

# **SUPERVISORY COMMITTEE REPORT**

## **FINANCIAL YEAR 2018-2019**

### **MAY 24TH, 2019**

A pleasant good evening: Invited Guests, President and Members of Board of Directors, Fellow Officers, Management and Staff, Members of Saint Martin Credit Union.

The Supervisory Committee had one elected member at the last Annual General Meeting, in the person of Mrs. Irma Sanchez who agreed to serve another term, after no other nominations were made. The Committee members met immediately after to develop a new work plan for the year ahead.

The Supervisory Committee is tasked with safeguarding all assets of SMCU by ensuring that all financial and operational transactions are carried out according to policy, and for the benefit of all members.

The past year had its challenges at the beginning due to our usual full-time commitments, however, that normalized when the Internal Auditor, Mr. Wilson Vargas was hired in December, 2018. Mr. Vargas has assisted the Supervisory Committee to carry out structured audits guided by an Internal Audit Charter and a very detailed Audit Work Plan that the Committee was once unable to accomplish.

The audits accomplished for the past year at both Head Office and Benque Branch are:

- Vault checks – to ensure the balancing and safekeeping of cash, and other valuable documents
- Surprise Tellers cash count – to ensure that all transactions were accurate
- Delinquency report and verified collection of accounts in arrears
- Monthly financials – to check progress of projected income, verify investments and cash on deposit at banks.
- Monthly Expenses and compared with budgeted amounts - where necessary recommendations have been made to Management and Board of Directors.
- Payroll verification to ensure that all remunerations were as stipulated in approved contracts
- Loans approved by Credit Officers, Credit Management and by the Credit Committee to ensure the Loan Policy Criteria is being adhered to
- Review of Minutes of Board meetings to ensure that the Board of Directors is providing clear guidance to Management
- Addressed members concerns with management
- Met with Management Team to assess and establish clear understanding of the role of the new Audit Department
- Met with External Auditors to discuss key areas for the audit
- Complied with outstanding corrective measures for the Central Bank of Belize which had been identified in their Examination of SMCU in 2017

The Supervisory Committee Members also attended meetings of the Joint Committees, and participated in an Anti-Money Laundering sessions.

We want to express our gratitude to you the members for giving us the opportunity to serve as your overseers at SMCU. To the Board of Directors, Management and staff, members of the Credit Committee and Belize Credit Union League: Thank you for providing the necessary support that enabled us to carry out our duties. A very special heartfelt 'Thank You' to my fellow committee members, Ms. Laura and Mrs. Karen, for their dedication and hard work. Without their commitment we would not have been successful as a team. Mr. Vargasis a great addition to the team. He has made our work more structured and easier since he is at SMCU fulltime, and provides timely reports to the Supervisory Committee and Management. Thank you for your commitment in ensuring internal controls are strengthened and risk minimized.

We have accomplished a lot, there is a lot more to be done but we are satisfied that we worked diligently on behalf of all members.

**Supervisory Committee:**

**Irma Sanchez-Chair**

**Laura Sierra-Secretary**

**Karen Perez-Member**