



St. John's
CREDIT UNION LTD

67th AGM
ANNUAL GENERAL MEETING



Realize YOUR DREAMS

ITVET | BELIZE CITY
SATURDAY 25TH MAY, 2013
1:00 PM



CREDIT UNION PRAYER

PRAYER OF ST. FRANCIS DE ASSISI

**Lord, make me an instrument of thy peace
Where there is hatred, let me sow love;
Where there is injury, pardon;
Where there is doubt, faith;
Where there is despair, hope;
Where there is darkness, light; and
Where there is sadness, joy.**

**O divine Master, grant that I may not
So much seek to be consoled as to console;
To be understood as to understand;
To be loved as to love;
For its is in pardoning that we are pardoned;
And it is in dying that we are born to eternal life.**

**Bless O Lord our deliberations, and grant that
Whatever we may say and do, will have thy
Blessing and guidance
Through Jesus Christ Our Lord,**

AMEN

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AGENDA

The 67th Annual General Meeting St. John's Credit Union Limited

1. **MEETING CALLED TO ORDER**
2. **OPENING PRAYER** - One moment of silence for deceased Members
3. **WELCOME REMARKS** - President, Mr. Eric Eusey
4. **CONFIRMATION OF MINUTES**
5. **MATTERS ARISING FROM THE MINUTES**
6. **PRESENTATION OF REPORTS**
 - a. Board of Directors - Mr. Eric Eusey
 - b. Supervisory Committee - Mr. Dale Cayetano
 - c. Credit Committee - Mr. John Swift
 - d. Treasurer - Mrs. Alvan Haynes
7. **OPEN DISCUSSION**
 - a. Declaration of Dividends
 - b. New Business
 - c. Other
8. **DRAWING OF PRIZES**
9. **ADJOURNMENT**

MESSAGE FROM THE PRESIDENT

It is my distinct pleasure to warmly welcome you, our members, invited guests and friends to our 67th Annual General Meeting. St. John's Credit Union has been growing and remains strong over all these years. The year just completed has added to our strength. We have been able to increase our assets whilst our return on profits has been reasonable. It has been a very engaging exercise to keep operating costs under control whilst extending services to all our members. We are satisfied that we have accomplished that; operating within our means, whilst meeting our members' needs.



The world can be a difficult and challenging place to live if you cannot make your financial ends meet. Fortunately, for many of us, the credit union has become the bulwark against financial distress. The price of crude oil and other commodities have remained high on the world markets, therefore keeping the cost of goods and services high, and by extension the cost of living, high. Government Financial Institutions across the world have extended extraordinary and unprecedented amount of credit to the financial markets in order to prevent a financial collapse of the world's economy. How can individuals and families make ends meet, in an environment where costs keep going up and income does not? The quick answer is by utilizing credit. Your credit union can provide you with the credit you need to keep afloat in these financially troubled times. Encourage your friends and family to join and make use of the services that your credit union offers. Your future will be more comfortable and safe through your credit union. When you save you invest in yourself; when you borrow you invest in yourself and your community. Yes, your credit union helps in building your community through the loans and many services it provides.

We live in a competitive environment. Many other financial institutions also offer loans and services. Credit unions in Belize have been offering the lowest rates on loans for years. The competition is now trying to offer lower rates, but I urge you to examine and explore the credit union difference. We offer lower rates on loans, low rates on fees, free insurance in case of demise, sharing in the profits, low cost burial scheme and a community spirit. Do not be phased by the offerings of the competition, just compare the difference and you will be reassured that your credit union has the better plan over time. The credit unions are member owned; why invest in any other kind of financial institution when you can develop your own.

Fellow credit union members your future is before you, grasp it, embrace it, and engage fully the services of your credit union. Seize the opportunities as they occur and shape your future. Do not allow somebody else to shape it for you. Remember with your credit union many things are possible.

Mr. Eric Eusey
President

**MINUTES OF THE 66TH ANNUAL
GENERAL MEETING OF
ST. JOHN'S CREDIT UNION LTD.
HELD ON THE 26TH MAY, 2012,
AT BELIZE ELEMENTARY SCHOOL AUDITORIUM**

PRESENT WERE:

BOARD OF DIRECTORS

Mrs. Valerie Jenkins	-	President
Mr. Eric Eusey	-	Vice- President
Mr. Rueben Gordon	-	Secretary
Mrs. Elsie Sylvestre	-	Director
Mr. William Tillett	-	Director
Mr. Kenneth Garbutt	-	Director
Mrs. Daisy Dawson	-	General Manager

CREDIT COMMITTEE

Mr. Barrymore Smith	-	Chairman
Mr. Victor Guerrero	-	Member
Mr. John Swift	-	Member

SUPERVISORY COMMITTEE

Mr. Alvan Haynes	-	Chairman
Mr. Dale Cayetano	-	Member

ABSENT

Mrs. Brenda Armstrong	Out of Country
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The meeting was called to order at 1:45pm by the master of ceremonies, Mr. George Smith. The National anthem was played followed by the recital of the prayer of St. Francis of Assisi. A moment of silence in honor of deceased members was then observed. After welcoming all to the Annual General Meeting, including sister credit unions: Holy Redeemer, St. Francis and La Inmaculada, the President, Mrs. Valerie Jenkins was called to make her opening remarks.

In her comments she noted that St. John's Credit Union experienced moderate growth in spite of general deteriorating economic conditions which Belize, like many other countries of the world, was facing. She reminded members that although the credit union's goal is not primarily for profit it must generate capital to ensure its solvency. She cited delinquency as the main challenge faced by

St. John's Credit Union and other credit unions today. She urged members to do their part to make St. John's achieve its full potentials by saving regularly, borrowing wisely and repaying promptly.

She closed by reminding members that credit unions, as the 2012 International Credit Union Theme stated, can really build a better world for all of us if we participate in and promote the credit union movement.

CONFIRMATION OF MINUTES

The minutes of the 65th Annual General Meeting was presented by the secretary of the B.O.D, Mr Reuben Gordon. The minutes was accepted on a motion by Mr. Ernett Tillett, and seconded by Mr. Joseph Martinez.

MATTERS ARISING FROM MINUTES

There were no matters arising from the minutes of the 65th Annual General Meeting.

REPORTS

BOARD OF DIRECTORS:

The Board of Directors' report was presented by the President, Mrs. Valerie Jenkins who noted that the credit union experienced modest growth in spite of many challenges. She spoke of the Annual Planning Retreat which afforded the Board and staff the opportunity to address the vital issues of the credit union, setting goals and objectives that are critical to success and development.

She continued, referring to the good working relationship between St. John's Credit Union and the Belize Credit Union League, especially in the area of cooperation through training, technical assistance and programming such as the Belize Rural Finance Project. She cited two other examples of partnership in which St. John's was involved: the \$50,000 investment in the Belize Credit Union League's building fund; and the establishment of the B.N.E. / St. John's Credit Union Grant Fund for on-lending for education.

She mentioned the benefits St. John's derived from training for its officers and staff at international fora such as the annual CCCU conference and at the local level, through the Central Bank of Belize and the Belize Credit Union League.

She spoke of the need for office expansion, and pointed out that the relocation of the Belmopan branch office to a bigger and more central site in down town Belmopan was the priority. She also mentioned the establishment of the Dangriga branch in November, 2011, and the provision of additional office spaces on the upper floor of the Belize City office building.

Mrs. Jenkins informed the members of new services, mentioning the activation of the ATM services in February, 2012, which affords the members access at five (5) other credit unions and Heritage Bank; and the Western Union service which were due to commence shortly.

She reported that there were three new additions to staff and one transfer.

She concluded her report by listing credit union week activities in which St. John's was involved, and acknowledged the credit union's major achievement for the year under review. She also reminded members of their responsibility to help the growth of their credit union by taking advantage of the services offered and repaying loans promptly, thereby helping to reduce the threat posed by delinquency.

This report was accepted on a motion by Miss Sheila Samuels, which was seconded by Mrs. Teresita Grajales.

SUPERVISORY COMMITTEE:

This report was presented by the chairman, Mr. Alvan Haynes. He opened this report by citing the various challenges faced by the credit union during the past year, noting pressures brought on by a depressed financial environment and a high delinquency rate. He noted that the delinquency rate was above the accepted norm, and consequently management and staff would have to make greater efforts to reverse these trends to more acceptable levels, thus improving the credit union's viability and profitability.

He added that the Supervisory Committee worked diligently and actively with the aid of the Internal Auditor, examining the records and activities at all three branches of the credit union. He noted that through the vigilance of this committee and the quick action of management a case of fraud was discovered and dealt with expeditiously which resulted in no loss to the credit union.

In closing he reported improvements in internal controls ;and he was pleased that policies and procedures implemented were adhered to .This led his committee to conclude that the records of St. John's Credit Union were properly maintained and were in satisfactory order.

Miss Elizabeth Vasquez moved for the acceptance of this report, seconded by Mrs. Sylvia Flores.

CREDIT COMMITTEE:

This report was presented by committee chairman, Mr Barry Smith. He commented on the challenging economic times which directly impacted the loan portfolio in a negative way, resulting in a 33.9% decrease in the amount of monies loaned during the period under review. He observed that in spite the depressed economy loans disbursed during the last year were performing, but warned about the need to monitor loans closely in an effort to better control delinquency. He recalled efforts made, in view of hardship experienced by some members, to restructure loans, especially mortgage loans, to encourage and facilitate more borrowing on easier terms.

Members were encouraged to utilize the services of the credit union, thereby contributing to the development and growth of an organization in which they have invested as shareholders. He presented the following totals of loans disbursed at the two credit union offices for the past year:

Belize City	3814 loans totalling	\$5,295,599.00
Belmopan	2130 loans totalling	\$2,613,007.00
Grand totals	5944 loans totalling	\$7,908,606.00

In closing he acknowledged those members in good standing and reminded others who are not, to come into the credit union and speak to our helpful staff who are always willing to help them get back on track.

Motion for acceptance of this report was made by Mrs. Imogene Watson and seconded by Mrs. Isolene Augustus.

MANAGER'S REPORT:

The Manager began by appealing to members to be responsible and pay loans promptly and save regularly in order to build St. John's Credit Union for all of us. Continuing, she cited factors which negatively impacted the performance of the credit union during the fiscal year, 2011-2012. These were (1) the global economic downturn, (2) reduced interest rates at local banks, (3) a \$150,000 (shares) loss in the Belize Unit Trust, and (4) Delinquency. She noted that as a consequence St. John's Credit Union worked diligently with the help of its staff, officers and members to ensure that, although somewhat small, members could get a return on their savings.

She admitted that the year in review was a challenging one for the credit union, and reminded members that in challenging times we should be creative enough to turn challenges into opportunities, using experiences gained to move forward positively in pursuit of the common goal of building our credit union. However, she explained that our goal of success could be realized only if all concerned join in the campaign to eradicate and defeat the foremost enemy of all lending institutions like ours, DELINQUENCY.

Commenting on the growth of the credit union during the past year, she presented the following figures:

Assets: \$38,800,924 = 7% growth
Shares: \$25,818,590 = 13% growth
Loans: \$22,212,596 = 3% growth
Net profit: \$1,083,506

In closing the Manager urged members to remain current with their savings in order to qualify for their benefits including the Burial Scheme; and she thanked officers, staff and members for their loyalty, dedication and cooperation which helped and will continue to help St. John's Credit Union in its quest for excellence in the delivery of services to its members.

AUDITOR'S REPORT:

The auditor's report was presented by Mr. Eric Eusey. He explained that the auditor gave a Qualified Report due to the fact that there the credit union was not fully provisioned as it relates to its bad debt portfolio. The report noted that apart from this scenario the credit union's financials were in order.

According to the report, the following figures represented the financial position of St. John's Credit Union Limited as at the 31st March, 2012:

Assets: \$38,800,924.00
Net Income: \$ 1,083,507.00

This report was accepted on motions moved and seconded by Mr. Roy Flowers and Mrs. Cathy Lenares respectively.

QUESTIONS FROM THE FLOOR

After the various reports were presented, questions were entertained from members. The following is a record of those questions:

1. "Can ATM withdrawals be done at any branch of the credit union?"
2. "Why was less food and refreshment provided this year?"
3. "Why are there no souvenirs this year?"
4. "Why wasn't the \$150,000 which was lost in the Unit Trust investment insured?"
5. "Why such a low dividend is paid this year?"
6. "Why don't all of the security guards carry gun?"
7. "How did the loss in the Unit trust happen?"
8. "Will credit unions lower their lending rates like other institutions such as the banks?"

OTHER BUSINESS

Commenting on the status of plans for the building acquired next door to the Belize City credit union office building on Basra Street, the Vice-President, Mr. Eric Eusey, explained that we have the drawings and estimates and would proceed to expand the office shortly.

Members wanted to know when the new Belmopan Branch office will be opened at its new location. The President informed that restoration work was still in progress, and that the project would be completed by June, 2012.

Members expressed concern that while income was low which resulted in a low dividend, there was plan to expand the Belize City office. The President explained that such a capital project would not impact dividend.

A member wanted to know how contractors are selected for the credit union's building projects. It was explained that contracts are put out to tender where a minimum of no less than three (3) bids are accepted for consideration.

A member was concerned that he had a death in his family, and so far did not benefit from the Burial Scheme. It was explained to him that this was because he did not present a claim at the office, and that it was not too late to do so.

It was suggested that when the expansion project for the Belize City office is undertaken, we do a building with style and elegance which would look posh.

DECLARATION OF DIVIDEND

A dividend of 2% and a 3% rebate was presented and approved.

NEW BUSINESS

ELECTIONS:

Elections were held to fill two vacancies on the Board of Directors; one vacancy on the Supervisory Committee, and two on the Credit Committee. Successful candidates were:

Board of Directors: Mr. Alvan Haynes and Mr. Barry Smith
Credit Committee: Mr. Victor Guerrero and Mr. William Tillett
Supervisory Committee: Mr. Keith Westby

PRIZES

Prize winners for the evening were:

Children:	1.	\$500.00	Kriston Mejia	#845048
	2.	\$250.00	Anaya Bermudez	#844984
	3.	\$25.00	Zaire Obi	#845142
	4.	\$25.00	Shaneika Perez	#845089
	5.	\$25.00	Joslyn Usher	#845128
	6.	\$25.00	Wellington Arana	#845139
	7.	\$25.00	Ramaine Arnold	#844996
	8.	\$25.00	Elston Baizar	#844999
	9.	\$25.00	Jarain Lockwood	#845054
	10.	\$25.00	Jasmine Betson	#845040
	11.	\$25.00	Etheny Cayetano	#844995
	12.	\$25.00	Avery Rudon	#845110
Adults:	1.	\$1000.00	Delcia Avila	#674341
	2.	\$500.00	Myrna Ferguson	#674151
	3.	\$75.00	Betty Andrewin	#674306
	4.	\$75.00	Anelcan Chan	#674253
	5.	\$75.00	Santana Palacio	#674291
	6.	\$75.00	Lola Simon	#673977
	7.	\$75.00	Winfield Middleton	#673878
	8.	\$75.00	Ian Fairweather	#673923
	9.	\$75.00	Norberto Pineda	#674285
	10.	\$75.00	Garret Palacio	#674162
	11.	\$75.00	Tanisha Cassasola	#674052
	12.	\$75.00	Ruth Tillett	#674184

ADJOURNMENT

The meeting was adjourned at 5:30 pm on a motion by Mr. William Tillett, which was seconded by Mr. Roy Flowers.

Minutes taken and prepared by:



Reuben Gordon
Secretary Board of Directors

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REPORT OF THE BOARD OF DIRECTORS
ST. JOHN'S CREDIT UNION LTD.
APRIL 1ST 2012 TO MARCH 2013

The Board of Directors welcomes you, our members, to the 67th Annual General Meeting and takes pleasure in presenting its report for the year ending 31st March 2013.

At its first business meeting the new Board elected Mr. Eric Eusey as President, Mrs. Valerie Jenkins as Vice President, Mr. Reuben Gordon as Secretary and Mr. Alvan Haynes as Treasurer.

1. The year under review was a very challenging one for us. Some of the issues concerning us were high loan delinquency, low borrowing from our members, and strong competition from other financial institutions. The officers and staff realized it would take some hard work and many meetings and planning for our credit union to see a way forward.

The Credit Control Department was put under new supervision in the person of Ms. Shawn Welch. Efforts to collect on delinquent loans were redoubled coupled with more stringent control measures. The department was able to reduce the delinquency rate from 12.4% to 8% at the end of March 2013.

With the introduction of a new loan product "Fast Line" and our marketing Department our loan portfolio increased by \$4.9 million dollars or 22%. Diligent and committed work by our staff garnered increase in membership by over 2,000 to a figure of 19,574. Whilst these results were positive the cost of business remained high. These efforts help to offset some of our challenges and made us realize a modest profit. Even so we are able to return a modest profit on operations for the year.

ANNUAL RETREAT

2. Instead of our annual retreat your Board decided on a one day workshop as part of a rebranding exercise where we decided on a new logo and tagline for our credit union. The new tagline is "Safe savings, Smart borrowing." The workshop was attended by officers and staff and facilitators were drawn from amongst ourselves.

CAPITAL RESTORATION PLAN

3. St. John's Credit Union in an effort to meet the reserve requirement in the Guaranty Fund undertook to develop a Restoration Plan detailing how we would restore the Capital to 10% as required by the Credit Union Act. We submitted a comprehensive plan detailing how the Guaranty Fund would be restored to strong position in five (5) years to the Registrar of Credit Unions on June 2012.

OFFICE EXPANSION

4. The new Belmopan Office located on Constitution Drive will be opened on the 8th. June 2013. The building and grounds will be aesthetically pleasing welcoming old, new and prospective members. A decision was made to refurbish the present Belize City building and not joined into the adjacent building. It was agreed it would be more prudent to sell the building and explore other options of expansion at a later date.

C.C.C.U CONFERENCE

1. The Annual C.C.C.U conference was held in Montego Bay, Jamaica in celebrating 2012 as the “Year of the Cooperatives”. However, your credit union elected not to send any delegates due to the high costs associated with the conference.

TRAINING

The Board supports various training exercises annually for officers and staff so that we can deliver better services to our members.

These training exercises are realized both locally and internationally. During the year under review our officers and staff benefitted from the following training:

- ATM training
- Credit Union Governance
- Supervisory Committee
- Western Union
- Growing the Credit Union Loan Portfolio
- Emortelle Software
- Microfinance (Barbados), this was made possible through the Belize Rural Finance Program

We are proud to report that our General Manager was selected from among other applicants to represent Belize in “Engendering Access to Financial Services” in India. This training which was sponsored by the Commonwealth Secretariat was held in February 2013.

NEW SERVICES

2. The new loan product “Fast Line” launched in September 2012 is very popular with our members especially the young working population. The Credit Union was also able to launch Western Union Services in October 2012. In the not too distant future you our members will be privy to additional services making St. John's Credit Union a “one stop” financial institution.

STAFF

In order to better serve our membership reconfiguration of staffing was done:

- Ms. Shawn Welch was hired as Credit Control Supervisor
- Ms. Kristene was promoted to Member Services Representative when Mr. Ronald Stuart resigned in August 2012
- Ms. Nellie Waite was promoted to Loans Officer (Fast Line)

PARTNERSHIP AND OUTREACH

St. John's Credit Union continues to work closely with the Belize Credit Union League as its major partner. In October 2012 we attended the League's annual convention and banquet as well as the various workshops which were held at the ITVET Center in Belize City.

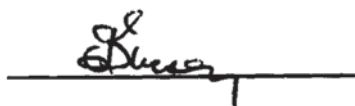
During Credit Union Week 2012, we sponsored our annual community fair at both our Belmopan and Belize City offices. We took that as an opportunity to interact with the public and agencies such as the Police Department, Red Cross and others.

Along with the Belize Credit Union League and its affiliates, St. John's Credit Union participated in a Finance Fair sponsored by the Belize Chamber of Commerce and Industry in March 2013. St. John's also participated in a discussion with the League and the International Development Bank (IDB) on a new project entitled "Enhancing Credit Unions Member access through technology".

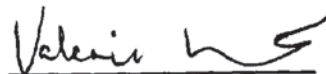
Our scholarship program continues and currently we have three (3) students in high school, namely: Aldesha Wade (Wesley College) Brithny Watters (Wesley College) and Dominique Gabourel (St. John's College).

The Board of Directors takes this opportunity to thank its members for actively taking part in the services of the Credit Union, whether it was to save or negotiate a loan or some other service. We also say thanks to our officers and staff for the hard work they have put in this year to make St. John's a successful Credit Union.

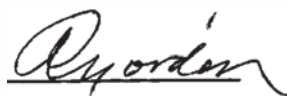
The Board of Directors takes this opportunity to thank its members for actively taking part in the operations of the Credit Union, whether it was to save or negotiate a loan or some other service. We also say thanks to our officers and staff for the hard work they have put in this year to make St. John's a successful credit union.



Eric Eusey
President



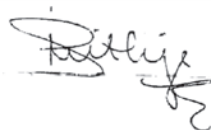
Valerie Jenkins
Vice-President



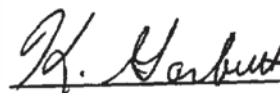
Rueben Gordon
Secretary



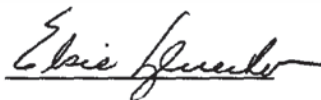
Alvan Haynes
Treasurer



Barrymore Smith
Director



Kenneth Garbutt
Director



Elsie Sylvestre
Director

SUPERVISORY COMMITTEE ANNUAL REPORT ST. JOHN'S CREDIT UNION LTD. APRIL 1, 2012 TO MARCH 31, 2013

The Year 2012-2013 was fairly successful in the realization of our growth. There was significant stride in our asset growth and loan portfolio with the introduction of a new product, the Fast Line of Credit. The returns on financial investments have remained the same where the banks remained stagnant on offering reduced interest on term deposits. Furthermore, the Central Bank, in its regulatory role as Registrar of Credit Unions, has been monitoring us even more and placing great emphasis on ensuring that all Credit Unions meet the World Council of Credit Union ratios and standards as embodied in the PEARLS system. Needless to say, all of the above have combined to place St. John's Credit Union to ensure our continued viability while at the same meeting our other objectives, including providing a return on investment to our members.

Of major concern, is the delinquency or non-performing loans. The Supervisory committee congratulates the Credit Control Department on an excellent job where actions on non-performing loans have been taken. We have a significant reduction in the delinquency rate from 12.5% to 8% over the past fiscal year. St. John's Credit Union has hired a new Credit Control Supervisor who has worked arduously in ensuring that non-performing loans are dealt with. Over the past fiscal year this reduction we have seen from 439 to 236 non-performing loans. Unfortunately the delinquency ratio is above the accepted norm but Management along with the Credit Control Department are putting in great efforts to reach the PEARLS standard of 5%. We encourage members to save safely and borrow smartly to reduce delinquency.

The Supervisory Committee continues to monitor the delinquency position and is pleased to report that our delinquency reporting and monitoring has improved significantly over the year. Unfortunately though, the delinquency ratio is still well above the accepted norm. Management and staff, and in particular, the Delinquency Unit, will have to put in great efforts to reach the required levels in this area. Every failure with regard to the recovery of delinquent loans results in a direct loss to our Credit Union, which adversely affects not only our reporting ratios, but also our available cash, and ultimately reduces the profits and therefore the dividends to each of you. Members are encouraged to push known delinquent members, including themselves if they are in that category, to visit the offices to reinstate their loans into good standing.

The Supervisory Committee, with the aid of the Internal Auditor, followed its statutory mandate to examine the affairs of the Credit Union. Activity included inspection at all branches, reviews of transaction registers and checks of daily activities to ensure compliance with procedures and regulatory controls. Additionally,

spot checks of individual transactions such as loan approvals, disbursements and withdrawals and of cash tills were also conducted.

In general, we are pleased to report that policies and procedures were properly adhered to and the records of SJCUC were found to be properly maintained. All required monthly and regulatory reports were prepared and submitted to the Registrar of Credit Unions, and to the Belize Credit Union League.

Respectfully submitted



Dale Cayetano
Chairperson



Brenda J. Armstrong
Member



Keith Westby
Member

Credit Committee Report **April 1, 2012 to March 31, 2013**

Good afternoon one and all to the 67th Annual General Meeting (AGM) of St. John's Credit Union Limited. It is pleasure to address all gathered here today, and those at large, much as it does for the committee when we meet with members weekly.

My fellow members, St. John's Credit Union maintain its aspiration to build our communities by offering credit to members to fund their projects or to fulfil their financial needs. The period April 1st, 2012 to March 31st, 2013 was a challenging one for our Credit Union. The period under review brought with it hope as the monies lent to you our faithful members increased by \$4.9 million dollars or 22%. At the close of business on March 31, 2013 total loans disbursed amounted to \$14,575,050. Despite the positive note of decrease in delinquency (from 12.5% to 8%), the need for vigilance in approval of loans is of outmost importance to our credit union since this is the credit union highest income earner.

Throughout the year, your Credit Committee worked with members in reviewing loan applications and providing quality service and advice. In view of the economic struggles which many of our members are enduring the credit union saw the need to revise our loan policies especially in the area of mortgage loans.

The Credit Committee encourages all members to utilize the services and products offered by our Credit Union. All members are important to the development and growth of our credit union hence they should adapt a balanced system of borrowing and saving.

The table on the following page provides a summary by category and quantity of the loans disbursed by our three branches.

In closing, the Credit Committee comprising of Mr. Victor Guerrero and Mr. William Tillet and myself (John Swift) takes this opportunity to acknowledge members who continue to support and build our credit union. The Credit Committee commends the

LOANS ISSUED APRIL 1ST 2012 TO MARCH 31ST 2013								
	BZE	BZE	BMP	BMP	DGA	DGA	TOTAL ENTRIES	TOTAL LOANS
BUSINESS	132	\$993,420.24	1738	\$148,264.72	4	\$4,130.00	1874	\$1,145,814.96
EDUCATION	643	\$723,082.81	314	\$241,864.22	30	\$21,895.00	987	\$986,842.03
HOUSE REPAIRS/CONSTR.	328	\$1,886,712.55	96	\$533,739.75	5	\$4,900.00	429	\$2,425,352.30
LANDFILL/PURCHASE	213	\$65,400.00	18	\$50,110.00	0	\$0.00	231	\$115,510.00
VEHICLE PURCHASE/REPAIRS	198	\$730,018.57	143	\$414,530.96	7	\$7,675.00	348	\$1,152,224.53
PERSONAL	4528	\$4,657,600.95	1656	\$1,243,621.93	255	\$113,765.00	6439	\$6,014,987.88
CHRISTMAS	906	\$240,888.81	8	\$14,550.00	1	\$3,300.00	915	\$258,738.81
FASTLINE	643	\$2,168,800.25	82	\$301,780.05	1	\$5,000.00	726	\$2,475,580.30
GRAND TOTAL	7591	\$11,465,924.18	4055	\$2,948,461.63	303	\$160,665.00	11949	\$14,575,050.81
SUMMARY OF LOANS ISSUED APRIL 1ST 2012 TO MARCH 31ST 2013								
BELIZE CITY OFFICE	7591	\$11,465,924.18						
BELMOPAN BRANCH	4055	\$2,948,461.63						
DANGRIGA BRANCH	303	\$160,665.00						
TOTALS	11949	\$14,575,050.81						

management and staff for their continued support and look forward to brighter year.

Once again, thank you and have a pleasant afternoon.

Respectfully



John Swift
Chairman



Victor Guerrero
Member



William Tillett
Member

A MEMBER

A MEMBER

Is the most important person in any credit union.

A MEMBER

Is not dependent on us. We are dependent in him/her.

A MEMBER

Is not an interruption of our work. He/she is the purpose for it.

A MEMBER

Does us a favor when he/she comes in. We are not doing him/her a favor by serving him/her.

A MEMBER

Is an owner of our business not an outsider.

A MEMBER

Is not just a statistic. He/she is flesh and blood; human beings with feelings and emotions like us,

A MEMBER

Is deserving of the most courteous and attentive treatment we can give.

A MEMBER

Is a person who comes to us with his/her needs or wants. It is our job to fill them.

A MEMBER

Is the life blood of ST. JOHN'S CREDIT UNION LTD. and every other credit union. Without him/her we would have to close our doors.

BOARD OF DIRECTORS



Eric D. Eusey
PRESIDENT | BOARD OF DIRECTORS



Valerie Jenkins
VICE PRESIDENT | BOARD OF DIRECTORS



Reuben Gordon
SECRETARY | BOARD OF DIRECTORS



Alvan Haynes
TREASURER | BOARD OF DIRECTORS



Kenneth Garbutt
DIRECTOR | BOARD OF DIRECTORS



Elsie Sylvester
DIRECTOR | BOARD OF DIRECTORS



Barrymore Smith
DIRECTOR | BOARD OF DIRECTORS





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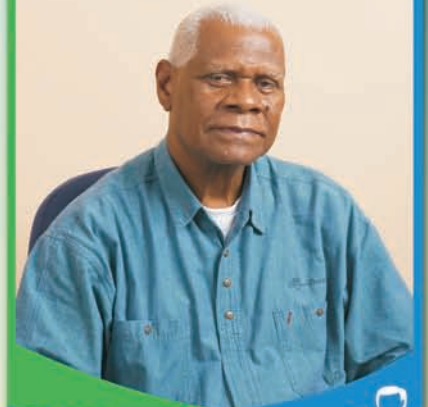
CREDIT COMMITTEE

NO PHOTO
AVAILABLE

John Hoyt
CHAIRMAN | CREDIT COMMITTEE



Victor Guerrero
SECRETARY | CREDIT COMMITTEE



William Tillett
MEMBER | CREDIT COMMITTEE



SUPERVISORY COMMITTEE



Dale Cayetano
CHAIRMAN | SUPERVISORY COMMITTEE



Brenda Armstrong
SECRETARY | SUPERVISORY COMMITTEE



Keith Westby
MEMBER | SUPERVISORY COMMITTEE



TREASURER'S ANNUAL REPORT ST. JOHN'S CREDIT UNION LTD. APRIL 1, 2012 TO MARCH 31, 2013

Despite tough economic conditions within Belize, St. John's Credit Union Limited experienced a fairly solid financial performance in 2012/13 fiscal year, netting a profit of \$1.266 million before bookings for Loan Loss expense. During the year, due to increased liquidity in the market, interest rates on fixed deposits dropped from above 8% to 3%, with the banks often refusing to accept funds as term deposits. The commercial banks have been aggressively competing with the credit union through marketing campaign aimed at attracting the public.

STRATEGIC CHANGES:

SJCU has made several major strategic moves aimed at increasing efficiency and revenues.

1. In September 2012 we introduced a new loan product the "FAST LINE" which is a line of credit that can be given anywhere between \$1,000 to \$10,000. The great feature about this product is that its collateral free but must be serviced either through salary assignment or a deduction order as well the processing time is two (2) working days. With the introduction of this new product the credit union was able to increase its loan portfolio by a whopping 22%.
2. We gained 2,420 new members during 2012/13: Belize City-947, Dangriga 851, and Belmopan 622 which represents a 14% increase.
3. We are pleased to report that with members accessing the ATM services we have seen a reduction in bottleneck which we usually experienced on pay days. The period under review showed that the ATM service some 26,000 transactions valued at a total of \$4.2 million dollars. We encourage those members who do not have an ATM card please visit our offices and apply; it's very convenient in that you are able to access your funds country wide.
4. In October 2012 we have commenced offering Western Union services and will soon be offering bill payment for Belize Electricity Limited as well as Belize Water Services.
5. We are happy to report that we have made great strides in the reduction of delinquency from 12.4% to 8%.

BURIAL SCHEME:

During the year under review even though we lost seventy (70) who passed away only 26 qualified under the scheme. Based on those numbers we paid out a total of \$130,000. The burial scheme reserve has increased from \$109,094 at March 2012 to \$203,333 at March 2013. We encourage those members who do not qualify for the scheme to start saving now so that they may be able qualify next year. Remember a scheme such as this one is intended to ease the burden for your loved ones at the time of your passing.

SUMMARY OF GROWTH:

Description	Mar-12	Mar-13	% Change
Assets	38,800	42,830	10.4%
Shares	25,819	26,823	3.9%
Loans	22,213	27,120	22.1%
Delinquency %	12.4%	8.0%	-35.5%

Figures in BZ\$ '000 except for Delinquency %

All in all, our Credit Union remains strong and vibrant. We know that we need to improve our reserves or Institutional Capital and to bring our delinquency down further to under 5%. We have prepared and are following a restoration plan aimed at achieving these targets within the next 3 years. We ask your assistance to help support and promote SJCUC, our credit union; this in turn will help to bring better returns to you in the future.

I take this opportunity to thank the Management and Staff as well as the officers for their support and commitment for the further development of the credit union and of course it would be amiss of me not to thank our very loyal and dedicated members who continue to stay course with us during these challenging times.

Respectfully,



Alvan Haynes
Treasurer

ST. JOHN'S CREDIT UNION LIMITED

FINANCIAL STATEMENTS (Audited)

MARCH 31, 2013 and 2012

ST. JOHN'S CREDIT UNION LIMITED

March 31, 2013 and 2012

Contents

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Statement of Income and Expenditures	4
Statement of Cash Flows	5
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COYE & ASSOCIATES
CHARTERED ACCOUNTANTS

Auditors' Report

To the Members of St. John's Credit Union Limited:

Report on the Financial Statements

We have audited the accompanying financial statements of St. John's Credit Union Limited which comprise the balance sheets as at March 31, 2013 and 2012 and the related statements of income and expenditures, and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

The Credit Union's Loan Loss Provision is carried in the balance sheet as in Note 5 at \$863,457 (YE2012 at \$524,275). Management has not stated the Loan Loss Provision in accordance with the agreed policy between management and the regulatory body, as a percentage of delinquent accounts by reason of the Statutory Instrument #34 of 2005 of the Credit Unions. As such the Loan Loss Provision would not be considered adequate for the measurement of Member's Loans, which constitutes a departure from International Financial Reporting Standards. The Union's records indicate that had management stated the Provision at the agreed policy, an amount of \$1,383,525 (YE 2012 at \$1,173,623) would have been required for the Loan Loss Provision to be adequate, and to write the Member's Loans down to their net realizable value. Accordingly, operational expenditures or allocation of reserves would have been increased materially by \$520,068 (YE2012 at \$649,348), and net income or reserves would have been reduced, respectively.

(Continued)

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Auditors' Report Continued

Opinion

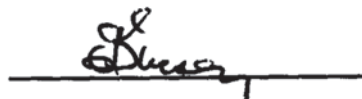
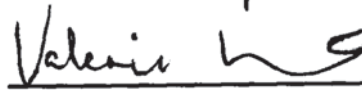
In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of St. John's Credit Union Limited as of March 31, 2013 and 2012 and of its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Coye & Associates
Chartered Accountants

May 17th, 2013

ST. JOHN'S CREDIT UNION LIMITED
BALANCE SHEETS
AS AT MARCH 31, 2013 AND 2012

	<u>Notes</u>	<u>2013</u>	<u>2012</u>
<u>ASSETS</u>			
CURRENT ASSETS			
CASH ON HAND AND AT BANK	3	\$ 916,983	\$ 488,604
FIXED DEPOSIT AND SAVINGS ACCOUNTS	4	5,681,061	6,783,847
LOAN RECEIVABLES (NET)	5	26,256,443	21,688,321
OTHER RECEIVABLES AND PREPAYMENTS	6	<u>381,721</u>	<u>303,790</u>
TOTAL CURRENT ASSETS		<u>33,236,208</u>	<u>29,264,562</u>
FIXED ASSETS	1.b,7	3,120,055	3,061,362
INVESTMENTS	8	6,475,000	6,475,000
TOTAL ASSETS		<u>\$ 42,831,263</u>	<u>\$ 38,800,924</u>
<u>LIABILITIES AND CAPITAL RESERVES</u>			
CURRENT LIABILITIES			
DEPOSITS - MEMBERS		\$ 12,495,201	\$ 10,035,764
MEMBERS SHARES	1.b	25,898,530	24,925,410
ACCOUNTS PAYABLE AND ACCRUALS	9	72,553	21,323
OTHER LIABILITIES		<u>264,956</u>	<u>191,491</u>
TOTAL CURRENT LIABILITIES		<u>38,731,240</u>	<u>35,173,988</u>
LONG-TERM LIABILITIES	11	200,000	200,000
CAPITAL AND RESERVES			
SHARES - Mandatory	13	\$ 199,400	\$ 174,890
SHARES - Voluntary	13	724,860	718,290
GUARANTY FUND	14	1,565,016	1,467,724
UNDIVIDED EARNINGS	15	851,961	601,985
REVALUATION RESERVE	18	354,953	354,953
OTHER RESERVES	16,19	<u>203,833</u>	<u>109,094</u>
TOTAL CAPITAL AND RESERVES		<u>3,900,023</u>	<u>3,426,936</u>
TOTAL LIABILITIES AND CAPITAL RESERVES		<u>\$ 42,831,263</u>	<u>\$ 38,800,924</u>

 Director
 Director

The accompanying notes form an integral part of these financial statements.

ST. JOHN'S CREDIT UNION LIMITED
STATEMENTS OF INCOME AND EXPENDITURES
FOR THE YEARS ENDED MARCH 31, 2013 AND 2012

	<u>Notes</u>	<u>2013</u>	<u>2012</u>
INCOME (SEE PAGE 12)		\$ 3,718,824	\$ 3,439,712
EXPENSES (SEE PAGE 13)		2,753,271	2,356,205
NET INCOME BEFORE LOSS ON INVESTMENT		<u>\$ 965,553</u>	<u>\$ 1,083,507</u>
LOSS ON INVESTMENT	21	-	150,000
NET INCOME		<u><u>\$ 965,553</u></u>	<u><u>\$ 933,507</u></u>
DISTRIBUTION OF NET INCOME:			
10% (30% for 2012) TO GUARANTY FUND	14	\$ 96,555	\$ 280,052
10% TO LOAN LOSS PROVISION	5	96,555	93,351
80% (60% for 2012) TO UNDIVIDED EARNINGS	15	772,443	560,104
		<u><u>\$ 965,553</u></u>	<u><u>\$ 933,507</u></u>

The accompanying notes form an integral part of these financial statements.

ST. JOHN'S CREDIT UNION LIMITED
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
NET INCOME	\$ 965,553	\$ 933,507
Adjustments to Reconcile net income to net cash from operating activities:		
DEPRECIATION	117,344	110,843
LOAN LOSS PROVISION	300,000	351,534
LOSS ON INVESTMENTS	-	150,000
GAIN ON SALE OF PROPERTY	-	(25,124)
Changes in current assets and liabilities:		
DECREASE IN RECEIVABLES AND PREPAYMENTS	(5,042,608)	(1,256,435)
INCREASE (DECREASE) PAYABLES	2,584,131	1,075,452
NET CASH FLOW PROVIDED BY OPERATIONS	<u>\$ (1,075,580)</u>	<u>\$ 1,339,777</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
PURCHASE OF FIXED ASSETS	\$ (176,035)	\$ (461,935)
PROCEEDS FORM SALE OF PROPERTY	-	40,000
REDEMPTION (ACQUISITION) OF LONGTERM INVESTMENTS	-	(85,928)
NET CASH FLOWS (USED) BY INVESTING ACTIVITIES	<u>\$ (176,035)</u>	<u>\$ (507,863)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
NET INCREASE IN SHARES	\$ 1,004,200	\$ 2,209,271
LONG-TERM DEBT PAID	-	(359,375)
DIVIDENDS PAID	(522,468)	(1,140,981)
INCREASE (DECREASE) IN GUARANTY FUND	737	650
(DECREASE) INCREASE IN OTHER RESERVES	94,739	(13,746)
NET CASH FLOWS (USED) BY FINANCING ACTIVITIES	<u>\$ 577,208</u>	<u>\$ 695,819</u>
NET INCREASE (DECREASE) IN CASH	(674,407)	1,527,733
CASH AT BEGINNING OF YEAR	7,272,451	5,744,718
CASH AT END OF YEAR	<u>\$ 6,598,044</u>	<u>\$ 7,272,451</u>
CASH AT END OF YEAR:		
CASH ON HAND AND AT BANK	\$ 916,983	\$ 488,604
FIXED DEPOSIT AND SAVINGS ACCOUNTS	5,681,061	6,783,847
	<u>\$ 6,598,044</u>	<u>\$ 7,272,451</u>

The accompanying notes form an integral part of these financial statements.

**ST. JOHN'S CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT MARCH 31, 2013 AND 2012**

1a. STATUS AND PRINCIPAL ACTIVITY

St. John's Credit Union Limited was incorporated in 1949 under the Credit Union Laws of Belize. The main objectives of the Credit Union is to promote thrift among its members; to receive the savings of members for provident and productive purposes. Its' registered office is located at # 4 Basra Street, Belize City.

1.b. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Union's policy is to prepare its financial statements on a modified accrual basis, revenues are recognized when collected rather than when earned except for interest on Fixed Deposits. Expenditures are generally recognized when incurred.

These financial statements have been prepared under the historical cost convention and are presented in Belize Dollars.

Use of Estimates

The preparation of financial statements in conformity with International Reporting Standards requires management to make estimates and assumptions reported in the financial statements and accompanying notes. Actual results may materially differ from these estimates.

Inventories

Inventories are valued at the lower of cost or net realizable value, cost being determined on a First-In, First-Out (FIFO) basis. This also includes stock of office supplies. The Union has discontinued the use of a stock for office supplies as of March 31, 2010.

Investments

Investments are recorded at cost which approximate fair market value. Investments in equity securities where the Union demonstrates significant influence are valued utilizing the equity method.

Fixed Assets

Fixed Assets- Property, plant and equipment are carried at cost and, with the exception of land, are depreciated on the straight line basis over their estimated useful lives which, for the major classes of assets, are as follows:

Land Improvements	25 years
Buildings	50 years
Equipment	5-10 years
Computer and accessories	5 years
Furniture and fixtures	10 year

Maintenance and repairs are expensed as incurred. Major asset additions and expenditures that significantly increase value or extend useful asset life are capitalized. The cost and related accumulated depreciation of assets sold or retired are eliminated from the accounts and gains and losses on disposals are included in income for the year.

Foreign Currency

Transactions in foreign currencies during the year have been translated in Belize Dollars at the rates ruling at the dates of the transactions. Foreign currency balances outstanding at Balance Sheet date are translated at the rates ruling at that date. Gains and losses both realized and unrealized are included in the Income Statement.

Cash and Short-Term Investments

Carrying value is considered to be a reasonable estimate of fair value. Short-term investments have maturities of three months or less and are considered cash equivalent for reporting cash flows.

**ST. JOHN'S CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT MARCH 31, 2013 AND 2012**

1b. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Employee Pension Plan Expense

Contribution made by the Credit Union to the Pension Fund are charged to expense in the year when employees render the service in accordance with International Accounting Standards. Management of the Credit Union is presently responsible for the management of the fund on behalf of the Employees of the Credit Union.

Guaranty (Reserve) Fund

Each year, in accordance with the Credit Unions Act, the Union transfers at least 10% of its net income, before declaration of dividends, to a reserve fund called the Guaranty Fund. In addition, all entrance fees and fines collected from members each year are transferred to this fund. The fund will be increased each fiscal year until it reaches ten percent of the total asset of the Union and by virtue of amendment by Statutory Instrument #34 of 2005, the reserve fund shall not be used for any purpose other than upon liquidation of the Credit Union or where there is a loss of confidence in which case it will be used under strict supervision of the Registrar of Credit Unions.

Loan Loss Reserve

By reason of the Statutory Instrument #34 of 2005 the Credit Union is now required to establish a loan loss reserve for all loans it extends to its members. As at March 31, 2009 management and the regulatory body have decided to establish the policy as a percentage of delinquent accounts. The Loan Loss Reserve is being treated as a contra-account to Members Loans as loan loss provision.

Members Shares

For the year ended March 31, 2013 and 2012 the Members Shares represents the non-mandatory shares of the credit union and is treated as a current liability. The mandatory shares remains as a part of equity as Shares.

2. Taxation

As a registered Credit Union in Belize, the Union is exempted from taxes on income and receipts assessed under the Business and Income Tax Act of the Laws of Belize.

3. Cash on Hand and at Bank

	<u>2013</u>	<u>2012</u>
Cash On Hand	\$ 231,227	\$ 160,478
Current Accounts	685,756	328,126
	<u>\$ 916,983</u>	<u>\$ 488,604</u>

4. Fixed Deposits and Savings Account

	<u>2013</u>	<u>2012</u>
Atlantic Bank Fixed Deposits	\$ 2,750,000	\$ 2,750,000
Heritage Bank Fixed Deposit	2,051,100	1,935,000
Atlantic Bank Savings Account	875,861	2,095,599
G.O.B. Savings Account	4,100	3,248
	<u>\$ 5,681,061</u>	<u>\$ 6,783,847</u>

ST. JOHN'S CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT MARCH 31, 2013 AND 2012

5. Loan Receivables

	<u>2013</u>	<u>2012</u>
Personal Loans	\$ 9,183,802	\$ 8,077,984
Home Construction Loans	10,580,176	10,454,057
Business Loans	2,284,996	1,601,288
Education Loans	1,574,082	1,247,218
Vehicle Loans	1,156,619	832,049
Fastlane Loans	2,340,225	-
	<u>27,119,900</u>	<u>22,212,596</u>
Less: Loan Loss Provision	863,457	524,275
Net Loan Receivables	<u><u>26,256,443</u></u>	<u><u>21,688,321</u></u>
Loan Loss Provision is comprised of:		
Balance at beginning of year	\$ 524,275	703,069
Provision for the year - operations	300,000	351,534
Less: Write Offs	<u>(57,373)</u>	<u>(623,679)</u>
	766,902	430,924
Additional allocation - current year earnings (10%)	96,555	93,351
Balance at end of year	<u><u>\$ 863,457</u></u>	<u><u>\$ 524,275</u></u>

6. Other Receivables and Prepayments

	<u>2013</u>	<u>2012</u>
Other Receivables:		
Other Receivables	\$ 339,470	\$ 281,186
Prepayments	42,251	22,604
	<u><u>\$ 381,721</u></u>	<u><u>\$ 303,790</u></u>

7. Fixed Assets

	<u>Cost</u>	<u>Accum. Deprec.</u>	<u>W.D.V 2013</u>	<u>W.D.V 2012</u>
Land	\$ 617,683	-	\$ 617,683	\$ 617,683
Driveway	33,936	\$ 12,217	21,719	23,076
Buildings	1,987,056	222,973	1,764,083	1,782,101
Equipment	267,180	160,050	107,130	89,166
Computer and Accessories	509,567	396,703	112,864	146,207
Furniture and Fixtures	256,994	188,032	68,962	65,542
Construction in Progress	427,614	-	427,614	337,587
	<u><u>\$ 4,100,030</u></u>	<u><u>\$ 979,975</u></u>	<u><u>\$ 3,120,055</u></u>	<u><u>\$ 3,061,362</u></u>

8. Investments

	<u>2013</u>	<u>2012</u>
Belize Electricity Limited Debentures at 9.5% per annum	\$ 150,000	\$ 150,000
Belize Electricity Limited Debentures at 10% per annum	4,725,000	4,725,000
Government Treasury notes	500,000	500,000
Belize Telemedia Limited Ordinary Shares	1,000,000	1,000,000
Heritage/Credit Unions ATM/POS - joint investment	50,000	50,000
Belize Credit Union League (Office) investment	50,000	50,000
	<u><u>\$ 6,475,000</u></u>	<u><u>\$ 6,475,000</u></u>

ST. JOHN'S CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT MARCH 31, 2013 AND 2012

9. Accounts Payable and Accruals

	<u>2013</u>	<u>2012</u>
Accruals	\$ 72,553	\$ 21,323
	<u>\$ 72,553</u>	<u>\$ 21,323</u>

10. Interest Income from Investments

	<u>2013</u>	<u>2012</u>
Interest on BEL Debentures	\$ 496,296	\$ 486,963
Interest on Fixed Deposits and Savings	248,308	404,738
Interest on Government of Belize Treasury Notes	34,135	35,000
Interest on BTL Shares	48,000	21,333
	<u>\$ 826,739</u>	<u>\$ 948,034</u>

11. Long-Term Liabilities

	<u>2013</u>	<u>2012</u>
Social Investment Fund, interest free loan for a period of twenty five years commencing September 2005. The loan is Secured by all receipts from loans or arising from loan proceeds.	\$ 200,000	\$ 200,000
Total Long-Term Liabilities	<u>\$ 200,000</u>	<u>\$ 200,000</u>

A Schedule of maturities is as follows for the year ended March 31:
 Thereafter

\$ 200,000
<u>\$ 200,000</u>

12. Interest Expense

	<u>2013</u>	<u>2012</u>
Bank Overdraft	\$ 4,095	\$ 9,442
Development Finance Corporation	-	4,838
Member Deposit	776,111	311,884
Social Security Board Loan	-	309
	<u>\$ 780,206</u>	<u>\$ 326,473</u>

13. Shares

	<u>2013</u>	<u>2012</u>
a. Mandatory Shares at the Beginning of the year	\$ 174,890	\$ 227,920
Net Shares Issued (Withdrawn) - Mandatory	24,510	(53,030)
Total Mandatory Shares at the end of year	<u>\$ 199,400</u>	<u>\$ 174,890</u>
b. Voluntary Shares at the Beginning of the year	\$ 718,290	\$ 678,240
Net Shares Issued (Withdrawn) - Voluntary	6,570	40,050
Total Voluntary Shares at the end of the year	<u>\$ 724,860</u>	<u>\$ 718,290</u>
Total Mandatory and Voluntary Shares at end of year	<u>\$ 924,260</u>	<u>\$ 893,180</u>

ST. JOHN'S CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT MARCH 31, 2013 AND 2012

14. Analysis of Guaranty Fund

	<u>2013</u>	<u>2012</u>
Balance at the Beginning of the year	\$ 1,467,724	\$ 1,187,022
Add: Entrance Fees	737	650
Add: 30% of Earnings	96,555	280,052
Balance at the end of the year	<u>\$ 1,565,016</u>	<u>\$ 1,467,724</u>

15. Undivided Earnings

	<u>2013</u>	<u>2012</u>
Balance at the Beginning of the year	\$ 601,986	\$ 1,182,862
Add: 60% of Earnings	<u>772,443</u>	<u>560,104</u>
	1,374,429	1,742,966
Less: Dividends Paid	<u>(522,468)</u>	<u>(1,140,981)</u>
Balance at the end of the year	<u>\$ 851,961</u>	<u>\$ 601,985</u>

16. Other Reserves

	<u>2013</u>	<u>2012</u>
Staff Fund	\$ 5,000	\$ 5,000
S.J.C.U. Burial Scheme	<u>198,833</u>	<u>104,094</u>
	<u>\$ 203,833</u>	<u>\$ 109,094</u>

17. Employee Pension Plan Analysis

Saint John's Credit Union has a defined contribution plan covering substantially all of its full-time employees. The benefits are based on years of participation and the employees' compensation during their term of employment. The Union's annual contributions, as stipulated in the pension agreement effective 1 April 1994, is between 3% to 5% of eligible compensation paid to participating employees during the year. The Union's responsibilities includes the management of the fund on behalf of the employees and therefore the Employee Pension Plan is presented for information purposes only.

	<u>2013</u>	<u>2012</u>
Opening Balance of Plan Assets	\$ 199,259	\$ 153,967
Employer Contribution	23,921	10,329
Employee Contribution	23,921	17,067
Year-to-date interest earned on employer contribution	4,575	8,980
Year-to-date interest earned on employee contribution	4,575	14,840
Withdrawals/Loan Receivable	<u>(4,577)</u>	<u>(5,924)</u>
Ending Balance	<u>\$ 251,674</u>	<u>\$ 199,259</u>

Employee Pension Plan assets represented by:

Atlantic Pension Savings	\$ 12,478	\$ 62,775
Fixed Deposits	230,312	125,200
Loan Receivable	8,884	11,284
	<u>\$ 251,674</u>	<u>\$ 199,259</u>

ST. JOHN'S CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT MARCH 31, 2013 AND 2012

18. Revaluation Reserve

During the financial year ended March 31, 2004 the Union contracted the services of an independent appraiser to value the Union's existing land properties. In accordance with International Accounting Standards the accumulated depreciation on these asset were adjusted against the asset historical cost and the asset value was then adjusted to reflect the appraised value. The resulting increase in asset value was then treated as an increase to the Revaluation Reserve Account.

19. SJCU Burial Scheme

During the financial year ended March 31, 2011 the membership of the St John's Credit Union Ltd unanimously agreed to take part in a Burial Scheme where a member pays \$30.00 per annum and the beneficiary will be entitled to \$5,000.00 in funeral grant.

	<u>2013</u>	<u>2012</u>
Balance at the Beginning of the year	\$ 104,094	\$ 117,840
Add: Collections	<u>224,739</u>	<u>196,254</u>
	328,833	314,094
Less: Disbursements	<u>(130,000)</u>	<u>(210,000)</u>
Balance at the end of the year	<u>\$ 198,833</u>	<u>\$ 104,094</u>

20. Resolution to Create Special Staff Fund

At a Board of Directors meeting of St. John's Credit Union that was held on June 21st 2004, the following resolution was passed:

Be it resolved that a fund to be called "Special Staff Fund" shall be created for the purpose of funding staff activities to be determined by the Board of Directors. The fund will consist of \$5,000.00 to be obtained from surplus funds that are currently in the staff pension fund. The remaining surplus in the Staff Pension Fund shall be transferred to other income of the Credit Union.

21. Social Investment Fund

This is an agreement made between the Social Investment Fund, a Statutory Corporation, established under the Social Investment Fund Act No. 3 of 1996 and St. John's Credit Union Ltd. Whereas the fund has been established, inter alia, to provide assistance to alleviate social and economic problems and to finance the small scale projects in selected areas to improve living conditions. The fund presently consists of \$200,000 that should be distributed as follows: \$66,667 for Collet Area, \$66,666 for the Port Loyola Area, and \$66,666 for the Lake Independence area.

22. Loss on Investment

The Credit Union holds investment shares in Belize Unit Trust, 150,000 ordinary shares par value at \$1.00 each. The Union has received objective evidence that the financial asset is fully impaired due to liquidation of the Belize Unit Trust. The Union has elected to present in net income the change in the fair value of the investment in the equity instrument, that has resulted in the recognition of loss of total investment of \$150,000.

**ST. JOHN'S CREDIT UNION LIMITED
 OPERATING INCOME - SCHEDULE 1
 FOR THE YEARS ENDED MARCH 31, 2013 AND 2012**

<u>INCOME</u>	<u>2013</u>	<u>2012</u>
INTEREST ON LOANS:		
Personal Loans	\$ 911,902	\$ 831,010
Home Construction Loans	1,171,489	1,112,803
Business Loans	200,214	140,696
Education Loans	187,899	140,776
Vehicle Loans	114,784	107,603
Fastline Loans	114,677	-
INVESTMENT INCOME (NOTE 10)	826,739	948,034
SERVICE INCOME	126,501	84,607
RENT INCOME	5,925	3,950
OTHER AND AMORTIZED INCOME	58,694	70,233
TOTAL INCOME	<u>\$ 3,718,824</u>	<u>\$ 3,439,712</u>

**ST. JOHN'S CREDIT UNION LIMITED
OPERATING EXPENSES - SCHEDULE 2
FOR THE YEARS ENDED MARCH 31, 2013 AND 2012**

<u>OPERATING EXPENSES</u>	<u>2013</u>	<u>2012</u>
Operating Expenses consist of:		
Advertisement/Shares Drive	\$ 29,475	\$ 11,667
Air Condition Maintenance	9,800	9,346
Annual General Meeting	24,157	38,360
Bank Charges	13,732	15,174
C.C.C.U. Expenses	-	16,980
Christmas Function	12,199	10,354
Committee Meeting	9,062	4,604
Credit Union Week Expense	10,586	7,680
BCUAS Insurance	224,308	207,926
Delinquency Expense	74,926	53,686
Depreciation Expense	117,344	110,843
Donation	6,056	8,579
Education Expense	18,904	30,854
Furniture and Fixture-Maintenance	1,634	6,139
Insurance Expense	45,045	42,830
Interest Expense (Note 12)	780,206	326,473
Legal and Professional Fees	10,713	9,500
Loan Loss Provision Expense	300,000	351,534
Office Stationery and Expenses	77,010	84,740
Other Expenses	22,734	42,656
Pension Expenses	23,390	18,147
Property Tax	3,319	8,684
Rental Expense	6,000	4,780
Repairs and Maintenance	55,870	45,461
Salaries	557,161	551,023
Security Services	90,635	105,763
Social Security Expense	21,394	19,876
Software System-Maintenance	43,784	48,241
Supervision Fees	12,000	14,912
Travel and Subsistence	30,993	26,844
Uniform Expense	41	13,630
Utilities	120,793	108,919
Total Operating Expenses	<u>\$ 2,753,271</u>	<u>\$ 2,356,205</u>

NOTES

VISION:

*St. John's Credit Union Ltd.:
The premiere membership driven,
socially conscious financial institution
delivering quality services.*



MISSION

*To be the most effective and efficient credit union,
utilizing our human resources, assets,
and technology to provide the best services and
optimum returns to members while improving the
socio-economic conditions in our community.*



CENTRAL BANK OF BELIZE

NOTICE

The Central Bank of Belize, in accordance with

Section 81 of the Banks and Financial

Institutions Act, in an effort to

ensure proper customer due

diligence, requires that customers

conducting certain transactions at a bank

or financial institution be identified

by **name, address, government-issued**

identification (passport, ID card) and other relevant information.

Customers may also be required to verify the source of all their funds.

All customers are subject to these requirements.



By Order of the
Governor
Central Bank of Belize

kick **WAITING** to the curb



St. John's
CREDIT UNION LTD

TIRED OF WAITING? CATCH THE...

FASTLINE

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