



**PWD Co-operative
Credit Union Limited**

Proud to be one of the Oldest Credit Union in Jamaica

Vision

To be an assertive innovator in the financial sector by creating a safe and sound financial environment for members.

Mission Statement

PWD Co-operative Credit Union Limited seeks to increase the well being of its members and employees by promoting thrift and the provision of superior financial services in a friendly, efficient and personalised environment.

Core Value

- ✓ Financial Prudence Transparency
- ✓ Family Oriented and Friendly
- ✓ Commitment to Education
- ✓ Excellence Professionalism

74
YEARS
OF
EXCELLENCE

Value Proposition

We know and care about our members' financial well-being.

Bond

Membership is open to present and past past members of the Ministry of Transport and Mining, the Ministry of Economic Growth and Job Creation and their Agencies and Departments, employees of the Society, and relatives of the members and employees doing business with the PWC Co-Operative Credit Union



JCEIA
Jamaica Co-operatives Insurance Agency Ltd.

MEMBERS GROUP LIFE PLAN

Underwritten by
Sagico Life Jamaica Ltd.
Sagico Life

Providing financial assistance to dependents in the case of death (except suicide)

JCEIA
Jamaica Co-operatives Insurance Agency Ltd.

MEMBERS GROUP PERSONAL ACCIDENT PLAN

Underwritten by
Sagico Life Jamaica Ltd.
Sagico Life

Protect yourself and loved ones financially in the event that you suffer death, an accident, or disability.



PWD Co-operative
Credit Union Limited

C O N T E N T

Pages

Mission Statement	4
Notice of Annual General Meeting 2022	5
Services Offered	6
Volunteers and Staff who served in 2022	16
Agenda of 74th Annual General Meeting	27
Minutes of the 73rd Annual General Meeting	30
Board of Director's Report	32
Credit Committee's Report	33
Supervisory Committee's Report	34
Treasurer's Report	97
Auditor's Report	
Approved Budgets	
Fixing Maximum Limit of Borrowing	
Appropriation of Undistributed Surplus	
Nominating Committee's Report	
Interesting Facts that Volunteers & Members should Know	
PICTORIAL Highlights of 2021	
Prayer of St. Francis	



PWD Co-operative Credit Union Ltd

Affiliated with Jamaica Cooperative Credit Union Ltd.

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NOTICE OF ANNUAL GENERAL MEETING

Dear Valued Members,

Notice is hereby given that the 74th Annual General Meeting of the PWD Co-operative Credit Union (1948) Limited will be held on Wednesday, September 21, 2022, commencing at 2 p.m. in hybrid format at the physical location of the Spanish Court Hotel and via livestream on Zoom to allow members to:

1. Transact the ordinary business of the society
2. Consider, and if thought fit, to approve Resolutions submitted by the Board of Directors in respect of amendments to the rules of PWD Co-operative Credit Union (1948) Limited.

Physical attendance at the meeting will be limited to Board of Directors, Volunteers, members of staff and Representatives from the Jamaica Co-operative Credit Union League and the Department of Co-operatives and Friendly Societies.

Members are invited to register at https://us02web.zoom.us/webinar/register/WN_uo9qUmIVSt2cquvdToBQJQ to attend the meeting online. For more information on registration attendance, participation, and the voting process, you may visit our website at www.pwdccu.com or call our offices at (876) 960-4354 or 926-5745.

All Covid-19 protocols will be observed at the physical location. The link for the live stream will be shared with all registered members after the close of registration.

Registration will close on Friday, September 16, 2022, at 4 p.m.

Dated this 31st day of August 2022


Ms. Karen Arscott
Secretary, Board of Directors

SAVE WISELY – SPEND WISELY – THE CREDIT UNION WAY



AGENDA OF THE

74th Annual General Meeting 2022

1. Ascertain that a quorum is present and Call to Order
2. Prayer of St. Francis of Assisi
3. Chairman's Opening Remarks
4. Apologies for absence
5. Confirmation of the Minutes of the 73rd Annual General Meeting
6. Reports of:
 - a. The Board of Directors
 - b. The Credit Committee
 - c. The Supervisory Committee
 - d. The Treasurer (including the Audited Financial Statements)
7. Fixing the Maximum Limit of Borrowing
8. Appropriation of Undistributed Surplus
9. Report of the Nominations & Elections Committee
10. Any other Business
11. Adjournment



MINUTES OF THE 73rd ANNUAL GENERAL MEETING

01 CALL TO ORDER

The President, Mr. Norris Gilbert, called the 73rd Annual General Meeting (AGM) to order at 2:30 p.m. having ascertained a quorum was present.

02 PRAYER

Prayer was offered by Director Kaydian Gordon. The Prayer of St. Francis of Assisi was repeated by all.

03 NOTICE OF THE 73rd ANNUAL GENERAL MEETING

The Secretary of the Board Miss Karen Arscott read the Notice to convene the meeting of the 73rd Annual General Meeting (AGM).

04 SPECIAL RESOLUTIONS

The Chairman/President, Mr. Norris Gilbert, notified the AGM that a Special Resolution for the amendment of the rule to host the meeting in hybrid format (virtual and in person) need to be passed for the commencement of the AGM. The Secretary read the resolution, and this was moved on a motion by Mr. Dwight Thomas and seconded by Mrs. Josiene Brown Nelson. All were in favour. The President invited Mr. Bartley to inform the members both online and in the audience on how to vote. Mr. Bartley took the members through the process.

The President then asked the members if there were any questions concerning the resolution. Mrs. Brown Nelson asked if the Supervisory Committee based on their mandate could meet virtually. The President said some aspects could be done virtually and some amount of field work could be done.

After experiencing some challenges, 83% the members voted in favour of the resolution to be passed.

05 CHAIRMAN'S OPENING REMARKS

The Chairman extended welcome to all present and online to the 73rd Annual General Meeting of the PWD Co-Operative Credit Union Limited (PWDCUL) and thanked everyone for attending. The Chairman extended condolences from management and staff to members who were directly or indirectly affected by the Covid19 Virus. He said that the vaccine will now be a part of our new normal and encouraged each member to assess their own situation and take the vaccine.

The Chairman informed the members that at this AGM they would look positively at the achievements of PWDCUL over the last year including the financial results over the last year. The Credit Union is looking forward to the new regulations and to exist in the new marketplace which will include the next business model for the Credit Union going forward.



06 WELCOME & APOLOGIES FOR ABSENCE

The Chairman welcomed the following persons:

Ms. Kimberley Lindo	-	JCCUL (in person)
Ms. Vera Lindo	-	JCCUL (virtual)
Mrs. Kleo Ann Errar	-	JCCUL (virtual)
Miss Melanie Campbell	-	JCCUL (virtual)
Miss Antonette Spencer	-	DCFS (in person)
Mr. Jason Brown	-	DCFS (in person)
Miss Karen Atkinson	-	DCFS (in person)
Mr. Carlton Bartley	-	QNET (in person)
Miss Marjorie Goodgame	-	Stenographer (in person)
Miss Yvonne Bernard	-	Stenographer (in person)
Mr. Jeremy Paul	-	JCIA (in person)
Mr. Everal Barnett	-	former Board Director (in person)
Mr. Dwight Thomas	-	Past President (virtual)
Mrs Beryl Edwards	-	former Manager (virtual)
Miss Sharon Nelson	-	Past President (virtual)

He also welcomed Miss Shuroni Vickers (virtual) specially as she was celebrating her birthday with us.

The Chairman officially introduced the members of the Board of Directors:

Mr. Norris Gilbert	-	President
Miss Cheryl Hawkins	-	Vice President
Miss Karen Arscott	-	Secretary
Miss Paula Brown	-	Assistant Secretary
Mr. Damon Escoffery	-	Treasurer
Mr. Everton Walker	-	Assistant Treasurer
Mr. Bernard Allen	-	Director
Mrs. Kaydian Gordon	-	Director (virtual)
Mr. Romoyne Watson	-	Director (absent)

Members of the Supervisory Committee

Mr. Melvin Young	-	Chairman
Miss Angelina Brown	-	Secretary
Mrs. Althea Cole-Martin		
Mrs. Sonia Cole		
Mr. Lenson Lee		

Members of the Credit Committee

Mr. Patrick Rose	-	Chairman
Miss Kerrian Clarke	-	Secretary (absent)
Mr. Wayne Walton		
Miss Paula Hamilton		
Miss Janet Stewart (absent)		



Staff

Miss Fern Graham	-	Manager
Mr. Kevin Wedderburn	-	Accountant
Mrs. Dawn Simmonds	-	Loans Officer
Mrs. Leonie Martin-Thompson	-	Registrar
Mrs. Peta-Gaye Cargill-Stewart	-	
Miss Kerry-Ann Russell	-	
Mrs. Jodian Campbell	-	Bank Reconciliation Officer
Miss Grace McKenzie	-	Cashier
Mrs. Elveda Morris	-	
Mrs. Angella Roache	-	

Apologies for Absence

Mrs. Kaydian Gordon
Mr. Romoyne Watson

07 CONFIRMATION OF THE MINUTES OF THE 72nd ANNUAL GENERAL MEETING

The Minutes of the 72nd Annual General Meeting was presented by the Secretary, Miss Karen Arscott outlined on pages 6 – 14 Of the Annual report. She asked for a motion for the Minutes to be taken as read.

The Minutes of the 72nd Annual General Meeting was taken as read on a motion by Mrs. Malvia McPherson-Henry and seconded by Miss Shauna-Kay McKenzie.

There being no corrections, the acceptance of the Minutes of the 71st Annual General Meeting was moved by Miss Samira Christian and seconded by Mrs. Desmarie Barnett. All were in favour.

08 MATTERS ARISING FROM THE MINUTES

There were no matters arising from the Minutes discussed.

The Secretary handed over the meeting to the Chairman. Mr. Ansel Lee stated that it would have been nice for the Minutes to have been sent out. The Chairman responded that this was circulated electronically before the printed booklet. The President encouraged the members to update their information at the credit union including their email address and telephone numbers.

09a REPORT OF THE BOARD OF DIRECTORS

The Board of Directors' Report was presented by the Chairman - Mr. Norris Gilbert. He asked for a motion for the report to be taken as read and this was moved by Miss Samira Christian and seconded by Mr. Wayne Walton. The report was on pages 16 to 22 of the Annual Report. He informed the AGM that he would highlight some of the points from the Board of Directors Report. He said that the Jamaican economy, faced challenges due to the impact of the COVID-19 pandemic and the measures taken to combat the spread of the virus had implications on



unemployment, supply chain, technology, spiritual activities, education and foreign exchange.

He said that the measures taken created setbacks as well as created some successes for PWDCCU. There was an increased demand for loan, savings increased, businesses increased, there were some operational challenges, technological changes, reduced margins on investments and of course increased costs.

Financial Performance

The Chairman presented a table showing Annual Summary for the period 2016 – 2020. He highlighted that there was an increase in loans given to members amounting to approximately \$365M. He mentioned that there was positive increase in growth in all areas except for surplus in 2020. There was deficit in of approximately \$1M however, this was largely due to increased operational expenses.

Scholarships and Grants

The Credit Union continued to offer scholarships at the Secondary Level and grants at the Tertiary Level. \$125,000 was allotted for scholarship during the year under review. The scholarships on offer for 2020 were the Minette Jones and RG Chambers Memorial Scholarships. These were awarded to Misses Kayla Lyons (Wolmers High School for Girls) and Ashar Miller (Ardenne High School) respectively. The Stanley Williams Memorial Grant was awarded to Miss Peron Henry.

Learning and Development

Staff and volunteers participated in several workshops during the year including Sales Management, Customer Services, Anti-Money Laundering (AML), Delinquency Management, Teller Training and Risk management. In the Summer awardees of scholarships were required to spend one week at the Credit Union. This enabled the awardees to have knowledge of the working world and be informed about the Credit Union. This will also inject new members in the Credit Union as they prepare for their future.

Delinquency

The Chairman said that for 2020 the delinquent loans were approximately \$4.45M and this was 1.23% of the total loans which was still quite phenomenal however the Credit Union would like to collect all the debts from delinquent members. The Credit Union had to write off approximately \$2.3M in bad debts for 2020 however, we were able to collect \$1.3M this year for bad debts written off in previous years.

The Way Forward

The Chairman said that PWDCCU continues to remain resilient and poised for further development and for the next generation of members by making changes to the physical office layout, maintain a user-friendly website, widening our bond, introducing Transaction Monitoring Software, MasterCard Debit Card and Electronic Banking Platform.

GIA Online Banking will allow members to access their current financial data and perform online transactions in the comfort of their home or office at any time convenient to them. The interface is secured, interactive and dynamic and will allow members to do Balance Enquiries,



Inter-Member Funds Transfer, member to Member Transfer, Bill Payment, Statement Request, Loan Request/Projections. Letter Request, Cheque request, Update Personal Information.

Directors' Performance

The Credit Union owes its seventy-two years of success to the solid commitment from its volunteers over the years. The Directors have given their time, expertise and resources to ensure that the credit Union's targets have been met and the Credit Union's performance remains optimal.

Condolences

The Chairman offered condolences on behalf of the Board and Management of the PWDCCU to the families and friends who lost loved ones. He noted that eleven members passed during the year namely:

Mr. Leonard Cooper
Mr. Assad Nelson
Mr. Donald Smith
Mr. Albert Clarke
Mr. Paul Walton
Mrs. Carol Cooke-Orr
Mr. Noel James
Ms. Delores Forbes
Mr. Paul Richrds
Miss Grace Phillips – stalwart Supervisory Committee
Mr. Leroy Williams

A moment of silence was observed for those who had passed on during the year.

The Chairman extended appreciation and gratitude to the management and staff of PWDCCU for their tireless effort in delivering service to their members; the Credit Committee for their support in assessing dealing with loans, risk factors; the Supervisory Committee for reviewing loan documents and operations of the credit union and ensuring that PWDCCU is compliant. The members who were not elected at the AGM but who served on various Sub-committees of the Board.

Mrs. Desmarie Barnett asked if there would be points given for the use of the MasterCard Debit Card. The Chairman invited the Office Manager Miss Fern Graham to respond to the question. She said in its initial stage this would not happen however as the we build out the services of the MasterCard facilities value back might be extended.

Mrs. Meshia Richardson-Davidson asked what will be the limit of the MasterCard? The President said it is a debit card. Mr. Wayne Walton asked what the daily limit would be. The President answered that the limit could not exceed the amount in your account. Miss Graham stated that the current limit is \$50,000 for ATM withdrawal and \$100,00 for Point of Sale (POS).

Miss M. Pryce asked which investment was a loss of \$2M made on. The President stated Sagicor



Select. He also mentioned we had a pool of Investments which had a guaranteed rate therefore these were ok. However, Transjamaica and Sagikor Select stock values decreased at the end of the year. Once this the price is revalued then this will go back up.

Miss M. Pryce also asked how much it cost the Credit Union to implement the changes caused by the Pandemic. The President responded that we did not capture the expenditure in that way. Miss Pryce asked if a report could be done to show how much it cost the Credit Union to put these measures in place. The President responded that he would ask the staff if they could put this together.

Miss M. Pryce also asked if the delinquent members are no longer a part of the Credit Union. The President responded that delinquent members are still a part of the Credit Union. She also asked if the Credit Union cannot recover any of the funds from their shares. The President responded that this is the first course of action.

Miss Pryce stated that some time ago a resolution was taken to the AGM for merging with another Credit Union. She asked if this is no longer on the books. The President clarified that we had not asked for a resolution to merge but a resolution to enter discussions to merge. He also mentioned that Lascelles, NCB and PWD was looking to form a Network Credit Union, therefore it would not have been a full merger as each Credit Union would maintain their own identity.

Miss Pryce mentioned that the SMS messaging system be also utilized along with the email to inform the members of the meeting. The President agreed.

Mrs. Josiene Brown Nelson asked what percentage of the staff was vaccinated. The President responded that vaccination is a personal choice, however the Credit Union made several options available for the staff if they wanted to take the vaccine.

Mrs. J. Brown Nelson asked a Risk Assessment will be done on a individual basis or across the Board with regards to the Visa Debit Card. The President responded that it would be done on an individual basis.

Miss Sharon Nelson commended the Board for taking the Credit Union forward and positioning us during the period of the pandemic. She asked how was the performance of the *IFRS9* software? The President mentioned that there were a lot of nuances in determining the credit risk to the Credit Union, therefore the software was obtained to address this matter. Miss S. Nelson recommended that an Investment Schedule be done. The President mentioned that it is in the Auditor's Report.

Mr. Delroy Palmer commended the staff for treating him (as a senior citizen) with respect and honour during the pandemic. He asked if the MasterCard is available to senior citizens. The President responded that it was available to all members. The President went on to explain the features of the card as well as this new card can do for the members.



Mrs. Kathleen Burton-Barrett commended the credit union for the excellent services offered as well as the “miracles wrought” when a member was in a difficult situation.

The President took messages from the Online Chat. Desmarie Barnett state that commendations are in order to the entire team for keeping the Credit union afloat in these trying times. Karen Mullings mentioned she had the black access card. Meisha McGowan concurred that PWD are miracle workers.

The Board of Directors’ Report was adopted on a motion by Mr. Leroy Cole (physically) and seconded by Mrs. Josiene Brown Nelson (online). All were in favour.

09b REPORT OF THE CREDIT COMMITTEE

Mr. Patrick Rose, Chairman of the Credit Committee presented the report. He asked for a motion to take the Report as read. This was done by Mr. Ansel Lee and seconded by Mr. Everal Barnett.

The Credit Committee processed a total of 3,516 loans and disbursed approximately \$242M for the year in review.

Debt Consolidation, Motor Vehicle and Personal Expenses (loans within shares) continue to be areas that dominate borrowing and account for over 50% of the loan portfolio. Persons took advantage of the motor vehicle loan sale. Despite COVID, our members continued to support the credit union, so we are very thankful when our members choose PWD Credit Union as your financial institution of choice. He mentioned that also that the TCB Loan was high performing.

The Chairman asked for a motion to be moved and seconded for the acceptance of the Credit Committee Report. Mrs. Josiene Brown Nelson moved, and it was seconded by Miss Sharon Nelson.

09c REPORT OF THE SUPERVISORY COMMITTEE

The Supervisory Committee Report was presented by Mr. Melvin Young. He asked for a motion to take the Report as read. This was done by Mrs. Malvia McPherson-Henry and seconded by Mr. Ansel Lee.

He introduced the members of the Supervisory Committee: Miss Angelina Brown (Secretary), Mrs. Sonia Cole, Mrs. Althea Cole-Martin, Mr. Lenson Lee, Mr. Melvin Young (Chair).

He stated that the responsibilities of the Supervisory Committee were to oversee the operations of the Credit Union and provide objective reviews. He informed the meeting of some of the areas that were audited.

Mr. Young said that having analyzed the performance in the areas that the Committee examined, he was reasonably satisfied that the controls implemented by management to safeguard the assets of the Credit Union were satisfactory. He stated that there was adherence to the established policies, procedures, standards and compliance with the BOJ guidelines. He further stated that most of the observations brought to the attention of Management were satisfactorily addressed.



Mr. Young expressed gratitude to the Board of Directors, staff and other volunteers for their co-operation during the year. He thanked the members for the confidence displayed by electing the Committee to serve.

He also extended condolences and well wishes to all members who were directly or indirectly affected by COVID 19. He encouraged members to observe COVID 19 protocols - wear your mask, sanitize and maintain our social distances.

Mrs. J. Brown Nelson asked how the Supervisory Committee do their duties as they have to be there physically to look at the documents. Mr. M. Young responded that three persons are present, and the others join virtually

The motion for the acceptance of the report was moved by Miss Sakina Tobias and seconded by Mr. Tyrone Francis.

09d TREASURER'S REPORT

Audited Report

The President asked for a motion to take an abbreviated version of the Auditors Report before the Treasurer's Report. This was moved by Miss Samira Christian and seconded by Mrs. Josiene Brown Nelson.

The Audited Report was presented through Zoom by Mr. Noel Smith, Auditor - Smith & Associates. The Auditor read the abbreviated version of the report. Mr. Escoffery Treasurer asked for a motion to accept the Audited Report. This was done on a motion by Miss Samira Christian and seconded by Mr. Wayne Walton.

The Treasurer's Report was presented by the Treasurer – Mr. Damon Escoffery. He asked for a motion to be moved and seconded that the report be taken as read. The motion was moved by Mrs. Josiene Brown Nelson and seconded by Miss Samira Christian.

Mr. Escoffery asked if there were any questions with regards to the Treasurer's Report. There was none.

Mr. Escoffery asked for a motion to accept the Treasurer's Report. The motion was moved by Mrs. Josiene Brown Nelson and seconded by Miss Samira Christian.

10 FIXING OF THE MAXIMUM LIMIT OF BORROWING

Mrs. J. Brown Nelson asked that if on page 33 under "Fixing the Maximum Limit of borrowing" if the word should be "Capital" or "Caprital". The Treasurer agreed it should be Capital.

The Treasurer proposed the maximum limit of borrowing and the motion was seconded by Miss Ann-marie Farquharson.



11 REPORT OF THE NOMINATING COMMITTEE

The President stated that a resolution needs to be passed concerning the Elections. The background to this Resolution was that the rule in its current form doesn't allow for the member to nominate or elect anyone from our virtual space. Therefore, this resolution will allow us to do so. He read the Resolution and asked someone to move to accept this Resolution. This was done by Miss Sharon Nelson and seconded by Miss Shauna-Kay McKenzie. 75% of the persons present need to vote on this matter. While the counting was being done by the Representative from the Department of Co-operatives and Friendly Societies, Mr. N. Gilbert invited the Chair of the Nominating Committee Miss Cheryl Hawkins to present her report.

She asked for a motion for the Report to be taken as read. This was moved by Mr. Everal Barnett and seconded by Miss Paula Hamilton.

The Chair proceeded to outline the nomination process and introduced the incumbents to the various positions. She then asked for a motion to accept the Nominating Committees Report. This was moved by Miss Shauna-Kay McKenzie and seconded Mrs. Malvia McPherson-Henry. All were in favour.

12 ELECTIONS

Miss Antonette Spencer, representative from the Department of Co-operatives and Friendly Societies was invited to conduct the election process. Miss Spencer proceeded to conduct the elections starting with the recommendations of the Nominating Committee.

Board of Directors

There was one nomination from the floor for the Board of Directors – Miss. Grace Bailey nominated by Mrs. Malvia McPherson-Henry and seconded by Miss Sharon Nelson.

Credit Committee

There was one nomination from the floor for the Credit Committee – Mrs. Josiene Brown Nelson nominated by Miss M. Barnes and seconded by Miss Beverly Johnson.

Supervisory Committee

There was one nomination from the floor for the Supervisory Committee – Mrs. Audrey Jones-Francis nominated by Mrs. Josiene Brown Nelson and seconded by Ms. M. Cowan.

After experiencing some technical difficulties, the voting process was executed.

The motion for the acceptance of Mr. Norris Gilbert and Miss Karen Arscott as delegates to the Jamaica Co-operative Credit Union League's Annual General Meeting was moved by Mr. Damon Escoffery and seconded by Mr. Bernard Allen.

The President noted that Resolution for the nominations of elections was not carried as the votes required (75%) was not given.



After fielding commendations and questions from the floor, Mr. N. Gilbert invited Miss Spencer Was invited to give the results from the elections.

Supervisory Committee

Persons elected to serve on the Supervisory Committee are as follows:

- ✦ Mr. Lenson Lee
- ✦ Mrs. Althea Cole-Martin
- ✦ Mr. Melvin Young
- ✦ Miss Angelina Brown
- ✦ Mrs. Audrey Jones-Francis

Credit Committee

Persons elected to serve on the Credit Committee are as follows:

- ✦ Mr. Wayne Walton
- ✦ Miss Kerrian Clarke
- ✦ Miss Paula Hamilton

Board of Directors

Persons elected to serve on the Board of Directors are as follows:

- ✦ Mr. Norris Gilbert
- ✦ Mr. Damon Escoffery
- ✦ Mr. Everton Walker
- ✦ Miss Grace Bailey

13 ANY OTHER BUSINESS

Mr. N. Gilbert thanked everyone for attending the meeting and hope to see them next year. He advised those present that there were refreshments being served outside.

14 TERMINATION

The 20201 AGM was terminated at 7:15 pm



BOARD OF DIRECTORS

NORRIS GILBERT
PRESIDENT

CHERYL HAWKINS
VICE PRESIDENT

KAYDIAN GORDON
DIRECTOR

**DAMON
ESCOFFERY**
TREASURER

BERNARD ALLEN
DIRECTOR

**EVERTON
WALKER**
ASSISTANT
TREASURER

KAREN ARSCOTT
SECRETARY

PAULA BROWN
ASSISTANT SECRETARY

GRACE BAILY
DIRECTOR





The year 2021 was an interesting year from the perspective of setbacks and successes of PWD Co-operative Credit Union Ltd. Being the second year impacted by the pandemic that impacted the world, our members continued to demand loans, although at a reduced rate over the previous year. Members also saved more with the Credit Union and therefore business increased despite the prolonged impact of the pandemic.

The organization rose above the usual operational challenges, new challenges, emotional stress, technological changes, increased costs, and reduced margins on investments. The year saw the advent of COVID-19 to the Jamaican shores and that in and of itself created the challenges of the century. Preparing to manage the risks of the entity and the compliance with regulators were also features of the year’s activity. At the end of the year, we made a profit of \$5.4M.

The Jamaican economy, like most across the world, faced serious effects due to the impact of the COVID-19 pandemic. Countries and organizations within face social and regulatory challenges and operating in the ‘new normal’ of doing business. Measures that have been taken have implications on; unemployment, supply chain, technology, spiritual, education, and foreign exchange to name a few.

FINANCIAL PERFORMANCE

In 2021 PWD’s focus was to keep the Credit Union in a stable environment and satisfy our members’ short to medium-term needs while applying new technologies to enhance existing ones. Focus was also placed on new initiatives to drive new business to the entity. These measures were taken while protecting the assets of the Credit Union and continuing to support the existing business lines. We were still able to satisfy the needs of the members with increased use of technology and using the various media platforms in offering increased benefits in loans and savings products.

Some of our overall financial results are depicted below:

Table 1

Year	2017	2018	2019	2020	2021
Membership	1,774	1,940	1,829	1,862	1,914
Voluntary Shares	\$231,503,000	\$240,740,369	\$247,378,061	\$267,267,000	\$281,521,000
Deposits	\$72,736,000	\$75,608,303	\$83,724,380	\$96,122,642	\$100,750,000
Total Savings	\$304,239,000	\$316,348,672	\$331,102,441	\$363,388,267	\$382,271,986
Loans	\$302,287,000	\$288,592,833	\$291,412,746	\$365,149,000	\$390,951,440
Assets	\$392,071,000	\$403,337,533	\$420,616,456	\$456,024,363	\$485,104,925
Surplus	\$6,353,312	\$1,785,594	\$50,625	-\$1,062,641	\$5,436,646



Table 2 – Percentage Growth over the years

Year	2017	2018	2019	2020	2021
Membership	-0.11%	9.36%	-5.72%	2.65%	2.79%
Voluntary Shares	5.74%	3.99%	2.76%	8.04%	5.33%
Deposits	20.27%	3.95%	10.73%	14.70%	4.81%
Total Savings	8.88%	3.98%	4.66%	9.72%	5.20%
Loans	11.16%	-4.53%	0.98%	25.30%	7.07%
Assets	8.43%	2.87%	4.28%	13.25%	6.38%
Surplus	-14.96%	-71.90%	-97.16%	-2199%	611.62%

The growth figures in 2021 showed positive changes in all the areas in table 2. The Credit Union made a surplus during the year when compared to the deficit in 2020. All the other major variables had positive growth but were all smaller than the previous year.

Growth in Total Savings vs Loans

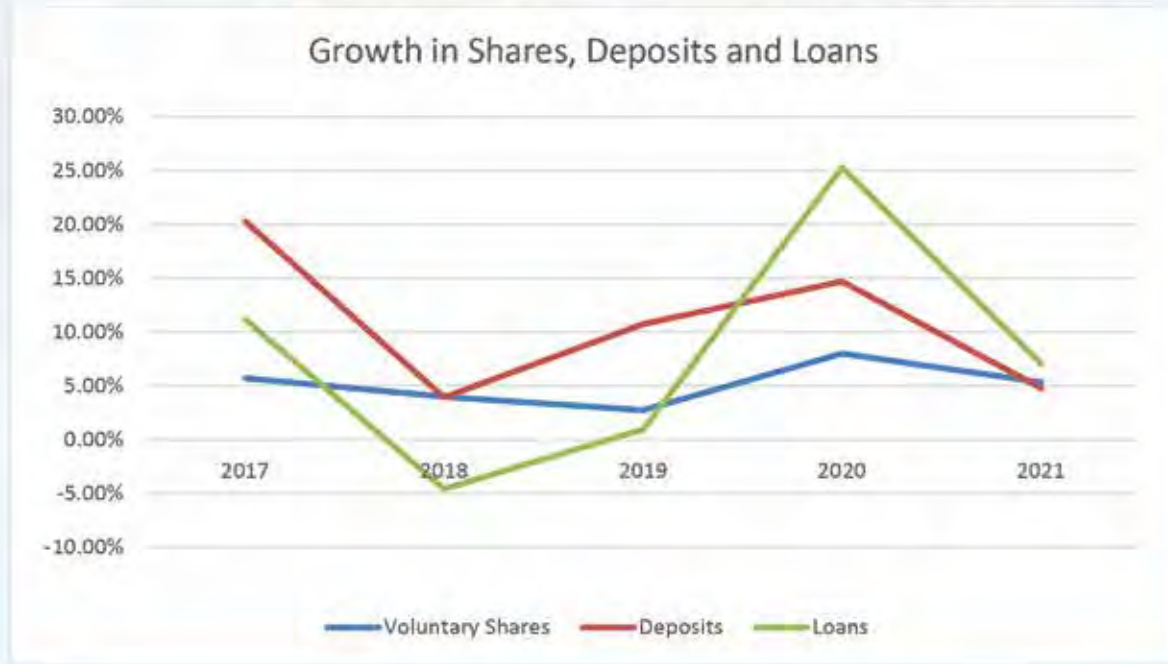


PWD's total savings grew by 5.2% to \$382.3M in 2021. This was an improvement of \$18.88M over the savings in 2020. The savings growth was consistent with the Jamaican Credit Union Industry's growth.

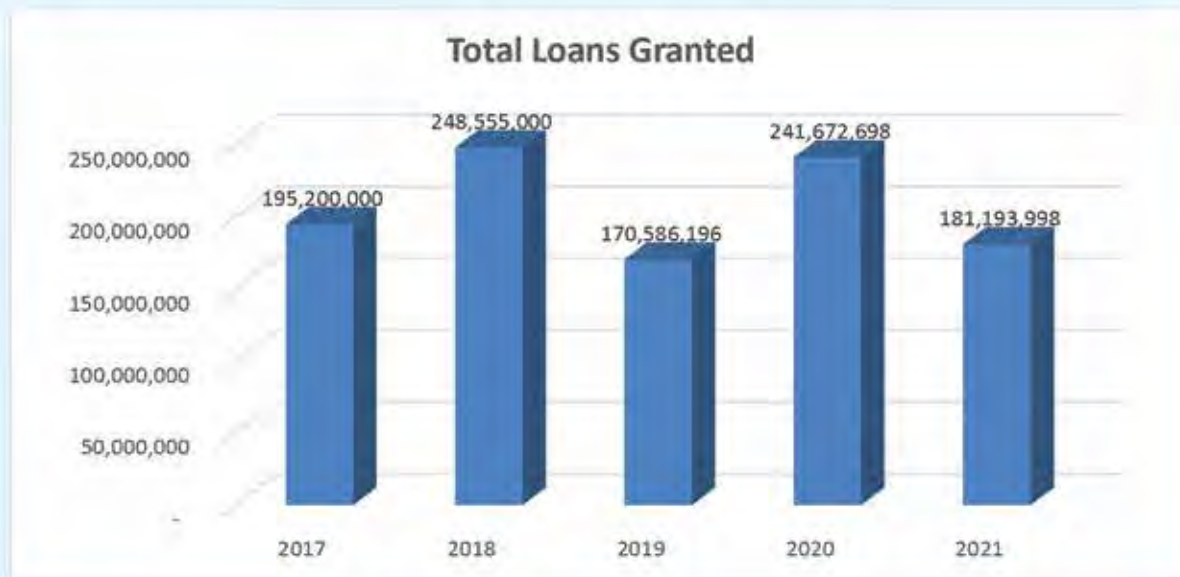
Our loan balance increased to \$390.95M in 2021 from \$365.15M in 2020. The loan increase in 2021 was just over 7.07%. This improvement was far above Jamaica's Credit Union Industry's average growth for the year. The growth in the year was due to the take-up of loans during the year as a direct result of maintaining loan rates for most of the year. The Credit Union was able



to satisfy the demand for 3,264 loans during the year 2021 which was just 7% lower than the number granted in 2020. The value of the new loans granted for the year was **\$181.19M**, this was **\$60.48M** or 33% lower than what was granted in the previous year.



The loans had a much lower rate of increase in 2021 (7.07%) over the 2020 growth (25.3%). The deposit growth in 2021 increased by 4.81% over the previous year where there was an actual increase of 14.7%. Voluntary shares continue to have constant growth over the five-year period with 5.33% in 2021.





CORPORATE SOCIAL RESPONSIBILITY

During 2021, a year which was filled with the ongoing challenges associated with the COVID-19 pandemic, we remained steadfast and dedicated to our members and our community. Our strong belief in being a responsible business is grounded in our Corporate and Social Responsibility (CSR) Policy and is anchored by our core values: financial prudence, transparency, family oriented and friendly, commitment to education and excellence professionalism.

SCHOLARSHIP AND YOUTH DEVELOPMENT

We continued to support our members during the year 2021 through our Tertiary Grant and PEP Scholarship Programme. Three (3) additional persons benefitted from a total of \$75,000 under the PEP Scholarship and Tertiary Grant Programme during the year. The total spent on scholarships for the year was \$180,000

SCHOLARSHIP PROGRAMME

1. **Donald E Miller Memorial** Reshauna Martin St. Andrew Technical High

TERTIARY GRANT PROGRAMME

1. **Stanley Williams Memorial Grant** Ms. Chevelle Skervin UWI
2. **Gloria Wilson Memorial Grant** Ms. Thelma Young UCC

Scholarship Recipients from 2017 to 2021

No.	Name of Scholarship	Name of Student	Name of Member /Parent	Period of Scholarship	Name of School
1.	TOB Goldson Memorial	Janae Forbes	Ms. Tiffany Forbes	September 2017 to July 2022	Immaculate Conception High
2.	Donald E. Miller/ Gilbert O. Rose Memorial	Emelia McCausland	Ms Shaunette Brown	September 2018 to July 2022	Campion College
3.	Gilbert O Rose Memorial	Kimberly Watson	Mr. Karl Watson	September 2017 to July 2022	Ardenne High School
4.	Monica Bolton Memorial	Abigail Cato	Ms Natalie Waldron	September 2018 to July 2023	Immaculate Conception
5.	Dudley M. Forrester Memorial	Accalia Lee	Mr. Ansel Lee	September 2019 to July 2024	St. Andrew High School for Girls
6.	Minnette Jones Memorial	Kayla Lyons	Mr. Kingsley Lyons	September 2020 to July 2025	Wolmers High School for Girls
7.	RG Chambers Memorial	Ashar Miller	Ms. Miscaih Miller	September 2020 to July 2025	Ardenne High School
8.	Donald E. Miller Memorial	Reshauna Martin	Mrs. Desmarie Braham-Martin	September 2021 to July 2023	St. Andrew Technical High School



Tertiary Grant Recipients from 2010 to 2021

YEAR	STANLEY WILLIAMS MEMORIAL GRANT	GLORIA WILSON MEMORIAL GRANT
2010	Ms. Shannon-Kay Wray	Ms. Jodi-Ann Carnagie
2011	Ms. Andrea Belnavis	Ms. Petra-Kene Williams
2012	Ms. Yola Ingleton	Ms. Kimberley Cole
2013	-	-
2014	Mr. Anthony Cole	Mr. Kevin Roy Johnson
2015	Mr. Darian SM Francis	Mrs Amoy Williams McKenzie
2016	Mrs. Josiene Brown Nelson	Ms. Tajera Douglas
2017	Mr. Rusean Lewis	Ms. Stanesha Brown
2018	-	-
2019	Ms. Teniesha Powell	Ms. Damoi Escoffery
2020	Ms. Peron Henry	-
2021	Ms. Chevelle Skervin	Ms. Thelma Young

BOARD'S PERFORMANCE

Our Governance Policy requires that the Board meets at least monthly and discharge its duties effectively, efficiently and in a timely manner. The Board also held ad-hoc special meetings outside of the regular scheduled meeting. These meetings were called to discuss specific matters that were critical to the organization meeting its strategic objectives and goals.

Board Meeting Attendance for 2021

NO.	Names	Positions	Possible Meetings	Meetings Attended
1.	Norris Gilbert	President	9	9
2.	Cheryl Hawkins	Vice President	9	7
3.	Damon Escoffery	Treasurer	9	9
4.	Everton Walker	Assistant Treasurer	9	5
5.	Karen Arscott	Secretary	9	9
6.	Paula Brown	Assistant Secretary	9	9
7.	Kaydian Gordon	Director	9	6
8.	Bernard Allen	Director	9	7
9.	Romoyne Watson	Director	8	6
10.	Grace Bailey	Director	1	1



OBITUARIES 2021		
NAMES	MONTH PASSED AWAY	ORGANISATION
Sonia Roache	January	Courts Management Admin
Joan Tucker	March	Retired – Ministry of Transport & Mining
Daphne Robertson	April	Retired -PWD Co-Op Credit Union
Luther Brown	August	Retired - National Works Agency
Lyda Jones	September	Ministry of Works
Hassim Fulton	November	Ministry of Transport & Mining
Albert Hanson	November	
Marlene Humphrey	December	Stamp Office of Jamaica
Linette Campbell	December	Retired - Ministry of Transport & Mining

*“If only we could know the reason why they left,
we would smile and wipe away the tears that flow
and wait content”*

The Board, Committees and Staff offer our condolences to the families and friends of our departed members.

Learning and Development

During the period all staff members were exposed to training spanning the area of Anti-Money Laundering (AML), Sales and Marketing, and Customer Service. With the implementation of the Online and Electronic Banking System the team also received training in MASTERCARD Onboarding, Online Banking and Transaction Monitoring. The various training initiatives exposed the staff collectively to 108 man-hours of training.

Education and Member Relations

Through the use of emails, SMS text messages and other social media platforms, we continue to make efforts to ensure that our members were always informed on the various loans and benefits that are available at the Credit Union and the overall industry. Our new look website is also active and provided useful information to users on the products and services and frequent notices.

The Way Forward

The Credit Union remains resilient and solid and poised for further development even in a more regulated environment. The software purchased, as well as further development of existing technologies will aid in the preparation of PWD for the next generation of membership. The investment in Transaction Monitoring Software, Electronic Banking Software, Mastercard Debit Card, Direct elling to existing members, will lead the Credit Union into the future with the next generation.

In order to attract new membership for the achievement of growth targets for sustainability, the Board is proposing a rule change to allow for the widening of the bond. The bond will now include, all employees of a Ministry, Department or Agency in Jamaica.



Appreciation

The Board of Directors wishes to convey sincere gratitude to the members who continued to conduct their business with the credit union throughout the year. We would also like to thank the management of our main sponsors, the Ministry of Transport and Mining, Ministry of economic Growth & Job Creation, and the National Works Agency for their continued support. Our gratitude is also extended to the many individuals and institutions such as Jamaica Cooperative Credit Union League, Cuna Caribbean, Jamaica Cooperative Insurance Agency, the Department of Cooperatives and Friendly Societies, Smith and Associates, Bank of Nova Scotia, Sagicor Bank, and all others who worked with the PWD Cooperative Credit Union throughout the year. Our greatest appreciation goes out to the Staff, the Credit and Supervisory Committees who have given yeoman service to the credit union so that it remains the institution of choice for our members.

N Gilbert

Norris Gilbert
President

PWD CREDIT UNION LIMITED

- SAVE WISELY
- SPEND WISELY
- THE CREDIT UNION WAY

**PLEASE KEEP SAFE WHILE USING YOUR PWD ACCESS
PLUS DEBIT CARD.**



START A PARTNER PLAN TODAY!!!

Periods of Weeks	Rewards	Condition
16	2% of amount saved	No more than 1 late payments
24	2.5% of amount saved	No more than 2 late payments
36	4% of amount saved	No more than 3 late payments
48	4.5% of amount saved	No more than 4 late payments

Requirements:

- A. Must be a member and have a minimum share Balance of \$1000.00.
- B. Minimum is \$500.00 per week and can be weekly, fortnightly or monthly.
- C. Members can have several plans running concurrently.
- D. If the Member does not wish to claim the return on the plan at the end of the fixed period, the amount/s can be transferred to the deposit or share accounts at the members request in writing.
- E. Two (2) days notice must be given in writing if a member wishes to close the account before the end of the fixed plan.



CREDIT UNION STAFF



**FERN
GRAHAM
GENERAL
MANAGER**



**KEVIN
WEDDERBURN
ACCOUNTANT**



**DAWN
BENJAMIN
SIMMONDS**



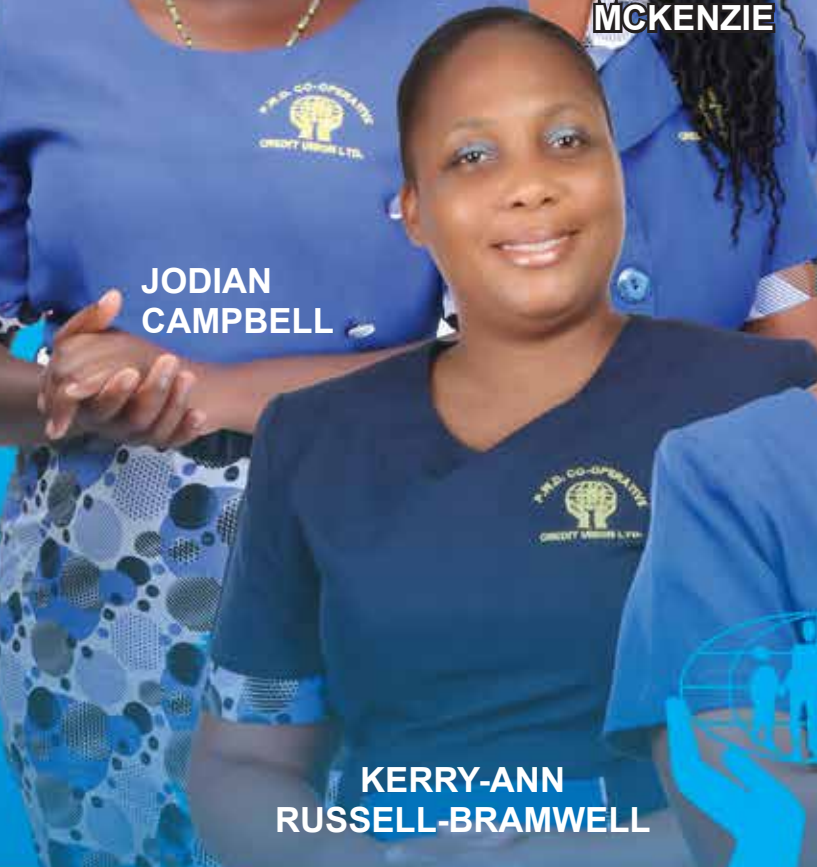
**JODIAN
CAMPBELL**



**GRACE
MCKENZIE**



**ELVEDA
MORRIS**



**KERRY-ANN
RUSSELL-BRAMWELL**



**LEONIE
MARTIN-
THOMPSON**

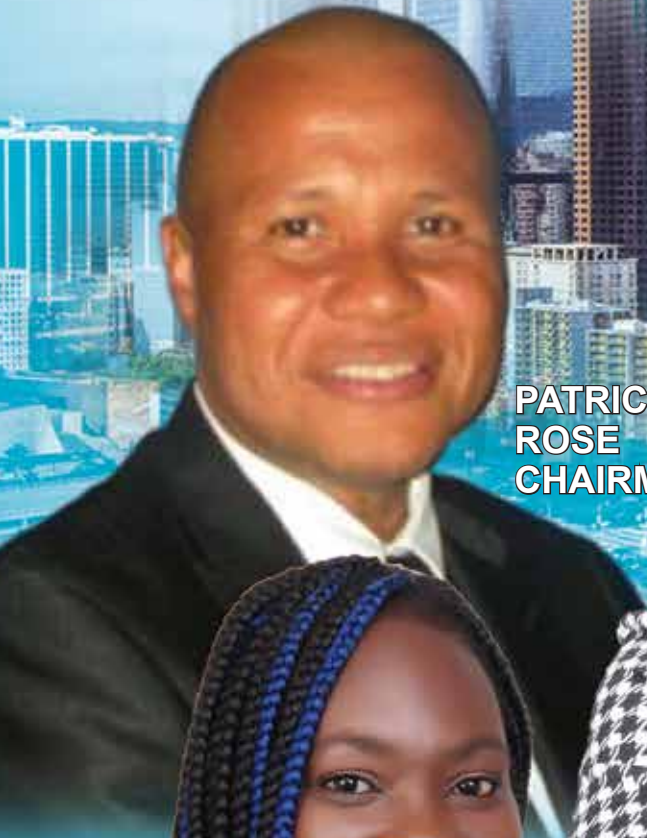


**PETA-GAYE
CARGILL-STEWART**

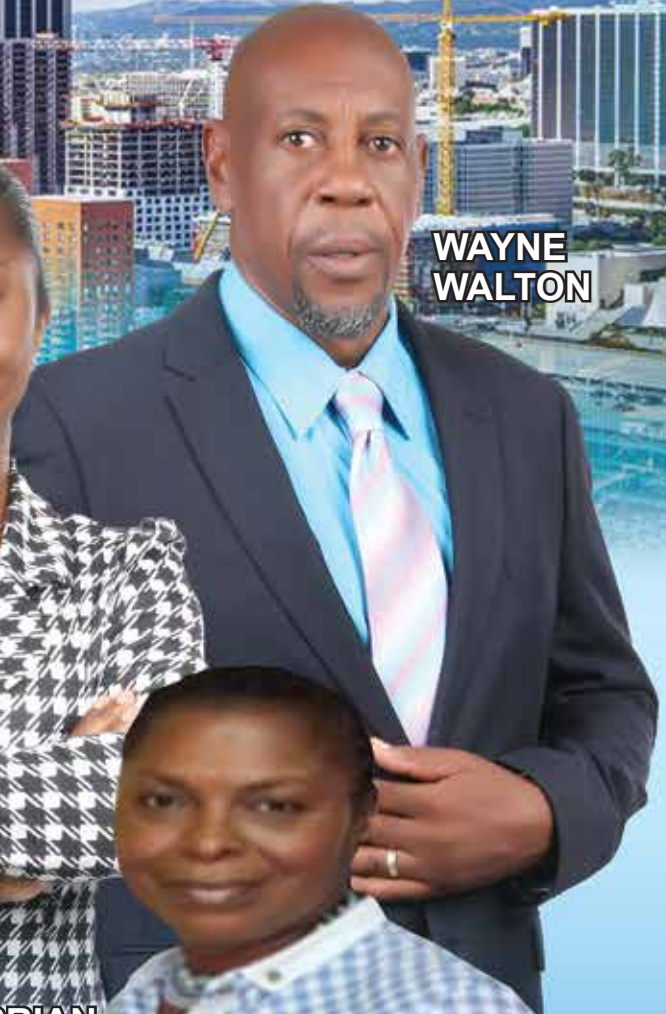




CREDIT COMMITTEE



**PATRICK
ROSE
CHAIRMAN**



**WAYNE
WALTON**



**KERRIAN
CLARKE**



**PAULA
HAMILTON**



**JANET
STEWART**





Credit Committee Members

Patrick Rose, Chairman
 Kerriann Clarke Henry, Secretary
 Janet Stewart
 Paula Hamilton
 Wayne Walton

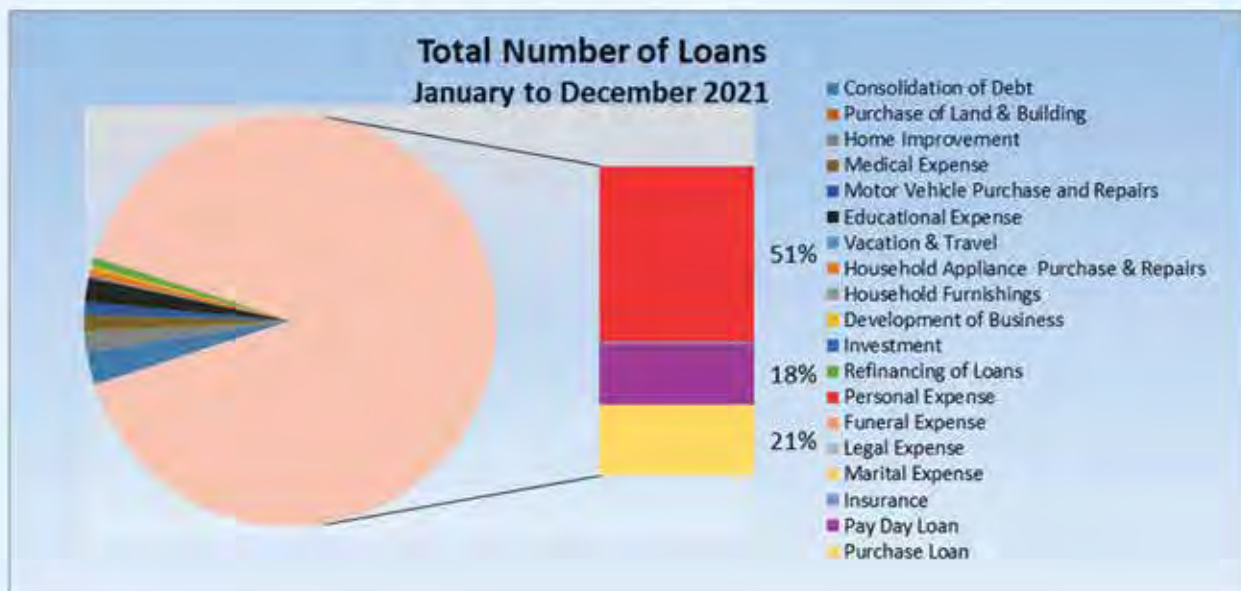
The Credit Committee is pleased to welcome all to the 74th Annual General Meeting of the PWD Cooperative Credit Union Ltd (PWDCUL). The Credit Committee comprised of the five volunteers named above. The committee met weekly to review loan applications, met with members experiencing challenges with their applications and approved loans.

For the year ended December 31, 2021, the Credit Union continued to effectively carry out its operation under very challenging economic conditions caused by the Covid-19 Pandemic. Although our members were impacted by the slow rate at which the economy was recovering, grim social issues and higher than usual unemployment, most remained loyal and financially prudent.

The Committee continued to respond to the financial needs of its members and provided quality service and support throughout the year. There was however a significant reduction in the number of loans granted by the Credit Committee.

Loan Analysis

A total of 3,336 loans was disbursed for the period which amounted to approximately \$187.4M. The top three loans disbursed for the period were Personal Expenses Loan, Motor Vehicle Purchase & Repairs and Consolidation of Debt. These three loans accounted for 58% of the total value of loans.

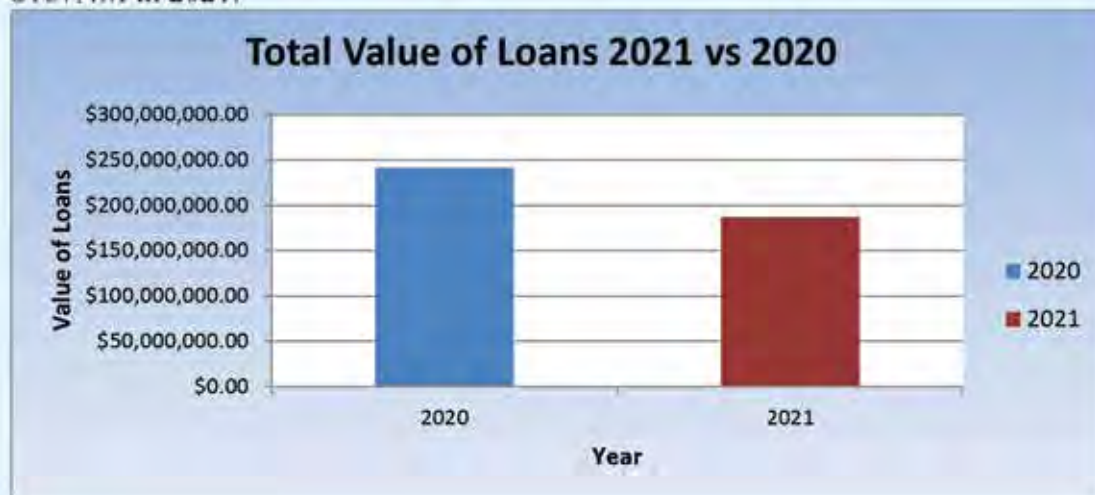




LOANS FOR THE PERIOD JANUARY TO DECEMBER 2021

Loan Purpose Description	Count	Current Period Value
Personal Expense	1,701	62,274,076.45
Motor Vehicle Purchase and Repairs	33	24,505,499.00
Consolidation of Debt	88	21,659,507.88
Emergency Loan	691	16,459,883.67
Home Improvement	52	14,692,231.69
Refinancing of Loans	24	13,896,797.37
Educational Expense	64	11,207,901.61
Medical Expense	41	5,684,460.53
Pay Day Loan	585	5,528,500.00
Development of Business	8	3,931,000.00
Insurance	18	2,032,392.58
Household Appliance Purchase & Repairs	19	1,897,072.70
Legal Expense	3	1,600,000.00
Purchase of Land & Building	2	1,020,000.00
Funeral Expense	2	510,000.00
Marital Expense	1	250,000.00
Vacation & Travel	4	248,000.00
Household Furnishings	0	0
Investment	0	0
TOTAL	3,336	187,397,323.48

Compared to the 2020 financial year, there was a 5% decrease in the number of loans disbursed for the period, moving from 3,516 in 2020 to 3,336 in 2021. Additionally, there was a 22% reduction in the total value of loans disbursed for the period, moving from \$241.7M in 2020 to \$187.4M in 2021.





We wish to express our appreciation and gratitude to the management and staff and in particular those officers who worked long hours with the Credit Committee to fulfil our responsibilities to the membership. In concluding, we say thanks to our members for making the PWD Credit Union your financial institution of choice.

Peace be with you until we meet again

Patrick Rose

Patrick Rose
Chairperson



SUPERVISORY COMMITTEE

MELVIN YOUNG
CHAIRMAN

**ALTHEA
COLE-MARTIN**

**LENSON
LEE**

ANGELINA BROWN
SECRETARY

**AUDREY
JONES**





REPORT OF THE SUPERVISORY COMMITTEE TO THE 74th ANNUAL GENERAL MEETING



We report on our stewardship for the period January to December 2021. The composition of the Supervisory Committee was as follows:

- ✓ Mrs. Althea Cole-Martin
- ✓ Miss Angelina Brown
- ✓ Mrs. Audrey Jones-Francis
- ✓ Mr. Lenson Lee
- ✓ Mr. Melvin Young
- ✓ Ms. Sonia Cole

Meetings were held on Mondays and Wednesdays of each week. Attendance of the Supervisory Committee for the period January to December 2021 is outlined below:

Member	Position	No. of Possible Meetings	No. of Meetings Attended
Melvin Young	Chairman	82	69
Angelina Brown	Secretary	82	70
Althea Cole-Martin	Member	82	61
Lenson Lee	Member	82	79
Sonia Cole*	Member	78	20
Audrey Jones-Francis**	Member	4	4

**Mrs. Sonia Cole served January – November. Due to the observation of the COVID-19 protocols issued, Mrs. Cole’s physical attendance was hindered. Notwithstanding, she completed tasks given and offered valuable contributions to the virtual meetings.*

***Mrs. Audrey Jones was elected on 2021 November 30.*

We take this opportunity to thank Mrs. Sonia Cole for her invaluable voluntary service to the Credit Union for more than seven years (June 2014 to November 2021). We laud her for her professionalism, eye for details and commitment. She infused our Committee Meetings with ideas and positive energy. ‘If gratitude is worth millions, she is a billionaire.’ We salute you!

Scope of Work

During the period under review, we performed the following duties as per our mandate with oversight of the Credit Union's operations and providing objective evaluations. Some of the areas that were examined are listed below:

- ✚ Review Internal Control Systems
- ✚ Verification of Payment Vouchers
- ✚ Examination of Loan Applications
- ✚ Prepare and submit Monthly reports to the Board of Directors
- ✚ Attended Joint Meetings
- ✚ Request management response on audit findings & follow up on previous External Audit Reports.



Observations

The Coronavirus pandemic continued to plague the world and transformed the normal operation of businesses. PWD Co-operative Credit Union Limited (PWDCUL) had to adjust to new ways of conducting business by utilising more online portals; especially, for meetings to reduce face-to-face interaction.

The Committee analysed the performance of the PWDCUL in the areas mentioned above and was reasonably satisfied that the internal controls implemented by Management to safeguard the assets of the Credit Union were satisfactory. Likewise, there was general adherence to the established policies, procedures, and standards. Our observations brought to the attention of Management were satisfactorily addressed.

Acknowledgement

We thank the Board of Directors, the hard working and committed Staff, and the other Volunteers for their assistance throughout the year. We really appreciate the membership's faith by electing us to serve in this capacity.

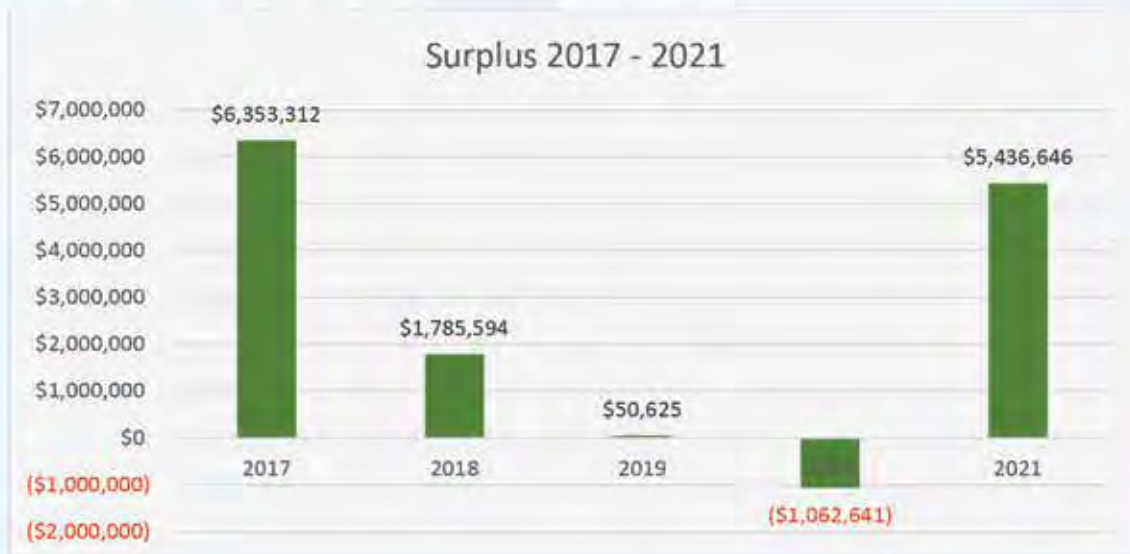
Melvin Young

Melvin Young
Chairperson



For the year 2021, the Credit Union made a Net Surplus of \$5.437M. This was a positive return of \$6.49M in relation to the loss of \$1.06M in 2020. The growth in surplus was due to 14% increase in Revenues against a lower percentage (12%) increase in Operating Expenses. Based on this surplus we are able to propose a dividend at this Annual General Meeting.

The graph below shows PWD's surplus over the last five years.



Revenue

For the year 2021, PWD earned total operating income of \$64.03M. This was \$7.94M more than 2020.

The Revenue Distribution was as follows:

Interest on Loans and Advances

For the year 2021 Loans and Advances were \$62.880M, which was \$8.168M more than 2020.

Non-Interest Income

For the year 2021, Non-Interest Income was \$3.686M or \$5.44M more than 2020. Non-Interest Income includes service charges, fees, commissions, and rental income.





Income from Financial Investments

There was a loss on the Investment portfolio of \$12,272. This was increase in comparison to the loss of \$33,360 from the previous year.

Operating Expenses

The total expenses for the year 2021 was \$52.689M. This was \$5.452M more than 2020.

Interest Expense

Interest Expense for the year 2021 was \$5.244M. This was (\$0.628)M less than 2020.

Staff Expenses

Staff Expenses for the year 2021 was \$25.944M. This was \$3.4M or 15% more than the previous year.

Administrative Expenses

Administrative Expenses amounted to \$20.153M. This was \$2.6M or 15% more than 2020.

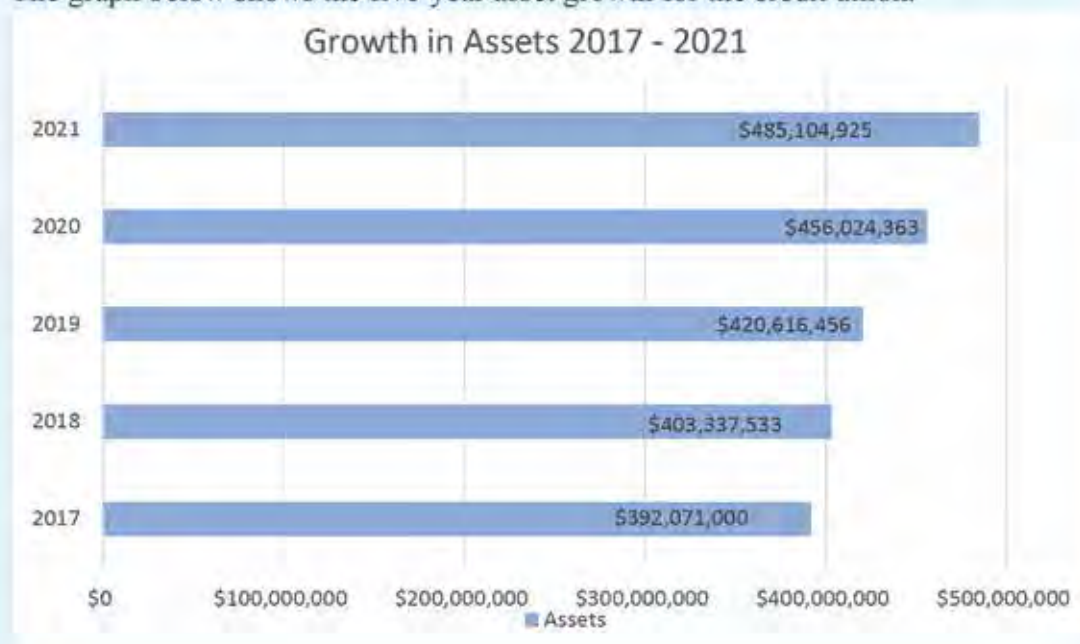
Balance Sheet

Assets

At the end of 2021, the Credit Union had Total Assets of \$485.11M. This was an increase of \$29.08M or 6.38% in comparison to the previous year.

- **Non-Current Earning Asset** - \$436.93M. This is \$45.80M more than the previous year.
- **Non-Earning Asset** - \$15.24M. This is \$1.45M more than the previous year.
- **Total Current Asset** - \$32.94M. This is \$35.55M less than the previous year.

The graph below shows the five-year asset growth for the credit union.





Liabilities

At the end of 2021, the Liabilities of the Credit Union were \$411.49M. This was an increase of \$24.27M in comparison to the previous year.

Non-Current Liabilities as of December 2021 were \$385.347M and was \$21.96M more than the previous year.

Current Liabilities were \$26.148M. This was \$2.31M more than the previous year.

Capital & Reserves

Capital and Reserves amounted to \$73.61M. This was \$4.8M more than 2020. The institutional capital was 9.39% which satisfied the regulatory requirement.

I would like to take this opportunity to thank the Assistant Treasurer, other members of the Board, Committee members, the Office Manager and staff, our Auditors Smith and Associates, and our valued members for your co-operation and support during the year. It was a pleasure serving you and the Credit Union and I look forward to continued good relationship in the Credit Union movement.

Damon Escoffery

Damon Escoffery
Treasurer

FINANCIAL STATEMENTS **& NOTES TO THE FINANCIAL STATEMENTS** **AS AT DECEMBER 31, 2021**



CONTENTS

Pages

- Report of the Independent Auditors 36
- Statement of profit and loss and other Comprehensive income 39
- Statement of Financial Position 40
- Statement of changes in equity 42
- Statement of Cash Flows 44
- Notes to the Financial Statements 45



Agenda Item No 7.

FIXING THE MAXIMUM LIMIT OF BORROWING
(In accordance with Rule 71)

The Board recommends to the Annual General Meeting that the maximum limit of borrowing by the PWD Co-operative Credit Union Limited remain at sixteen times the Credit Union's capital until varied by a resolution of an Annual or Special General Meeting.

Moved by: Treasurer

Seconded by:

Agenda Item No 8

**PROPOSAL FOR
APPROPRIATION OF NET UNDISTRIBUTED SURPLUS**
From the operations of the Credit Union in the year 2021

	2021 \$
Dividend on Permanent Share (10%)	564,735.50
Honoraria	500,000.00
Donations	50,000.00
Scholarship Program	200,000.00
Retained Earnings to be carried forward	1,250,000.00
Institutional Capital Reserve	1,477,464.50
Total Appropriation	4,042,200.00

Moved by: Treasurer

Seconded by:



PWD Co-operative
Credit Union Limited



Smith and Associates

P.W.D. Co-operative Credit Union Limited

Financial Statements

December 31, 2021

**Smith & Associates
Chartered Accountants
16 Hope Road
Kingston 10**





P.W.D. Co-operative Credit Union Limited

December 31, 2021

CONTENTS

	PAGE
Report of the Independent Auditors.....	1
Statement of profit and loss and other comprehensive income.....	4
Statement of Financial Position.....	5 - 6
Statement of changes in equity.....	7
Statement of Cash Flows.....	8
Notes to the Financial Statements.....	9 - 57





PWD Co-operative
Credit Union Limited



Smith and Associates

Chartered Accountants

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Kingston 10
Jamaica W.I.

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(876) 906-0800 / 906-0424 / 374-7134

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smithas@cwjamaica.com

Report of the Independent Auditors

June 8, 2022

To the Registrar of Co-operative Societies,
P.W.D. Co-operative Credit Union Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of P.W.D. Co-operative Credit Union Limited (the Credit Union) set out on pages 4 - to 57 which comprise the statement of financial position as at December 31, 2021, statements of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of P.W.D. Co-operative Credit Union Limited as at December 31, 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs)

Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of P.W.D. Co-operative Credit Union Limited 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.

Publication of these financial statements

Where P.W.D. Co-operative Credit Union Limited publishes these financial statements in any publication, management is responsible for the content of any other information that is included in the publication. The other information include all content other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.





Report of the Independent Auditors

Responsibility of Management and those charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing P.W.D. Co-operative Credit Union Limited ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Credit Union or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing P.W.D. Co-operative Credit Union Limited'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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error in economic decisions of users taken on the basis of these financial statements.

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

We also:

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



Report of the Independent Auditors

- ◆ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ◆ Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Credit Union to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

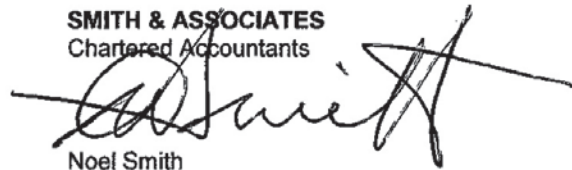
We communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on additional requirements of the Co-operative Societies Act

We have obtained all the information which, to the best of our knowledge and belief, was necessary for the purpose of our audit. In our opinion, proper accounting records have been maintained and the financial statements are in agreement with the accounting records, and give the information required by the Co-operative Societies Act in the manner so required.

The engagement partner on the audit resulting in this independent auditor's report is Noel Smith

SMITH & ASSOCIATES
Chartered Accountants



Noel Smith



P.W.D. Co-operative Credit Union Limited

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended December 31, 2021

	2021	2020
Note	\$	\$
Interest Income calculated using the effective interest rate method:		
Interest Income		
Loans and advances to members	62,879,764	54,712,911
Liquid assets	1,166,228	1,348,029
Financial investments	(12,272)	33,360
	<u>64,033,720</u>	<u>56,094,300</u>
Interest Expense		
Savings deposits	2,248,800	3,030,372
Interest on voluntary shares	2,764,933	2,841,149
Other interest expense	230,063	-
	<u>(5,243,796)</u>	<u>(5,871,521)</u>
Net Interest income before provision for loan losses	58,789,924	50,222,779
(Increase) / Decrease in provision for loan losses	9.d. (4,826,526)	(1,800,000)
Net interest income after provision	<u>53,963,398</u>	<u>48,422,779</u>
Non-interest income:		
Dividend income	673,649	403,718
Gain in market value of investment	-	40,000
Other income / (expenses)	3,386,050	(141,987)
Non-interest expense		
Loss in market value of investment	(373,348)	(2,055,825)
Loss on disposal of fixed assets	-	(2,155)
Total non-interest income / (expense)	<u>3,686,351</u>	<u>(1,756,249)</u>
Gross margin	57,649,749	46,666,530
Less operating expenses	8. 52,689,103	47,237,171
Net income before Honoraria	4,960,646	(570,641)
Honoraria	26. -	(100,000)
Net income / (Loss) after Honoraria	4,960,646	(670,641)
Other comprehensive income		
<i>Items that will not be classified subsequently to profit and loss:</i>		
Actuarial gain / (loss) on obligation	(278,000)	(1,112,000)
Actuarial gain / (loss) on Plan Asset	(2,432,000)	(719,000)
Change in effect of asset ceiling	3,186,000	1,439,000
Total other comprehensive income / (loss)	<u>476,000</u>	<u>(392,000)</u>
Net profit, being total comprehensive income for the year	<u>5,436,646</u>	<u>(1,062,641)</u>

The accompanying notes form an integral part of these financial statements



P.W.D. Co-operative Credit Union Limited

Statement of Financial Position

December 31, 2021

		<u>2021</u>	<u>2020</u>
	Note	\$	\$
ASSETS			
Non-current assets			
Earning assets			
Loans to members	9.	390,951,440	365,198,816
Financial investments	10.	36,678,663	16,530,105
Investment property	11.	9,298,878	9,400,002
Total non current, earning assets)		<u>436,928,981</u>	<u>391,128,923</u>
Non Earning assets			
Property, plant and equipment (net)	12.	7,715,955	6,834,660
Retirement benefit asset	13.	7,522,871	6,958,871
Total non-current, non-earning assets)		<u>15,238,826</u>	<u>13,793,531</u>
Total non-current assets		<u>452,167,807</u>	<u>404,922,454</u>
Current assets			
Earning assets			
Liquid assets	14.	23,696,978	40,924,152
Bank and cash	15.	423,438	280,657
Total current, earning assets		<u>24,120,416</u>	<u>41,204,809</u>
Non-earning assets			
Bank and cash	15.	3,308,144	2,538,833
Receivables	16.	5,508,558	7,358,267
Total current, non-earning assets		<u>8,816,702</u>	<u>9,897,100</u>
Total current assets		<u>32,937,118</u>	<u>51,101,909</u>
TOTAL ASSETS		<u>485,104,925</u>	<u>456,024,363</u>

The accompanying notes form an integral part of these financial statements




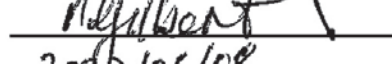

P.W.D. Co-operative Credit Union Limited

Statement of Financial Position

December 31, 2021

	2021	2020
Note	\$	\$
CAPITAL AND LIABILITIES		
Capital and reserves		
Non-Institutional capital	28,037,803	24,314,864
Institutional capital	17. 45,572,779	44,485,725
TOTAL CAPITAL	73,610,582	68,800,589
LIABILITIES		
Non Current Liabilities		
Interest bearing		
External credit	18. 3,074,811	-
Members' voluntary shares	19. 281,521,033	267,265,625
Savings deposit	20. 100,750,953	96,122,642
Total non-current, interest bearing liabilities	385,346,797	363,388,267
Current Liabilities		
Non-interest bearing		
Current portion of long term loan	18. 5,172,447	-
Trade and other payables	21. 20,975,099	23,835,507
Total current, non- interest bearing liabilities	26,147,546	23,835,507
Total current, non- interest bearing liabilities	26,147,546	23,835,507
TOTAL LIABILITIES	411,494,343	387,223,774
TOTAL CAPITAL AND LIABILITIES	485,104,925	456,024,363

Approved on Behalf of the Board

 _____, Director
 _____, Director
 _____, Date

The accompanying notes form an integral part of these financial statements



P.W.D. Co-operative Credit Union Limited

Statement of Equity

For the Year Ended December 31, 2021

	Permanent Shares (note 13)	Statutory & Legal Reserves (note 13)	Total Institutional Capital (note 13)	Other Transfer	Retirement Benefit Reserve (note 19)	Revaluation Reserve (note 20)	Other Reserves	Accumulat ed surplus/ (deficit)	Total non- Institutional Capital	Grand Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance as at December 31, 2019	5,488,556	38,817,843	44,306,399	-	7,418,871	9,882,558	8,101,192	589,979	25,992,600	70,298,999
Deficit for the year	-	-	-	-	-	-	-	(1,062,641)	(1,062,641)	(1,062,641)
Shares issued and transferred	207,002	-	207,002	-	-	-	-	-	-	207,002
Shares repayment	(135,076)	-	(135,076)	-	-	-	-	-	-	(135,076)
Transfer to retirement benefit reserve	-	-	-	-	(460,000)	-	-	460,000	-	-
Entrance Fees	-	7,400	7,400	-	-	-	-	-	-	7,400
Appropriation of Net Surplus for 2019	-	100,000	100,000	164,657	-	-	125,000	(389,657)	(100,000)	-
Amount paid out in dividend Movement in other reserves (Payments)	-	-	-	(164,657)	-	-	-	-	(164,657)	(164,657)
	-	-	-	-	-	-	(350,440)	-	(350,440)	(350,440)
	-	-	-	-	-	-	-	2	2	2
Balance as at December 31, 2020	5,560,482	38,925,243	44,485,725	-	6,958,871	9,882,558	7,875,752	(402,317)	24,314,864	68,800,589
Surplus for the year	-	-	-	-	-	-	-	5,436,646	5,436,646	5,436,646
Shares issued and transferred (20% of net income before honoraria) statutory reserve transfer	86,873	-	86,873	-	-	-	-	-	-	86,873
Transfer to retirement benefit reserve	-	992,129	992,129	-	-	-	-	(992,129)	(992,129)	-
Entrance fees	-	-	-	-	564,000	-	-	-	564,000	564,000
Other reserves (Payments)	-	5,000	5,000	-	-	-	-	-	-	5,000
	-	-	-	-	-	-	(1,285,578)	-	(1,285,578)	(1,285,578)
Balance as at December 31, 2021	5,647,355	39,925,424	45,572,779	-	7,522,871	9,882,558	6,590,174	4,042,200	28,037,803	73,610,582

The accompanying notes form an integral part of these financial statements





P.W.D. Co-operative Credit Union Limited

Statement of Cash Flows

For the Year Ended December 31, 2021

	2021	2020
	\$	\$
Cash flows from (used in) operating activities		
Net profit for the year	5,436,647	(1,062,641)
Adjustments to reconcile net (loss)/ profit for year to net cash provided by operations		
Interest received	63,134,598	54,686,234
Adjustments for interest earned	(64,033,720)	(56,094,300)
Depreciation and amortisation expense	3,428,462	2,974,858
Retirement benefit reserve	(564,000)	460,000
Adjustments for interest expense	5,243,795	5,871,521
Adjustment to reflect loss on disposal of property, plant and equipment	-	2,155
Interest paid	(5,628,257)	(6,607,769)
Total from operations	7,017,525	230,058
Decrease/ (increase) in current assets		
Accounts receivables and prepayments	1,291,650	4,261,906
Increase / (Decrease) in current liabilities		
Accounts payable and accruals	(2,860,408)	4,620,492
Adjustments for non-cash gain in market value of investment	-	(40,000)
Adjustments for non-cash loss in market value of investment	373,348	2,055,825
Adjustments for non-cash dividend income	(673,649)	(403,718)
Other adjustments for non-cash items	(192,042)	-
Dividends received	673,649	403,718
Net cash provided by operations	5,630,073	11,128,281
Cash flows from (used in) investing activities		
Financial investments	(20,148,558)	984,261
Loans to members	(25,194,566)	(73,736,071)
Purchase of property, plant and equipment	(3,835,333)	(4,454,826)
Net cash flows from (used in) investing activities	(49,178,457)	(77,206,636)
Cash flows from (used in) financing activities		
Members' voluntary shares	14,255,408	19,887,565
Members' savings deposit	4,628,311	12,398,262
Increase in Permanent share capital	86,875	71,926
Entrance Fees	15,450	10,450
Scholarships, share transfer and disaster fund	-	(125,000)
Dividend paid	-	(164,657)
Proceeds from borrowings	8,247,258	-
Net cash flows from (used in) financing activities	27,233,302	32,078,546
Effect of exchange rate changes on cash and cash equivalents		
Net increase (decrease) in cash and cash equivalents	(16,315,082)	(33,999,809)
Cash and cash equivalents at beginning of period	43,743,642	77,743,451
Cash and cash equivalents at end of year	27,428,560	43,743,642

The accompanying notes form an integral part of these financial statements



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

1. Identification and principal activity

P.W.D. Co-operative Credit Union Limited (the credit union) is registered under the Co-operative Societies Act of Jamaica. The registered office of the Credit Union is located at 147 Maxfield Avenue, Kingston 10.

The Credit Union's main activities are the promotion of thrift, the provision of loans to members exclusively for provident and productive purposes, and to receive the savings of its members either as payments on shares or as deposits.

The Credit Union is exempt from Income Tax under Section 59 (1) of the Co-operative Societies Act and Section 12 of the Income Tax Act.

The Credit Union employed 9 permanent persons as at December 31, 2021 (2020: 9).

The Credit Union is a member of and is supervised by the Jamaica Co-operative Credit Union League (JCCUL).

2. Basis of preparation

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

3. IFRS compliance and adoption

Standards, interpretations and amendments effective current year

At the date of authorization of these financial statements, certain new standards, amendments and interpretations to existing standards have been issued which became effective during the current financial year, and which the Credit Union has not early adopted. The Credit Union has assessed the relevance of all such new standards, interpretations and amendments and has adopted the following as follows:

Covid-19-Related Rent Concessions – Amendment to IFRS 16

Effective for annual periods beginning on or after 1 June 2020.

Key requirements

In May 2020, the IASB amended IFRS 16 Leases to provide relief to lessees from applying the IFRS 16 guidance on lease modifications to rent concessions arising as a direct consequence of the covid-19 pandemic. The amendment does not apply to lessors.

As a practical expedient, a lessee may elect not to assess whether a covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

3. IFRS compliance and adoption continued

Standards, interpretations and amendments effective current year continued

The practical expedient applies only to rent concessions occurring as a direct consequence of the covid-19 pandemic and only if all of the following conditions are met:

- (a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.
- (b) Any reduction in lease payments affects only payments originally due on or before 30 June 2021 (for example, a rent concession would meet this condition if it results in reduced lease payments before 30 June 2021 and increased lease payments that extend beyond 30 June 2021).
- (c) There is no substantive change to other terms and conditions of the lease.

Transition

Lessees will apply the practical expedient retrospectively, recognising the cumulative effect of initially applying the amendment as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of the annual reporting period in which the amendment is first applied.

The information required by paragraph 28(f) of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors is not required to be disclosed.

A lessee will apply the amendment for annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted, including in financial statements not yet authorised for issue at 28 May 2020.

Impact

The amendment to IFRS 16 will provide relief to lessees for accounting for rent concessions from lessors specifically arising from the covid-19 pandemic. While lessees that elect to apply the practical expedient do not need to assess whether a concession constitutes a modification, lessees still need to evaluate the appropriate accounting for each concession as the terms of the concession granted may vary.

Standards, interpretations and amendments but not yet effective

At the date of authorization of these financial statements, certain new standards, amendments and interpretations to existing standards have been issued which were not effective at the date of the statements of financial position, and which the credit union has not early adopted. The credit union has assessed the relevance of all such new standards, interpretations and amendments, has determined that the following may be relevant to its operations and concluded as follows:

Covid-19 Related Rent Concession beyond june 30, 2021 - Amendment to IFRS 16, Leases.

Effective January 1, 2021

This amendment extends by one year the relief available to lessees to account for COVID - 19 related rent concessions. The original practical expedient only covered rent concessions that reduced lease payments due on or before June 30, 2021.



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

3. IFRS compliance and adoption continued

Standards, interpretations and amendments but not yet effective continued

The practical expedient permits lessees not to assess whether eligible COVID - 19 related rent concessions are lease modifications, and to account for them as if they were not lease modification.

After the amendments, eligible rent concessions are those as a 'direct consequence' of COVID -19 and for which:

- the revised consideration for the lease is 'substantially the same' as or less than the consideration for the lease before the concession;
- any reduced payments were originally due on or before June 30, 2022, and
- there are no other 'substantive changes to the lease.'

The practical expedient is optional and must be applied consistently to all lease contracts with similar characteristics and in similar circumstances.

A lessee that chose to apply the original practical expedient must consistently apply the extension to eligible contracts with similar characteristics and in similar circumstances.

This means that a company may be required to reverse previous lease modification accounting for a rent concession that was ineligible for the original version of the practical expedient but becomes eligible under the extension.

There is no practical expedient for lessors.

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

Effective for annual periods beginning on or after 1 January 2022.

Key requirements

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment (PP&E), any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

Transition

The amendment must be applied retrospectively only to items of PP&E made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

Effective for annual periods beginning on or after 1 January 2022.

Key requirements

In May 2020, the IASB issued amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments apply a 'directly related cost approach'. The costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

3. IFRS compliance and adoption continued

Standards, interpretations and amendments but not yet effective continued

Transition

The amendments must be applied prospectively to contracts for which an entity has not yet fulfilled all of its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Earlier application is permitted and must be disclosed.

Impact

The amendments are intended to provide clarity and help ensure consistent application of the standard. Entities that previously applied the incremental cost approach will see provisions increase to reflect the inclusion of costs related directly to contract activities, whilst entities that previously recognised contract loss provisions using the guidance from the former standard, IAS 11 Construction Contracts, will be required to exclude the allocation of indirect overheads from their provisions. Judgement will be required in determining which costs are “directly related to contract activities”, but we believe that guidance in IFRS 15 Revenue from Contracts with Customers will be relevant. There is no transition relief for first-time adopters.

Classification of Liabilities as Current or Non-current - Amendments to IAS 1

Effective for annual periods beginning on or after 1 January 2023.

The IASB has tentatively agreed to defer the effective date to 1 January 2023.

Key requirements

In January 2020, the Board issued amendments to paragraphs 69 to 76 of IAS 1 Presentation of Financial Statements to specify the requirements for classifying liabilities as current or non-current.

The amendments clarify:

What is meant by a right to defer settlement

Is that a right to defer must exist at the end of the reporting period

That classification is unaffected by the likelihood that an entity will exercise its deferral right.

That only if an embedded derivative in a convertible liability is itself an equity instrument, would the terms of a liability not impact its classification

Right to defer settlement

The Board decided that if an entity's right to defer settlement of a liability is subject to the entity complying with specified conditions, the entity has a right to defer settlement of the liability at the end of the reporting period if it complies with those conditions at that date.

Existence at the end of the reporting period

The amendments also clarify that the requirement for the right to exist at the end of the reporting period applies regardless of whether the lender tests for compliance at that date or at a later date.



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

3. IFRS compliance and adoption continued

Standards, interpretations and amendments but not yet effective continued

Management expectations

IAS 1.75A has been added to clarify that the 'classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least twelve months after the reporting period'. That is, management's intention to settle in the short run does not impact the classification. This applies even if settlement has occurred when the financial statements are authorised for issuance.

Meaning of the term 'settlement'

The Board added two new paragraphs (paragraphs 76A and 76B) to IAS 1 to clarify what is meant by 'settlement' of a liability. The Board concluded that it was important to link the settlement of the liability with the outflow of resources of the entity. Settlement by way of an entity's own equity instruments is considered settlement for the purpose of classification of liabilities as current or non-current, with one exception. In cases where a conversion option is classified as a liability or part of a liability, the transfer of equity instruments would constitute settlement of the liability for the purpose of classifying it as current or non-current. Only if the conversion option itself is classified as an equity instrument would settlement by way of own equity instruments be disregarded when determining whether the liability is current or non-current.

Unchanged from the current standard, a rollover of a borrowing is considered the extension of an existing liability and is therefore not considered to represent 'settlement'.

Transition

Many entities will find themselves already in compliance with the amendments. However, entities need to consider whether some of the amendments may impact their current practice. Entities need to carefully consider whether there are any aspects of the amendments that suggest that terms of their existing loan agreements should be renegotiated. In this context, it is important to highlight that the amendments must be applied retrospectively.

Disclosure of Accounting Policies (Amendment to IAS1, Presentation of Financial Statements, and IFRS Practice Statement 2, Materiality Judgements)

Effective January 1, 2023.

The amendment continues the IASB Board's clarification on applying the concept of materiality. These amendments help companies provide useful policy disclosures including:

- requiring companies to disclose their material accounting policies rather than their significant accounting policies;
- clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and do not need to be disclosed; and
- clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material.

The IASB Board also amended IFRS Practice Statement 2 to include guidance and examples on the application of materiality to accounting policy disclosures.



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

3. IFRS compliance and adoption continued

Standards, interpretations and amendments but not yet effective continued

Defination of Accounting Estimates (Amendments to IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors)

Effetive January 1, 2023

The amendment clarifies how companies distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on definition of and clariifications on accounting estimates. The distinction between the two is important because changes in accounting policies are applied retrospectively, wheras changes in accounting estimates are applied prospectively.

The amendments clarify that accounting estimates are monetary amounts in the financial statements subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by spesifying that a company develops an accounting estimate to achieve the objectives set out by an accounting policy.

The credit union has concluded that all other standards, interpretations and amendments to existing standards which are published but not yet effective are either relevant to its operation but will have no material impact on adoption; or are not relevant to its operation and will therefore have no impact when they come into effect. This includes amendments resulting from IASB's ongoing improvement project.

4. Significant Accounting Policies

a. Going concern

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the company will continue to operate in the foreseeable future and will be able to realise its assets and discharge its liabilities in the normal course of operations. Should the company be unable to continue as a going concern, the basis of reporting the carrying values of assets may be adjusted.

b. Presentation of financial statements

The accounting policies adopted in the preparation of these financial statements are set out below. These accounting policies have been applied consistently to all the year's presented, unless otherwise stated.

i. Functional and presentation currency

The financial statements are presented in Jamaican dollars, which is the company's functional and presentation currency.



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

4. Significant Accounting Policies continued

b. Presentation of financial statements continued

ii. Critical accounting judgement and key source of estimation uncertainty

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of, and disclosures related to, assets, liabilities, contingent assets and contingent liabilities at the statement of financial position date and the income and expenses for the year ended.

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

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

The significant areas where key assumptions concerning future, and other sources of estimation uncertainty, at the statement of financial position date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year, are as follows:

(i) Allowance for losses

In determining amounts recorded for allowance for losses in the financial statements, management makes judgments regarding indicators of impairment, that is, whether there are indicators that suggest there may be a measurable decrease in the estimated future cash flows from accounts receivable and other financial assets, for example, repayment default and adverse economic conditions. Management also makes estimates of the likely estimated future cash flows from impaired financial assets, including the net realizable value of underlying collateral, as well as the timing of such cash flows. The adequacy of the allowance depends on the accuracy of these judgments and estimates.

(ii) Impairment of financial assets

Measurement of expected credit loss allowance

Establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition, determining the methodology for incorporating forward-looking information into the measurement of expected credit loss (ECL) and selection and approval of models used to measure ECL requires significant judgement.

The measurement of the expected credit loss allowance for financial assets measured at amortised cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). Management also estimate the likely amount of cashflows recoverable on the financial assets in determining loss given default. The use of assumptions make uncertainty inherent in such estimates.



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

4. Significant Accounting Policies continued

b. Presentation of financial statements continued

ii. Critical accounting judgement and key source of estimation uncertainty continued

(iii) Determining fair values

The determination of fair value for financial assets and liabilities for which there is no observable market price requires the use of other generally accepted valuation techniques. Considerable judgment is required in interpreting market data to arrive at estimates for fair values. Consequently, the estimates of fair value arrived at may be significantly different from the actual price of the instrument in an arm's length transaction. It is reasonably possible that outcomes within the next financial year that are different from these assumptions could require a material adjustment to the carrying amount reflected in the financial statements.

The preparation of the financial statements in accordance with IFRS also assumes that the Credit Union will continue in operational existence for the foreseeable future. This means, inter alia, that the statement of financial position and the statement of income and expenses assume no intention or necessity to liquidate the Credit Union or curtail the scale of its operations. This is commonly referred to as the going concern basis. The Board and Management believe that preparation of the financial statements on the going concern basis continues to be appropriate.

iii. Comparative Information

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

c. Foreign currency

Foreign currency transactions are translated at the rates of exchange in effect at the dates of the transaction. Resulting foreign currency denominated monetary assets and liabilities are translated at the rates of exchange in effect at the statement of financial position date. Gains and losses on foreign exchange are recognised in the income statement.



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

4. Significant Accounting Policies continued

d. Interest income

Interests on loans and investments are stated on the accrual basis. Interest income and expense are recognized in profit or loss using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments over the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortized cost of the financial liability. The effective interest rate is calculated considering all contractual terms of the financial instruments, except for the expected credit losses of financial assets. The 'amortized cost' of a financial asset or financial liability is the amount at which the instrument is measured on initial recognition minus principal repayments, plus or minus any cumulative amortization using the effective interest method of any difference between the initial amount and maturity amount and adjusted for any expected credit loss allowance. The 'gross carrying amount' of a financial asset is the amortized cost of a financial asset before adjusting for any expected credit losses. Interest income and expense is calculated by applying the effective interest rate to the gross carrying amount of the financial asset (when the asset is not credit-impaired) or the amortized cost of the financial liability. Where a financial asset has become credit-impaired subsequent to initial recognition, interest income is calculated in subsequent periods by applying the effective interest method to the amortized cost of the financial asset. If the asset subsequently ceases to be credit-impaired, calculation of interest income reverts to the gross basis.

e. Property, plant and equipment

Items of property, plant and equipment are measured at cost or valuation, less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of material and direct labour, and any other costs directly attributable to bringing the asset to a working condition for its intended use.

(i) Subsequent costs:

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the cash flow to the Credit Union and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss.

f. Property, plant and equipment

i. Depreciation

Land is not depreciated. Depreciation on other assets is calculated using the straight-line basis at annual rates estimated to write off the carrying value of the assets over the period of their estimated useful lives.

Annual rates are as follows:

Office equipment	20%
Furniture and fixtures	10%
Computer software	33.33%
Computer and equipment	20%

The assets' residual values and useful lives are reviewed periodically for impairment, and adjusted if appropriate, at each statement of financial position date. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

All items of property, plant and equipment are de-recognized upon disposal or when no future economic benefit is expected to arise from the continued use of the asset. Any gain or loss arising from disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of comprehensive income.



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

4. Significant Accounting Policies continued

g. Cash and cash equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalent comprises of cash in hand and cash at bank.

h. Trade payables

Trade and other payables are obligations on the basis of normal credit terms and do not bear interest. Payables denominated in foreign currency are translated into Jamaican dollars using the exchange rate at the reporting date. Foreign exchange gains or losses are included in the Statement of Comprehensive income.

i. Financial instruments - Classification, recognition, derecognition and measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. In these financial statements:

- Financial assets comprise loans to members, liquid investment, financial investments, cash resources and accounts receivable.
- Financial liabilities comprise voluntary shares, external credits, interest and non-interest bearing liabilities.

Recognition and 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 recognises loans to members and other assets on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date

j. Financial assets

Recognition and initial measurement

The Credit Union recognizes financial assets when it becomes party to the contractual provisions of the instrument. Financial assets are measured initially at their fair value plus, in the case of financial assets not subsequently measured at fair value through profit or loss, transaction costs that are directly attributable to their acquisition. Transaction costs attributable to the acquisition of financial assets subsequently measured at fair value through profit or loss are expensed in profit or loss when incurred.

Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost and investments in debt instruments measured at FVOCI, which results in an accounting loss being recognised in surplus or deficit when an asset is newly originated.

Classification and subsequent measurement

On initial recognition, financial assets are classified as subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). The Credit Union determines the classification of its financial assets, based on the business model for managing the financial assets and their contractual cash flow characteristics.



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

4. Significant Accounting Policies continued

j. Financial assets continued

Debt instruments are classified as follows:

- Amortized cost – Assets that are held for collection of contractual cash flows where those cash flows are solely payments of principal and interest are measured at amortized cost. Interest revenue is calculated using the effective interest method and gains or losses arising from impairment, foreign exchange and derecognition are recognized in profit or loss.
- Fair value through other comprehensive income – Assets that are held for collection of contractual cash flows and for selling the financial assets, and for which the contractual cash flows are solely payments of principal and interest, are measured at fair value through other comprehensive income. Interest income is calculated using the effective interest method and gains or losses arising from impairment and foreign exchange are recognized in profit or loss. All other changes in the carrying amount of the financial assets are recognized in other comprehensive income. Upon derecognition, the cumulative gain or loss previously recognized in other comprehensive income is reclassified to profit or loss.
- Mandatorily at fair value through profit or loss – Assets that do not meet the criteria to be measured at amortized cost, or fair value through other comprehensive income, are measured at fair value through profit or loss. All interest income and changes in the financial assets' carrying amount are recognized in profit or loss.
- Designated at fair value through profit or loss – On initial recognition, the Credit Union may irrevocably designate financial asset to be measured at fair value through profit or loss in order to eliminate or significantly reduce an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them, on different bases. All interest income and changes in the financial assets' carrying amount are recognized in profit or loss.

The Credit Union measures all equity investments at fair value. Changes in fair value are recorded in profit or loss except where the entity has irrevocably elected at initial recognition, to present in other comprehensive income the fair value gains and losses of an equity investment that is neither held for trading nor contingent consideration acquired in a business combination. In such cases, the cumulative gains and losses recognized in other comprehensive income are not reclassified to profit or loss on derecognition of the investment.

Business model assessment

The Credit Union assesses the objective of its business model for holding a financial asset at a level of aggregation which best reflects the way the business is managed and information is provided to management. Information considered in this assessment includes stated policies and objectives and how performance of the portfolio is evaluated.

Contractual cash flow assessment

The cash flows of financial assets are assessed as to whether they are solely payments of principal and interest on the basis of their contractual terms. For this purpose, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money, the credit risk associated with the principal amount outstanding, and other basic lending risks and costs. In performing this assessment, the Credit Union considers factors that would alter the timing amount of cash flows such as prepayment and extension features, terms that might limit the Credit Union's claim to cash flows, and any features that modify consideration for the time value of money.



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

4. Significant Accounting Policies continued

j. Financial assets continued

Reclassifications

The Credit Union reclassifies debt instruments only when its business model for managing those financial assets has changed. Reclassifications are applied prospectively from the reclassification date and any previously recognized gains, losses or interest are not restated.

Impairment

The Credit Union recognizes a loss allowance for the expected credit losses associated with its financial assets, other than debt instruments measured at fair value through profit or loss and equity investments, as well as financial guarantee contracts and loan commitments not measured at fair value through profit or loss. Expected credit losses are measured to reflect a probability-weighted amount, the time value of money, and reasonable and supportable information regarding past events, current conditions and forecasts of future economic conditions.

For loans and mortgages the Credit Union records a loss allowance equal to the expected credit losses resulting from default events that are possible within the next 12-month period, unless there has been a significant increase in credit risk since initial recognition. For those financial assets for which the Credit Union assessed that a significant increase in credit risk has occurred, the Credit Union records a loss allowance equal to the expected credit losses resulting from all possible default events over the assets' contractual lifetime.

The Credit Union assesses whether a financial asset is credit-impaired at the reporting date. Regular indicators that a financial instrument is credit-impaired include significant financial difficulties as evidenced through borrowing patterns or observed balances in other accounts, breaches of borrowing contracts such as default events or breaches of borrowing covenants and requests to restructure loan payment schedules. For financial assets that are credit-impaired at the reporting date, the Credit Union continues to recognize a loss allowance equal to lifetime expected credit losses.

Loss allowances for expected credit losses are presented in the statement of financial position as follows:

- For financial assets measured at amortized cost, as a deduction from the gross carrying amount of the financial assets;
- For facilities with both a drawn and undrawn component where the Credit Union cannot separately identify expected credit losses between the two components, as a deduction from the carrying amount of the drawn component.

Any excess of the loss allowance over the carrying amount of the drawn component is presented as a provision:

- For debt instruments measured at fair value through other comprehensive income, in other comprehensive income. The loss allowance does not reduce the fair value carrying amount of the financial asset in the statement of financial position.

Financial assets are written off when the Credit Union has no reasonable expectations of recovering all or any portion thereof.



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

4. Significant Accounting Policies continued

k. Financial liabilities

Recognition and initial measurement

The Credit Union recognizes financial liabilities when it becomes party to the contractual provisions of the instrument. At initial recognition, the Credit Union measures financial liabilities at their fair value plus transaction costs that are directly attributable to their issuance, with the exception of financial liabilities subsequently measured at fair value through profit or loss for which transaction costs are immediately recorded in profit or loss.

Subsequent to initial recognition, all financial liabilities are measured at amortized cost using the effective interest rate method. Interest, gains and losses relating to a financial liability are recognized in profit or loss.

Derecognition of financial liabilities

The Credit Union derecognizes a financial liability only when its contractual obligations are discharged, cancelled or expire.

l. Investments

Securities acquired or loans granted or other receivables that have a fixed or determined payment and which are not quoted in an active market are measured at amortised cost. An active market is one where quoted prices are readily and regularly available from an exchange dealer, broker or other agency and those prices represent actual and regularly occurring market transactions on an arm's length basis. Debt investments that the Credit Union has the intent and ability to hold to maturity are measured at amortise cost. All other investments are measured at fair value through profit and loss (FVTPL). Loans and receivables and held-to-maturity investments are initially measured at cost and subsequently at amortised cost, calculated on the effective interest rate method, less impairment losses. Where fair value cannot be reliably measured, they are stated at cost. Where the securities are disposed of, or impaired, the related accumulated unrealized gains or losses are recognized in profit or loss. Equity securities are considered impaired when there is a prolonged or significant decline in fair value below the securities costs. Investments are recognized / derecognized on the day they are transferred to / from the Credit Union.

Fair value is determined based on quoted market bid price. Where a quoted market price is not available, the fair value is estimated using discounted cash flow. The estimated future cash flows are based on management's best estimates and the discount rate is a market related rate at the reporting date for an instrument with similar terms and condition.

m. Reverse repurchase agreements

A reverse repurchase agreement ("reverse repo") is a short-term transaction whereby the Credit Union buys securities and simultaneously agrees to resell them on a specified date and at a specified price. Reverse repos are accounted for as short-term collateralized lending and are measured at amortised cost.

The Credit Union enters into reverse repurchase agreements to resell substantially identical investments at a certain date in the future at a fixed price. The amounts paid are recognized as "securities purchased under resale agreements" and are collateralized by the underlying securities.

The difference between the purchase and resale considerations is recognized on the accrual basis over the period of the transaction, using the effective interest method, and is included in interest income.



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

4. Significant Accounting Policies continued

n. Loans to members and allowance for loan losses

(i) Loans to members:

Loans are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Credit Union does not intend to sell immediately or in the near term. Loans are initially measured at fair value and subsequently measured at amortised cost, using the effective interest method, less allowance for loan losses.

(ii) Allowance for impaired loans:

Assumptions in determining the allowance for expected credit losses - applicable to 2019. At each reporting period, financial assets are assessed to determine whether their credit risk has increased significantly since initial recognition. In determining whether credit risk has significantly increased, management develops a number of assumptions about the factors which impacts the borrower's ability to meet debt obligations:

Significant judgements, estimates and assumptions are required when calculating the expected credit losses of financial assets. In measuring the 12-month and lifetime expected credit losses, management makes assumptions about prepayments, the timing and extent of missed payments or default events. In addition, management makes assumptions and estimates about the impact future events may have on the historical data used to measure expected credit losses.

In estimating expected credit losses, the Credit Union develops a number of assumptions as follows:

- The period over which the Credit Union is exposed to credit risk, considering for example, prepayments, extension options, demand features
- The probability-weighted outcome, including identification of scenarios that specify the amount and timing of the cash flows for particular outcomes and the estimated probability of those outcomes
- The risk of default occurring on loans during their expected lives and during the next 12 months after the reporting date
- Expected cash short falls including, recoveries, costs to recover and the effects of any collateral or other credit enhancements
- Estimates of effective interest rates used in incorporating the time value of money.
- The above assumptions are based on historical information and adjusted for current conditions and forecast of future economic conditions. The Credit Union determines adjustments needed to its historical assumptions by monitoring the correlation of the probability of default and loss rates with the following economic variables:
 - Interest rates
 - Unemployment rates
 - Real Gross domestic product Growth

The estimate of expected credit losses reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes that are neither best-case nor worse-case scenarios. The Credit Union uses judgment to weight these scenarios



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

4. Significant Accounting Policies continued

n. Loans to members and allowance for loan losses continued

Assumptions in determining the allowance for incurred credit losses.

The Credit Union has determined the likely impairment loss on loans which have not maintained the loan repayments in accordance with the loan contract, or where there is other evidence of potential impairment such as job losses or economic circumstances. In identifying the impairment likely from these events, the Credit Union estimates the potential impairment using the loan type, type of loan security, the length of time the loans are past due and the historical loss experience.

Member loans that have been assessed individually and found not to be impaired and all individually insignificant loans are then assessed collectively, in groups of assets with similar risk characteristics, to determine whether provision should be made due to incurred loss events for which there is objective evidence but whose effects are not yet evident. The general provision assessment takes account of data from the loan portfolio such as credit quality, delinquency, historical performance and industry economic outlook.

The guidelines stipulated by the JCCUL require the allowance for loan losses to be stipulated percentages of total delinquent loans, the percentage varying with the period of delinquency, before considering securities held against such loans.

The allowance for loan losses required by the PEARLS that is in excess of the requirements of IFRS 9 is treated as an appropriation of undistributed net income and included in a non-distributable loan loss.

o. Other assets

Other assets are stated at amortised cost, less impairment.

p. Other payables and accruals

Other payables and accruals are stated at amortised cost.

q. External credits

External credit is measured initially at cost and subsequently at amortised cost



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

4. Significant Accounting Policies continued

r. Grants

Grants are recognized at fair value initially as deferred income when there is reasonable assurance that they will be received and the Credit Union will comply with the conditions associated with the grant. Grants that compensate the Credit Union for expenses incurred are recognized in profit or loss as other income on a systematic basis in the same periods in which the expenses are recognized.

s. Impairment

The carrying amounts of the Credit Union assets, other than loans to members (see note 3 (f)), are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated at each reporting date. An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognized in profit or loss. Any cumulative loss in respect of an available-for-sale investment recognized previously in equity is transferred to profit or loss.

(i) Calculation of recoverable amount:

The recoverable amount of the Credit Union's loans and receivables and held-to-maturity investments is calculated as the present value of expected future cash flows, discounted at the original effective interest rate inherent in the asset. The recoverable amount in respect of an available-for-sale investment is its current fair value. Receivables with a short duration are not discounted.

(ii) Reversals of impairment:

In respect of loans and receivables and held-to-maturity investments and receivables, the impairment loss is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognized.

In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Reversals are recognized in profit or loss, except for available-for-sale equity securities, that are recognized in other comprehensive income.

t. Fees and dividend

Fee income is recognized when the related service is provided.



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

4. Significant Accounting Policies continued

u. Employee benefits

Employee benefits are all forms of consideration given by the Credit Union in exchange for service rendered by employees. These include current or short-term benefits such as salaries, bonuses, NIS contributions, annual vacation leave, and non-monetary benefits such as medical care, post-employment benefits such as pensions and other long-term employee benefits such as termination benefits.

Employee benefits that are earned as a result of past or current service are recognized in the following manner: Short-term employee benefits are recognized as a liability, net of payments made, and charged as expense. The expected cost of vacation leave that accumulates is recognized when the employee becomes entitled to the leave.

Employee benefits comprising pension asset included in the financial statements have been actuarially determined by a qualified independent actuary, appointed by JCCUL.

The appointed actuary's report outlines the scope of the valuation and the actuary's opinion. The actuarial valuations were conducted in accordance with IAS 19, and the financial statements reflect the Credit Union's pension asset as computed by the actuary. In carrying out their audit, the auditors rely on the work of the actuary and the actuary's report.

The employees of the Credit Union participate in a defined-benefit multi-employer pension scheme operated by JCCUL.

The Credit Union's net obligation in respect of the defined-benefit pension plan is calculated by estimating the amount of future benefits that employees have earned in return for their service in the current and prior periods; that value is discounted to determine the present value, and the fair value of any plan assets is deducted. The discount rate is determined by reference to the yield at the reporting date on long-term government bonds with dates approximating the terms of the related liability. The calculation is performed by a qualified actuary, using the projected unit credit method.

When the benefits of the plan are improved, the portion of the increased benefit relating to past service by employees is recognized as an expense in profit or loss on the straight-line basis over the average period until the benefits become vested. To the extent that the benefits are vested immediately, the expense is recognized immediately in profit or loss.

In respect of actuarial gains and losses that arise in calculating the Credit Union's obligation in respect of the plan, to the extent that any cumulative unrecognized actuarial gain or loss exceeds ten percent of the greater of the present value of the defined benefit obligation and the fair value of plan assets, that portion is recognized in profit or loss over the expected average remaining working lives of the employees participating in the plan. Otherwise, the actuarial gain or loss is not recognized.

Where the calculation results in a benefit to the Credit Union, the recognized asset is limited to the net total of any unrecognized actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

4. Significant Accounting Policies continued

v. League fees and stabilization dues

JCCUL has determined the rate of calculating league fees at 0.2% (2020: 0.2%) of total assets. These fees are capped at 10% of the total fees due from the Credit Union movement, calculated by JCCUL. Stabilization dues are computed at a rate of 0.075% (2020: 0.15%) of saving funds.

5. Financial risk management

The Credit Union's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk, liquidity risk and operational risk. The Credit Union's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Credit Union's financial performance.

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

The Board of Directors is ultimately responsible for the established and oversight of the Credit Union's risk management framework. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. The Board has established a department headed by a Risk Officer for managing and monitoring risks. In addition to the above, risk is monitored as follows:

(ii) The Jamaica Co-operative Credit Union League has established a Risk Assessment Unit which has regular meetings with Risk Officers from within the Credit Union movement. The objectives of these meetings are to develop strategies to manage risk in member credit unions.

(ii) Supervisory Committee

The Supervisory Committee oversees how management monitors compliance with the Credit Union's risk management framework in relation to the risks faced by the company. The Supervisory Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and hoc reviews of risk management controls and procedures, the result of which are reported to the Supervisory Committee.

The most important types of risk are credit risk, liquidity risk, market risk and other operational risk. Market risk includes currency risk, interest rate risk and other price risk.

a. Credit risk

Credit risk is the risk of financial loss to P.W.D. Co-operative Credit Union Limited if the counterparty fails to meet its obligation. Credit risk arises from P.W.D. Co-operative Credit Union Limited's operating activities from trade receivables and loan notes and financing activities from cash and cash equivalents, deposits with banks and financial institutions, derivative financial instruments.



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

5. Financial risk management continued

a. Credit risk continued

The Credit Union takes on exposure to credit risk, which is the risk that its members, clients or counterparties will cause a financial loss for the Credit Union by failing to discharge their contractual obligations. Credit risk is the most important risk for the Credit Union's business; management therefore carefully manage its exposure to credit risk. Credit exposures arise principally from the Credit Union's loans to members, deposits with other institutions and investment securities. There is also credit risk exposure in respect of off-Statement of Financial Position, financial instruments e.g. financial guarantees. The Credit Union structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to a single member or Credit Unions of related parties and to geographical and industry segments.

There is a documented credit policy in place which provides guidelines for the Credit Union's review process.

Credit review process:

The Credit Union has a Credit Committee whose responsibility involves regular review of the ability of borrowers to meet repayment obligations.

(i) Loans to members.

The Credit Union's exposure to credit risk is influenced mainly by the individual characteristics of each member. The Board of Directors has established a credit policy under which each member is assessed individually for creditworthiness prior to the Credit Union offering them a credit facility.

Loans are not granted to delinquent members, or co-makers of delinquent members.

Loans are not granted for "high risk" investment purposes.

The verification of applicant's income is undertaken e.g. the last three (3) pay slips are reviewed prior to the approval of all loans above shares. The Credit Union reserves the right to request additional information, such as job letter, especially for first time applicants.

Collateral

The Credit Union holds collateral against loans to members in the form of mortgage interests over property, lien over motor vehicles, other regulated securities over assets, hypothecation of voluntary shares and deposits 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.

- (c) Co-makers are required to have unencumbered (free) voluntary shares or savings which will be hypothecated.**
- (d) All items offered as security should be fully insured and the Credit Union must be satisfied as to the arrangements in place for the future payments of the insurance premium.**
- (e) Motor vehicles may be used as security, provided that the vehicle will continue to get comprehensive insurance coverage until the loan is fully repaid.**



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

5. Financial risk management continued

a. Credit risk continued
Approval Limits:

The following persons are authorised to approve loans up to a maximum as follows:

Board of Directors	Unlimited
Credit Committee	\$5,000,000
In-House Credit Committee	\$500,000
Office Manager	\$500,000
loans Officer	\$250,000
Accountant	\$500,000

Impaired Loans

Impaired loans are loans for which the Credit Union determines that it is probable that it will be unable to collect all principal and interest due according to the contractual terms of the loan and the security value is insufficient to cover the loan.

Past due but not impaired loans

These are loans where the contractual interest or principal payment are past due but the Credit Union believes that the impairment is not appropriate on the basis of the level of security available or the stage of collection of amounts owed to the Credit Union.

Loans with renegotiated terms

Loans with renegotiated terms are loans that have been restructured due to deterioration in the member's financial position and where the Credit Union has made concessions that it would not otherwise consider. Once the loan is restructured, it is classified and monitored.

Allowances for impairment

The Credit Union established an allowance for impairment losses that represents its estimate of incurred losses in its loan portfolio. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loan loss allowance established on a Credit Union basis in respect of losses that have been incurred but have not been identified on loans subject to individual assessments for impairment.

The Credit Union establishes an allowance for impairment that represents its estimate of incurred losses in respect of loans and other receivables and investments. The Credit Union addresses impairment assessment in two areas: individually assessed allowances and collectively assessed allowances.

The Credit Union's average credit period on the loans granted is 36 Months. The Credit Union has provided fully for all past due loans over 365 days based on historical experience which dictates that amounts past due beyond 365 days are generally not recoverable. Impaired Loans to members between 61 and 365 days are provided for based on an estimate of amounts that would be irrecoverable, determined by taking into consideration past default experience, current economic conditions and expected receipts and recoveries once impaired.



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

5. Financial risk management continued

a. Credit risk continued

(i) Write-off policy

The Credit Union writes off a loan (and any related allowance for impairment losses) when the Credit Union determines that the loans are not collectible. This determination is usually made after considering information such as changes in borrower's financial position, or that proceeds from collateral will not be sufficient to pay back the entire exposure.

(ii) Deposits and Investments securities

The Credit Union limits its exposure to credit risk by investing mainly in liquid securities, with counterparties that have high credit quality and Government of Jamaica securities. Accordingly, management does not expect any counterparty to fail to meet its obligations.

The Credit Union has documented investment and deposit policies in place, which guide in managing credit risk on deposits and investments. The Credit Union's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

(iii) Guarantees

The Credit Union's policy is not to provide financial guarantees on behalf of other Credit Unions unless the full amount of the guarantee is fully backed by collateral. At 31 December 2021 no guarantee was outstanding (2020: NIL).

(iv) Exposure to credit risk

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

Maximum Exposure

	<u>2021</u>	<u>2020</u>
Loans to members	390,951,440	365,198,816
Financial investments	36,678,663	16,530,105
Liquid assets - earning	23,696,978	40,924,152
Receivables and prepayments	5,508,558	7,358,267
	<u>456,835,639</u>	<u>430,011,340</u>

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



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

5. Financial risk management continued

a. Credit risk continued

(v) Receivables

The following table summarizes the Credit Union's credit exposure for receivables at their carrying amounts, as categorized by the customer sector:

	<u>2021</u>	<u>2020</u>
Withholding tax recoverable	552,480	552,480
Interest due on fixed deposits	253,355	367,397
Interest due on loans	1,344,978	1,599,813
CUNA Mutual (Death Claim)	2,378,549	3,837,226
Other receivable	979,196	1,001,351
	<u>5,508,558</u>	<u>7,358,267</u>

b. Liquidity risk

Liquidity risk is the risk that P.W.D. Co-operative Credit Union Limited will encounter difficulty in meeting its short-term obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

The Credit Union manages this risk by keeping a substantial portion of its assets in liquid form in accordance with regulatory guidelines.

The Credit Union is subject to a liquidity limit of 20% imposed by the Jamaica Credit Union League (JCCUL) 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 cash and 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 end of the year was 27% (2020: 45%).

The Credit Union is also required to hold a liquidity reserve of 10% of specified liabilities. A minimum of 8% is to be held with JCCUL while a maximum of 2% can be held with approved financial institutions. The liquidity reserve ratio at the end of the year was 13% (2020: 13%).

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



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

5. Financial risk management continued

b. Liquidity risk continued

Liquidity risk management process

The Credit Union's liquidity risk management process, as carried out within the Credit Union and monitored by the Board of Directors, includes:

- Monitoring future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows and the availability of high grade collateral which could be used to secure funding if required;
- Maintaining a portfolio of highly marketable and diverse assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;
- Maintaining committed lines of credit;
- Optimizing cash returns on investment;
- Managing the concentration and profile of debt maturities.

The matching and controlled mismatching of the maturities and interest rates of assets and liabilities is fundamental to the management of the Credit Union. It is unlikely for Credit Unions to be completely matched at any time since business transacted is often of uncertain term and of different types. An unmatched position potentially enhances profitability, but can also increase the risk of loss.

The maturities of assets and liabilities and the ability to replace, at an acceptable cost, interest-bearing liabilities as they mature, are important factors in assessing the liquidity of the Credit Union and its exposure to changes in interest rates and exchange rates.

Financial liabilities cash flows

The tables below summarize the maturity profile of the Credit Union's financial liabilities including interest payments at 31 December based on contractual undiscounted payments.

	Within 3 Months \$	3 to 12 Months \$	Over 12 Months \$	Total Cash outflow \$	Carrying Amount \$
<u>As at December 31, 2021</u>					
<u>Liabilities:</u>					
Savings deposits	-	100,750,953	-	100,750,953	100,750,953
Long Term Loan	-	5,172,447	3,074,811	8,247,258	8,247,258
Members' voluntary shares	281,521,033	-	-	281,521,033	281,521,033
Payables and accruals	20,975,099	-	-	20,975,099	20,975,099
	<u>302,496,132</u>	<u>105,923,400</u>	<u>3,074,811</u>	<u>411,494,343</u>	<u>411,494,343</u>



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

5. Financial risk management continued

b. Liquidity risk continued

	Within 3 Months	3 to 12 Months	Over 12 Months	Total Cash Outflow	Carrying Amount
	\$	\$	\$	\$	\$
<u>As at December 31, 2020</u>					
<u>Liabilities:</u>					
Savings deposits	-	-	96,122,642	96,122,642	96,122,642
Members' voluntary shares	267,265,625	-	-	267,265,625	267,265,625
Payables and accruals	23,835,507	-	-	23,835,507	23,835,507
	<u>291,101,132</u>	<u>-</u>	<u>96,122,642</u>	<u>387,223,774</u>	<u>387,223,774</u>

Assets available to meet all of the liabilities and to cover financial liabilities include cash and short term investments.

The Credit Union has a documented assets and liabilities policy in place that guides the management of its liquidity risks.

c. Market risk

Market risk is the risk that changes in market prices, through foreign exchanges rates, interest rates, and equity prices, will cause fluctuations to the fair values and cash flows of financial instrument holdings. Market risk affects loans and borrowings, deposits, investments, and derivative financial investments.

The Credit Union takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in foreign currency exchange rates, interest rates and equity prices and will affect the Credit Union's income or value of its portfolio of financial instruments. Market risk is monitored by the General Manager who carries out extensive reviews and monitors the price movement of financial assets on the local markets. 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 is exposed to foreign currency risk due to fluctuations in exchange rates on transactions and balances that are denominated in currencies other than the Jamaican dollar. The Credit Union is primarily exposed to the United States dollars (US\$). There was no exposure to foreign currency risk.

Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Floating rate instruments expose the Credit Union to cash flow interest rate risk, whereas fixed interest rate instruments expose the Credit Union to fair value interest rate risk.



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

5. Financial risk management continued

c. Market risk continued

Liquid assets are held for the short term and, accordingly would substantially reflect prevailing interest rates in the financial market. Savings deposits and external credits are accepted from, and loans given to, members at a fixed rate of interest which is fairly stable. Accordingly, there is no significant exposure to interest rate risk.

A summary of interest rate gap position is as follows:

	Within 3 months \$	3 to 12 months \$	Over 12 months \$	Non- rate sensitive \$	2021 \$
Assets					
Loans to members	3,125,959	8,464,554	379,360,927	-	390,951,440
Financial investments	-	-	36,678,663	-	36,678,663
Liquid Assets	23,696,978	-	-	-	23,696,978
Bank and cash, earning	-	-	-	423,438	423,438
Bank and cash, non-earning	-	-	-	3,308,144	3,308,144
Total assets	26,822,937	8,464,554	416,039,590	3,731,582	455,058,663
Liabilities					
Savings deposit	-	100,750,953	-	-	100,750,953
Members' voluntary shares	281,521,033	-	-	-	281,521,033
Long Term Loan	1,293,112	3,879,335	3,074,811	-	8,247,258
Total financial liabilities	282,814,145	104,630,288	3,074,811	-	390,519,244
Net interest rate gap	(255,991,208)	(96,165,734)	412,964,779	3,731,582	64,539,419
Cumulative gap	(255,991,208)	(352,156,942)	60,807,837	64,539,419	-

	Within 3 months \$	3 to 12 months \$	Over 12 months \$	Non- rate sensitive \$	2020 \$
Assets					
Loans to members	2,301,256	6,258,356	356,639,204	-	365,198,816
Financial investments	-	-	16,530,105	-	16,530,105
Liquid assets	40,924,152	-	-	-	40,924,152
Bank and cash, earning	-	-	-	280,657	280,657
Bank and cash, non-earning	-	-	-	2,538,838	2,538,838
Total assets	43,225,408	6,258,356	373,169,309	2,819,495	425,472,568
Liabilities					
Savings deposit	-	96,122,642	-	-	96,122,642
Members' voluntary shares	267,265,625	-	-	-	267,265,625
Total Financial liabilities	267,265,625	96,122,642	-	-	363,388,267
Total interest rate gap	(224,040,217)	(89,864,286)	373,169,309	2,819,495	62,084,301
Cumulative gap	(224,040,217)	(313,904,503)	59,264,806	62,084,301	-



5. Financial risk management continued

c. Market risk continued

Interest rate profile:

At the reporting date the interest rate profile of the Credit Union's interest-bearing financial instruments reflected at the average yields by the earlier of contractual re-pricing and maturity dates was as follows:

	<u>2021</u> \$	<u>2020</u> \$
<u>Fixed rate financial assets:</u>		
Loans to member	5% - 24%	5% - 24%
Liquid assets	1.25%	1.25%
<u>Fixed rate financial liabilities</u>		
Savings deposits:	3% - 6%	3% - 5%

The Credit Union does not account for any fixed rate financial asset and liability at fair value through profit or loss and therefore a change in interest rates at the statement of financial position date would not affect profit or loss or equity. The Credit Union has no variable rate financial instrument at the statement of financial position date.

Sensitivity Analysis

An increase of 100 basis points in interest rates would have increased profit and equity by the amounts shown below. The analysis assumes that all other variables in particular, foreign currency rates remain constant. The analysis is performed on the same basis for 2020.

	<u>2021</u> \$	<u>2020</u> \$
Variable rate instruments	<u>575,719</u>	<u>502,057</u>

An alternative scenario of a decrease of 100 basis points in interest rates would have reduced profit and equity by the amounts shown below.

	<u>2021</u> \$	<u>2020</u> \$
Variable rate instruments	<u>575,719</u>	<u>502,057</u>

Equity price risk

Equity price risk arises from available-for-sale equity securities held by the Credit Union as part of its investment portfolio. Management monitors the mix of debt and equity securities in its investment portfolio based on market expectations. The primary goal of the Credit Union's investment strategy is to maximize return on investment.



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

5. Financial risk management continued

d. Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the entity's processes, personnel, technology and infrastructure, and from external factors other than financial risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

The company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage 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 controls to identify operational risk is assigned to the Finance and Audit Committee. This responsibility is supported by overall requirements for the management of operational risk in the following areas:

- Requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified.
- Requirements for the appropriate segregation of duties, including the independent authorisation of transactions.
- Requirements for the reconciliation and monitoring 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.
- Training and professional development
- Ethical and business standards.
- Risk mitigation, including insurance where this is effective.

Compliance with Credit Union policies is supported by a programme of periodic reviews undertaken by Internal Audit. The results of Internal Audit reviews are discussed with the management of the business unit to which they relate, with summaries submitted to the Supervisory Committee, Senior Management and the Board of Directors.



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

5. Financial risk management continued

e. Capital management

The Credit Union's objectives when managing capital are to safeguard the Credit Union's ability to continue as a going concern in order to provide returns for members and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital as well as meet externally imposed capital requirements. The Board of Directors monitors the return on capital, which the Credit Union defines as net operating income divided by total members' equity. The Board of Directors also monitors the level of dividends to members.

Consistent with others in the industry, the Credit Union monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt

During 2021, the Credit Union's strategy, which was unchanged from 2020, was to maintain the gearing ratio within 75% to 83%. The gearing ratios at 31 December 2021 and 2020 were as follows

	2021	2020
	\$	\$
Total Borrowing (Note 18, 19 and 20)	390,519,244	363,388,267
Less : cash and cash equivalent (note 14 and 15)	<u>(27,428,560)</u>	<u>(43,743,642)</u>
Net debt	363,090,684	319,644,625
Equity	73,610,583	68,800,588
Total capital	<u>436,701,267</u>	<u>388,445,213</u>
Gearing ratio %	<u>83%</u>	<u>82%</u>

There was no change to the Credit Union's approach to capital management during the year. The Credit Union complied with all externally imposed capital requirements to which they were subjected



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

6. Income

Interest income calculated using the effective interest rate method:

	<u>2021</u>	<u>2020</u>
	\$	\$
Loans to members:		
Interest on personal loan	22,226,686	21,849,826
Interest on payday loans	169,151	174,076
Interest on purchase loans	5,754,118	5,902,755
Interest on staff loans	181,119	123,155
Interest on car loans	7,724,754	5,585,363
Interest on quick access loans	2,473,643	2,495,207
Interest on computer loans	85,678	55,621
Interest on education loans	192,214	139,921
Interest on staff car loans	30,202	51,540
Interest on motor vehicle loans	19,129	37,772
Interest on consolidation loans	24,023,070	18,297,675
	-	-
	<u>62,879,764</u>	<u>54,712,911</u>
Liquid investments:		
Interest on JCCUL - CuCash	487,735	965,166
Interest on Barita	484,623	382,863
Interest on Cumax bond and repo	193,870	-
	-	-
	<u>1,166,228</u>	<u>1,348,029</u>
Financial investments:		
Interest on JCCUL - Mortgage fund	76,952	62,215
Interest income /(expense) on JCCUL - Security Deposit	11,881	(30,110)
Interest on Sagicor Select fund	4,887	1,255
Loss on Cumax Wealth Management investment	(105,992)	-
	<u>(12,272)</u>	<u>33,360</u>
Total interest income	<u>64,033,720</u>	<u>56,094,300</u>



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

7. Interest expenses

	2021	2020
	\$	\$
Members' deposits:		
Interest expense -Deposits	2,238,977	3,037,854
Interest expense / (income)- Partner plan	9,822	(7,482)
External credit:		
Interest expense - Shares	2,764,933	2,839,909
Interest expense - TransJamaica Highway	-	1,240
Other financial cost:		
Interest expense - CUFMC	230,063	-
Total	5,243,795	5,871,521

8. Operating expenses

	2021	2020
	\$	\$
Staff costs		
Employees salaries and Allowance	19,869,705	16,903,800
Employees Benefit	3,652,489	3,395,561
Education and Training	78,660	170,931
Staff Travel and Related Expenses	2,343,266	2,063,736
	25,944,120	22,534,028
Administrative expenses		
Audit and accounting fee	1,350,000	1,600,000
Bank charges	915,443	941,389
Consulting and professional fees	1,168,924	-
Electricity & water	1,659,601	1,452,527
Insurance	119,123	153,122
Life savings and loan protection insurance - general	3,501,714	3,421,152
Postage	-	4,800
Stationery and office expenses	2,367,288	1,643,612
Repairs and maintenance	1,294,220	1,752,975
Security	635,130	419,955
Entertainment and travelling	361,763	398,902
Telephone and Internet	3,142,032	2,741,998
Depreciation	3,428,462	2,974,858
Other expenses	209,214	15,000
	20,152,914	17,520,290

Marketing and Promotion



P.W.D. Co-operative Credit Union Limited
Notes to the Financial Statements
For the Year Ended December 31, 2021

8. Operating expenses continued

	2021	2020
	\$	\$
Publicity and promotion	643,713	685,303
	<u>643,713</u>	<u>685,303</u>
Representation and Affiliation		
League and other dues	1,651,940	1,323,049
Seminars and meetings	60,504	622,133
Board of Directors	604,000	885,371
Committees	1,068,000	1,123,527
Annual General Meeting	2,125,725	2,225,066
Volunteer Training	438,186	318,407
	<u>5,948,355</u>	<u>6,497,553</u>
Total operating expense	<u>52,689,102</u>	<u>47,237,174</u>

9. Loans to members

	2021	2020
	\$	\$
Balance as at January 1	369,406,639	295,876,456
Loans granted	81,274,062	70,624,979
	<u>450,680,701</u>	<u>366,501,435</u>
Repayment	(110,310,273)	(112,965,551)
Transfers	58,862,068	115,735,894
	<u>399,232,496</u>	<u>369,271,778</u>
Provision for loans losses (expected credit loss)	(8,281,056)	(4,072,963)
	<u><u>390,951,440</u></u>	<u><u>365,198,815</u></u>

a. Loans net of provision for loan losses at December 31 are as follows:

	2021	2020
	\$	\$
Within 3 months	3,125,959	2,301,256
From 3 months to 1 years	8,464,554	6,258,356
From 1 to 6 years	379,360,927	356,639,203
	<u><u>390,951,440</u></u>	<u><u>365,198,815</u></u>



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

9. Loans to members continued

b. The maximum exposure to credit risk for loans to members as at year-end by type of loans was:

	<u>2021</u>	<u>2020</u>
	<u>\$</u>	<u>\$</u>
Home Equity	45,190,252	49,535,966
Motor Vehicle	88,294,082	81,976,285
Loans within shares / savings	115,845,143	107,719,989
Unsecured	141,140,332	119,112,325
Others	8,762,687	10,927,213
	<u>399,232,496</u>	<u>369,271,778</u>

c. The credit quality of loans is summarized as follows:

	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>2021</u>
	<u>(12 month</u>	<u>(Lifetime</u>	<u>(Lifetime</u>	<u>Total</u>
	<u>ECL)</u>	<u>ECL)</u>	<u>ECL)</u>	<u>\$</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Members Loans	392,233,746	1,662,094	5,336,656	399,232,496
Less Allowance	(3,919,337)	(1,662,094)	(2,699,625)	(8,281,056)
Total carrying amount	388,314,409	-	2,637,031	390,951,440

	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>2020</u>
	<u>(12 month</u>	<u>(Lifetime</u>	<u>(Lifetime</u>	<u>Total</u>
	<u>ECL)</u>	<u>ECL)</u>	<u>ECL)</u>	<u>\$</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Members Loans	364,564,238	2,692,723	2,014,817	369,271,778
Less allowance	(2,541,152)	(794,642)	(737,169)	(4,072,963)
Total carrying amount	362,023,086	1,898,081	1,277,648	365,198,815



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

9. Loans to members continued

d. Movements on the provision for expected credit loss on loans to members are as follows:

	2021	2020
	\$	\$
Balance at beginning of year	4,072,963	4,569,837
Loans written-off	(618,433)	(2,296,874)
Increase / (decrease) in provision for the year - charged to profit & loss	4,826,526	1,800,000
	8,281,056	4,072,963

e. Delinquent loans

At December 31, 2021, there were twenty (20) ((2020: fifteen (15)) delinquent loans aged as disclosed below. The total loan loss provision derived below is consistent with the loan loss provision rules of League. The total provision for 2021 was \$2,337,460 (2020: \$920,076). The provision required under the IFRS provisioning rules as indicated in Note 9 (f) belowi \$8,281,056 (2020: \$4,072,963). These loans are summarized as follows:

Number of Months in arrears	Total number of loans	Delinquent loans \$	Savings held against loans \$	Exposure \$	Rate %	PEARLS Provision Required
						2021 \$
Less than 2 months	3	993,336	-	-	0%	-
2 to 3 months	4	668,758	-	668,758	10%	66,876
3 to 6 months	4	3,104,698	243,055	2,861,643	30%	931,409
6 to 12 months	12	2,231,958	183,746	2,048,212	60%	1,339,175
Total	23	6,998,750	426,801	5,578,613	100%	2,337,460

Number of Months in arrears	Total number of loans	Delinquent loans \$	Savings held against loans \$	Exposure \$	Rate %	PEARLS Provision Required
						2020 \$
Less than 2 months	7	966,710	1,039,030	(2,654,773)	0%	-
2 to 3 months	4	2,339,915	99,386	33,773	10%	233,992
3 to 6 months	1	101,537	16,076	1,452,876	30%	30,460
6 to 12 months	3	1,092,706	69,463	1,425,014	60%	655,624
Total	12	4,500,868	1,223,955	256,890		920,076



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

9. Loans to members continued

f. Provision for loan impairment

	2021	2020
	\$	\$
Provision at beginning of year as per IFRS	4,072,963	4,569,837
Additional amounts provided for during the year	4,826,526	1,800,000
Bad debt written off	(618,433)	(2,296,874)
Provision for impairment at the end of the year as per IFRS	<u>8,281,056</u>	<u>4,072,963</u>
Provision for impairment in accordance with League provisioning rules	<u>2,337,460</u>	<u>920,076</u>

10. Financial Investments

	Over 5 years	Carrying	Carrying
	\$	value 2021	value 2020
	\$	\$	\$
Fair value through profit and loss			
Jamaica Co-operative Credit Union League:			
Mortgage Fund	3,119,882	3,119,882	3,042,932
Security Deposits	1,137,943	1,137,943	1,126,062
	<u>4,257,825</u>	<u>4,257,825</u>	<u>4,168,994</u>
Deferred Shares:-			
C&W Jamaica Co-operative Credit Union	4,000,000	4,000,000	4,040,000
	<u>4,000,000</u>	<u>4,000,000</u>	<u>4,040,000</u>
Unquoted shares			
Jamaica Co-operative Credit Union League:			
Ordinary shares	976,740	976,740	976,740
Permanent shares	2,007,555	2,007,555	2,007,555
QNET shares	147,865	147,865	147,865
Credit Union Fund Management Company ordinary shares	3,000,000	3,000,000	3,000,000
CUMAX Equity Fund	8,433,074	8,433,074	-
CUMAX Unsecured Note 6% -2023	12,000,000	12,000,000	-
Sagikor Select Fund	1,005,000	1,005,000	1,246,200
TransJamaican Highway Limited	850,604	850,604	942,751
	<u>28,420,838</u>	<u>28,420,838</u>	<u>8,321,111</u>
	<u>36,678,663</u>	<u>36,678,663</u>	<u>16,530,105</u>



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

11. Investment property

	<u>Land</u>	<u>Building</u>	<u>Total</u>
	\$	\$	\$
Cost			
At January 01, 2021			
Opening Balance	6,000,000	4,000,000	10,000,000
At December 31, 2021	6,000,000	4,000,000	10,000,000
Depreciation and impairment losses			
Opening balance	-	(599,998)	(599,998)
Charge for the year	-	(101,124)	(101,124)
At December 31, 2021	-	(701,122)	(701,122)
Carrying amount			
December 31, 2020	6,000,000	3,400,002	9,400,002
December 31, 2021	6,000,000	3,298,878	9,298,878

At December 31, 2021 the fair value of the investment property as assessed by management amounted to \$13,200,000 (2020 - \$13,200,000) The property is located at Lot No. 134, 60 Montgomery Avenue Kingston 10 and was appraised by Wilcan and Associates, Licensed Real Estate Dealers on October 6, 2017.



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

12. Property, plant and equipment

	Furniture and fixtures	Office equipment	IT equipment	Computer software	Leasehold improvements	Total
	\$	\$	\$	\$	\$	\$
At cost or valuation:-						
At January 1, 2020	1,616,498	4,295,980	2,322,686	8,838,893	2,554,456	19,628,513
Additions	51,000	1,227,483	1,729,838	878,012	322,300	4,208,633
At December 31, 2021	1,667,498	5,523,463	4,052,524	9,716,905	2,876,756	23,837,146
Accumulated Depreciation:-						
At January 1, 2020	(1,495,647)	(2,534,210)	(1,923,220)	(5,099,978)	(1,740,797)	(12,793,852)
Depreciation	(42,557)	(558,135)	(345,035)	(2,210,441)	(171,170)	(3,327,338)
At December 31, 2021	(1,538,204)	(3,092,345)	(2,268,255)	(7,310,419)	(1,911,967)	(16,121,190)
Net book value December 31, 2020	120,851	1,761,770	399,466	3,738,915	813,659	6,834,661
Net book value December 31, 2021	129,294	2,431,118	1,784,269	2,406,486	964,789	7,715,956



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

13. Retirement benefit asset

a. Pension Scheme

The Credit Union participates in a multi-employer based, contributory defined benefit pension plan, which is open to all permanent employees and is managed by the Jamaica Co-operative Credit Union League. The scheme is funded by eligible employees' contributions of 5% and employer contributions, which is currently at 8% or as recommended by independent actuaries consequent on the annual reviews of the scheme. Retirement benefits are based on average salary for the last three (3) years of pensionable service. The scheme is valued by independent actuaries using the Projected Unit Credit Method. The scheme was closed to new members effective December 31, 2016. The latest actuarial valuation was carried out as at 31 December 2021 which determined that the scheme was adequately funded at that date. The amounts recognized in the statement of financial position are determined as follows:

	2021	2020
	\$	\$
Present value of funded obligations	47,754,000	43,412,000
Fair value of plan assets	(65,415,000)	(62,594,871)
Change in effect of asset ceiling	10,138,129	12,224,000
Asset recognized in the statement of financial position	(7,522,871)	(6,958,871)

b. Changes in the present value of obligation

Movement in the net liability/(asset) for defined benefit obligations recognized in the statement of financial position.

	2021	2020
	\$	\$
Present value of obligation at beginning of year	43,412,000	41,198,000
Employer's current service cost	863,000	832,000
Employee's contribution	412,000	394,000
Interest Cover	3,859,000	2,988,000
Benefits paid	(1,070,000)	(3,112,000)
Actuarial (gain) / loss - experience adjustments	(1,167,000)	1,637,000
Actuarial (gain) / loss - changes in financial assumptions	1,445,000	(525,000)
Balance at the end of year	47,754,000	43,412,000



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

13. Retirement benefit asset continued

c. Movement in plan assets

	<u>2021</u>	<u>2020</u>
	\$	\$
Fair value of plan assets at beginning of year	62,595,000	61,327,000
Contribution paid	973,000	932,000
Expected return on plan asset	5,629,000	4,518,000
Benefits paid	(1,070,000)	(3,112,000)
Actuarial (gain) / loss on plan assets	(2,432,000)	(719,000)
Administrative expenses	(280,000)	(351,000)
Fair value of plan assets at end of year	<u>65,415,000</u>	<u>62,595,000</u>

d. Plan assets consist of the following:

	<u>2021</u>	<u>2020</u>
	\$	\$
Equities	15,131,000	12,740,000
Fixed income securities	35,500,000	35,223,000
Real estate	15,661,000	15,866,000
Other	(877,000)	(1,232,000)
	<u>65,415,000</u>	<u>62,597,000</u>

e. The amounts recognized in the statement of income and expenses are as follows:

	<u>2021</u>	<u>2020</u>
	\$	\$
Current service cost	863,000	832,000
Interest cost	3,859,000	2,988,000
Expected return on asset	(5,628,000)	(4,518,000)
Administrative expense	280,000	351,000
Interest cost on asset ceiling	1,100,000	953,000
Included in staff cost	<u>474,000</u>	<u>606,000</u>



P.W.D. Co-operative Credit Union Limited
Notes to the Financial Statements
For the Year Ended December 31, 2021

13. Retirement benefit asset continued

f. The principal actuarial assumptions used were as follows:

	<u>2021</u>	<u>2020</u>
	\$	\$
Discount rate	8%	9%
Expected return on plan assets	5.5%	6.5%
Future salaries increase	3.75%	4.5%
Price inflation (CPI)	5%	6%

g. Historical information

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
	\$'000	\$'000	\$'000	\$'000	\$'000
Present value of defined obligation	47,754	43,412	41,198	60,231	50,739
Fair value of plan assets	65,415	62,595	61,327	69,043	64,686
Surplus in plan	(17,661)	(19,183)	(20,129)	(8,811)	(13,948)
Experience adjustments arising on plan assets gain / (loss)	(2,432)	(719)	1,828	(841)	1,165
Experience adjustments arising on plan liabilities gain / (loss)	(1,167)	1,637	(8,603)	(648)	2,781

h. Expected pension contributions

The estimated pension contributions expected to be paid into the plan during the next financial year is \$560,000 (2020: \$540,000).

14. Liquid assets

	<u>Within 3 months</u>	<u>Carrying value 2021</u>	<u>Carrying value 2020</u>
	\$	\$	\$
Measured at amortised cost			
CUMAX Money Market Fund:	8,081,978	8,081,978	30,924,152
Measure at fair value through profit and loss			
CUMAX- Resale Agreement	5,000,000	5,000,000	-
Barita Investments	10,615,000	10,615,000	10,000,000
	-	-	-
	<u>15,615,000</u>	<u>15,615,000</u>	<u>10,000,000</u>
	<u>23,696,978</u>	<u>23,696,978</u>	<u>40,924,152</u>



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

14. Liquid assets continued

continued

The estimated fair value of these resale agreements is assumed to approximate their carrying value. The fair value of the underlying securities at the reporting date was \$10,615,000 (2020: \$10,000,000).

15. Cash and cash equivalents

	2021	2020
	\$	\$
Earning asset Sagikor current account	423,438	280,657
	<u>423,438</u>	<u>280,657</u>
 BNS Current Account	 3,046,977	 2,185,499
Cash on hand	261,167	353,334
	<u>3,308,144</u>	<u>2,538,833</u>
Total cash and cash equivalents	<u>3,731,582</u>	<u>2,819,490</u>

16. Receivables and prepayment

	2021	2020
	\$	\$
Interest due on fixed deposits	253,355	367,397
Withholding tax recoverable	552,480	552,480
Interest due on Loans	1,344,978	1,599,813
Cuna Insurance Claim	2,378,549	3,837,226
Other receivable	979,196	1,001,351
	<u>5,508,558</u>	<u>7,358,267</u>



P.W.D. Co-operative Credit Union Limited
Notes to the Financial Statements
For the Year Ended December 31, 2021

17. Institutional capital

	<u>2021</u>	<u>2020</u>
	\$	\$
Other reserve	11,853,320	10,858,139
Permanent Shares (note 22)	5,647,355	5,560,482
Statutory and legal reserves (note 22a)	28,056,654	28,056,654
Entrance Fee	15,450	10,450
	<u>45,572,779</u>	<u>44,485,725</u>

Institutional capital forms a part of the permanent capital of the Credit Union and is not available for distribution.

18. Long Term Borrowing

	<u>2021</u>	<u>2020</u>
	\$	\$
Cumas Wealth Management Loan: (2021 - 2023) 6%	8,247,258	-
Less current portion	(5,172,447)	-
Non current portion	<u>3,074,811</u>	<u>-</u>

This represents the outstanding balance of loan proceeds of \$10,400,000 received from Cumas Wealth Management Limited on July 30, 2021. The loan is repayable over a twenty four (24) months period at an interest rate of 6% per annum. The security held by Cumas Wealth Management Limited on this loan represents a bond purchased by PWD Co-operative Credit Union Limited from Cumas Wealth Management Limited on September 17, 2021 at a cost of \$10,000,000 and generating interest at a rate of 6% per annum.

19. Members voluntary share capital

	<u>2021</u>	<u>2020</u>
	\$	\$
Balance at January 1	267,265,625	247,378,061
Amount subscribed	49,167,886	49,959,621
Withdrawals	(34,912,478)	(30,072,057)
	<u>281,521,033</u>	<u>267,265,625</u>

Members' shares are withdrawable and are eligible to participate in dividend payments as determined by the annual general meeting of the Credit Union. No member may own more than 20% of the members voluntary share capital.

A minimum of one share in the Credit Union gives each member the right to vote at the Annual General Meeting. Shares are transferable to another member or anyone who is eligible for membership with the



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

consent of the Board of Directors. Shares may be withdrawn wholly or partially by the member, but the Board may require a member to give notice.

Voluntary Shares are not a part of risk capital. The following rights and restrictions are attached to Voluntary Shares:

1. Money paid into Voluntary Shares may be withdrawn in whole or in part on any day when the Credit Union is open for business, but the Board of Directors shall reserve the right at any time to require member to give notice not exceeding six (6) months; provided however that no member may withdraw any shareholding below the amount of his liability to the Credit Union as a borrower or co-maker.
2. Voluntary Shares shall be treated as liabilities of the Credit Union.
3. Subject to the profitability of the Society, the Board of Directors may recommend the declaration and payment of dividends on Voluntary Shares in amounts and at times as it may determine.
4. The Credit Union shall have a lien on all Voluntary Shares and deposits of a member for, and to the extent of, any sum due to the Credit Union from the said member or any loan endorsed by the member.
5. Voluntary Share accounts are required for members to utilize the products and services of the Credit Union as determined by the Board of Directors from time to time.

20. Savings deposits

	2021	2020
	\$	\$
<u>Ordinary deposits</u>		
Balance as at January 1	96,122,642	61,215,254
Receipts	44,064,651	52,083,675
Withdrawal	(41,631,773)	(44,483,196)
Other Credits	949,941	2,008,214
Balance as at December 31	99,505,461	70,823,947
Other deposits	1,245,492	25,298,695
	<u>100,750,953</u>	<u>96,122,642</u>

21. Payables and Accruals

	2021	2020
	\$	\$
Payables	14,257,489	13,086,900
Accrued Interest	2,764,933	3,149,395
Deceased members	1,543,129	6,592,120
Staff vacation accrued	2,145,994	802,264
Non members' deposit	263,554	204,828
	<u>20,975,099</u>	<u>23,835,507</u>



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

22. Permanent share capital

	<u>2021</u>	<u>2020</u>
	<u>\$</u>	<u>\$</u>
Amount subscribed	<u>5,647,355</u>	<u>5,560,482</u>

'Permanent shares' represents equity shares, and forms part of the capital of the Credit Union.

The permanent share capital of the Credit Union is unlimited and divided into shares of no par value. The minimum number of permanent shares that a member can subscribe to is three thousand dollars (\$3,000). No member may own more than 20% of the permanent share capital.

a. Statutory reserve

The statutory and legal reserves are maintained in accordance with the provisions of the Co-operative Societies Act which require that a minimum of 20% of net surplus be carried to a reserve fund. Upon application by a Registered Society, the Registrar may allow the required percentage to be reduced, but not below 10%. The transfer is calculated on net surplus net of change in the loan loss reserve.



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

23. Retirement Benefit reserve

The retirement benefit reserve represents the pension surplus arising on the actual valuation, under IAS 19, of the pension scheme in which the Credit Union participates. Annual changes in the value of the scheme are shown in the profit or loss, and other comprehensive income then transferred to this reserve.

24. Revaluation reserve

Revaluation reserve represents the surplus arising on the revaluation of the Credit Union's furniture and fixtures, office equipment, computers and building (Note 9 and 10).

25. Permanent share transfer fund

This represents amounts transferred to non-distributable reserve from net surplus to provide for the purpose of redeeming permanent shares.

26. Appropriations

	<u>2021</u>	<u>2020</u>
	\$	\$
Honoraria	-	100,000
Dividends	-	164,657
Appropriations	-	100,000
Social / Charitable reserves	-	125,000
	<u>-</u>	<u>489,657</u>



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

27. Going concern

Impending regulations by the Bank of Jamaica (BOJ) is expected to bring Credit Union Co-operatives Societies under the regulatory ambit of the Minister of Finance and the Public Service and the Bank of Jamaica later this year.

Accordingly, the proposed Credit Union Act contains the substantive prudential requirements to which credit unions will be subject once the regulatory regime comes into effect.

Accordingly, the Credit Union Act will cover, among other things, licensing, capital, reserves, prohibited business, remedial and intervention processes as well as defines the role of specially authorized credit unions.

It is anticipated that small credit unions such as PWD Co-operative Credit Union Limited could experience difficulties complying with capital adequacy and other requirements when the new regulations take effect.

The management of the PWD Co-operative Credit Union Limited is convince that based on the anticipated Credit Union Act and the other stipulations of the Bank of Jamaica (BOJ), PWD Co-operative Credit Union Limited does not foresee any of the pending requirements causing the Credit Union to cease operation within the next twelve (12) months. The Credit Union will be hampered mainly by its size, to cope with the changes that will be required when the Credit Union movement comes under regulation by the BOJ. Some of the increased costs will be in the form of additional specialist personnel that will have to be employed to satisfy the compliance requirements of the new regulator. Other costs involved are technological costs to implement new systems that aid with compliance, disaster recovery and reporting etc.

There are three options that the Board of Directors have been considering for the future of PWD Co-operative Credit Union Limited. The options are:

Remain as a stand-alone Credit Union, while strengthening the internal capabilities that will be required for licensing

Merge with other smaller Credit Unions to form a network Credit Union with PWD Co-operative Credit Union as a branch

Transition to a Thrift Society and remain under the regulation of the Registrar of Co-operatives and Friendly Societies.

While remaining as a stand-alone Credit Union will evidently be at a higher operating cost under the new regulations, the widening of the bond for membership will drive new business and thereby the Credit Union will be able to cover the additional expenses.

The merger discussions with the other credit unions, has not yet materialized into forming the network Credit Union that was an option disclosed a year ago. The option is still available to share back office operations through the Credit Union League. That option will create efficiencies and thereby cost reductions.



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

28. Volunteers and other related party balances

Related parties include directors, and senior executives, all of whom are referred to as key management personnel as well as Credit Unions closely connected to them and the pension scheme.

Related parties:

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to in IAS 24 Related Party Disclosures as the “reporting entity”).

- (f) A person or a close member of that person’s family is related to the reporting entity if that person;
- Has control or joint control over the reporting entity;
 - Has significant influence over the reporting entity; or
 - Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- (b) The Credit Union is related to the reporting entity if any of the following conditions applies:
- The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - Both Credit Unions are joint ventures of the same third party;
 - One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or the Credit Union related to the reporting entity;
 - The entity is controlled, or jointly controlled by a person identified in (A);
 - A person identified in (A)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

(g) At December 31, 2021 19 (2020:19) members of the Credit Union's Board of Directors and Committee members had savings of \$ (2020: \$16,714,122) and loans including interest totaling \$ (2020: \$40,502,970). Loan balances including interest due from members of staff totaled \$ (2020: \$24,710,862). During the year, no director or committee member received any loan, which necessitated waiver of the loan policy. At December 31, 2021, all loans owing by directors, committee members and members of staff were being repaid in accordance with their loan agreement.

(h) Compensation of key management personnel represents short-term employee benefit (note 27). Total remuneration is included in personnel expenses (note 6).



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

29. Comparison of ledger balances

	Voluntary Shares	Permanent Shares	Loans	Deposits
	\$	\$	\$	\$
Personal ledger	281,468,196	5,647,355	398,487,049	100,435,278
General ledger	281,521,033	5,647,355	398,329,465	100,750,953
	(52,837)	-	157,584	(315,675)

30. Insurance

a. Fidelity insurance coverage

During the year, the Credit Union had fidelity insurance coverage with British Caribbean Insurance Credit Union Limited. The total premium for the year was \$94,852.32 (2020: \$94,872.32).

b. Life savings and loan protection coverage

During the year, the Credit Union had life savings and loan protection coverage with Cuna Mutual Insurance Credit Union Limited. The total premium for the year was \$3,501,714 (2020: \$3,421,152).

31. Key management compensation

Key management compensation is as follows:

	2021	2020
	\$	\$
Salaries, bonus and employee benefits (included in staff cost and project expense)	6,531,477	6,053,824

Key management personnel comprises the following positions:

- (a) Office Manager
- (b) Assistant Office Manager / Accountant

32. Commitments and fair values

- (i) At December 31, 2021, there were loan commitments to members totaling \$NIL (2020: \$NIL) for the Credit Union.
- (j) At December 31, 2021, total capital commitments by the Credit Union amounted to \$NIL (2020: \$NIL).



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

Fair values

Fair value amounts represents of arms length's length consideration that would be currently agreed upon between knowledgeable, willing parties who are under no compulsion to act and is best evidenced by a quoted market price if one exists.

Many of the Credit Union's financial instruments lack an available trading market. Therefore, these instruments have been valued using present value or other valuation techniques and may not necessarily be indicative of the amounts realizable in an immediate settlement of the instruments.

The fair values of cash resources, securities purchased under resale agreements, other assets, other liabilities, are assumed to approximate their carrying values due to their short-term nature.

The fair value of the quoted equities is determined based on their quoted bid price at the balance sheet date. The fair value of Government of Jamaica securities is estimated by discounting the future cash flows of the securities at the estimated yields at the reporting date for similar securities. The estimated fair values of loans to members are assumed to be the principal receivable less any allowance for loan losses.

The fair value of external credits and deposits payable on demand or after notice are assumed to be equal to their carrying values. The estimated fair values of fixed rate deposits payable within a year are assumed to approximate their carrying values, due to their short-term nature.

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: Inputs or the asset or liability that is not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
December 31, 2021				
Measured at FVTPL- Financial assets	-	36,678,663	-	36,678,663
December 31, 2020				
Measured at FVTPL- Financial assets	-	16,530,105	-	16,530,105

There were no financial assets valued using the level 1 or 3 hierarchy in the current or previous year.



P.W.D. Co-operative Credit Union Limited

Notes to the Financial Statements

For the Year Ended December 31, 2021

Fair value hierarchy

The fair values of financial assets and liabilities, together with carrying amounts shown in the balance sheet, are as follows:

	2021		2020	
	Carrying value	Fair value	Carrying value	Fair value
	\$	\$	\$	\$
Financial assets:				
Loans to members	390,342,382	390,342,382	365,148,816	365,148,816
Financial investments	36,678,663	36,678,663	16,530,105	16,530,105
Liquid assets	23,696,978	23,696,978	40,924,152	40,924,152
Cash & cash equivalent - earnings	423,438	423,438	1,635,233	1,635,233
Cash and cash equivalents	3,308,144	3,308,144	3,529,570	3,529,570
Receivables & prepayments	6,116,617	6,116,617	7,385,267	7,385,267
	<u>460,566,222</u>	<u>460,566,222</u>	<u>435,153,143</u>	<u>435,153,143</u>
Financial liabilities:				
Savings deposit, non-current	100,750,953	100,750,953	96,074,787	96,074,787
Voluntary shares	281,521,033	281,521,033	267,316,625	267,316,625
Payables and accruals	20,975,099	20,975,099	23,291,097	23,291,097
Long Term Loan	8,247,258	8,247,258	-	-
	<u>411,494,343</u>	<u>411,494,343</u>	<u>386,682,509</u>	<u>386,682,509</u>

Fair value has been determined either by reference to the market value at the statement of financial position date or by discounting the relevant cash flows using current interest rates for similar instruments.



Proposed Rule Changes – PWD Annual Report 2022

1) BOND

WHEREAS the PWD Co-operative Credit Union Limited's bond is for present and past employees of the Ministry of Transport and Works and its Agencies throughout the island of Jamaica, Employees of the Society, and relatives of members, and

WHEREAS the current membership from the works portfolio is under the Ministry of Economic Growth and Job Creation, and

WHEREAS the current membership from the Transport portfolio is in under the Ministry of Transport and Mining, and

WHEREAS its membership with Permanent Shares is 1,867 members, and

WHEREAS the Credit Union is actively seeking to expand its membership base to remain viable in the current competitive market.

BE IT RESOLVED that approval be granted by its members to modify the bond to allow the inclusion of persons who work in the Ministries, Agencies and Departments that are no longer served by the current bond.



Old Rule Article II 4:

Membership of the Society shall be limited to persons who are:

- a) Present and past employees of the Ministry of Transport and Mining and the Ministry of Economic Growth & Job Creation and their Agencies throughout the island of Jamaica,
- b) Employees of the Society,
- c) Spouse, children, parents, brothers, sisters, aunts, uncles, nieces, nephews, grandparents and grandchildren of members as stated at a-b above; provided that all members of the PWD Cooperative Credit Union Ltd. shall be of age 16 or older.

Proposed Rule Article II 4:

Should read

Membership of the Society shall be limited to:

- a) Present and past employees of the Ministries, Departments and Agencies throughout the island of Jamaica;
- b) Contractors of the Ministry of Transport and Mining and the Ministry of Economic Growth and Job Creation and their Departments and Agencies throughout Jamaica;
- c) Other registered co-operatives (e.g. Credit Unions);
- d) Employees of the Society;
- e) Spouse, children, parents, brothers, sisters, aunts, uncles, nieces, nephews, grandparents and grandchildren of members as stated at a-f above; provided that all members of the PWD Cooperative Credit Union Ltd shall be of age 16 or older.



Definition

Contractor

Any individual that has a direct agreement with the applicable organization to provide services to said organization.

JUSTIFICATION

- a) To seek to widen the membership bond which will lead to an increased capital base;*
- b) To grow our membership by expanding our services to include contracted parties such as security service providers at our locations;*
- c) To expand our services to associates of our members employed at other Ministries, Departments and Agencies (MDAs); and*
- d) To remain viable and competitive in a dynamic financial market.*

DUE DILIGENCE

- a) To target employed persons, to reduce the risk of delinquency and maintain our low delinquency rate; and*
- b) To target the employees of MDAs with a track record of honoring voluntary deductions.*



2) BOARD OF DIRECTORS TERM OF OFFICE

WHEREAS the PWD Co-operative Credit Union Ltd aspire to be consistent with their peers and other Cooperatives regulated by the Department of Co-operatives and Friendly Societies in keeping with the term of office; and

WHEREAS the PWD Co-operative Credit Union Limited wishes to allow for continuity on the Board to minimize the risk of losing multiple key volunteers in any one instance; and

WHEREAS the PWD Co-operative Credit Union Limited continues to be mindful of term limits and does NOT seek to extend the number of years each Director can serve; and

WHEREAS the PWD Co-operative Credit Union Limited aims to institute measures for effective succession planning.

BE IT RESOLVED that approval be granted by its members to modify the Term of Office for Directors.

Old Rule Article VIII 30 (a)

At the first Annual General Meeting, a bare majority of the members constituting the Board of Directors shall be elected for a term of two (2) years and the others for a term of one (1) year. Whenever the number of members of the Board of Directors is increased, one-half of Such additional members shall be elected for two (2) years and one-half for one (1) year. Thereafter, the term of office for members shall be two years.



Proposed Rule Article VIII 30 (a)

Should read

At the PWD Co-Operative Credit Union Limited Annual General Meeting 2022, one-third of the Directors shall be elected for three years, one-third for two years and the remaining one-third for one year. Thereafter, Directors shall be elected for three years.

Old Rule Article VIII 29 (b)

Each member shall hold office until the conclusion of the meeting at which his successor is elected unless he demits office earlier or has been expelled, and shall be eligible for re-election provided that no member shall serve for more than three (3) consecutive terms.

Proposed Rule Article VIII 29 (b)

Should read

Each member shall hold office until the conclusion of the meeting at which his successor is elected unless he demits office earlier or has been expelled, and shall be eligible for re-election provided that no member shall serve for more than two (2) consecutive terms.

JUSTIFICATION

- a) To allow for continuity on the Board to minimize the risk of losing multiple key volunteers in any one instance; and*
- b) Aim to institute measures for effective succession planning.*



The Board of Directors of the PWC Co-operative Credit Union Limited in accordance with Article XII, Rule 62 (1):

“Shall appoint a nominating Committee of three (3) members, of which not more than one (1) may be a member of the existing Board of Directors.”

“It shall be the duty of the Nominating Committee to nominate at the Annual General Meeting one (1) member for each vacancy for which elections are being held.”

The following members were appointed by the Board as the Nominating Committee:

Mr. Everton Walker	- Director/Chairperson
Miss Michelle Pryce	- Member
Mr. Kevin Wedderburn	- Staff Member

The Committee met and considered the proposed rule change VIII 30 (a) which states that;

At the PWC Co-Operative Credit Union Limited Annual General Meeting 2022, one-third of the Directors shall be elected for three years, one-third for two years and the remaining one-third for one year. Thereafter, Directors shall be elected for three years.

NOMINATIONS

BOARD OF DIRECTORS

The following shows the officers retiring and date of retirement from the present Board of Directors (Article VII, Rule Nos. 29 & 30):

Retiring 2022

Mr. Norris Gilbert	President
Miss Cheryl Hawkins	Vice President
Miss Karen Arscott	Secretary
Miss Grace Bailey	Asst Secretary
Mr. Damon Escoffery	Treasurer
Mr. Everton Walker	Asst Treasurer
Mr. Bernard Allen	Director
Mrs. Kaydian Gordon	Director
Miss Paula Brown	Director



The following members are being nominated by the nominating Committee after expressing their willingness to serve on the Board of Directors:

<i>Recommended</i>	<i>Term</i>
Mr. Everal Barnett	1 Year
Mrs. Iolyn Donald	1 Year
Mrs. Geraldine Miles	1 Year
Mr. Everton Walker	2 Years
Miss Cheryl Hawkins	2 Years
Miss Grace Bailey	2 Years
Miss Paula Brown	3 Years
Mr. Norris Gilbert	3 Years
Mr. Damon Escoffery	3 Years

CREDIT COMMITTEE

The members of the Credit Committee retiring are as follows (Article IX, Rule No.41):

Retiring 2022

Mr. Patrick Rose
Ms. Janet Stewart

Retiring 2023

Mr. Wayne Walton
Miss Kerriann Clarke
Miss Paula Hamilton

Unexpired Time

1 Year
1 Year
1 Year

On expressing their willingness to serve, these members are being nominated by the Committee:

<i>Recommended</i>	<i>Term</i>
Mr. Patrick Rose	2 Years
Ms. Janet Stewart	2 Years

SUPERVISORY COMMITTEE

The members of the Supervisory Committee retiring are as follows (Article X, Rule No.49):

Retiring 2022

Mr. Lenson Lee
Mrs. Audrey Jones-Francis
Mrs. Althea Cole-Martin
Ms. Angelina Brown
Mr. Melvin Young



On expressing their willingness to serve, these members are being nominated by the Committee:

<i>Recommended</i>	<i>Term</i>
Mr. Lenson Lee	1 Year
Mr. Melvin Young	1 Year
Mrs. Audrey Jones-Francis	1 Year
Mrs. Althea Cole-Martin	1 Year
Ms. Angelina Brown	1 Year

DELEGATES TO THE JAMAICA CO-OPERATIVE CREDIT UNION LEAGUE LIMITED (JCCUL)

The Jamaica Co-operative Credit Union League allows member Credit Unions to be represented by two (2) members delegated in accordance with Rule 55 (ii) (d). At least one of these members delegated shall be elected from the serving members of the Board of Directors of the Credit Union.

The following members are nominated for election as Delegates to the Jamaica Co-operative Credit Union League:

Mr. Norris Gilbert
Mr. Damon Escoffery

The Committee wishes to express its sincere gratitude on behalf of the Board, the Management, and the members, to all volunteers for their service over the years and to welcome those who will be serving for the first time. The Committee encourages all volunteers to strive to maintain the highest standard of service demonstrated through professionalism, commitment, and integrity. The Committee anticipates that together with the management and staff, the volunteers will contribute to the continued success of the Credit Union and serve to advance the Credit Union.



BOARD OF DIRECTORS



MR. NORRIS GILBERT

Mr. Norris Gilbert is currently the Principal Finance Officer at the Ministry Agriculture and Fisheries. Mr Gilbert has served the Credit Union in various capacities over his twenty-eight years of membership. He was first elected to the Board in 2002 and served as Vice President for the period 2006-2008 when he demitted office. He re-joined the Board of Directors in 2010 and was elected as President until 2016. Currently he is serving on the JCCUL Board and is the Treasurer. He is also a member of the CUMAX Board. Mr Gilbert has a MSc. in Accounting (UWI) and Bachelors in Business Administration (UTECH). His hobbies are attending sporting events and planning social events. He is a past student of the St. Mary's College.



MISS CHERYL HAWKINS

Miss Cheryl Hawkins is the Director of Planning and Administrative Services in the Ministry of Finance and the Public Service (MOF&PS). Cheryl has been a member of the Credit Union since 2000 and has served as a member of the Credit Committee during the period June 2015 to June 201. Miss Hawkins holds a Master of Science in Human Resource Development and a Bachelor of Science in Management Studies from the University of the West Indies. She also holds a certificate in Project Management and has been exposed to various training in Risk Management.

MR. EVERAL BARNETT

Mr. Everal Barnett is a retired Accounting Officer at the Accountant General Department. He has been a member of the Credit Union for over 36 years and was elected to the Board in June 1998. He currently serves on the Scholarship Committee. Mr Barnett enjoys being a volunteer he is currently a member of KPC President Society of St. Vincent De Paul. His hobbies are reading, photography and playing dominoes.



MISS GRACE BAILEY

Miss Grace Bailey has been an administrative professional for over twenty years and currently works in the Shipping Policy and Research department of the Maritime Authority of Jamaica since 2003. Miss Bailey is a graduate of the Caribbean Maritime University, and her qualification is in the field of Logistics and Supply Chain Management. She also holds Certification in Project Management which she completed at the University of the West Indies Grace is a Justice of the Peace for the parish of Kingston and specializes in the areas of Lock Up Visitation, Deportee Processing and Restorative Justice. Miss Bailey loves the kitchen and enjoys cooking epicurean dishes.





BOARD OF DIRECTORS



MR. DAMON ESCOFFERY

Mr. Damon Escoffery is currently a Senior Accounting Officer at the National Works Agency. He has been a member of the Credit Union for over 24 years and has previously served on the Supervisory Committee (May 2003 - May 2009) and was elected to the Board of Directors in June 2009. He is currently serving as Treasurer and Chairman of the ALM Committee. A past student of St. Catherine High School, Mr Escoffery is a sports enthusiast, likes playing dominoes and playing music.



MR. EVERTON WALKER

Mr. Everton Walker is the former Financial System Manager (Retired). From the Ministry of Transport & Mining. He has been a member of The Credit Union since 1998, and a volunteer for over 20 years, serving on both the Credit Committee and Board.

MRS. IOLYN DONALD



MRS. GERALDINE MILES





BOARD OF DIRECTORS



MISS PAULA L. BROWN

Miss Paula L. Brown is a Transport Planner in the Ministry of Transport and Mining. She has been a member of the Credit Union since 2005. Ms Brown is committed to public service and her core interests are in government innovations, public administration, public policy and planning, particularly for developing countries. She earned a BSc. from the University of the West Indies, Mona, Jamaica with a dual concentration in International Relations and Psychology as well as a MSc. in Social Research Methods and Statistics from the University of Manchester, United Kingdom. In 2016, she earned her Master's in Public Administration from Harvard University, John F. Kennedy School of Government, USA.

CREDIT COMMITTEE



MR PATRICK ROSE

Mr Patrick Rose is currently the Director of Planning and Research at the National Works Agency. He holds a Bachelor of Science Degree in Civil Engineering from the University of West Indies and has been a member of the Credit Union since 1992 and has served on the Board between the period June 2006 to June 2016. Mr Rose is single and a father of two. He enjoys table tennis and football and in his spare time he plays dominoes.

MS. JANET STEWART

Ms Janet Stewart is currently employed as a Senior Finance Officer at the National Works Agency. She has been a member of the Credit Union since 1997 and has served on the Credit Committee on many occasions. In her spare time, she enjoys crossword puzzle and surfing the internet.



SUPERVISORY COMMITTEE

MRS. AUDREY JONES FRANCIS

Mrs. Audrey Jones Francis A Graduate of the University of West Indies, Mona. She holds a Bachelor of Science Degree in Management Studies & Human Resource Management. She has been currently employed to the National Works Agency from 2001 to present. She is currently employed as Personnel and Industrial Relations Officer.





SUPERVISORY COMMITTEE



MISS ANGELINA BROWN

Miss Angelina Brown is currently employed to the National Works Agency and has been a member of the Credit Union since 1996. She currently serves on the Supervisory Committee. Miss Brown holds a bachelor's degree in Business Administration from the University of Technology. She is the mother of two and enjoys watching a good movie in her spare time.



MRS. ALTHEA COLE-MARTIN

Mrs. Althea Cole-Martin is an Administrative Assistant to the Manager of Communication & Customer Services at the National Works Agency. She has been a member of the Credit Union since 2000. Mrs. Cole-Martin is a current member of the Supervisory Committee. She is the National Public Relations Officer for the Jamaica Association of Administrative Professionals.

MR. LENSON LEE

Mr. Lenson Lee is a retired Auditor from the Ministry of Local Government. He has been with the Credit Union since 1976 and a volunteer for over 10 years. He is currently a member of the Supervisory Committee. He is a past student of Excelsior High School. He holds an Accounting Certificate from the Management Institute for National Development (MIND). Mr Lee enjoys watching sports and playing football.



MR. MELVIN YOUNG

Mr. Melvin Young is currently employed as a Senior Auditor in the Ministry of Transport and Mining and has been a member of the Credit Union since 1998. Mr. Young is a past student of Calabar High School and is a former track athlete. He is currently pursuing a BSc. in Business Administration. Mr. Young is married and his hobbies are playing dominoes and watching sports.



The Chairman and the members of the Nominating Committee thanks you for the opportunity to serve its members.

E Walker

Everton Walker
Chairman



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INTERESTING FACTS THAT VOLUNTEERS AND MEMBERS SHOULD KNOW

PWD Co-operative
Credit Union Limited



The PWD Co-operative Credit Union Limited was registered in 1948.

We have had the following eighteen (18) Presidents.

Year	President	Year	President	Year	President
1949	Mr. Dudley M. Forrester	1980	Mr. Cecil Harvey	2011	Mr. Norris Gilbert
1950	Mr. Dudley M. Forrester	1981	Mr. Cecil Harvey	2012	Mr. Norris Gilbert
1951	Mr. Dudley M. Forrester	1982	Mr. Cecil Harvey	2013	Mr. Norris Gilbert
1952	Mr. Dudley M. Forrester	1983	Mr. Cecil Harvey	2014	Mr. Norris Gilbert
1953	Mr. Dudley M. Forrester	1984	Mr. Cecil Harvey	2015	Mr. Norris Gilbert
1954	Mr. Dudley M. Forrester	1985	Mr. Stanley G. Williams	2016	Ms. Lorette Scarborough
1955	Mr. Dudley M. Forrester	1986	Mr. Stanley G. Williams	2016	Ms. Karen Arcscott
1956	Mr. Dudley M. Forrester	1987	Mr. Stanley G. Williams	2017	Mr. Norris Gilbert
1957	Mr. Dudley M. Forrester	1988	Mr. Stanley G. Williams	2018	Mr. Norris Gilbert
1958	Mr. Dudley M. Forrester	1989	Mr. Stanley G. Williams	2019	Mr. Norris Gilbert
1959	Mr. Dudley M. Forrester	1990	Mr. Stanley G. Williams	2020	Mr. Norris Gilbert
1960	Mr. Dudley M. Forrester	1991	Mr. Whylie A. Chambers	2021	Mr. Norris Gilbert
1961	Mr. Dudley M. Forrester	1992	Mr. Whylie A. Chambers		
1962	Mr. Ridell G. Chambers	1993	Mr. Winston W. Wright		
1963	Mr. Ridell G. Chambers	1994	Mr. Winston W. Wright		
1964	Mr. Ridell G. Chambers	1995	Mr. Winston W. Wright		
1965	Mr. Ridell G. Chambers	1996	Mr. Winston W. Wright		
1966	Mr. Ridell G. Chambers	1997	Mrs. Sharon Nelson		
1967	Mr. George O. Rose	1998	Mr. Howard Barrett		
1968	Mr. Terrence O.B. Goldson	1999	Mr. Dwight Thomas		
1969	Mr. Terrence O.B. Goldson	2000	Mr. Dwight Thomas		
1970	Mr. Terrence O.B. Goldson	2001	Mr. Dwight Thomas		
1971	Mrs. Denise Pinnock	2002	Mr. Dwight Thomas		
1972	Mrs. Denise Pinnock	2003	Mr. Dwight Thomas		
1973	Mrs. Denise Pinnock	2004	Mr. Dwight Thomas		
1974	Mr. Edwin L. Stewart	2005	Mr. Dwight Thomas		
1975	Mr. Edwin L. Stewart	2006	Mr. Dwight Thomas		
1976	Mr. Cecil Harvey	2007	Mr. Dwight Thomas		
1977	Mr. Cecil Harvey	2008	Mrs. C. Gordon-Hemmings		
1978	Mr. Aubrey A. Saunders	2009	Mrs. C. Gordon-Hemmings		
1979	Mr. Aubrey A. Saunders	2010	Mr. Norris Gilbert		



THOSE WHO SERVED IN 2021

BOARD OF DIRECTORS		OFFICE STAFF	
Norris Gilbert	President	Fern Graham	Manager
Karen Arscott	Vice President	Kevin Wedderburn	Accountant
Damon Escoffery	Treasurer	Peta Gaye Cargill-Stewart	System's Admin
Everton Walker	Asst Treasurer	Dawn Benjamin-Simmonds	Loans Officer
Cheryl Hawkins	Secretary	Grace McKenzie	Cashier
Paula Brown	Asst Secretary	Leonie Thompson-Martin	Registrar & MSR
Bernard Allen	Director	Kerry-Ann Russell	Risk & Compliance
Kaydian Gordon	Director	Jodian Campbell	MSR/ Recon Officer
Romoyne Watson	Director	Elveda Morris	Office Attendant
Grace Bailey	Director	Angella Roach	Office Attendant
CREDIT COMMITTEE		DELINQUENT LOANS COMMITTEE	
Patrick Rose	Chairman	Bernard Allen	Chairman
Kerriann Clarke	Secretary	Leonie Thompson-Martin	
Wayne Walton		Karen Arscott	
Janet Stewart		Fern Graham	
Alric Blake		Peta Gaye Cargill-Stewart	
SUPERVISORY COMMITTEE		SCHOLARSHIP COMMITTEE	
Melvin Young	Chairman	Karen Arscott	Chairman
Angelina Brown	Secretary	Sakina Tobias	
Lenson Lee		Everal Barnett	
Althea Cole-Martin		Leonie Thompson-Martin	
Sonia Cole		Fern Graham	
Audrey Jones-Francis			
ASSET LIABILITY MANAGEMENT & INVESTMENT COMMITTEES		EDUCATION & MEMBERS RELATION COMMITTEE	
Damon Escoffery	Chairman	Kaydian Gordon	Chairman
Norris Gilbert		Romoyne Watson	
Everton Walker		Peta Gaye Cargill-Stewart	
Patrick Rose		Kerry-Ann Russell	
Dawn Benjamin Simmonds			
Fern Graham			
Kevin Wedderburn		INFORMATION TECHNOLOGY COMMITTEE	
		Everton Walker	Chairman
		Romoyne Watson	

INTERESTING FACTS THAT VOLUNTEERS AND MEMBERS SHOULD KNOW

PWD Co-operative
Credit Union Limited



THOSE WHO SERVED IN 2021 *(Cont'd)*

HUMAN RESOURCE COMMITTEE		Fern Graham	
Cheryl Hawkins	Chairman	Peta-Gaye Cargill-Stewart	
Kaydian Gordon		Jodian Campbell	
Norris Gilbert			
Damon Escoffery		POLICY COMMITTEE	
Fern Graham		Norris Gilbert	Chairperson
		Karen Arscott	
NOMINATING COMMITTEE		Damon Escoffery	
Norris Gilbert	Chairman	Paula Brown	
Dawn Benjamin-Simmonds		Cheryl Hawkins	
Fern Graham		Kaydian Gordon	
		Fern Graham	