

TREASURER'S REPORT

70TH ANNUAL GENERAL MEETING

MAY 24, 2019

A pleasant good evening to all our Members, representatives from Central Bank, the Belize Credit Union League, Credit Unions represented and other invited guests. It is indeed my pleasure to present to you a summary of the financial affairs of Saint Martin's Credit Union Limited for the year ending March 31, 2019.

BALANCE SHEET

Total Assets for the year 2018-2019 grew by 16.2% or \$4.6 million, and Member Shares grew by 15% or \$3.3 million. This is an increase as compared to previous year growth rate and translates to a membership committed to Saint Martin's Credit Union.

The loans portfolio also increased by \$1.6 million or 7.5%. This is a clear demonstration that the demand for loans from our members remains high; and remaining committed to meeting your needs in a very competitive market, we expect to introduce new loan programs in the immediate future. This of course is the lifeline of the Institution as interest and other fees received from loans generate income that is necessary to meet our obligations, including the payment of dividends.

We are proud to say that our members are not only borrowing, they must be commended for also paying back. This is demonstrated as our delinquency rate stands at less than 1.6%; the accepted standard is below 5%. It must also be noted that your Credit Committee and Loans Officers continue to exercise due diligence when reviewing loan. You must always remember, it is your brothers and sisters who are lending you in your most time of need.

Our Investments, particularly our term deposits at the commercial banks are yielding very little interest, and it is imperative that your Credit Union manage your money in the most efficient way. In conjunction with this, we have once again met and surpassed the Net Institutional Capital Requirement as we achieve being just below 12% at the close of the financial year, a 2% increase over the mandatory requirement.

STATEMENT OF EARNINGS

Income for the year 2018-2019 grew by \$480,890 or 15.8%, and expenses for the same period increased by \$357,654 or 20.8%. While our expenses grew significantly in 2019, we must note that they are directly related to the opening of our Benque branch, as well as the hiring of required technical expertise as mandated by the regulating authority. Now that these are in place, the credit union can now focus on increasing income. This is very important, because we need to ensure that you are also rewarded for putting your money in our care.

Your Credit Union is pleased to inform that the Net Income for this year is \$1.45 million which represents a 9.3% increase over the previous year.

FISCAL MANAGEMENT

We also continue to work with the regulators to ensure that we remain compliant. It is our belief that a well-managed credit can only result from sound financial management and membership participation and compliance. At the end of the financial year 2018-2019, we are happy to report that we have met or surpassed all regulatory requirements and have made all the necessary allocations to our Education Fund (5%), Guaranty Fund (30%), and Development Fund (1%) from our Net Income.

OTHER SERVICES

We note that we since November 2018 we discontinued our Western Union Money transfer service but we continue to provide other services such as Bill Payment. We also introduced several new loan facilities of which some were promoted during the Christmas and Easter, as well as summer. We also continue with our outreach campaigns to the rural villages in an effort to share our services with them.

MAJOR INVESTMENT

Our biggest investment during year 2018-2019, was the realization of the dream to service our Customers in the Benque/Succotz area. All 1500 of them are now benefiting from a brand new building; the first Branch Office of the Saint Martin's Credit Union. After years of planning and preparations we are pleased to announce that it is finally here. I would like to thank the Board and by extension the entire Joint Officers, Management and Staff for all the support given to make this dream a reality. And of course, to you the members, this building is your building, one that we will be able to use to serve you better.

CONCLUSION

I would like to thank all my fellow Joint Officers, Management and Staff of SMCU and in particularly the Finance Team for their unwavering support during the past year. We (the JO) remain cognizant of the fact that what we do affect the lives of all our members and by extension their families and for that reason we must always have the best interest of the Credit Union at heart. I am happy to have been a part of a team that recorded yet another successful year.

THANK YOU.

Carlton Mckoy

Treasurer

Saint Martin's Credit Union