

# BOARD OF DIRECTORS' REPORT

## Overview

Brothers and Sisters, once again the Board of Directors is pleased to report yet another year of creditable performance particularly considering the prevailing economic environment.

The Credit Union registered commendable growth in loans while achieving reduced delinquency for this fiscal period. Membership growth continued to thrive and was recorded at 6.2 percent. A net surplus of \$11.1 million prior to appropriations was recorded by the Credit Union and its subsidiary CAPITA Financial Services Inc.

The Credit Union's performance continued to be impacted by the adversities within the economy. As members' disposable income dwindled and in some instances disappeared as a result of job loss, the Credit Union responded with strategies suited to these circumstances.

We remain committed to implementing programmes, strategies and initiatives which can be customised or tweaked to meet individual needs as appropriate. At the same time we will continue to seek out strategic, sustainable and developmental growth opportunities, so that your Credit Union remains viable in this dynamic and extremely competitive marketplace.

## Serving Members' Needs

As job losses and retrenchment became a reality for our members, the Credit Union took action through outreach programmes aimed at cushioning the harsh impact linked to the situations. The initiative, though general, was customized to suit individual needs. Access to in-branch personnel was enabled via a telephone hotline service, specifically put into operation to ensure accelerated and ready-contact with credit union officers. Access was also available through online channels where requests for consultation were made and managed. Apart from financial counselling which is readily available at no cost to members, the bulk of the activity related to this initiative was linked to the restructuring of loans.

Mindful of the certainty that the incidence of job losses will not quickly leave us, the Credit Union remains committed to assisting members. It is the intention of your Board of Directors therefore to increase appropriation levels associated with the established Social Outreach programme. This is specifically focused on cushioning the impact of the prolonged economic recessionary period on members.

Recent challenges linked to the pursuit of professional development through tertiary education at our own University of the West Indies is firmly affixed to the Credit Union's radar. To address this situation and cater to the needs of this member sector, a new educational loan facility, the Student Loan, was recently rolled out.

Training and development remains a cornerstone of the co-operative model and is certainly the bedrock of this Credit Union's success. As we continue to support and place people

and their needs at the centre of all we do – our members, our employees and the community we serve – we will continue to thrive and succeed. This will be realised by providing internal and external training necessary to build on and enhance the knowledge base required for success. Putting people first continues to be a win/win strategy.

Of specific note by way of training and development during the year were the Thrift Club Easter Seminar, Thrift Club Summer Camp, general Member Information Sessions and the Representatives Association.

For the past seven years the Credit Union has hosted the Thrift Club Easter Seminar. This developmental seminar for teens 13 to 16 years has as its primary objective, equipping our young members with enduring life skills. Emphasis is placed on the development of their critical thinking and problem solving skills. There is also a consistent link to the key aspects of financial literacy for young people. We see this as an investment not only in the future of our local credit union movement but as a contribution to a more financially literate Barbadian society.

Our annual Thrift Club Summer Camp continues to be very sought after. This activity caters to our Thrifty Infants, Juniors and Teens - children 4 to 16 years old. Providing a safe, fun-filled, learning environment for children during the summer holidays is our prime objective. The Credit Union subsidizes the cost for this five week event.

The Credit Union also launched the Thrift Club School Savers Programme at the primary and secondary school levels. Approximately sixty students at the Princess Margaret Secondary School and the Westbury Primary School are now participating in this programme with more schools to join in the near future.

Member information sessions held quarterly for the Credit Union's general membership, not only provided information on the Credit Union's products and services, but also sought to ensure timely information sharing relevant to our membership.

Members of the Credit Union Representatives Association are invited to attend regular training sessions; usually quarterly. The main objective of these sessions is to ensure that representatives are familiar with the Credit Union's products and services and are therefore well equipped to assist in promoting the credit union difference within their organisations and communities.

## Service Quality and Channel Expansion

The Credit Union remains committed to service excellence. Consistent with the objective articulated in our mission statement, we will therefore spare no effort in addressing and resolving matters related to service which are less than ideal. Existing service levels are under review. Focused strategy and dedicated attention will be engaged to ensure that service level issues are addressed and fully resolved with utmost priority. In