

**TREASURER'S REPORT**  
**73<sup>rd</sup> ANNUAL GENERAL MEETING**  
**May 31<sup>st</sup>, 2024**

A pleasant good evening to all our members, representatives from the Central Bank, the Belize Credit Union League, other Credit Unions Represented, and invited guests, but most of all a special good evening to all SMCU members owners. 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, 2024.

**BALANCE SHEET**

The Credit Union continues to grow as Total Assets for year ending March 31, 2024, grew by 3.30% or \$1.29M. Total Assets increased from \$37.9M to \$39.2M. This growth, however, while was positive, is below our goals, as we remain committed to work towards reaching pre covid annual growth rates of 10% or higher.

The Credit Union also saw a significant growth in Shares of 7.46% or \$1.88M. This is testament that our members continue to maintain a high level of confidence in Saint Martin's Credit Union as a safety net for them.

In the year ending March 31, 2020, our loans receivable was \$24.1M. However, due to the effects of Covid we spent the next three consecutive years below \$24M. We are proud to say that for this financial year 2024, the CREDIT UNION finally returned to pre covid loan receivables level. Our loan receivables grew by 8.05% or \$1.88M and is now \$25.15M. This is a direct result of the Credit Union's creativity and innovation in packaging loans to meet the needs of its membership, and the execution of revised lending policies.

I am also proud to say that along with our significant growth in the loan portfolio, the Credit Union's delinquency rate of 1.39% is way below the accepted standard of 5%. Of course, your Credit Committee and Loans Officers continued to exercise due diligence when reviewing loans, to ensure that the right loan is issued to the right person. Always remember that we are borrowing from our brothers and sisters, and it is our responsibility to ensure that we repay our loans.

Our investments, particularly in the banks, continue to decline, yielding very little interest rate. The Board of Directors along with Management and Staff continue to look for sound investment opportunities, so that our members can receive higher returns on their shares.

**STATEMENT OF EARNINGS**

Income for the year 2024 increased by 4.22% or \$123,837. Interests from loans, the Credit Union main source of income, continue to grow slowly. This is because of the Credit Union's reduction of interest rates for existing mortgages. In essence, to remain competitive with the major banks, and primarily to assist our membership, the Credit Union reduced interest rates on many of our loan products. This directly impacted on our interest income, and by extension the total income. Expenses on the other hand catapulted for the same period and increased by \$275,556 or 15.1%. This resulted from increases in computer network, salaries and benefits, and the general overall cost of doing business currently. Even

though the Total Income for 2024 experienced marginal growth, and Total Operating Expenses increased significantly, your Credit Union is pleased to inform you that we were still able to make a profit of \$603,121. So, along with reducing interest rates to assist our member owners, the Credit Union was still able to achieve a very modest profit.

### **FISCAL MANAGEMENT**

Your Saint Martin's Credit Union continues 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 2024, as well as in previous years, your credit union met and surpassed the Net Institutional Requirement of 10% with our Education Fund of 5% of Net Income allocated and in compliance.

While the credit union did not undertake any major investment, the focus was on improving our services to our membership. We introduced our revised lending strategy with many attractive loan offers. We continue to improve our ONLINE BANKING SYSTEM, which could not have come at a better time.

### **CONCLUSION**

As the Credit Union continues to mitigate external challenges, which not only affect our membership, but everyone both local and abroad, we must remain focused to manage the interest of our member owners with due care and attention. The cost of living continues to increase, while income remains stagnant, we are at a point where fiscal management is even more important for survival. We need to be more innovative in serving our customers. And I must say that is exactly what your Credit Union is doing, hence the reason we remain a viable option for meeting the needs of the membership, a membership of almost 11,000 strong and growing.

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 years. We (the JO) remain cognizant of the fact that what we do affects the lives of all our members and by extension their families, and for that reason we must always have the best interest of Saint Martin's 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