021	737,672	47,979,729	1,130,920	49,848,321



NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022

8. Retirement benefit asset

Amounts recognized in the statement of financial position

	<u>2022</u>	<u>2021</u>
	\$'000	\$'000
Present Value of obligations	21,204	33,061
Fair value of plan assets	<u>(41,808)</u>	<u>(40,200)</u>
	(20,604)	(7,139)
Effect of the asset ceiling	<u>15,157</u>	-
Asset recognized in the statement of financial position	<u>(5,447)</u>	<u>(7,139)</u>

Movement in net liability (asset)

	<u>2022</u>	<u>2021</u>
	\$'000	\$'000
Opening Net Liability (Asset)	(7,139)	(7,602)
Pension Expense (Income)	1,263	1,354
Total Remeasurement included in OCI	1,507	136
Employer's Contributions	<u>(1,078)</u>	<u>(1,027)</u>
	<u>(5,447)</u>	<u>(7,139)</u>

Discount rate at beginning of period	8.00%	9.00%
Expected future salary increases	5.50%	6.50%
Expected future pension increases	3.75%	4.50%

Movement in the present value of the obligation.

	<u>2022</u>	<u>2021</u>
	\$'000	\$'000
Balance at the beginning of the period	33,061	30,436
Employer's current service cost	1,688	1,919
Employees' contributions	674	642
Interest cost	2,645	2,682
Benefits paid	-	(1,267)
Actuarial loss -experience adjustments	(464)	(2,513)
Actuarial (gain) loss - changes in financial assumptions	<u>(16,399)</u>	<u>1,162</u>
Present value of obligations at the end of the period	<u>21,205</u>	<u>33,061</u>



NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022

8. Retirement benefit asset (cont'd)

Movement in the fair value of the plan assets.

	<u>2022</u>	<u>2021</u>
	\$'000	\$'000
Fair value of plan assets at the beginning of the period	40,200	38,038
Employees' contributions	674	642
Employer's contributions	1,078	1,027
Interest income	3,286	3,441
Benefits paid	-	(1,267)
Administrative expenses	(216)	(194)
Actuarial loss on plan assets	(3,214)	(1,487)
Fair value plan assets at the end of period	<u>41,808</u>	<u>40,200</u>

Plan of assets consist of the following assets

	<u>2022</u>	<u>2021</u>
	\$'000	\$'000
Debentures	13,755	10,451
Quoted equities	9,277	9,299
Investment properties	9,287	9,172
Debentures-USD	2,998	5,298
Repurchase agreements	3,944	3,592
Unit Trust	2,277	2,139
Real estate investment trusts	517	453
Certificates of deposits-USD	0	335
Net current assets	(247)	(539)
	<u>41,808</u>	<u>40,200</u>

Expense recognized in profit or loss

	<u>2022</u>	<u>2021</u>
	\$'000	\$'000
Employers' current service cost	1,688	1,919
Interest cost on obligation	2,645	2,682
Interest income on plan assets	(3,286)	(3,441)
Administrative expenses	216	194
	<u>1,263</u>	<u>1,354</u>



NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022

8. Retirement benefit asset (cont'd)

Amounts recognized in other comprehensive income

	<u>2022</u>	<u>2021</u>
	\$'000	\$'000
Actuarial (gain) on obligation	(16,863)	(1,351)
Actuarial loss (gain) on plan assets	3,213	1,487
Change in the effect of asset ceiling	15,157	-
	<u>1,507</u>	<u>136</u>

Principal actuarial assumptions

	<u>2022</u>	<u>2021</u>
	\$'000	\$'000
Discount rate	13.00%	8.00%
Expected future salary increases	7.50%	5.50%
Expected future pension increases	5.50%	3.75%

Sensitivity analysis of key economic assumptions

	<u>2022</u>	<u>2022</u>	<u>2021</u>	<u>2021</u>
	\$'000	\$'000	\$'000	\$'000
Assumptions	+1%	-1%	+1%	-1%
Discount rate	(2,977)	3,768	(5,957)	7,856
Future salary increases	1,514	(1,314)	3,210	(2,736)
Future pension increases	1,954	(1,670)	3,847	(3,253)

Liability duration

	<u>2022</u>	<u>2021</u>
	\$'000	\$'000
Active members	19.4	23.4
Differed pensioners	10.2	11.9
All participants	17.8	21.6



NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

9. Liquid assets

	<u>2022</u>	<u>2021</u>
	\$	\$
National Commercial Bank Limited		
Savings accounts	10,691,836	1,173,146
Current account	810,191	817,356
Jamaica Co-operative Credit Union League Limited		
Demand deposit	<u>17,743,539</u>	<u>-</u>
	<u>29,245,566</u>	<u>1,990,502</u>

10. Other assets

	<u>2022</u>	<u>2021</u>
	\$	\$
Staff loans	8,557,741	8,236,221
Rent	60,000	60,000
Bad debt recoverable	653,537	1,182,975
Other receivable	-	719,500
Misappropriation	<u>1,883,000</u>	<u>2,000,000</u>
	<u>11,154,278</u>	<u>12,198,696</u>

11. Cash & bank balances

	<u>2022</u>	<u>2021</u>
	\$	\$
Bank-current accounts	18,833,789	5,657,473
Cash in hand	<u>1,089,307</u>	<u>1,384,700</u>
	<u>19,923,096</u>	<u>7,042,173</u>

12. Permanent Shares

	<u>2022</u>	<u>2021</u>
	\$	\$
Balance at December 31	15,817,871	15,205,745
Add subscription	<u>639,572</u>	<u>612,126</u>
	<u>16,457,443</u>	<u>15,817,871</u>



NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

13. Institutional capital

	<u>2022</u>	<u>2021</u>
	\$	\$
Retained earnings	27,421,779	27,421,779
Statutory reserve	42,230,248	40,593,809
	<u>69,652,027</u>	<u>68,015,588</u>

14. Non-institutional capital

	<u>2022</u>	<u>2021</u>
	\$	\$
Scholarship fund reserve	70,000	70,000
Promotion	667,197	667,197
Share transfer fund	350,920	316,565
Retirement Benefit Asset Reserve	5,447,158	7,139,157
Special reserve	1,350,874	1,350,874
Dividend reserve	1,195,968	1,194,142
Donation & gifts reserve	2,438	57,618
Loan loss reserve	125,835	-
Information technology development	600,000	600,000
General reserve	800,000	800,000
	<u>10,610,390</u>	<u>12,195,553</u>

15. Undistributed surplus

	<u>2022</u>	<u>2021</u>
	\$	\$
Balance January 1,	(6,493,018)	(6,402,516)
Surplus/(Deficit)	7,928,197	(417,503)
Statutory reserve	(1,585,639)	-
Bad debt reserve	(125,835)	-
Transfer from retirement benefit reserve	185,000	327,001
Balance at December 31	<u>(91,295)</u>	<u>(6,493,018)</u>



NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

16. Members' share capital

2022			
Within 3 months	3 to 12 months	Over 12 months	Carrying value
\$	\$	\$	\$
200,308,972	4,279,396	223,351,259	427,939,627

2021			
Within 3 months	3 to 12 months	Over 12 months	Carrying value
\$	\$	\$	\$
252,630,534	3,886,624	132,155,188	388,672,346

17. External Loans

	2022	2021
	\$	\$
Amount payable after one year	45,838,375	22,143,033
Amount payable within one year	3,386,533	2,729,735
	<u>49,224,908</u>	<u>24,872,768</u>

This loan is from Credit Union Fund Management Company Limited with the following terms:

Principal - \$49,500,000.00
 Interest Rate 8 %
 Repayment period 10 years
 Maturity date November 8, 2032
 Secured by legal mortgage over property located at 6 Trevennion Park Road, Kingston 5, registered at Volume 1047 folio 80.



NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022

18. Members deposits

	2022			Carrying value
	Within 3 months	3 to 12 months	Over 12 months	
	\$	\$	\$	\$
Regular deposits	177,122,494	-	-	177,122,494
Fixed deposits	-	138,389,076	-	138,389,076
Golden harvest deposits	52,268,542	-	-	52,268,542
Santa account	18,000	-	-	18,000
Partner Plan	-	10,586,993	-	10,586,993
Interest payable	-	430,388	-	430,388
Advance Protector	518,611	-	-	518,611
	<u>229,927,647</u>	<u>149,406,457</u>	<u>-</u>	<u>379,334,104</u>

	2021			Carrying value
	Within 3 months	3 to 12 months	Over 12 months	
	\$	\$	\$	\$
Regular deposits	164,754,072	-	-	164,754,072
Fixed deposits	-	129,065,334	-	129,065,334
Golden harvest deposits	54,085,742	-	-	54,085,742
Santa account	21,000	-	-	21,000
Partner Plan	-	7,254,675	-	7,254,675
Interest payable	-	440,271	-	440,271
Advance Protector	116,769	-	-	116,769
	<u>218,977,583</u>	<u>136,760,280</u>	<u>-</u>	<u>355,737,863</u>

19. Payables and accruals

	2022	2021
	\$	\$
Deceased members' balances	890,621	890,621
Unallocated receipts	545,354	381,243
Deposit clearing account	80,938	392,328
Other accruals	115,600	120,660
Audit fees	482,999	402,500
Vacation leave	444,579	86,538
Withholding tax payable	614,207	705,229
	<u>3,174,298</u>	<u>2,979,119</u>



NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

20. Other income

	<u>2022</u>	<u>2021</u>
	\$	\$
Rental income	591,049	645,000
Gain on valuation of equity instruments	237,075	(397,953)
Dividends	682	94,247
Service charge	3,403,192	3,611,444
Loan processing fees	7,954,130	8,170,877
	<u>12,186,128</u>	<u>12,123,615</u>

21. Operating expenses

	<u>2022</u>	<u>2021</u>
	\$	\$
<u>Personnel</u>		
Pension	2,047,532	1,613,286
Salaries	30,735,909	26,604,814
Staff welfare and training	4,604,826	2,685,094
Statutory contributions-prior year	-	2,460,265
Statutory contributions	3,800,579	3,609,920
	<u>41,188,846</u>	<u>36,973,379</u>

	<u>2022</u>	<u>2021</u>
	\$	\$
<u>Administrative</u>		
Audit Fees-external	690,000	632,500
Audit Fees-internal	977,500	662,025
Bank charges	324,501	286,579
Cleaning & sanitation	886,761	667,779
Insurance premiums	4,352,996	4,261,770
Depreciation	2,280,501	2,293,602
Electricity	1,942,268	1,662,447
Professional fees	700,139	746,250
AML Monitoring	575,000	1,462,500
Office expenses	61,315	104,741
Printing and stationery	642,460	422,207
Property tax	96,600	96,600
Repairs and maintenance	2,208,944	2,275,814
Security	180,634	169,724
Telephone & cable	1,531,748	1,628,272
Travelling	87,730	20,170
Water	286,701	1,985,035
	<u>17,825,798</u>	<u>19,378,015</u>



NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022

21. Operating expenses (cont'd)

	<u>2022</u>	<u>2021</u>
	\$	\$
<u>Marketing & promotion</u>	<u>1,370,654</u>	<u>562,735</u>
<u>Representation & affiliation</u>	<u>\$</u>	<u>\$</u>
Annual General Meeting	900,205	540,905
League & committee meetings	1,992,803	922,240
League fees and other dues	1,709,318	1,250,674
Stabilization dues	931,003	452,860
Training	-	123,438
	<u>5,533,329</u>	<u>3,290,117</u>
Total operating expenses	<u>65,918,627</u>	<u>60,204,246</u>



Report of the Credit Committee

for the Year Ended December 31, 2022

The NAJ & Health Services Co-operative Credit Union over the past 46 years has emerged as a strong financial institution despite the many challenges faced in the global financial sector which include wage freeze, high inflation, and migration. Nevertheless, the Credit grew in 2022.

Members of the Committee are:

- Miss Novlette Arthurs - (Chairperson)
- Miss Camille Williams - (Secretary)
- Mrs. Dion Murphy Nedrick
- Mrs. Maureen Young Sewell
- Miss Lorna Calder

The year under review can be described as a stabilizing period where the country's macro-economic outlook was given a positive rating. This was attributed to the decline in COVID-19 cases and a return to normalcy within the productive sector. The Jamaican economy for the first time was given a B+ rating by both Standard & Poor and Fitch rating agencies. However, despite the positive credit ratings inflation stood at a record high. The challenges faced by the Jamaican economy also impacted the approach of members to borrowing. The mission of the Credit Committee is to ensure members get the best benefit from products and services offered by the Credit Union. The Credit Committee is cognizant of



Novlette Arthurs
Chairperson

the value of the loan products to the Credit Union and our mission is to grow the loan portfolio thus increasing the stability and sustainability of the Credit Union.

The Board of Directors, Management, and staff sought innovative ways to appeal to members in its offering of loan products. There were several loan promotions throughout the year with attractive and competitive interest rates. The car loan portfolio was the most lucrative as members took the opportunity to invest in this product.

Members remained cautious due to the unpredictability of the economy and the spending



power of the Jamaican dollar. The loan portfolio remains relatively stable. The Committee meets on our assigned meeting days. A

total of 398 loans were approved. The following is a breakdown of the loans disbursed during the year under review.

Loans Disbursed in 2022

Category of Loans	Number of Loans	Amount \$	Percentage of Amount %
Medical Expenses	9	4,483,625.53	1.30
Education	7	2,855,775.36	0.83
Purchase Land and Buildings and Home Improvement & Repairs	15	42,183,007.73	12.19
Consolidation of Debts	4	7,575,441.82	2.19
Vacation & Travel	3	907,386.09	0.26
Household Appliances (Purch/repairs)	4	1,900,000.00	0.55
Motor Vehicle Purchase/repairs	83	239,105,632.33	69.09
Personal	271	46,395,868.90	13.40
Development of Business	2	655,531.92	0.19
	398	346,062,269.68	100.00



CREDIT COMMITTEE REPORT

Appreciation

The members of the Committee thank you the members, the committed employees and especially our Loans Manager, Miss Renee Collins, for a harmonious working relationship. Thank you for entrusting us with this responsibility of loan approval. Finally, we remain committed to helping members realize their dreams.” If you devote yourself entirely

to a noble pursuit, there is no way you cannot find fulfillment.” - Daniel Gillies.

Yours truly



Novlette Arthurs (Ms.)

Chairperson

Members of the Credit Committee



Camille Williams



Dion Murphy Nedrick



Mureen Young Sewell



Lorna Calder



Report of the Supervisory Committee

for the Year Ended December 31, 2022

Service to others is the rent you pay for your room here on Earth” (Muhammad Ali). The Supervisory Committee takes pleasure in honouring the obligation and vision of the Credit Union while offering safe products and services to its valued members. The Supervisory Committee Members were elected at the 45th Annual General Meeting of the NAJ & Health Services Co-operative Credit Union as indicated below:

- Miss Bereta Thomas – Chairperson
- Mr Dwight Burchell -Secretary
- Mrs Shirley Hibbert
- Mrs Mendis Dennis-Vincent
- Mr Fitzgerald Percy

The Supervisory Committee met monthly and audit the internal controls of the Credit Union, against the standards of the Credit Union League. Nine Meetings were held for the year under review. The Supervisory Committee had its challenges; only for the first meeting, all members of the Committee were present. Mr Fitzgerald Percy resigned from the Committee during the second month of serving, due to work and family obligations. The Committee membership fell to three as it also lost Mr. Dwight Burchell due to work commitments. Due to the above challenges, the Supervisory Committee had to make several



Bereta Thomas
Chairperson

adjustments to facilitate its meetings and assess if the Credit Union adhered to its policies and procedures. The Committee made it its business to review the Credit Union financial statements, loans and investment portfolios, and other financial reports, including the internal audit reports from Smith and Associates, and the Committee was quite satisfied that the Credit Union was maintaining its standards.

Scope of work

The Supervisory Committee maintained the auditing of the Credit Union’s operations and



business processes. The following are some of the areas of auditing that the Committee focused on:

- Bank Reconciliation
- Tellers operations
- Loan application and approval processes
- Cash handling procedures
- Surprised cash count
- Utility usage patterns
- Investment portfolio
- Staff interview
- Training of staff and volunteers
- Variance Budget
- Active Accounts
- Securities
- Debit card payment system
- Dormant accounts
- Directors and staff accounts
- General ledger against members' ledger
- Risk Management
- Segregation of staff duties and time and attendance

Analysis and General Comments

The Supervisory Committee is satisfied with the urgency and emphasis Management placed on training staff and volunteers. Also, for the effort placed into forming a Risk Management Committee to meet the standards of the Audit Committees and the Credit Union League and to provide a solid financial foundation and a secure future for members.

The Committee found that based on its audits, the operations and business of the Credit

Union were carried out according to established policies and procedures. For the year under review, the Credit Union returned to a positive position. In 2021 there was a deficit of \$417,503, while in 2022 the audited surplus is \$7,928,197.

Assessment of the Board's activities showed that they met monthly and carried out their roles and functions forcefully. All actions and decisions taken at monthly and quarterly joint meetings were documented and implemented based on policy. As it relates to the future of the Credit Union it depends on strategies the CEO, the Board, staff, and volunteers put in place to increase profit. The Supervisory Committee commends the Board of Directors for the strategies implemented to facilitate corporate governance.

The Credit Committee must also be commended for their stewardship in conducting the business of the Credit Union according to standards.

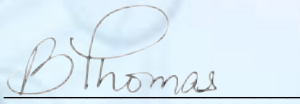
Conclusion

The Supervisory Committee takes pride in extending gratitude for the privilege to serve the Credit Union in this capacity. Also, we extend heartfelt appreciation to the Board of Directors, Management, staff, and members of the Credit Union for giving us such a vital responsibility to serve and protect the integrity and assets of the Credit Union. This Committee stands in solidarity with the Credit Union



to continue the observance of excellent fiscal policies and procedures to achieve improved performance in 2023.

Yours sincerely


Bereta Thomas (Ms.)
Chairperson

Members of the Supervisory Committee



Mendis Dennis-Vincent



Dwight Burchell



Shirley Hibbert



Treasurer's Report

for the Year Ended December 31, 2022

With much optimism, I present the Treasurer's Report at this our 46th Annual General meeting. Despite the challenging economic climate, our Credit Union experienced a financially successful year of operation. Thanks to our valued Credit Union members for their unwavering support which impacted positively during 2022. This augurs well for the continued success of our Credit Union.

External

The Jamaican economy grew by 5.2 percent during 2022 relative to 2021. This growth reflects a continuation of the economic recovery following the negative impact of COVID-19 in 2020. The improved economy was influenced by some positive developments within the local and global economy. These included:

- Increased external demand for Jamaica's goods and services as the economies of its trading partners improved.
- Greater domestic demand due to an increase in the average employed labour force.
- Increased business and consumer confidence.

The Bank of Jamaica during 2022 continued to execute its 2021 to 2023 strategic plan. This plan has three areas of focus. These are: (i) supporting the achievement of the Bank's



Barrington Hibbert
Treasurer

primary mandate, which is to maintain price stability and financial system stability; (ii) digital transformation, which is geared towards upgrading processes to improve efficiency, thereby improving service delivery to both internal and external stakeholders; and (iii) culture transformation, which is geared towards ensuring that the workforce is engaged and that operations are grounded in the Bank's core values.

Domestic inflation trended above the upper end of the Bank's target of 4.0 percent to 6.0 percent throughout the year. It peaked at 11.8 percent in April and trended down to 9.4 percent at the end of December 2022. This



upward trend in inflation was attributed to the ongoing conflict between Russia and Ukraine which caused increases in international commodity and shipping prices. To guide inflation back within the target in the near term, the Bank tightened its monetary policy stance by increasing the policy interest rate cumulatively by 450 basis points to 7.00 per cent per annum.

The Jamaican Dollar depreciated on an annual average basis by 1.8 percent against the US dollar for 2022, compared to an annual average of 5.9 percent for 2021. The relative stability in the foreign exchange market was facilitated by improved foreign exchange

inflows associated with the reopening of the economy as well as the Bank of Jamaica Foreign Exchange Intervention at strategic periods.

Jamaica Credit Union Movement

The Movement recorded an increase in savings by 7.7 percent while loans increased by 18.6 percent. Total assets grew by 7.4 percent. There was also an overall increase in membership by 0.5 percent (Table 1). The improved performance was facilitated by the increase in membership as well as Jamaica's improved economic performance.

Table 1: Performance of the Jamaica Credit Union Movement

Performance	2022 \$Billion	2021 \$Billion	Variance \$Billion	%
Savings	125.7	116.72	9.0	7.7
Loans	108.7	91.60	17.1	18.6
Assets	161.6	150.40	11.3	7.4
Membership	1,005,382	1,000,157	5225	0.5

Our Credit Union

Financial Performance

The Credit Union recorded a surplus of \$7,928,197 compared to a deficit of \$417,503

in 2021. The reversal was facilitated by the waning impact of COVID-19 which gave rise to an increase in economic activities which had a positive impact on our credit union.



Table 2: Summary of Income Statements 2022 & 2021

	2022 \$Million	--2021 \$Million	Variance \$Million	% Change
Interest Income	68.6	59.7	8.9	14.9
Less: Interest Expenses	12.6	11.7	0.9	7.7
Net Interest Income	56.1	48.1	8.0	16.6
Add other Income	12.2	12.1	0.1	0.8
Gross Margin	73.8	59.8	14.0	23.4
Less: Operating Expenses	65.9	60.2	5.7	9.5
Surplus/(Loss)	7.9	(0.4)	8.3	2075.0

Interest Income – Interest income increased by 14.9 percent to \$68.6 million. The interest income recorded in 2021 was \$59.7 million.

Interest Expenses – In tandem with the growth in interest income, income expenses expanded to \$12.6 million from \$11.7 million in 2021. This reflected a 7.7 percent increase in interest expenses.

Other Income – Other income was relatively flat at \$12.2 million compared with \$12.1

million in 2021. Other Income comprised mainly fees from loans.

Operating Expenses – Operating expenses for 2022 were \$65,918,627 million compared with \$60,204,246 in the previous year. The main components of Operating Expenses were (a) Personnel Costs which increased to \$41.2 million from \$37.0 million in 2021, and (b) Administrative expenses which were reduced to \$17.8 million from \$19.4 million in 2021.



**Table 3: Summary of Balance Sheet Items
for the past Two Years**

	2022 \$Million	2021 \$Million	Variance \$Million	% Change
Total Assets	956.3	861.8	94.5	11.0
Members Share	427.9	388.7	39.2	10.1
Loans to Members	766.4	639.0	127.4	19.9
Member Deposits	379.3	355.7	23.6	6.6
Financial Investments	76.0	144.6	-68.6	-47.4
Institutional Capital	69.7	68.0	1.72	2.5

Total Assets - Total Assets as at December 31, 2022, increased by 11.0 percent to \$956.3 million from \$861.8 million in 2021. The level of increase in assets exceeded the 2022 inflation rate of 9.4 percent.

Members' Shares increased by 10.1 percent to \$427.9 million from \$388.7 million in 2021.

Loans recorded an increase of 19.9 percent which compares favourably with the 18.7 percent achieved by the Jamaica Credit Union Movement. For 2022, loans increased to \$766.4 million from \$639.0 million in 2021.

Deposits grew by 6.6 percent to \$379.3 million. In 2021 Deposits stood at \$355.7 million.

Financial Investments declined by 47.4 percent to \$76.0 million from \$144.6 million in 2021. This was due to an increase in the demand for loan funds.

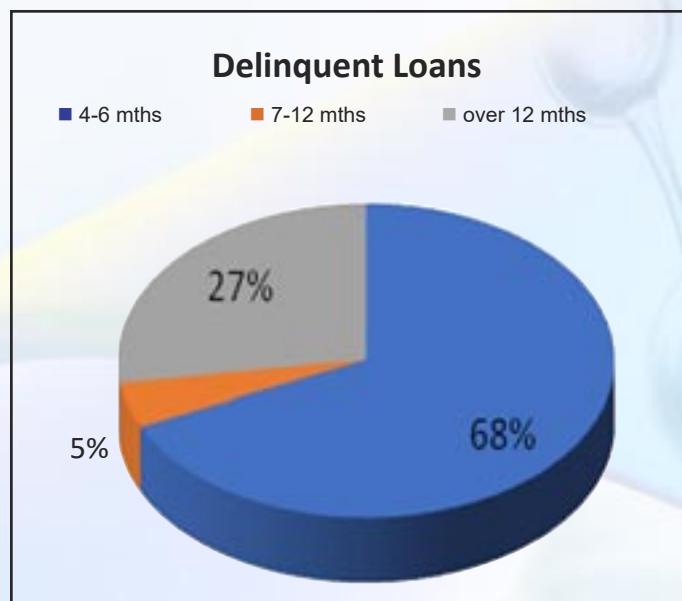
Institutional Capital increased by 2.5 percent to \$69.7 million from \$68.0 million in 2021.



Delinquency

Total delinquent loans at the end of December 2022 stood at \$5.4 million. Of this total, \$3.6 million or 68 percent fell within the category

4-6 Months and 7-12 Months 5 percent. \$1.5 million or 27 percent fell in the Over 12 Months category.



The Way Forward

As we continue to strive for excellence, the Board of Management and staff remain committed to sound fiscal management. The year 2022 was not without challenges but we were able to weather the storm. Just over two percent growth is projected for the Jamaican economy in 2023 and inflation is expected to return to the 4-6 percent target by the Government. With the support of all our members, we look forward to increasing the total assets of our Credit Union.

Acknowledgment

I take this opportunity to express my deepest appreciation to the management and staff for

their continued commitment and dedication to the work of the Credit Union. Special thanks also to our valued members who continue to support the Credit Union and without whom, we could not have achieved success in 2022. I also express appreciation to my fellow Board members and other volunteers for a job well done. Finally, special thanks to Bogle and Company, our External Auditors, for their contribution to the Credit Union.

Yours sincerely

Barrington Hibbert (Mr.)
Treasurer



***Proposal for Fixing
of Maximum Liability***

for the Year Ended December 31, 2022

It is proposed that the Maximum Liability to December 31, 2022 remains at 16 times the Capital and Reserves.

For and on behalf of the Board of Directors



Barrington Hibbert(Mr.)
Treasurer



NOMINATING COMMITTEE REPORT

Report of the Nominating Committee

for the Year Ended December 31, 2022

The Board of Directors of NAJ & Health Services Co-operative Credit Union Limited appointed a Nominating Committee in accordance with the provisions of Article XII, Rule 63. The Committee is comprised of three members of which not more than one should be a member of the existing Board of Directors. The following are the Committee members:

- Shailee Neish - Chairperson
(Board of Directors)
- Tyrese Sterling - Delinquency Officer
- Novlette Arthurs - Credit Committee

The Committee met to consider all retiring members from the Board of Directors, Supervisory, and Credit Committee and to make nominations for the position that will become vacant at the 46th Annual General Meeting.

The Committee is pleased to present the following report:

1. Board of Directors

The status of the members of the Board is as follows:

Members retiring at this Annual General Meeting - 2022

- Audrie McNab
- Claudia Wallen



Shailee Neish
Chairperson

- Barrington Hibbert
- Nadine Anderson Lawrence

Nominations

The Committee nominates the following four persons to serve once more on the Board of Directors for the term indicated:

- Audrie McNab - 2 years
- Claudia Wallen - 2 years
- Barrington Hibbert - 2 years
- Nadine Anderson Lawrence - 2 years

2. Supervisory Committee

The status of the Supervisory Committee is as follows:



Members retiring at this Annual General Meeting – 2022

- Bereta Thomas
- Shirley Hibbert
- Dwight Burchell
- Mendis Dennis-Vincent
- Fitzgerald Percy

Nominations

The Committee nominates the following five persons to serve on the Supervisory Committee for the term indicated:

- Bereta Thomas - 1 year
- Shirley Hibbert - 1 year
- Mendis Dennis-Vincent - 1 year
- Dwight Burchell - 1 year
- Racquel Easington-Sewell - 1 year

3. Credit Committee

The status of the Credit Committee is as follows:

Members retiring at this Annual General Meeting – 2022

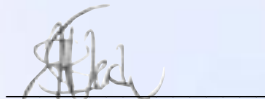
- Dion Murphy-Nedrick
- Mureen Young-Sewell
- Camille Williams

Nominations

The Committee nominates the following three persons to serve once more on the Credit Committee for the term indicated:

- Dion Murphy-Nedrick - 2 years
- Mureen Young-Sewell - 2 years
- Camille Williams - 2 years

Co-operatively Yours



Shailee Neish (Ms.)
Chairperson

Members of the Nominating Committee



Tyrese Sterling



Novlette Arthurs



HIGHLIGHTS - JCCUL 81ST ANNUAL GENERAL MEETING

The Jamaica Co-operative Credit Union League (JCCUL) held its first fully in person annual convention and 81st annual general meeting, since the start of the pandemic, at the Ocean Coral Spring hotel in Trelawny from June 17 to 22, 2022. The convention was held jointly with the Caribbean Confederation of Credit Unions (CCCU), celebrating their 50-year anniversary, at their 64th annual international convention and attracted attendees from credit unions across seventeen (17) Caribbean countries. The theme for the joint convention was ‘Innovation, Integration, Next Generational Leadership’.

JCCUL’s Annual General Meeting, held on June 18, 2022 under the theme ‘Developing Credit Unions Building Jamaica’, was attended by approximately one hundred and forty-five (145) delegates, alternate delegates and observers from Jamaica’s credit unions.

The schedule of activities for the joint convention included an opening ceremony, a trade show, reception and workshops. A description of the activities are below.

Friday, June 17

The following activities took place:

■ CEO Roundtable/Managers’ Forum

Credit Union Managers and League CEOs benefitted from six (6) presentations regarding the status of the credit union movement and ideas to grow and strengthen the movement.

Saturday, June 18 – June 21

Participants enjoyed varied presentations aimed at aiding credit unions with deciding their strategic direction and business focus to

ensure the growth and continuity of their credit union.

Saturday, June 18

JCCUL’s Annual General Meeting

Approximately one hundred and forty-five (145) credit union delegates attended the 81st annual general meeting.

President Mr. Lambert Johnson, chaired the meeting. He welcomed the participants and then gave a summary of the Board report for the year 2021. All other reports including that from the Treasurer, the Supervisory and Nominating Committees, as well as the audited financial statements were presented.

Distribution of Surplus

The Delegates agreed to the distribution of the surplus of two hundred and seventeen million and nine hundred thousand dollars (\$217.9 million).

The Delegates voted for the maximum liability of the League to be set at \$5 billion.

Election of Officers

The Meeting voted to accept the nominations for the following persons to fill vacancies on the JCCUL Board.

Name	Credit Union	Category
Martin Blackwood	Portland	CU Managers Rep
Andrea Messam	Broadcast & Allied	Small
Alexander Bourne	Manchester	Medium
Patrick Smith	JTA	At Large
Winston Fletcher	EduCom	At Large
Ryan Muir	Lascelles Employees & Partners	At Large
Bornette Donaldson	C&WJ	Large



Rule Changes

There were no rule changes.

JCCUL Executive

Following the AGM the executive was elected to serve on the League Board for the 2022-2023 year:

- Lambert Johnson President
- Andrea Wilson-Messam 1st Vice President
- O’Neil Grant 2nd Vice President
- Norris Gilbert Treasurer
- Ryan Muir Assistant Treasurer
- Lt. Col. Michael Anglin Secretary
- Alexander Bourne Assistant Secretary

- Martin Blackwood
- Brenda Cuthbert
- Bornette Donaldson
- Winston Fletcher
- Jerry Hamilton
- Anthony McLaughlin
- Patrick Smith
- Hector Stephenson

The convention ended officially on Tuesday June 21, 2022 with a Grand Finale Ball.



HIGHLIGHTS - 45TH ANNUAL GENERAL MEETING

The NAJ & Health Services Co-operative Credit Union Limited 45th Annual General Meeting was held on Saturday, July 9, 2022 at the office of the Jamaica Co-operative Credit Union League on

Manhattan Road, Kingston 5. This first hybrid meeting was well attended. Prizes were awarded to members who participated in pop quiz about the Credit Union and its services. See pictorial highlights below.



Mr. Jeremy-Paul Bennett (JCIA), speaks with Ms. Annie-Kay Gray, Administrative Assistant-NAJHSCU as he registers for the 45th AGM.



Accountant at NAJ & HSCCU, Ms. Vivienne Wallace, prays for the success of the AGM.



President, Mrs. Janett Coore-Farr presents the report for the Board of Directors.



Members in attendance follow in their 2021 Annual Report booklet while Ms. Doreen Cushnie, Board of Directors secretary, reads through the Minutes.



Mr. Derrick Tulloch, Treasurer, discusses a matter in the 2021 Annual Report with Ms. Doreen Cushnie, after her presentation of the Minutes.



Ms. Beretta Thomas (standing) makes a point during the corrections of the Minutes.



President, Mrs. Patsy Edwards-Henry, brings greetings on behalf of the NAJ. **At right**, Mrs. Georgia Morrison, Assistant Vice President brings greetings on behalf of CUNA Caribbean.



HIGHLIGHTS - 45TH ANNUAL GENERAL MEETING



Members listen attentively while Ms. Bereta Thomas makes her presentation from the Supervisory Committee.



Ms. Bereta Thomas, Chairman of the Supervisory Committee makes her presentation.



Mr. Thomas Wint of Bogle and Company, Chartered Accountants, gives his overview of the Audited Financial Statements.



Mr. Robin Levy, Group CEO of JCCUL, makes a point regarding the Treasurer's Report.



Mrs. Sheryll Brown from DCFS greets the AGM and guides the nominating process.



Mr. Egon Fagan, seeks clarification on a point made by Mr. Derrick Tullock during the Treasurer's Report.



Treasurer, Mr. Derrick Tullock, makes note of Mr. Fagan's query while making his presentation.



Dr. Desreen Marquis, CEO of the NAJ & HSCCU presents the names of the volunteers being nominated, while technical support, Mr. Dwayne Wright, assists in bringing up the information.



HIGHLIGHTS - 45TH ANNUAL GENERAL MEETING



Ms. Doreen Cushnie, Secretary of the NAJ & Health Services Co-operative Credit Union Board of Directors, makes presentations to members who participated in the activities during the AGM. (L-R): Ms. Elvira Austin, employee of the Credit Union and Ms. Shailee Neish, member.



Ms. Doreen Cushnie presents prizes to members who participated in the activity session, during the AGM. From (l-r) are: Ms. Vera Lindo, Mr. Egon Fagan and Mr. Dwayne Wright.



Mrs. Janett Coore-Farr, President of the NAJ & Health Services Co-operative Credit Union, presents Mrs. Constance Roberts-Perkins with her gift as a token of appreciation for her services to the Credit Union.



Mrs. Janett Coore-Farr, hands Mr. Derrick Tulloch a gift on behalf of the NAJ & Health Services CCU in appreciation of his service as Treasurer to the Credit Union.





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MOTOR VEHICLE LOAN SPECIAL



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876-818-0428



- ✓ Interest Rate : 6.5% - 7.35%
- ✓ Year : 2013 - NEW
- ✓ Terms : 4 - 10 years to repay
- ✓ Fees slashed

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FOR CHRISTMAS
FROM NOW TIL JANUARY 31, 2021**



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REWARD
FROM
15-85%
OF HAND

**Payment frequency is weekly, monthly or fortnightly only.
Payments must be made before the agreed day of the
week/fortnightly/monthly in order to avoid penalties.*

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DID YOU KNOW that your Credit Union...

INSURES YOUR LOANS AND SAVINGS?

Introducing

LOAN PROTECTION & LIFE SAVINGS INSURANCE

When you take a loan from your Credit Union, it is safe, secure, guarantees great rates and includes the added protection of Life Savings and Loan Protection Insurance... all at no extra cost!



LOAN PROTECTION INSURANCE

Our Loan Protection Insurance is a safety net for you our members. It pays the outstanding balance on your loan if you die or become totally or permanently disabled, thereby providing peace of mind for the member, the member's family and the co-makers against the burden of any unpaid loans.

This benefit is available to all our members under the age of 70.

LIFE SAVINGS INSURANCE

As an added benefit to you and at no extra cost, we also top up the legacy you leave your loved ones upon your death. Life Savings Insurance provides you with insurance that increases your savings in the Credit Union.

We know we won't take away the pain, but it will certainly help the financial strain – just for once, peace of mind that does not come at a price.





NAJ & HEALTH SERVICES CO-OPERATIVE CREDIT UNION LTD.
"Helping you to realize your dreams"

**"Dont Dream
It HAVE It"**

INTEREST RATE
7.5% 8 YEARS

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"Helping you to realize your dreams"

**Dont Become Absent
EDUCATION Is The Key**

LOW LOW INTEREST RATES!!

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**BRUK
POCKET**

INTEREST
4%
PER MONTH

PAY DAY LOANS ARE NOW
AVAILABLE TO GET YOU GOING

**MEMBERS CAN ACCESS FROM
\$50,000 - \$100,000**

REPLACEMENT PERIOD 6 MONTHS

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NAJ & HEALTH SERVICES CO-OPERATIVE CREDIT UNION LTD.
"Helping you to realize your dreams"

Let's Celebrate

**ACCESS 10 TIMES
YOUR SHARE AMOUNT**

ON THE REDUCING BALANCE

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**Dont Become Absent
EDUCATION Is The Key**
Low Low Interest Rates!!

*Our
Loan
Products*

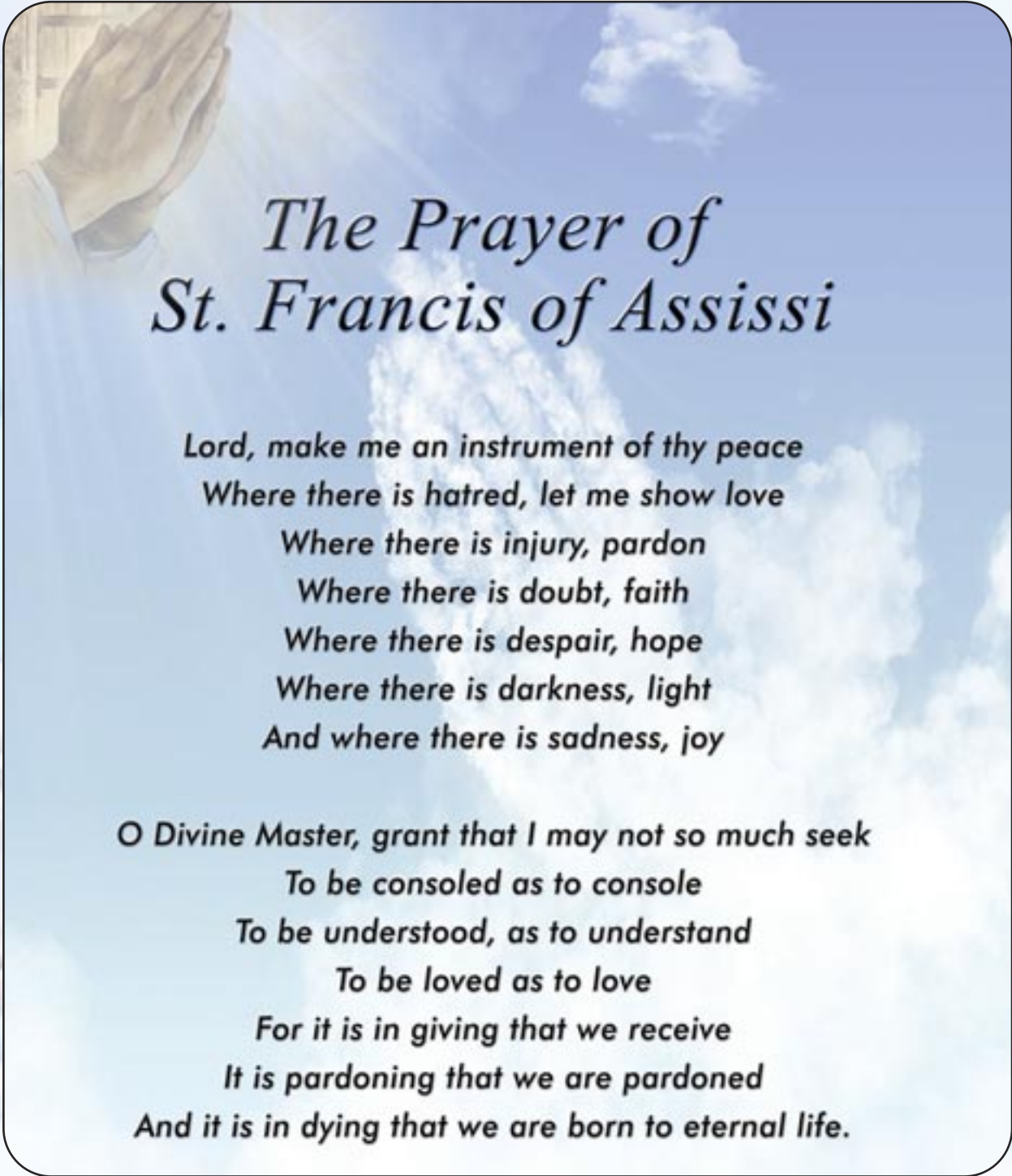


**"Dont Dream
It HAVE It"**

INTEREST RATE
7.5% 8 YEARS

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The Prayer of St. Francis of Assissi

**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 consoled as to console
To be understood, as to understand
To be loved as to love
For it is in giving that we receive
It is pardoning that we are pardoned
And it is in dying that we are born to eternal life.**



National Anthem

**Eternal Father, bless our Land
Guide us with Thy mighty hand
Keep us free from evil powers
Be our light through countless hours
To our leaders, Great Defender
Grant true wisdom from above
Justice, truth be ours forever
Jamaica, Land we love.**

Chorus:

**Jamaica, Jamaica
Jamaica, Land we love**

**Teach us true respect for all
Stir response to duty's call
Strengthen us, the weak to cherish
Give us vision, lest we perish
Knowledge send us, Heavenly Father
Grant true wisdom from above
Justice, truth be ours forever
Jamaica. Land we love.**





Notes





Aug 20
8:30AM

Free Credit Union Family Fun Day Expo

NAJ Credit Union

- Home Loan- 6.99%
- Home Equity Loan- 7.99%
- Land Acquisition Loan- 10.99%
- Motor Vehicle Loan- 6.5%

Smart Spaces and Surveillance Systems

- Up to 50% discount on smart home and security systems
- Free Installation

Call: 876-929-0070
WhatsApp: 876-832-0872

6 Trevennon Park Road
Kingston 5

**Terms and conditions apply*



We supply and install:
Smart Homes/ Offices,
Surveillance Systems,
Alarms, Cameras, Door Locks,
Automatic Gate Openers,
Garage Doors,
Wifi Door Locks and
Energy Saving Plugs.

📞 **876-878-6605**
✉️ smartspacesja@gmail.com
📱 [_smart_spaces](https://www.instagram.com/_smart_spaces)



NAJ & Health Services
Co-operative Credit Union Limited

For life's unexpected challenges,
take it easy with our

CASH IN A FLASH LOAN

Borrow up to
\$200,000

Repay within
24 Months

Loan Amount
\$200,000

Terms
24 Months

Monthly Repayment
\$10,081.72

YOU DON'T NEED
TO WORRY

APPROVED!

Repayment via Salary Deductions

- ☑ Easy
- ☑ Quick
- ☑ Hassle Free



Our Contact Details:
📞 (876) 929-0070; 906-1235-6
✉️ naj@najhscu.com

Our Office Address: 📍 6 Trevennon Park Road, Kingston 5.

**Conditions apply*



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