




RESHAPING

Auditor's Report and Financial Statements

for the year ended December 31st 2022





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COMMUNITY CARE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022

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STATEMENT OF MANAGEMENT RESPONSIBILITIES

COMMUNITY CARE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

Management is responsible for the following:

- Preparing and presenting fairly the accompanying financial statements of **Community Care Credit Union Co-operative Society Limited** which comprise the Statement of Financial Position as at 31st December 2022, the Statements of Comprehensive Income, Appropriated Funds and Undivided Earnings and Cash Flows for the year then ended, and a Summary of Significant Accounting Policies and Other Explanatory Notes;
- Ensuring that the credit union keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the credit union's assets, detection/prevention of fraud and the achievement of the credit union's operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that comply with laws and regulations, including the Companies Act, Co-operative Societies Act and the Financial Intelligence Unit of Trinidad and Tobago Act, and
- Using reasonable and prudent judgement in the determination of estimates.

In preparing these financial statements, management utilized the International Financial Reporting Standards as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where International Financial Reporting Standards presented alternative accounting treatments, management chose those considered most appropriate in the circumstances.

Nothing has come to the attention of management to indicate that the Credit Union will not remain a going concern for the next twelve months from the date of this statement.

Management affirms that it has carried out its responsibilities as outlined above.

DATED:March 23, 2023.....

.....
PRESIDENT

.....

TREASURER



PAGE 2 (A)

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS
OF
COMMUNITY CARE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

Opinion

We have audited the financial statements of **COMMUNITY CARE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED**, which comprise the statement of financial position as at 31st December 2022, and the statements of comprehensive income, appropriated funds and undivided earnings, cash flows and notes to the financial statements for the year then ended, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at 31st December 2022 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of Financial Statements section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

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

Our opinion on the financial statements does not cover any other information and we do not express any form of assurance or 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 during the audit or otherwise appears to be materially mis-stated. If, based on the work we have performed, we conclude that there is a material mis-statement of this information we are required to report the fact.

We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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 the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the business or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing its financial reporting process.

Your business is our business

Partners: **Steve Ramlakhan, FCCA, CA. (Managing), R. Bob Gopee, B.A. (Econ), FCCA, CA. (Consulting), Shazad Mohammed, FCCA, CA., Shelley Naipaul, FCCA, CA., Dianne Rampersad, FCCA, CA., Associates: Shivantee Bob-Gopee Rampersad, FCCA, CA., Aliya Balladin**

INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS
OF
COMMUNITY CARE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

Auditors' Responsibilities for the Audit of Financial Statements

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

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional scepticism through the planning and performing of 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 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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

23rd March 2023

LP 542 SOUTHERN MAIN ROAD,
CARAPICHAIMA.

Bob Gopee And Associates
BOB GOPEE AND ASSOCIATES
CHARTERED ACCOUNTANTS



COMMUNITY CARE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2022

(with comparative figures as at 31st December 2021)

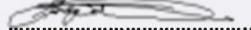
	<u>Notes</u>	<u>2022</u> <u>\$TT</u>	<u>2021</u> <u>\$TT</u>
<u>ASSETS</u>			
<u>NON-CURRENT ASSETS</u>			
Property, Plant and Equipment	N2	16,967,786	17,194,289
Investments	N3	13,873,778	10,225,093
Loans to Members	N4	56,949,722	56,651,507
		<u>87,791,286</u>	<u>84,070,889</u>
<u>CURRENT ASSETS</u>			
Cash		286,370	291,294
Bank	N5	1,563,670	7,708,644
Short-Term Investments	N6	9,588,197	10,269,996
Accounts Receivable and Prepayments	N7	838,200	1,027,038
		<u>12,276,437</u>	<u>19,296,972</u>
TOTAL ASSETS		<u><u>100,067,723</u></u>	<u><u>103,367,861</u></u>
<u>MEMBERS' EQUITY AND LIABILITIES</u>			
<u>MEMBERS' EQUITY</u>			
Reserve Fund	N8	5,278,055	5,270,483
Education Fund	N9	382,863	382,863
Severance Fund		90,440	143,440
Building Improvement Fund	N10	359,331	359,331
Undivided Earnings		4,169,281	5,448,618
Share Revaluation Reserve	N11	2,826,091	3,502,022
Property Revaluation Reserve	N2	3,303,160	3,303,160
		<u>16,409,221</u>	<u>18,409,917</u>
<u>NON-CURRENT LIABILITIES</u>			
Members' Shares	N12	53,700,169	52,415,526
<u>CURRENT LIABILITIES</u>			
Members' Deposits		28,836,611	31,588,666
Accounts Payable and Accruals	N13	1,121,722	953,752
		<u>29,958,333</u>	<u>32,542,418</u>
TOTAL MEMBERS' EQUITY AND LIABILITIES		<u><u>100,067,723</u></u>	<u><u>103,367,861</u></u>

The accompanying significant accounting policies and notes on pages 7 to 22 form an integral part of these financial statements and should be read in conjunction therewith.

On March 23, 2023, the Board of Directors approved these financial statements for issue.

PRESIDENT: 

TREASURER: 

SUPERVISORY COMMITTEE: 



COMMUNITY CARE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER 2022
(with comparative figures for the year ended 31st December 2021)

	<u>Note/ Schedules</u>	<u>2022 \$TT</u>	<u>2021 \$TT</u>
INCOME			
Loan Interest	S1	5,301,107	5,494,185
Rental Income		495,000	295,500
Investment Income		718,107	695,442
Commissions Received		121,797	105,532
Other Income		110,179	98,458
		<u>6,746,190</u>	<u>6,689,117</u>
EXPENDITURE			
Financial Expenses	S2	515,700	519,187
General and Administrative Expenses	S3	5,831,060	5,885,706
		<u>6,346,760</u>	<u>6,404,893</u>
NET SURPLUS FROM OPERATIONS		399,430	284,224
LOAN LOSS EXPENSE	N6	593,903	943,386
NET LOSS FOR THE YEAR		<u>(194,473)</u>	<u>(659,162)</u>
OTHER COMPREHENSIVE INCOME			
Net Loss for the year brought forward		(194,473)	(659,162)
Unrealised (Loss) /Gain on Investments		(675,931)	1,053,785
TOTAL COMPREHENSIVE (DEFICIT)/ SURPLUS FOR THE YEAR		<u>(870,404)</u>	<u>394,623</u>

The accompanying significant accounting policies and notes on pages 7 to 22 form an integral part of these financial statements and should be read in conjunction therewith.

COMMUNITY CARE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
STATEMENT OF APPROPRIATED FUNDS AND UNDIVIDED EARNINGS
FOR THE YEAR ENDED 31ST DECEMBER 2022

	RESERVE FUND	EDUCATION FUND	SEVERANCE FUND	BUILDING IMPROVEMENT FUND	SHARE REVALUATION RESERVE	UNDIVIDED EARNINGS	TOTAL
Balance at 1st January 2022	5,270,483	382,863	143,440	359,331	3,502,022	5,448,618	15,106,757
Add:							
Appropriation of Net Deficit for the year	-	-	-	-	-	(194,473)	(194,473)
Adjustments:							
Entrance fees	15,280	-	-	-	-	(15,280)	-
Dividends Paid	-	-	-	-	-	(1,055,054)	(1,055,054)
Unrealised Loss on Investments	-	-	-	-	(675,931)	-	(675,931)
Prior Period Adjustments	-	-	-	-	-	(14,530)	(14,530)
Re-activation of Dormant Accounts	(7,708)	-	-	-	-	-	(7,708)
Severance Payments	-	-	(53,000)	-	-	-	(53,000)
Balance at 31st December 2022	5,278,055	382,863	90,440	359,331	2,826,091	4,169,281	13,106,061

COMMUNITY CARE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2022
(with comparative figures for the year ended 31st December 2021)

	2022	2021
	\$TT	\$TT
<u>NET CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Loss for the year	(194,473)	(659,162)
<u>Adjustments to Reconcile Net Earnings to Net Cash</u>		
Depreciation	567,700	570,407
Prior Period Adjustments/Re-activation of Dormant Accounts	(22,238)	(68,712)
Unrealised (Loss)/Gain in Share Revaluation	(675,931)	1,053,785
Severance Payments	(53,000)	(326,000)
Loss on Disposal of Property, Plant and Equipment	-	34,539
OPERATING (LOSS)/SURPLUS BEFORE CHANGES IN WORKING CAPITAL	(377,942)	604,857
(Increase) /Decrease in Loans to Members	(298,215)	2,630,862
Decrease/(Increase) in Accounts Receivable and Prepayments	188,838	(286,803)
Increase in Accounts Payable and Accruals	167,970	203,730
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	(319,349)	3,152,646
 <u>INVESTING ACTIVITIES</u>		
Additions to Property, Plant and Equipment	(341,197)	(237,285)
Increase in Investments	(3,648,685)	(4,341,379)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	(3,989,882)	(4,578,664)
 <u>FINANCING ACTIVITIES</u>		
Increase in Members' Shares	1,284,643	1,715,366
(Decrease)/Increase in Members' Deposits	(2,752,055)	2,619,815
Dividends Paid	(1,055,054)	(2,414,089)
NET CASH (OUTFLOW) /INFLOW FROM FINANCING ACTIVITIES	(2,522,466)	1,921,092
 NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(6,831,697)	495,074
 CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	18,269,934	17,774,860
 CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	11,438,237	18,269,934
 <u>CASH AND CASH EQUIVALENTS</u>		
Cash	286,370	291,294
Bank	1,563,670	7,708,644
Short-Term Investments	9,588,197	10,269,996
	11,438,237	18,269,934

COMMUNITY CARE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE YEAR ENDED 31ST DECEMBER 2022

The following accounting policies, based on generally accepted accounting principles, have been applied, unless otherwise stated:

A Basis of Accounting

These financial statements have been prepared under the Historical Cost Basis except for the measurement of fair value for investments and revaluation of real estate and with reference to International Financial Reporting Standards.

The material issues covered by these standards are disclosed. These financial statements are stated in Trinidad and Tobago currency, which is the functional currency of operations. All amounts have been rounded to the nearest dollar.

B Adoption of New and Revised International Financial Reporting Standards (IFRS)

New and amended standards adopted by the Credit Union.

The Credit Union has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2022:

- Property, Plant and Equipment-Proceeds before Intended Use (Amendments to IAS 16).
- Revised Conceptual Framework for Financial Reporting.
- Onerous Contracts-Cost of Fulfilling a Contract (Amendments to IAS 37).
- Annual Improvements to IFRS Standards 2018-2022.

The standards and amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New standards and interpretations not yet adopted

Certain new accounting standards have been published that are not mandatory for 31st December 2022 reporting periods and have not been early adopted by the credit union. These standard are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

C Use of Estimates

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.



COMMUNITY CARE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)
FOR THE YEAR ENDED 31ST DECEMBER 2022

D Property, Plant and Equipment

Property, Plant and Equipment are stated at cost except for the revaluation of land and building.

Depreciation has been calculated on the Straight Line basis at rates estimated to write off the cost of the assets over their useful economic lives. These rates are:

Building	-	2%	(Straight Line Basis)
Building Improvements	-	8 1/3%	(Straight Line Basis)
Motor Vehicles	-	20%	(Straight Line Basis)
Computer Equipment	-	25%	(Straight Line Basis)
Office Equipment	-	12 1/2%	(Straight Line Basis)
Office and Board Room Fixtures and Fittings	-	12 1/2%	(Straight Line Basis)

No depreciation was calculated on Land and Work-in-Progress.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down to its recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

Real Estate comprises mainly of properties used in connection with operations and offices and are shown at fair value based on valuations by external independent valuers, less subsequent depreciation for buildings. Independent valuations are performed at regular intervals to ensure that the fair value of real estate does not differ materially from its carrying amount. All other property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

E Investments

The Credit Union has classified investments based on its business model for managing financial assets. These classifications are as follows:

(i) Amortised Cost

Investments are measured at amortised cost if both of the following conditions are met:

The main objective to hold the investment is to collect contractual cash flows; and the contractual terms of the investment give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, interest income from these investments are included in investment income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the Statement of Comprehensive Income.

COMMUNITY CARE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)
FOR THE YEAR ENDED 31ST DECEMBER 2022

E Investments - (Continued)

(ii) Fair Value through Other Comprehensive Income (FVOCI)

Investments are classified and measured at fair value through other comprehensive income if they are held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

After initial recognition, movements in the carrying values are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the Statement of Comprehensive Income. When the investment is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in investment income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as a separate line item in the Statement of Comprehensive Income.

(iii) Fair value through profit or loss (FVPL)

Investments that do not meet the criteria for amortised cost or FVOCI are measured at FVPL.

After initial recognition, movements in the carrying values are taken through the Statement of Comprehensive Income. A gain or loss on an investment that is subsequently measured at FVPL is recognised in the Statement of Comprehensive Income and presented net within other gains/(losses) in the period in which it arises.

COMMUNITY CARE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)
FOR THE YEAR ENDED 31ST DECEMBER 2022

F Financial Instruments

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

Financial Assets and Financial Liabilities are recognised on the Credit Union's Statement of Financial Position when the Credit Union becomes a party to the contractual provisions of the instrument.

1 Financial Assets

(a) Recognition and Measurement

When Financial Assets are recognised initially, they are measured at fair value of the consideration given plus transaction costs directly attributable to the acquisition of the asset.

Purchases and sales of financial assets are recognised or derecognised on the trade date, that is, the date on which the Credit Union commits itself to purchase or sell an asset.

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

Financial Assets are classified, based on its business model for managing the asset and the asset's contractual cash flows as follows:

(i) Amortised Cost

Financial Assets are measured at amortised cost if both of the following conditions are met: The main objective to hold the assets is to collect contractual cash flows; and the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Fair Value through Other Comprehensive Income (FVOCI)

Financial Assets are classified and measured at fair value through other comprehensive income if they are held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

(iii) Fair value through profit or loss (FVPL)

Financial Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL.

(b) Impairment

The Credit Union assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

COMMUNITY CARE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)
FOR THE YEAR ENDED 31ST DECEMBER 2022

F Financial Instruments - (Continued)

2 Financial Liabilities

When Financial Liabilities are recognised initially, they are measured at fair value of the consideration given plus transaction costs directly attributable to the acquisition of the liability. Financial Liabilities are re-measured at amortised cost using the effective interest method.

Financial Liabilities are derecognised when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a Financial Liability extinguished and the consideration paid is recognised in the Statement of Comprehensive Income.

3 Fair Values

The carrying amounts on the following financial assets and financial liabilities approximate to their fair cash value:

- cash
- bank accounts
- Investments
- accounts receivable and prepayments
- loans to members
- members' shares
- members' deposits
- accounts payable and accruals

4 Credit Risk

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the reporting date. The Credit Union relies heavily on a written Loan Policy Manual, which sets out in detail the policies governing the lending function and provides a comprehensive framework for prudent risk management of the credit function. Adherence to these guidelines is expected to communicate the Credit Union's lending philosophy, provide policy guidelines to team members involved in lending, establish minimum standards for credit analysis, documentation, decision making and post-disbursement administration and create the foundation for a sound credit portfolio.

The Credit Union's loan portfolio is managed and consistently monitored by the Credit Committee and is adequately secured by collateral and where necessary, provisions have been established for potential credit losses on delinquent accounts.

Cash balances are held with credit quality financial institutions and the Credit Union has policies to limit the amount of exposure to any single financial institution.

The Credit Union also actively monitors global economic developments and government policies that may affect the growth rate of the local economy.



COMMUNITY CARE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)
FOR THE YEAR ENDED 31ST DECEMBER 2022

F Financial Instruments - (Continued)

5 Foreign Exchange Risk

The Credit Union has investments that are exposed to a currency translation risk and foreign exchange risk. These investments are held locally with a stable economic exchange rate at the date of these financial statements.

G Cash and Cash Equivalents

Cash and Cash Equivalents are carried in the Statement of Financial Position at cost. For the purpose of presentation in the Statement of Cash Flow, cash and cash equivalents comprise cash, bank and short term investments.

H Accounts Receivable

Accounts Receivable is carried at anticipated realizable value, realizable value being the original invoice amount less provision made for impairment. A provision for impairment of accounts receivable is established when there is objective evidence that the Credit Union is unable to recover amounts due. The value of the provision is the difference between the carrying and the recoverable amount.

I Loans to Members

Loans to Members are stated at principal amounts outstanding inclusive of interest accrued net of allowances for loan losses. Specific provisions are made for potential losses on non-performing loans on the basis of net realisable value. Periodic portfolio reviews are conducted during the course of each year to determine the adequacy of provisions.

Loans are secured by various forms of collateral, including charges over tangible assets, certificates of deposit and assignment of funds held with other financial institutions.

J Members' Deposits

Members' Deposits are stated at the principal amounts invested by members together with any capitalised interest. Members' Deposits bear interest at rates that are not significantly different from current market rates and are assumed to have discounted cash flow values which approximate carrying values.

K Dividends Payable to Members

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



COMMUNITY CARE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)
FOR THE YEAR ENDED 31ST DECEMBER 2022

L Revenue Recognition

Loan Interest

Interest charged on all loans to members is calculated on the outstanding balance at the end of each month on the accruals basis.

Non-performing loans are amounts for which interest no longer continues to be accrued because there is doubt as to the recoverability of the loans. Income from non-performing loans is taken into income on a cash basis.

For Non-performing loans, provisions are made for the unsecured portion of the loan. The amount of the provision is dependent upon the aging of the arrears and the probability of loss in accordance with the Credit Union's provision policy.

Investment Income

Income from investments is accounted for on the accruals basis except for dividends, which are accounted for on a cash basis.

Rental Income

Rental Income is recognized on the accrual basis based on terms of the rental agreement.

M Foreign Currency Translation

Monetary assets and liabilities denominated in foreign currencies are expressed in Trinidad and Tobago Dollars at rates prevailing at the date of the Statement of Financial Position. All revenue and expenditure transactions denominated in foreign currencies are translated at the exchange rates prevailing at the dates of the transactions. Gains and losses thus arising, are reported in the Statement of Comprehensive Income.

N Provisions

Provisions are recognised when the Credit Union has a present legal or constructive obligation as a result of past events. It is more likely than not that an outflow of resources will be required to settle an obligation and the amount has been reliably estimated. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the Statement of Financial Position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

O Comparative Figures

Certain changes in the presentation of the financial statements have been made during the year and comparative figures have been re-stated accordingly. These changes have no impact on the prior year deficit.



COMMUNITY CARE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED**NOTES****FOR THE YEAR ENDED 31ST DECEMBER 2022**

(with comparative figures for the year ended 31st December 2021)

1 INCORPORATION AND PRINCIPAL ACTIVITY

The Credit Union is registered under the Co-operative Societies Act Ch: 81:03. Its objectives are to promote the economic and social welfare of its members, encouraging the spirit and practice of thrift, self-help and co-operation and to promote the development of co-operative ideas.

The registered address of the Credit Union is Corner Southern Main Road and Bushe Street, Curepe.

2 PROPERTY, PLANT AND EQUIPMENT

	Real Estate	Building Improvements	Office and Computer Equipment	Office Board Room Fixtures and Fittings	Work in Progress	Total
	\$	\$	\$	\$	\$	\$
As at 31st December 2022						
Net Book Value at 01.01.2022	15,803,084	1,129,165	186,629	75,411	-	17,194,289
Additions and Revaluations	-	194,999	90,589	6,798	48,811	341,197
Depreciation Charge	(220,277)	(233,232)	(95,096)	(19,095)	-	(567,700)
Net Book Value at 31.12.2022	15,582,807	1,090,932	182,122	63,114	48,811	16,967,786
As at 31st December 2022						
Cost	18,263,860	2,988,824	3,194,926	789,794	48,811	25,286,215
Accumulated Depreciation	(2,681,053)	(1,897,892)	(3,012,804)	(726,680)	-	(8,318,429)
Net Book Value at 31.12.2022	15,582,807	1,090,932	182,122	63,114	48,811	16,967,786
As at 31st December 2021						
Net Book Value at 01.01.2021	15,709,585	1,197,628	252,547	74,116	19,525	17,253,401
Additions and Revaluations	308,549	149,118	63,490	24,677	-	545,834
Disposals	-	-	(15,014)	-	(19,525)	(34,539)
Depreciation Charge	(215,050)	(217,581)	(114,394)	(23,382)	-	(570,407)
Net Book Value at 31.12.2021	15,803,084	1,129,165	186,629	75,411	-	17,194,289
As at 31st December 2021						
Cost	18,263,860	2,793,825	3,104,337	782,996	-	24,945,018
Accumulated Depreciation	(2,460,776)	(1,664,660)	(2,917,708)	(707,585)	-	(7,750,729)
Net Book Value at 31.12.2021	15,803,084	1,129,165	186,629	75,411	-	17,194,289

COMMUNITY CARE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED**NOTES - (Continued)****FOR THE YEAR ENDED 31ST DECEMBER 2022**

(with comparative figures for the year ended 31st December 2021)

PROPERTY, PLANT AND EQUIPMENT (Continued)

Real Estate includes:

- Land and Building situated at Lot A, Corner Bushe Street and Southern Main Road, Curepe.
- Land and Building situated at No. 255A Fyzabad Guapo Main Road, Fyzabad.
- Land and Building situated at No. 27 Road Reserve, Off Fyzabad Guapo Main Road, Fyzabad.

At 31st December 2022, the Credit Union's Real Estate are stated at revalued amounts determined by independent valuers.

The revaluation of the land and building located at No. 255A Fyzabad Guapo Main Road, Fyzabad and No. 27 Road Reserve, Off Fyzabad Guapo Main Road, Fyzabad were revalued by G. A. Farrell & Associates Limited on 01st December 2021.

The revaluation of the property located at Lot A, Corner Bushe Street and Southern Main Road, Curepe was revalued by G. A. Farrell & Associates Limited on 01st December 2021.

Valuations were made on the basis of open market value. The revaluation surplus for the period was credited to the Property Revaluation Reserve in Members' Equity.

If Real Estate were stated on the historical cost basis, the amount would be as follows:

	2022	2021
	<u>\$TT</u>	<u>\$TT</u>
Cost	14,960,701	14,960,701
Accumulated Depreciation	<u>(2,325,309)</u>	<u>(2,150,495)</u>
	<u>12,635,392</u>	<u>12,810,206</u>

COMMUNITY CARE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED**NOTES (Continued)****FOR THE YEAR ENDED 31ST DECEMBER 2022**

(with comparative figures for the year ended 31st December 2021)

3 INVESTMENTS	2022	2021
Investments consist of the following:	<u>\$TT</u>	<u>\$TT</u>
<u>Fair Value through Other Comprehensive Income</u>		
<u>Quoted</u>		
Unilever Caribbean Limited - 6,888 Shares	88,855	30,780
Republic Bank Limited - 12,542 Shares	1,743,213	1,757,887
National Enterprises Limited - 10,000 Shares	34,000	33,500
Guardian Holdings Limited - 6,579 Shares	177,567	197,370
Royal Bank of Canada - 2,493 Shares	1,565,500	1,925,537
Sagicor Financial Corporation - 6,311 Shares	170,601	210,077
First Citizens Bank Limited - 13,259 Shares	689,468	638,846
The West Indian Tobacco Company Limited - 2370 Shares	49,794	67,545
Scotiabank Trinidad and Tobago Limited - 7,335 Shares	572,936	502,448
Trinidad and Tobago Unit Trust Corporation - 9957 Shares	210,591	165,784
	<u>5,302,525</u>	<u>5,529,774</u>
<u>Unquoted</u>		
Antilles Credit Union Shares	1,577	1,577
Central Finance Facility Co-operative Society of Trinidad and Tobago - 13 Shares	325,000	325,000
Co-operative Credit Union League of Trinidad and Tobago - 5,000 Shares	5,000	5,000
	<u>331,577</u>	<u>331,577</u>
<u>Bonds and Fixed Deposits</u>		
Trinidad and Tobago Mortgage Finance Company Limited - Secured Bonds	6,210,431	2,408,950
JMMB Bank - Fixed Deposit	1,578,000	1,500,000
National Investment Fund - Series A 4.5% Bond	451,245	454,792
	<u>8,239,676</u>	<u>4,363,742</u>
TOTAL INVESTMENTS	<u>13,873,778</u>	<u>10,225,093</u>



COMMUNITY CARE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED**NOTES (Continued)****FOR THE YEAR ENDED 31ST DECEMBER 2022**

(with comparative figures for the year ended 31st December 2021)

4 LOANS TO MEMBERS

Loans to Members are stated at principal amounts outstanding inclusive of interest accrued net of allowances for loan losses. Delinquent Loans amounted to \$23,290,079 and \$20,229,714 at 31st December 2022 and 31st December 2021 respectively.

Loans are secured by various forms of collateral including charges over tangible assets, certificates of deposits and assignment of funds held with other financial institutions.

The Reserve Fund may, with the approval of the Commissioner for Co-operative Development, may be applied to cover bad debts or losses sustained through extra-ordinary circumstances over which the Credit Union has no control. During the year under review, the Reserve Fund was not used.

	2022	2021
	\$TT	\$TT
<u>Types of Loans</u>		
Personal	18,974,231	19,382,526
Demand	11,670,587	14,623,731
Vehicle	4,464,551	5,505,000
Mortgage	11,034,123	8,782,606
Demand Loan - Debt Consolidation	4,568,680	5,353,665
Line of Credit	6,209,529	3,748,192
Retiree	1,578,910	1,867,856
Gen Y Loan	1,976,122	833,980
E-Care Signature	355,753	662,338
Pandemic Relief	708,306	30,852
Interest Free	84,724	139
	<u>61,625,516</u>	<u>60,790,885</u>
Less: Provision for Loan Losses	<u>(4,675,794)</u>	<u>(4,139,378)</u>
	<u>56,949,722</u>	<u>56,651,507</u>
<u>Provision for Loan Losses</u>		
Balance Brought Forward	4,139,378	3,207,329
Loan Loss Expense	593,903	943,386
Loans Written Off	(57,487)	(11,337)
	<u>4,675,794</u>	<u>4,139,378</u>

The provision for loan losses of \$4,675,794 at 31st December 2022 (2021: \$4,139,378) was based on the probability of default and expected credit losses in accordance with IFRS 9.

COMMUNITY CARE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED**NOTES (Continued)****FOR THE YEAR ENDED 31ST DECEMBER 2022**

(with comparative figures for the year ended 31st December 2021)

5 BANK

The Credit Union maintains three (3) bank accounts and two (2) credit card accounts. The balances at the date of the financial statements are detailed as follows:

	2022 \$TT	2021 \$TT
RBC Royal Bank (Trinidad and Tobago) Limited - TTD	1,134,404	7,117,316
RBC Royal Bank (Trinidad and Tobago) Limited - USD	157,173	144,489
JMMB Bank - TTD	280,735	403,977
RBC Royal Bank (Trinidad and Tobago) Limited - Credit Card Accounts	(8,642)	42,862
	<u>1,563,670</u>	<u>7,708,644</u>

6 SHORT-TERM INVESTMENTS

Short-Term Investments consist of deposits held at the following financial institutions:

Fair Value through Other Comprehensive Income	2022 \$TT	2021 \$TT
Central Finance Facility Co-operative Society of Trinidad and Tobago Limited-Fixed Deposits	1,263,578	1,187,456
Trinidad and Tobago Unit Trust Corporation - TTD Income and Growth Fund	469,571	519,548
Roytrin Mutual Funds - TTD Income and Growth Fund	1,348,457	1,541,231
Trinidad and Tobago Unit Trust Corporation - TTD Income Fund	52,360	51,740
Guardian Holdings Limited - Income and Growth Fund	45,486	786,103
Guardian Holdings Limited - Fixed Deposit	1,500,000	1,500,000
Firstline Securities Limited	3,319,141	3,167,027
JMMB Bank - Fixed Deposit	1,539,604	1,516,891
RBC (Trinidad and Tobago) Limited-Fixed Deposit	50,000	-
	<u>9,588,197</u>	<u>10,269,996</u>

7 ACCOUNTS RECEIVABLE AND PREPAYMENTS

Accounts Receivable and Prepayments consist of the following:

	2022 \$TT	2021 \$TT
Interest Receivable on Investments	227,678	268,420
Payroll in Transit	65,816	221,217
CUNA Claims Receivable	150,887	135,816
Prepayments	165,344	168,200
Sundry Receivables	228,475	233,385
	<u>838,200</u>	<u>1,027,038</u>

COMMUNITY CARE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED**NOTES (Continued)****FOR THE YEAR ENDED 31ST DECEMBER 2022**

(with comparative figures for the year ended 31st December 2021)

8 RESERVE FUND

In accordance with the Co-operative Societies Act 1971, Section 47 (2) and the Credit Union Bye-Laws at least ten percent (10%) of the net surplus for the year is to be appropriated to the Reserve Fund. No provision was made for the current year.

9 EDUCATION FUND

In accordance with the Credit Union Bye-Laws an amount not exceeding five percent (5%) but not less than two percent (2%) of the net surplus for the year after making appropriations to the Reserve Fund shall be transferred to an Education Fund. No provision was made for the current year.

10 BUILDING IMPROVEMENT FUND

The Building Improvement Fund was implemented and approved by the Board of Directors with effect from 31st December 2016. An amount of 2.5% on the net surplus, after making appropriations to the Reserve and Education Fund shall be apportioned to a Building Improvement Fund. No provision was made for the current year.

11 SHARE REVALUATION RESERVE

	2022	2021
	\$TT	\$TT
Net Unrealised Gain on Investments	<u>2,826,091</u>	<u>3,502,022</u>

This is in accordance with International Financial Reporting Standards (IFRS) 9.

12 MEMBERS' SHARES

The Credit Union Bye-Laws allow for the issue of an unlimited number of shares of \$20 each.

13 ACCOUNTS PAYABLE AND ACCRUALS

Accounts payable and accruals consist of the following:

	2022	2021
	\$TT	\$TT
CUNA Insurance Premiums	91,059	109,442
Interest Payable on Members' Deposits	262,506	234,750
Payroll Deductions Payable	365,022	99,550
Accruals and Sundry Payables	403,135	510,010
	<u>1,121,722</u>	<u>953,752</u>

14 CAPITAL RISK MANAGEMENT

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

The capital structure of the Credit Union consists of equity attributable to members, which comprise reserves and undivided earnings.



COMMUNITY CARE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED**NOTES (Continued)****FOR THE YEAR ENDED 31ST DECEMBER 2022**

(with comparative figures for the year ended 31st December 2021)

15 DIVIDENDS PAYABLE TO MEMBERS

The Board of Directors has proposed an average dividend of 1% (2021 - 2%). This is subject to approval by the membership at the Annual General Meeting and is not recorded as a liability in these financial statements.

16 RELATED PARTY TRANSACTIONS

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

Balances and transactions with related parties and key management personnel during the year were as follows:

<u>Assets, Liabilities and Members' Equity</u>	<u>2022</u> <u>\$TT</u>	<u>2021</u> <u>\$TT</u>
Loans and Other Receivables		
Directors, Committee Members and Management	2,523,665	2,844,033
Shares, Deposits and Other Liabilities		
Directors, Committee Members and Management	3,575,474	4,917,792
<u>Expenses</u>		
Interest and Dividends Paid		
Directors, Committee Members, Key Management Personnel	53,923	151,380
Officers Stipend	160,875	166,205
Key Management Compensation		
Short-term benefits	360,000	408,657



COMMUNITY CARE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
SCHEDULES TO THE STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER 2022
(with comparative figures for the year ended 31st December 2021)

1 LOAN INTEREST

Loan Interest earned include fees and are detailed as follows:

	<u>2022</u>	<u>2021</u>
	<u>\$TT</u>	<u>\$TT</u>
Personal Loans	1,042,043	1,964,012
Demand Loans	1,238,659	1,246,416
Vehicle Loans	347,220	351,219
Debt Consolidation Loans	574,784	552,052
Line of Credit	669,823	442,803
Mortgage Loans	576,478	433,904
Retirees Loans	145,142	168,125
Gen Y Loans	48,374	1,979
Early Bird Loans	167,383	58,798
Pandemic Relief	66,620	3,261
Fees	424,581	271,616
	<u>5,301,107</u>	<u>5,494,185</u>

2 FINANCIAL EXPENSES

	<u>2022</u>	<u>2021</u>
	<u>\$TT</u>	<u>\$TT</u>
Interest on Members' Fixed Deposit	446,802	456,215
Bank Charges and Interest	58,014	56,220
Credit Report Charges	10,884	6,752
	<u>515,700</u>	<u>519,187</u>

COMMUNITY CARE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
SCHEDULES TO THE STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER 2022
(with comparative figures for the year ended 31st December 2021)

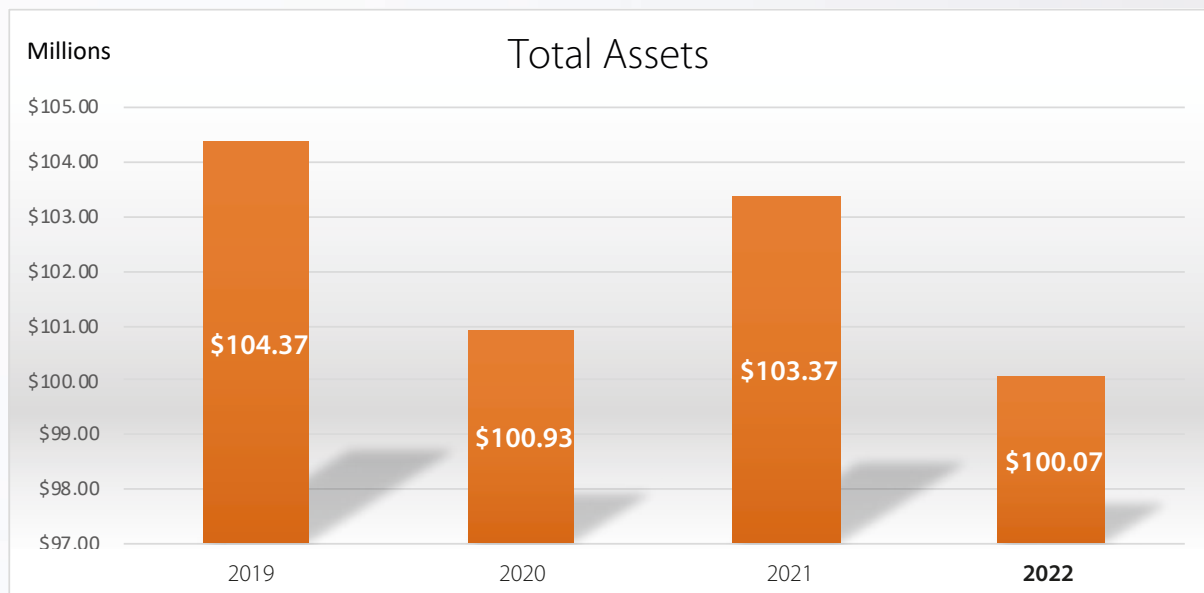
3 GENERAL AND ADMINISTRATIVE EXPENSES

	2022	2021
	<u>\$TT</u>	<u>\$TT</u>
Salaries and Staff Benefits	2,452,020	2,295,312
Property Expenses - Curepe	351,937	326,758
Repairs and Maintenance	113,754	119,149
General Expenses and Security	433,597	444,082
Depreciation	567,700	570,407
Advertising	187,282	182,033
Online Services and Computer Expenses	575,072	699,347
Software Maintenance	36,682	54,608
CUNA Insurance	341,077	417,750
Officers' Stipends and Expenses	160,875	165,430
Education, Social Expenses and Co-operative Activities	32,763	13,740
Group Health and Pension	140,686	136,018
Annual General Meeting	64,883	73,645
Legal and Professional Fees	91,017	100,792
Telephone	58,981	66,710
Stationery	50,577	39,078
Audit Fees	46,250	59,875
Meetings and Conferences	24,308	-
Office Expenses	33,566	30,383
Scholarship Fund	25,200	27,400
Green Fund Levy	22,304	18,653
Insurance	16,561	3,074
Travelling	3,968	4,733
Loss on Asset Disposal	-	15,014
Donations	-	17,000
Motor Vehicle Expenses	-	4,715
	<u>5,831,060</u>	<u>5,885,706</u>

Financial Highlights

TOTAL ASSETS

Total Assets declined by 3.3% from \$103.37 in 2021 to \$100.07 in 2022.



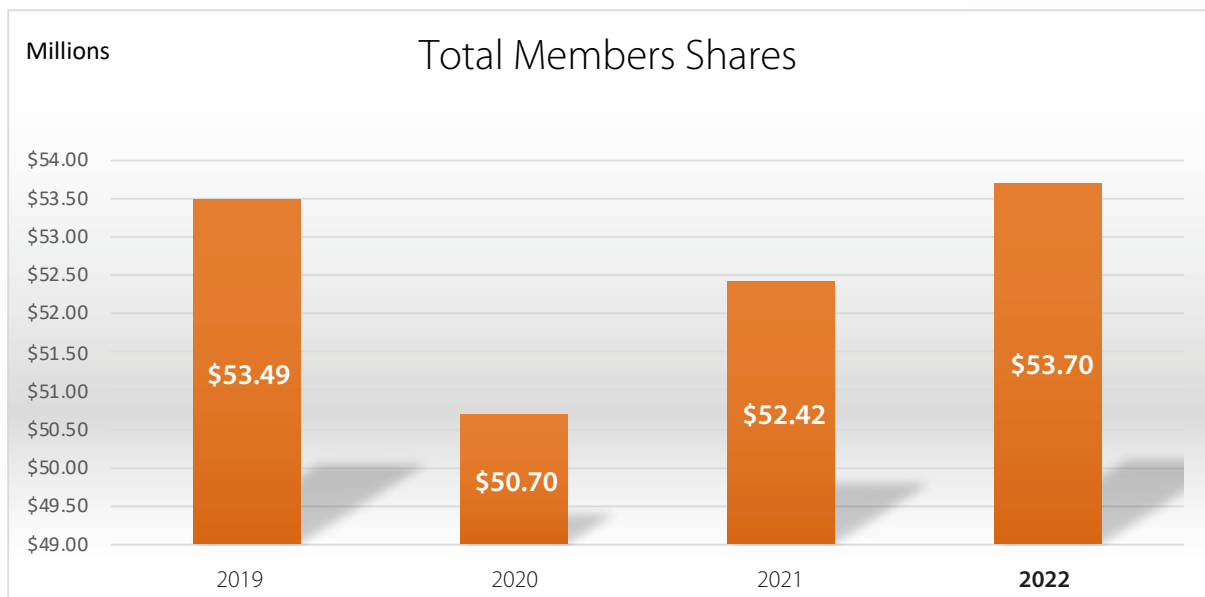
TOTAL MEMBERS LOANS

Total Members Loans increased from \$60.79 to \$61.62 a 1.3 % over the 2021.



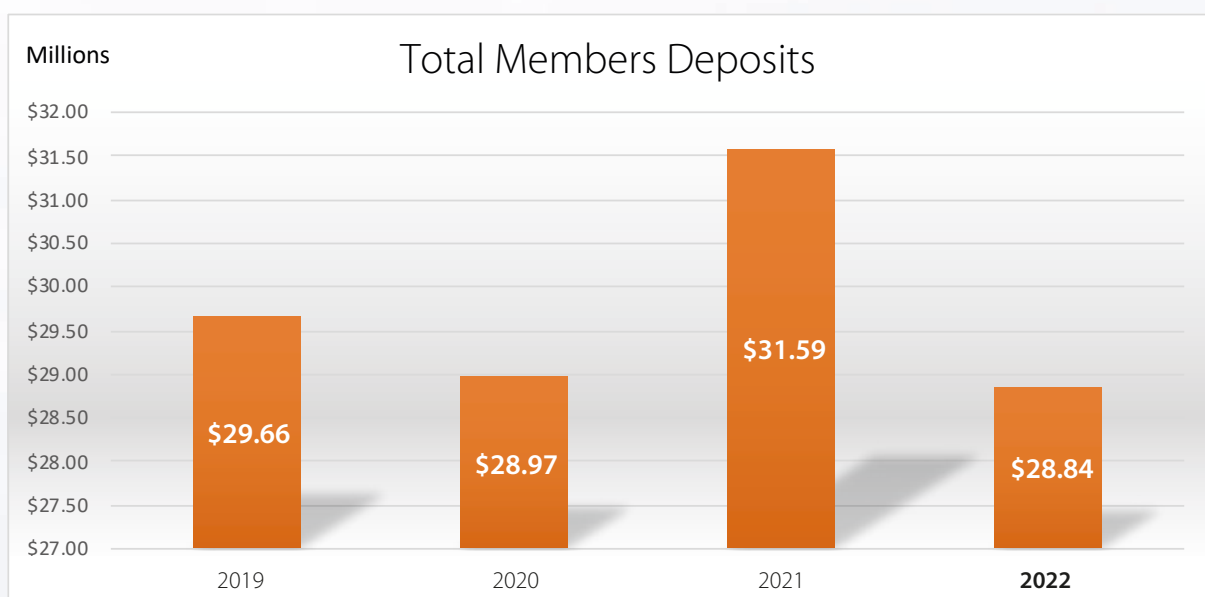
TOTAL MEMBERS SHARES

Total Members Shares increased by 2.4% from \$52.42 to \$53.70 from 2021 to 2022 period.



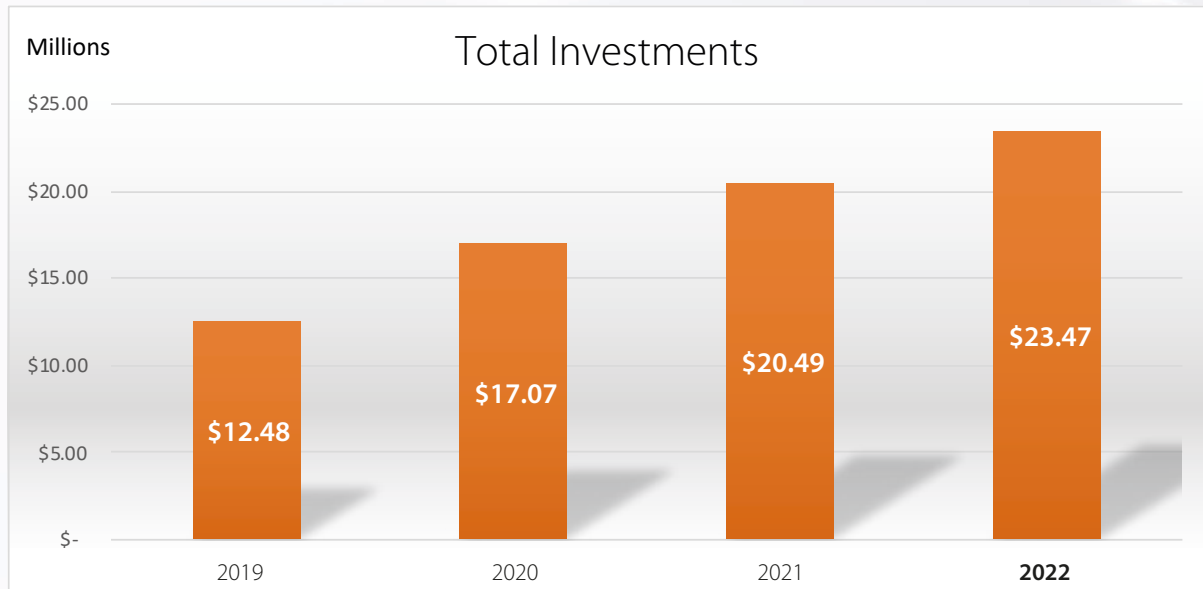
TOTAL MEMBERS DEPOSITS

Total Members Deposits decreased by -9.5% in 2022 (\$28.84) over 2021 (\$31.59).



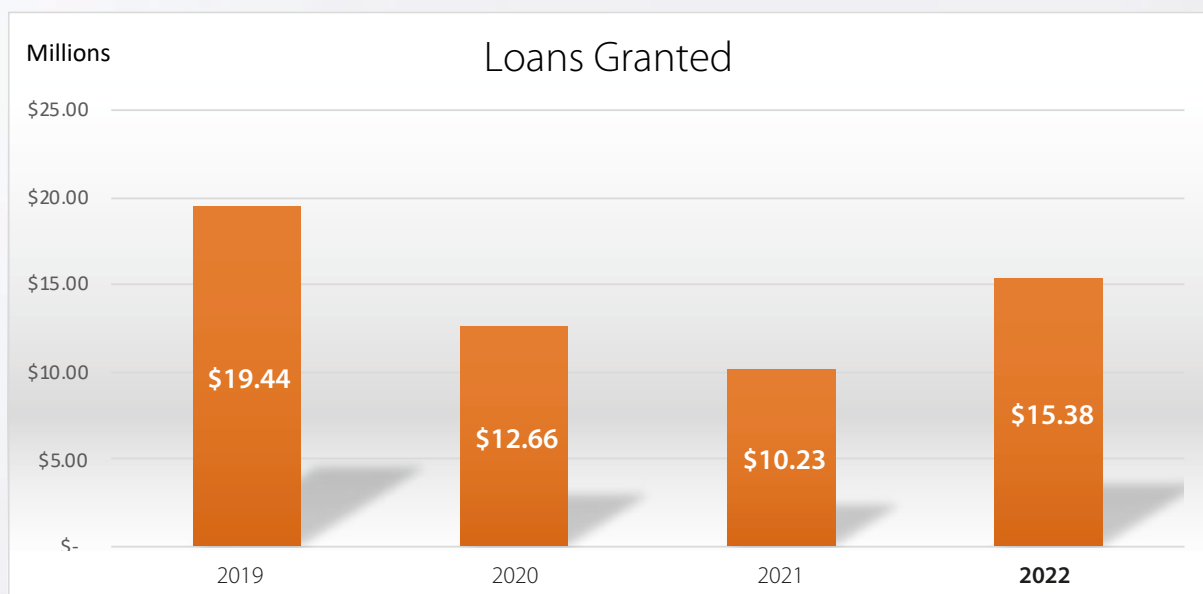
TOTAL INVESTMENTS

Total Investments increased by 12.7% when compared with the 2021 period, from \$20.49 to \$23.47.



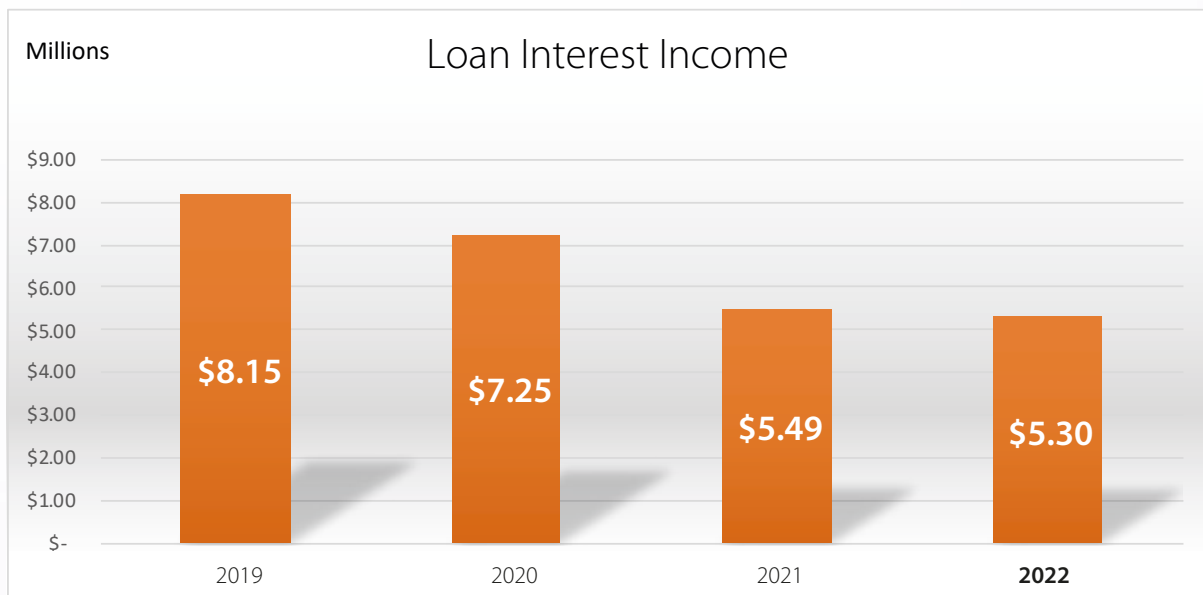
LOANS GRANTED

Total Loans granted increased by 33.5% over 2021 from \$10.23 to \$15.38.



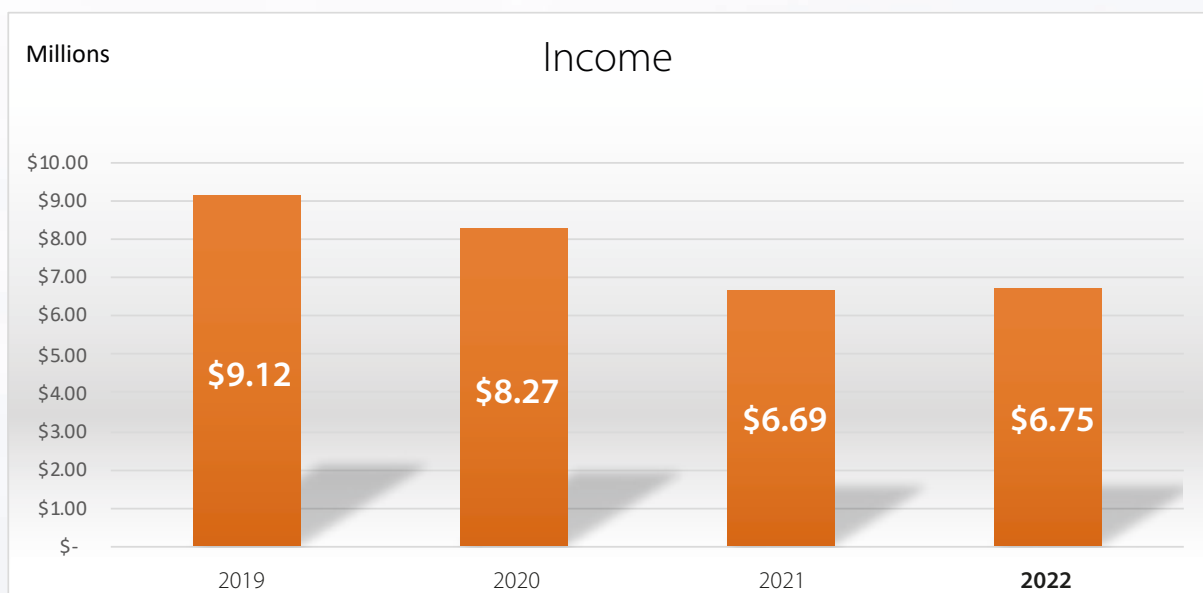
LOAN INTEREST

Total Loans interest declined by -3.7% in 2022 over 2021 from \$5.49 to \$5.30.



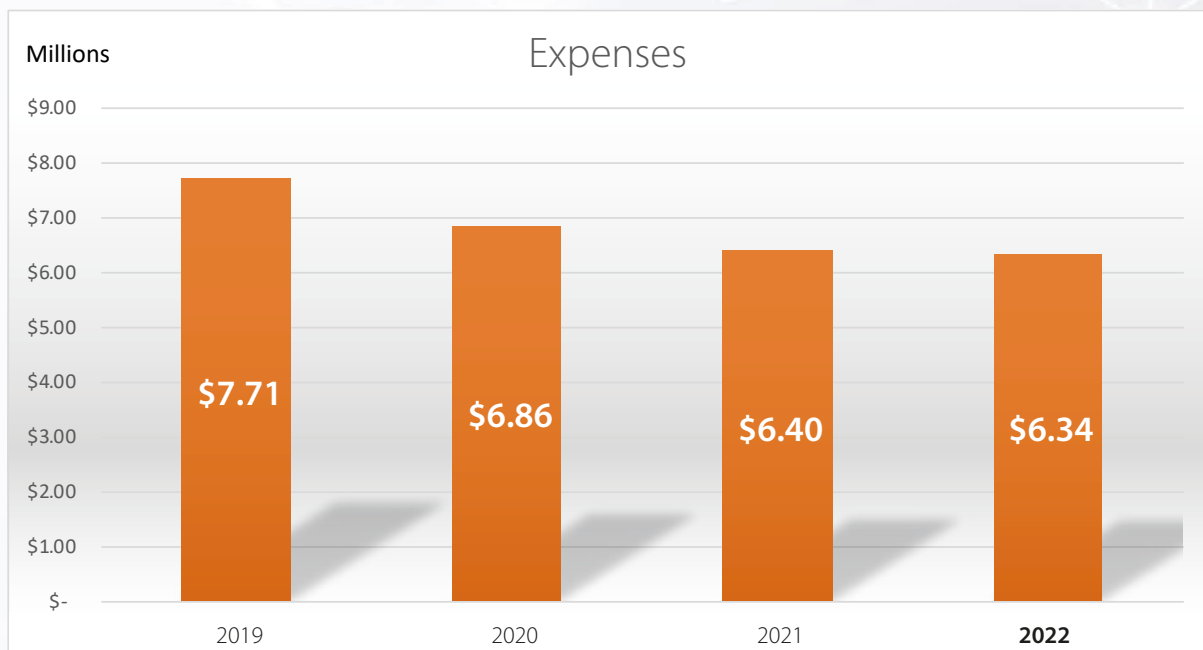
TOTAL INCOME

Total Income increased by 0.9% in 2022 over 2021 from \$6.69 to \$6.75.



EXPENSES

Total Expenses decreased by -1.0% in 2022 over 2021 from \$6.40 to \$6.34.



In 2022, Community Care Credit Union (CCCU), like all other financial institutions, world-wide continued to experience the continued effects of Covid-19 and its impact on local and global economies through rising unemployment, US foreign exchange issues and declining energy production.

The Loan interest, which represents over eighty-three percent (83%) of the revenue stream of CCCU, was impacted by reduced rates offered to member for loans. This rate reduction resulted in a growth in the loan portfolio while interest income fell when compared to previous years.

The loan demand has seen an up take with loans granted up from \$10.23m in 2021 to \$15.38m, a greater part of this movement towards the last quarter of 2022. This upward trend should continue into 2023 with expected growth. Members must continue to support our Credit Union because only via our loan portfolio will we continue to grow and provide returns via dividends.

Loans liquidated over the period 2019 to 2022, totalled \$20.03 million (2019-\$4.33m, 2020 - \$6.61m, 2021 - \$3.55m and 2022- \$5.54m).

To assist members over the 2022 period, the **Skip – Ah – Pay** facility was continued with over one hundred and three (103) members utilising this facility to skip up to a maximum of two (2) payments. In addition, twenty-nine (29) members were assisted by the Credit Union in



subscribing to First Citizens Bank Shares Additional Public Offering to diversify their existing investment portfolio.

Under the International Financial Reporting Standards 9 (IFRS 9) a yearly provision must be made for non-payment of delinquent loans. This requirement impacted our surplus again this period though the provision was not as significant as previous years. Delinquency however continues to be an ever-proverbial thorn in our side as the current state of the job market leaves members with lower incomes and job loss which impact their ability to make payments. We ask that you reach out to us so we can assist and not leave your credit union as last resort for payments.

I am pleased to advise that the Board has proposed a dividend of 1% despite the current financial position as we continue to support our Credit Union.



Kevin Ruiz

General Manager – Treasurer

Resolutions

1. BE IT RESOLVED THAT a dividend of 1% be declared for the year 2022.
BE IT FURTHER RESOLVED THAT the dividend be credited to members' accounts by April 01, 2023,
AND BE IT FURTHER RESOLVED THAT the dividend payment be made to either of the following:

Shares Account
Retirement Account
Loan Account

AND BE IT FURTHER RESOLVED THAT any account which is in arrears, the said sum be credited to outstanding loan and interest.

2. BE IT RESOLVED THAT the firm BOB GOPEE AND ASSOCIATES be appointed as the External Auditor for the years 2023.
3. BE IT RESOLVED THAT for the period January 2023 to December 2023 a sum of Two Hundred Thousand Dollars (\$200,000) be allocated for payment as a stipend for all officers. The Board of Directors shall determine the amount per office.
4. WHEREAS provisions are made in the Co-operative Societies Act and the Society's Bye Laws for Maximum Liability; BE IT RESOLVED THAT THE Annual General Meeting authorise the sum of \$40,000,000 as the Maximum Liability and that a request be made to the Commissioner for Co-operatives to give final approval

