

# BOARD OF DIRECTORS REPORT



**President**  
Bro. Raphael Holder

## Dear Members

We are pleased, once again, to engage you as we seek to progress and improve our beloved Credit Union and its associated subsidiaries.

Our continuous trend of viability materialized during the period under review, as net surplus of \$16M was realized. Asset and deposit growth was sustained, in spite of the reality of a recessionary economic environment.

Consistent with maintaining prudent management paramount in our operations, special attention was paid to our delinquency portfolios, which remained under tight control. Over the past two years, we proactively sought to prevent default through various strategies, as well as ensure that our members had available cash flow to service personal demands.

## Capita Financial Services Inc.

The acquisition of this entity seven years ago, provided us with increased financial options and a gateway to the region. To date, it has proven to be a justifiable decision, as the company has gradually grown from strength to strength. The past financial year recorded modest improvement, against the backdrop of increased stiff competition amongst its peer group. The parent company will continue to provide the necessary support to ensure its continued viability by embarking on a strategy of revenue stream diversification.

## Capita Insurance Brokers Inc.

This company provides the Group with required uniqueness within the prevailing business ambit. In spite of its state of infancy, it still managed to attain a satisfactory profit. Plans are on-stream to revisit its product suite.

## Community, Social & Philanthropy Outreach

We continue to observe our standard ethos in this regard, ensuring that we impact the lives of many in a positive manner.

The social outreach individual program, continues to serve its critical purpose, assisting those members who have been severely affected by adverse financial circumstances.

In addition, our acute focus on the youth continues to gain momentum, as we invest heavily in this demographic of our population. The opening of a youth co-operative at the Springer Memorial Secondary School was another of many to come within our secondary institutions. Our usual Thrift Club offerings are flourishing, with overall membership growing appreciably.

The Legacy Foundation, Registered Charity No. 978, the Credit Union-owned charity established in 2009, made a major donation to the St Leonard's Boys Secondary School, in the form of a state-of-the-art music laboratory. This facility ably supports the future of music on the island and provides the perfect outlet for youth to both create and express, starting in the case with the fitting amenities in the school setting.

The Charity in itself has been transformed, with an increased ambit, ensuring that our outreach extends both locally and regionally, in line with our profile. An event to highlight the Foundation is targeted for July 2017.

## Corporate Governance

Defined broadly as the mechanisms, processes and relations by which corporations are controlled and directed, this area is constantly under review by the Credit Union's Board of Directors. The group Corporate Governance Committee has been assiduously refining the original governance model. These enhancements underpin an infrastructure designed to reinforce accountability, transparency and compliance across all entities. Guidelines provided by our various regulators, industry best practices and the distinctive nuances of our operations, are all major elements of the governance framework. The Board of Directors will continue to be relentless in championing good corporate governance, as it is essential to ensuring the sustainability of the Credit Union and its subsidiaries.

## Customer/Member Experience

Always aware that improvement is critical in this area, a group sub-committee was formed to address any pertinent issues. A thorough review was conducted on internal procedures,