

CONNECTED BY  
OUR VALUES

SUPPORTED THROUGH  
INNOVATION

**2020**  
ANNUAL REPORT



To be the leading financial co-operative organisation in Antigua and Barbuda, contributing to the sustainable development of our members and the wider society.

OUR VISION

## CORE VALUES AND PRINCIPLES

### HONESTY AND INTEGRITY FEATURING:

- ▶ Openness in our dealings
- ▶ Fair Treatment to all

### CREATIVITY, FOSTERED BY ENCOURAGEMENT AND RECOGNITION OF:

- ▶ Initiative
- ▶ Innovation

### COMMITMENT TO EXCELLENCE, WITH AN ONGOING, FOCUS ON:

- ▶ Service beyond Expectations
- ▶ Professionalism
- ▶ Tact

### CONTINUOUS IMPROVEMENT, AS EXEMPLIFIED IN OUR:

- ▶ Tailored Products and services to meet changing members needs
- ▶ Sensitive Coaching and Counselling of our staff and members
- ▶ Progressive Standards
- ▶ Recognizing and Rewarding Excellence
- ▶ Education and Training

### ACCOUNTABILITY, INCLUDING:

- ▶ Taking Responsibility
- ▶ Adherence to Procedure

### ENTHUSIASM AND POSITIVE ATTITUDE, DEMONSTRATING:

- ▶ A Flexible, "Can Do" Approach
- ▶ That "The member really Matters"
- ▶ Energy and Enthusiasm at all times

### COMMUNITY AND FELLOWSHIP, WITH MUTUAL GIVING OF:

- ▶ Support and Cooperation
- ▶ Respect and Understanding





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**To provide reputable and innovative financial and personal development solutions through excellent services that exceed stakeholder expectations, while caring for our members' needs in an efficient, friendly and professional manner.**

#### OUR MISSION

## ORGANISATIONAL GOALS

**01** Provide exceptional member service via improved member access to the credit union's product and service

**02** Demonstrate our corporate social responsibility by engaging in community outreach and youth empowerment activities

**03** Leveraging technology to improve efficiency and member access.

**04** Provide financial education to members to enable them to manage their finances.

**05** Grow the assets, member shares and loans portfolio by 8% in 2017 and 7% annually for 2018-2021.

**06** Maintain the delinquency and institutional capital ratios at 5% and 11% respectively for the years 2017-2021

**07** Diversify revenue streams- 15% of revenue from non-loan revenue annually.



# NOTICE OF ANNUAL GENERAL MEETING

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NOTICE IS HEREBY GIVEN that the FORTIETH (40th) ANNUAL GENERAL MEETING (AGM) of the Community First Co-operative Credit Union (CFCCU) will be held virtually on the Zoom Meeting Platform on January 20th 2022 at 5:30pm.

Noting current COVID-19 related restrictions and safety protocols to include limitations on gatherings to a maximum of five (5) persons, the AGM will be hosted online in accordance with Article XI, Clause 38(3) of the Society's By-Laws.

## AGENDA

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Call to Order, Prayer and Silent Tribute  
Apologies for Absence  
Adoption of Agenda  
Welcome

### END OF PART 1

## BUSINESS SESSION

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Ascertainment of Quorum  
Approval of Standing Orders

## MINUTES OF THE 39TH ANNUAL GENERAL MEETING

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Correction  
Adoption of Minutes  
Matters Arising there from

## REPORTS: DISCUSSION AND ADOPTION

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President's Message  
Treasurer's  
Supervisory & Compliance Committee

Credit Committee  
Auditors  
Nomination Committee

Elections  
Declaration of Surplus  
Appointment of Auditors  
Any Other Business  
Adjournment



**Ursula Willock (Ms.)**  
Secretary, Board of Directors



# STANDING ORDERS

## VIRTUAL 40TH ANNUAL GENERAL MEETING

1. Members microphones will be muted and video cameras off for the duration of the meeting.
2. A member shall use the "Raise Hand" function on the Zoom Platform, wait to be recognized by the Chairman and identify themselves when addressing the Chairman using the question and answer (Q&A) box.
3. A member shall only address the meeting when called upon by the Chairman to do so. When invited to make a contribution, members should type their questions in the question and answer (Q&A) box.
4. All members are asked to keep their cell phones on silent mode, as the vibrate setting can also cause disruptions. If you must take urgent calls, please ensure that your microphone is muted.
5. All members are asked to utilize the question and answer (Q&A) box to share any issues they may be experiencing so that the team can troubleshoot during the session with minimal interruptions.
6. All members are reminded to conduct themselves in a professional manner. Please refrain from sharing any explicit, violent or inappropriate content.
7. Only one amendment shall be before the Meeting at the same time.
8. When a motion is withdrawn, any amendment to it falls.
9. The Chairman shall have the right to a "casting vote".
10. If there is an equality of voting on an amendment and if the Chairman does not exercise his casting vote, the amendment is lost.
11. Provision shall be made for the protection by the Chairman from vilification (personal abuse).
12. No Member shall impute improper motives against another.

## PROFILE

Name of Organisation	Community First Co-operative Credit Union
Date Established	April 7th 1959
Date of Registration	January 18th 1982
Number of Members	Total: 23,472    Male: 9,589 Female: 13,889
Number of Employees	Fifty (48) full-time, Two (2) part-time
Total Assets	EC \$    287,886,913
Total Loans	EC \$    220,535,079
Total Deposits	EC \$    241,419,938
Permanent Shares	EC \$        7,605,405
Institutional Capital	EC \$    36,990,437
Regulators	Financial Services Regulatory Commission (FSRC)  Office of National Drug and Money Laundering Control Policy (ONDCP)
Auditors	BDO Eastern Caribbean
Attorneys at Law	Henry & Burnette Sherri-Ann S. Bradshaw



**Community First Co-operative Credit Union Ltd.**

P.O. Box 1632, Old Parham Road, St. John's, Antigua  
Townhouse Branch, Crn of All Saints & American Rds

**Headquarters** Tel: 481 3950 ; Fax: (268) 481-3974/5

**Townhouse** Tel: 481- 4000; Fax: (268) 481-4013.4014

**Email:** info@cfccuonline.com

**Website:** www.cfccuonline.com

# NOTES FROM THE 39TH ANNUAL GENERAL MEETING

## CALL TO ORDER, PRAYER & SILENT TRIBUTE

The 39th Annual General Meeting (AGM) of the Community First Co-operative Credit Union (CFCCU) was called to order at 5:05 p.m. by Mr. Karl Spencer, General Manager. General Manager who read the notice for the meeting citing the need to host AGM virtually given the current Covid-19 protocols that have been stipulated by the Government.

The General Manager led the gathering in reciting the Credit Union prayer and then asked the membership to observe a period of silence to recognise the deceased members who passed during 2019.

He welcomed members to the first ever Virtual Annual General Meeting which marks a milestone in the Credit Union's history. He also informed the membership that the quorum required to host the Annual General Meeting is 200 members.

The General Manager then turned the meeting over to the President for the financial year ending 31st December 2019, Mrs. Thomasine Greenaway-Whyte.

## MINUTES OF THE 38TH ANNUAL GENERAL MEETING

The membership was invited to make corrections and amendments and then adopt the minutes.

## PRESIDENT'S MESSAGE

Mrs. Thomasine Greenaway-Whyte, the President of the Board, started her discourse by reminding members that the year 2019 was the 60th year of existence of the Credit

Union and that to date, CFCCU was the largest Credit Union in Antigua and Barbuda. She noted that there was growth in a number of key areas, namely: savings, loans, total assets and membership. In addition, the year 2019 saw the opening of the new branch of the Credit Union, located at the Townhouse Plaza making another historic mark on the institutions' existence. In order to commemorate 60 years of existence, the Credit Union embarked on a number of initiatives to include: Charity Month, School Savings Society Workshop, CFCCU 60th Anniversary Scholarship launch, Small Business Expo, Let's Turn 60 Together Cocktail. The Credit Union also Launched a Self-Starter Savings Account, Online Bill Payments and Credgo Mobile App .

From the report, the following were highlighted:

- ▶ Total membership exceeded 22,000 members by the end of December 2019
- ▶ Asset base increased by 21.78% versus 17.8% for the year 2018
- ▶ The Institutional Capital to Total Asset ratio increased to 13.3%
- ▶ Self-Starter Savings program, Online Bill Payments and Mobile App- Credgo were launched
- ▶ Total membership exceeded 22,000 members
- ▶ Asset base increased by 21.78% versus 17.8% for the year 2018
- ▶ The Institutional Capital to Total Asset ratio increased to 13.3% despite the rapid growth in assets
- ▶ The Loan portfolio grew by 20.82% and the total amount lent increased by 7%
- ▶ CFCCU was deemed by the Eastern Caribbean Central Bank (ECCB) as one of the nine Systematically Important Financial Institutions within the Eastern Caribbean Currency Union (ECCU).



## TREASURER'S REPORT

The report was presented by Mr. Yannick Gordon, Treasurer of the Board of Directors.

Some of the highlights of the presentation were as follows:

- ▶ Assets grew by 21.78%, moving from \$214,334,271.00 in 2018 to \$261,024,173.00 in 2019.
- ▶ Membership grew by 12.6% when compared to 15.7% the previous year.
- ▶ Total Savings grew by 19.5%, moving from \$180,917,717.00 in 2018 to \$216,289,339.00 in 2019.
- ▶ The Loan Portfolio grew by 20.82%, moving from \$165,761,024.00 in 2018 to \$200,273,841.00 in 2019.
- ▶ Permanent Shares grew by 17.7% from \$6,161,285.00 in 2018 to \$7,250,440.00 in 2019. It was noted that the Credit Union continues to be innovative in encouraging the members to solidify their investment in their Credit Union by purchasing additional shares.
- ▶ The Delinquency Ratio was slightly higher at 4.91% at the end of 2019 compared to 4.65% at the end of 2018. The Treasurer assured the membership that the Credit Union continues to utilize all avenues to improve this area.
- ▶ The Credit Union realized a Net Surplus of \$5,887,142.00 .

## SUPERVISORY & COMPLIANCE COMMITTEE REPORT

The report was presented by the Chairperson of the Supervisory and Compliance Committee, Mrs. Nicole Edwards-Francis. She started her presentation by informing members that the Supervisory and Compliance Commit-

tee carries out its mandate in accordance with its legal responsibilities as outlined in the Cooperatives Societies Act 2010.

Mrs. Edwards-Francis outlined some of the duties of the committee to include:

- ▶ Inspect loan applications to ensure that the proper procedure and due diligence is followed and that all the required documents are presented by the applicants
- ▶ Review loan files of staff and officials to ensure that the procedures and policies are followed
- ▶ Review new accounts and reactivated accounts to ensure that the applicants meet the eligibility requirements and that the requisite documents are in order and current
- ▶ Examine Source of Funds Declarations to ensure that members are compliant with anti-money laundering and anti-terrorism funding regulations
- ▶ Scrutinize cheques in that Royal Bank of Canada (RBC) Cheques are examined against the loan reports and the Antigua Commercial Bank (ACB) cheques are cross checked against the payment vouchers
- ▶ Review statutory deductions on a quarterly basis to ensure payments are made to the Social Security Board, Medical Benefits Scheme, Board of Education and the Inland Revenue Department
- ▶ Examine Board of Directors Meeting Minutes to ensure they are compliant with their statutory duties and obligations
- ▶ Conduct surprise cash counts in an effort to keep tellers precise and accountable. For the most part, the counts were accurate and the Committee commends the tellers for their efforts
- ▶ Examine the teller's daily cash receipts against

the daily report to ensure accuracy

- ▶ Review monthly Compliance Reports to ensure that the functions of the Credit Union are in keeping with the standard operating procedures
- ▶ Review monthly Delinquency Reports. The committee commended the Financial Controller and her team for their hard work and efforts in maintaining a low delinquency rate
- ▶ Review recommendations made during the Regulatory Examination and Independent AML/CFT examinations
- ▶ Review new and updated policies and procedures as approved by the Board of Directors
- ▶ Conduct building checks to ensure the safety and well-being of the staff, members, volunteers and visitors

## CREDIT COMMITTEE REPORT

The report was presented by Ms. Tamika Browne, Chairperson of the Credit Committee who started her presentation by informing the membership that the Credit Committee is charged with reviewing the loans of the institution.

The highlights of the presentation are as follows:

- ▶ A total of 2,683 loans were disbursed in 2019 representing a total loan value of \$73,667,402.89
- ▶ Total amount lent for 2019 increased by 6.67% or \$4,912,153.99
- ▶ Mortgages represented the purpose for which the most money was borrowed- \$21,623,062.28
- ▶ Used vehicles dominated the loan portfolio in terms of the number of borrowers- 539 loans were disbursed for the year.

- ▶ The following categories also saw increases in the amount borrowed and the number of loans disbursed
  - ▷ Debt Consolidation
  - ▷ Education
  - ▷ Land Purchase
- ▶ Females continue to be the dominant borrowers-
- ▶ The 36-40 years age category continues to borrow the most in terms of loan value:
- ▶ The 26-30 age category continues to boast the most borrowers with 471 applicants of the total loans disbursed
- ▶ Increases were seen in the 26-30- and 61-70-years age categories in terms of number of borrowers
- ▶ Where the amount borrowed is concerned, increases were observed in every category except the 41-45, 51-60 and 71 and over categories.



# PRESIDENT'S MESSAGE

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My fellow co-operators, colleagues, and CFCCU team, welcome to our 40th Annual General Meeting and second virtual AGM. Over the past year, we have acclimatized to remote interactions, and it is our hope that our efforts to update you, our valued members, of your Credit Union's performance during the 2020 financial year are effective. We do miss our face-to-face interactions and look forward to engaging with you in the near future post-covid.

During the year 2020, the Board of Directors, Committees, management, and staff worked tirelessly together to ensure that you, our members, were provided with the support and service necessary during these unprecedented times. The year proved to be extremely tedious and challenging, as was anticipated considering the relentless Covid 19 outbreak.

A broad cross-section of our membership experienced job losses, income reduction, and hardship as the island was forced to close its borders, and our primary industry came to an absolute halt. With the interest of our members at the fore, we swiftly amended the Moratorium Policy to facilitate the speedy approval of moratoriums for affected members.

Though we incurred losses on waived interest, the safety of our team and members was not dismissed. Additional expenses were incurred to ensure a safe operating environment which included the procurement of tents to accommodate members whilst still observing the social distancing protocols, sanitizing stations, and cleaning services.

Notwithstanding the many challenges, I am pleased to highlight the following accomplishments achieved during the year.



**An iOS version of CREDGO was added to our offerings. The Mobile App (CREDGO) which was launched in the 3rd quarter of 2019 was initially available on the Android platform only. The App subsequently became available on the iOS platform in May 2020. With the lockdown and the state of emergency, members were encouraged to sign up for and utilise our online platforms, whether GIA or the App. The total CREDGO transactions for 2020 were 32,619, an increase of 29,619 transactions compared to 2019.**

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**Permanent Shares were made available for purchase via GIA with \$5 increment modifications to allow members the opportunity to increase their shares as they desire and to take advantage of the share drives offered in a more efficient and effective manner at their own convenience.**

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**A digital Small Business Expo was held to highlight small business members of CFCCU. This allowed members to showcase their product offerings to the general membership and the community at large in the hope of increasing product awareness.**

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**Asset Growth at the end of 2020 was 10.29% which surpassed the strategic growth target for 2020 of 7%. The corresponding growth for the same period in 2019 was 21.78%.**

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**Institutional Capital at the end of 2020 was 11.54% when compared to 12.19% for the same period in 2019. Although we are in line with our strategic goal of 11%, the Board and management will continue to monitor this ratio closely to ensure that the Credit Union's reserves remain secure to service our members.**

**Loans Portfolio Growth at the end of 2020 was 10.12% compared to the corresponding growth for the same period in 2019 of 20.82%. We continue to explore creative ways to increase our loans portfolio during these economic times.**

**The increase in membership at the end of 2020 was recorded at 4.89%. The corresponding growth for the same period in 2019 was 12.6%. Although there was a decline in membership during the year, the credit union is committed to educating the community on the benefits of joining our credit union family.**

The environment in which we operate remains competitive; however, we are committed to constantly improving our services and product offerings while serving you our members during these ever-changing conditions.

I would like to thank the Management and Staff of CFCCU for their hard work, commitment, and selfless devotion during these turbulent times. My fellow Board and Committee members, your unwavering support and cooperation did not go unnoticed. Thank you for weathering the storm and for availing yourselves for the many emergency meetings without complaint. It is through team effort and our ability to exercise our fiduciary responsibility of leadership and good governance that we were able to successfully navigate through the many challenges while serving our members. To our faithful members, thank you for the continued support and understanding over the years. We reaffirm our commitment to serving you for the upcoming year.

In closing, I charge the younger professionals within the membership to give of your time and talent and serve. Serving my Credit Union for the past 7 ½ years, with the latter 3 ½ years as President, has been a rewarding experience and privilege. The knowledge and relationships built over the period are invaluable and have served as a defining moment along my journey. With humility I say a heartfelt thank you for allowing me to lead and serve our Credit Union.

**“If your actions inspire others to dream more, learn more, do more and become more, you are a leader.”**

**John Quincy Adams**

For and on behalf of the Board

**Mrs. Thomasine Greenaway-Whyte**  
President, Board of Directors



# MANAGEMENT REPORT

## EXECUTIVE SUMMARY

The year 2020 would have been overshadowed by the COVID-19 pandemic which took hold in March 2020. The pandemic and subsequent slowdown in the economy affected every facet of CFCCU from new membership to asset growth.

Management moved swiftly to have the Moratorium Policy adjusted to facilitate the speedy approval of moratoriums for members who were unemployed, had reduced incomes or were facing significant financial pressure in their households. By the end of June 2020 over **900** loans to the tune of approximately **EC\$47 million** had been approved by Management and the Credit Committee to provide relief to the membership; this represented over 20% of our outstanding loan portfolio. Seventy-eight percent (78%) of Applicants had resumed payments by December 31st 2020. Active Moratoriums as at December 31, 2020 stood at 210 loans; totalling **\$12,896,664.34**.

During 2020 Management tried its best to cover the needs of our membership, volunteers and team members which resulted in increased costs in COVID-19 related expenses and waived interest. Notwithstanding, CFCCU was still able to report growth in its asset base of **11.48%** over the twelve (12) month period which has already surpassed the strategic growth target for 2020 of 7%. Alternatively, the growth rate at the same period in 2019 was 21.85%. Institutional Capital has remained at **13.5%** as at the end of 2020 despite the fall off in income. Management has rationalized expenses considering the pandemic to reflect the retraction.

The pandemic caused major economic fallout as hotels and other businesses were either forced to close or had to curtail their operating hours. This meant that several members either lost their job, were laid off or worked

shortened hours. Additionally, for a period of approximately one month the country was on a partial lock-down to curb the spread of the virus to include the Credit Union before financial institutions were designated essential services. Thereafter, CFCCU operated truncated hours due to the stringent curfew in place up until May 31st 2020.

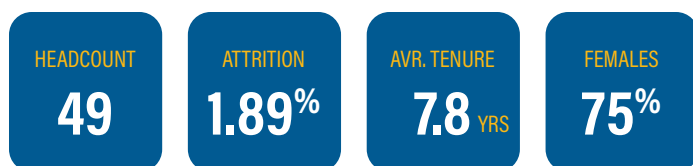
We returned to regular operating hours on June 2nd 2020 to the delight of the membership. In November 2020, we were forced through contact tracing to have a number of our staff members on mandatory government quarantine after a staff member tested positive for COVID-19. All departments and branches were affected. Consequently, we were forced to adjust staff interactions during the workday to limit fallout if the situation were to reoccur.

This report also includes an assessment of the Balanced Scorecard for CFCCU up to December 2020 to reflect the progress on key strategic initiatives designed by the stakeholders. The Budgeted Financial Review is also included with estimates up to December 2020 as well as the Operational and Capital Budgets for 2021.

Management mobilized its resources to stress test the institution with adverse scenarios to ensure risks to the institution are identified soonest. This exercise was completed in the third quarter. However, policies enacted and enforced over the last decade have made the institution more resilient than during the last downturn between 2009 and 2010.

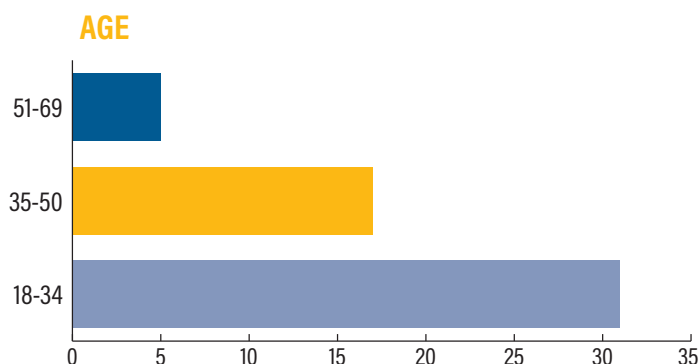
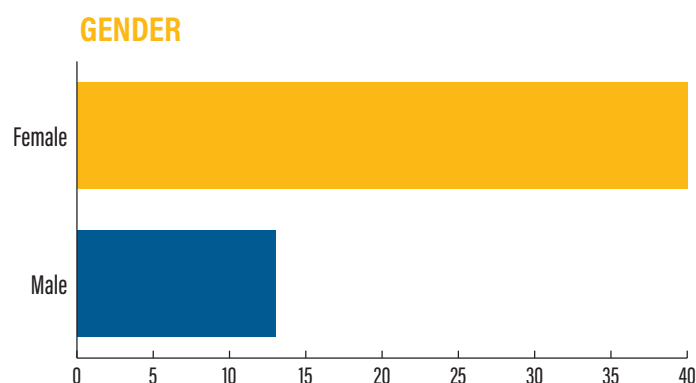
2021 as per external agency projections will not be much better than 2020 and maybe even worse. We have already seen a marked difference in active COVID-19 cases in the first quarter of 2021.

## PERFORMANCE REVIEW



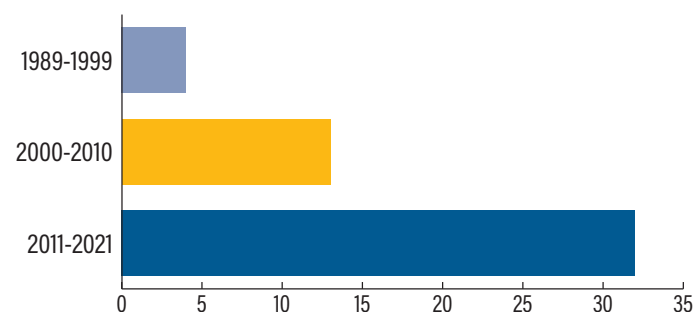
### EMPLOYEE DEMOGRAPHICS

Total number of workers (permanent & temporary)	53
Permanent employees	49
Temporary employees	3
Employees on probation	3



### RETENTION RATE 2020

The Employee Retention Rate for 2020 was 97.96 percent. The average tenure of the workforce at December 31st 2020 is 7.8 years.



### RECRUITMENT & ONBOARDING

During the year the following persons were hired following the recruitment and selection process and represent 4% of the current workforce:

- ▶ Nina Darroux-Benjamin, Receptionist (February 2020)
- ▶ Shekira Valarie, Delinquency Officer (August 2020)

### TEMPORARY EMPLOYMENT 2020

During the year the following candidates were offered and accepted temporary employment as follows:

- ▶ **Tonilia Eli** (CSR/Teller),
- ▶ **Okorie Matthew** (CSR/Teller),
- ▶ **Jakobi Gilgeous** (CSR/Teller)
- ▶ **Arianne Whyte-Hodge** (Member Services Representative)
- ▶ **Kevin Barnes** (Driver/Messenger)

There were two temporary workers whose 2019 contracts concluded in 2020:

- ▶ **Donna-Maria Lowe** (Loans Officer)
- ▶ **Shemaiah Gordon** (Member Services Representative)



## RECRUITMENT METRIC

The Average Cost Per Hire in 2020 was \$1,270.00

## INTERNSHIP

Tresha Jacob, a student from ABIIT, majoring in Accounting, was assigned to the Accounts Department for a five-week internship from February 20th 2020.

## RESIGNATIONS

There was one resignation during the period of review.

## ATTENDANCE

### CERTIFIED SICK LEAVE

During the period under review a total of **432** days were lost to certified sick leave with the largest number of days lost in March 2020. This demonstrated an increase of **68%** over 2019 as there were **257** days lost to certified sick leave in 2019.

### UNCERTIFIED SICK DAYS

A total of two hundred and eleven (**211**) man days were lost to call outs during 2020. This represents a **27%** increase over 2019, as there were one hundred and sixty-six (**166**) days lost during the same period in 2019.

## UNION NEGOTIATIONS

CFCCU and the Antigua & Barbuda Workers' Union submitted proposals and counter proposals via written and email communications. Several meetings were subsequently held. The HR Department submitted the negotiations to the Labour Department for mediation having reached an impasse with the Union for several articles in the Collective Agreement. A mediation session was conducted by the Labour Commissioner on December 16th 2020.

## TRAINING

A decision was taken in April 2020 to suspend in-house training activities and to register employees for online courses considering the current physical distancing requirements.

The training courses completed during the period by Officials, Management and Staff were facilitated by Advanced Caribbean Institute Ltd, Inova Corporation, JCI Antigua, Colin Gunthrope, UWI Open Campus Online, International Compliance Association, CUInsight & Saylent, Antigua & Barbuda Co-operative League Ltd (ABCLL), Caribbean Confederation of Credit Unions (CCCU), Jamaica Institute of Financial Services, Institute of Chartered Accountants Antigua, KAW Management and Cipriani College.

The areas of focus were as follows:

- ▶ Microsoft Excel 2016
- ▶ Microsoft Cloud – Optimised and Secured
- ▶ Professionalism in Customer Care
- ▶ Customer Service
- ▶ Supervisory Management
- ▶ Human Resources Management
- ▶ Financial Management Essentials
- ▶ Consumer Loan Underwriting and Collections
- ▶ Effective Management and Leadership
- ▶ Business Law
- ▶ Project Management
- ▶ Compliance
- ▶ Document Verification
- ▶ Effective Skills for Co-operative Directors/Credit Committees
- ▶ Pyramid/Ponzi Schemes

## MANAGEMENT RETREAT

The Management Team participated in a two-day Retreat under the theme: "Leadership In Action" on January 17th and 18th 2020 which was facilitated by Mr. Verieux Mourillon, Consultant. The Managers completed a behavioural style assessment ahead of the sessions, to identify their behavioural styles and how these styles influenced synergy and performance of the team. An in-depth behavioural style analysis was conducted and the team was introduced to Action Learning as a focused and direct method to solve urgent and significant challenges.

## EMPLOYEE EDUCATIONAL ASSISTANCE PROGRAMME

Three employees submitted letters of application and received approval for entry into the CFCCU Educational Assistance Programme to complete the Anti-Money Laundering and Financial Crimes (AMLFC) at the Antigua and Barbuda Institute of Technology (ABIT).

## REWARD & RECOGNITION PROGRAMME

On January 23rd 2020 an Award Ceremony was held in the CFCCU Conference Room to issue regular quarterly awards as well as the end of year performance awards to employees. The following is a list of the year end awards issued and the recipients.



**SUPERVISOR OF THE YEAR (OPR)**



**EMPLOYEE OF THE YEAR (TH)**

NAME	AWARD RECEIVED
Lenora Murphy	Manager of the Year 2020
Jennifer Brown	Exemplary Leader
Jessica Browne-Magloire	Supervisor of the Year (OPR)
Athina Monroe	Supervisor of the Year (TH)
Donna Cornelius	Employee of the Year (overall)
Claudette Simon	Employee of the Year (Accts)
Sherna Christopher	Employee of the Year (Loans)
Donna Cornelius	Employee of the Year (Admin)
Charlie Smith	Employee of the Year (Ops)
Tericia Simon	Employee of the Year (TH)
Donna Cornelius	Staff Choice (OPR)
Tericia Simon	Staff Choice (TH)
Narissa Hampson	Blockbuster Award

The distribution of performance awards was suspended during the second quarter due to the workplan adjustments and cancellation of activities that required in-person contact for execution. The On The Dot and Ever-Present Awards were resumed in the third quarter. A decision was later taken to issue the following year end awards only:

- ▶ Constant
- ▶ Bright & Early
- ▶ Above & Beyond
- ▶ Blockbuster

The official plaques were distributed to the top performers on December 24th 2020 due to the cancellation of the Anniversary Gala.



## LONG SERVICE AWARDS

On December 24th 2020 seven (7) employees were issued with plaques in recognition for their years of service in accordance with the Long Service Award Policy.

- ▶ **Earvin Miller** - 5 years
- ▶ **Camille Hunte, Keyenna Jackson, Athina Monroe, Shane Herbert** - 5 years
- ▶ **Mario Connor** - 15 years
- ▶ **Sherna Drew-Christopher** - 25 years

## POLICY AMENDMENTS

The amendments to the CFCCU Employee Manual were shared with the employees during a staff meeting held on February 13th 2020. The amendments were approved and implemented.

## STAFF MEETINGS

Several staff meetings were held during the quarter to keep the staff abreast with the decisions taken at Board and Management Level and to provide an opportunity to discuss any matters which may affect the institution and its workers. Six (6) meetings were held during the year.

## FIRE SAFETY

The HR Department provides quarterly updates to the staff to share fire safety reminders to reinforce the fire safety guidelines presented by the Fire Department during the training sessions held in 2019. The focus areas for the four quarters were as follows:

- ▶ Appropriate Use of the Fire Extinguisher
- ▶ Actions to be taken when a fire alarm signal is detected
- ▶ Fire Marshals
- ▶ Classes of fire

## HEALTH AND WELLNESS

The HR Department continued to provide quarterly well-ness updates to the staff to increase wellness awareness and self-care. The focus areas were as follows:

Quarterly Wellness Update in the form of a Newsletter which is circulated to each staff and posted at all locations focused on topics such as Improving one's personal productivity in the workplace, Ten-point plan to manage one's mental health during the COVID-19 pandemic, and Self-Care.

During the third quarter 21 employees participated in a 30-Day Gratitude Challenge. Three employees completed the challenge and were awarded gift certificates.

The Staff participated in the following health and wellness activities during the year:

- ▶ On March 12th 2020 an informative Glaucoma Awareness Session was facilitated by Dr. Jillia Bird and Dr. Salem Zreibi, for all staff in recognition of Glaucoma Awareness Week 2020.
- ▶ The Annual CFCCU Smoothie Day was June 26th 2020, staff at all locations were provided with a smoothie or parfait of their choice.
- ▶ Saturday 4th July 2020, employees participated in a hike from Claremont Farms to Mount Carmel, facilitated by Trek Tours.



## SOCIAL ACTIVITY

The Social Club hosted a Games Event & Barbeque on February 29th 2020. Members of the Social Club participated in several game activities.

## CROSS TRAINING

Two Tellers from the Police Co-operative Credit Union (PCCU) conducted two-day cross training sessions with the Tellers at Old Parham Road. The Loans Officer and General Manager (from the PCCU) also participated in cross training exercises in the Loans Department and Business & Admin Department respectively.

## CONTINGENCIES FOR LABOUR SHORTAGES

Labour shortage contingencies were identified during the quarter. Cross training has been scheduled to ensure seamless implementation when necessary.

This has been subsequently suspended (during the second quarter) due to the current physical distancing protocols.

## SATISFACTION SURVEY RESULTS

The Annual CFCCU Satisfaction Survey was conducted during June 2020. Forty-Seven (47) employees participated in the Survey which represented 96% of the workforce.

There has been a six percent reduction in the level of employee satisfaction when compared with 2019. This reduction was anticipated as a result of the ongoing collective agreement negotiations coupled with the high levels of uncertainty globally due to the current pandemic.

## EMPLOYEE ENGAGEMENT

An HR Check-in session for new hires was conducted in the form of a survey to obtain their Community First experience. The participants described the institution as:

- ▶ Positive
- ▶ Professional
- ▶ Team oriented
- ▶ A learning-experience
- ▶ Family-oriented

## CFCCU CULTURE REINFORCEMENT

A decision was taken to create and share CFCCU Culture-focused videos with all staff as a substitute for the Department Huddles which were suspended due to the current social distancing requirements. Two videos were compiled and focused on the following:

### **"Fostering camaraderie among all employees, we maintain an open-door policy"**

- ▶ The origin of the open-door policy
- ▶ The purpose of open-door policies
- ▶ CFCCU's objective in the maintenance of an open-door policy

### **"Continuous education and training for employees"**

- ▶ The significance of continuous education
- ▶ It's impact on professional advancement

## INFECTIOUS DISEASE CONTROL POLICY

In an effort to control responses to COVID-related challenges and to limit the spread of infection in the workplace, an Infectious Disease Control Policy was crafted to address the following:

- ▶ Prevention of Infection Spread at all locations
- ▶ Temperature Screening
- ▶ Travel limitations
- ▶ Telecommuting
- ▶ Quarantine
- ▶ Guidelines for interaction among employees and with members
- ▶ Requests for Medical Information

## CHRISTMAS ACTIVITIES

On December 24th 2020 all employees were issued with gift certificates and a Confectionary Table with an assortment of sweet and savoury items was provided for all staff. A few employees participated in voluntary gift exchange.

## AD HOC PROJECTS

### CFCCU CUSTOMER SERVICE CHARTER

A draft CFCCU Customer Service Charter was submitted to the Management Team for review and amendment. This Charter precedes the crafting of an internal customer service training programme which is being designed to ensure uniformity in the customer service and level of professionalism when managing the members.

### 360 DEGREE ASSESSMENT

In July 2020 the Management Team participated in a 360 Degree Assessment facilitated by Verieux Mourillon in which its direct reports, peers and direct manager provided feedback on several leadership competencies using an online anonymous survey, administered by Extended DISC North America (an international assessment company with operations in over 40 countries). The results have been used to craft developmental plans for the team and to provide insights into its leadership practices.

## OPERATIONS DEPARTMENT

### Townhouse Branch

The year 2020 was a challenging and tense period for members of staff due to the COVID-19 pandemic. However, after safety measures were established staff members were more comfortable in conversing with the membership.

The first quarter of the year started off well with increases in all areas of the Operations Department specifically, teller transactions, new accounts and ATM transactions compared to the same period in 2019. Conversely new membership experienced a decline from the onset of the crisis for the remainder of the year. There were reductions in teller transactions in the second and fourth quarters of 2020 in contrast to the same period in 2019. The third quarter typically has an increase in transactions as members either withdraw their Summer Club savings in July

and August and then commence the Club in the month of September.

The table below illustrates the operations during the review period:

Period	Teller Transactions	New Accounts	Reactivations	ATM
1st Qtr. 2019	13,259	447	78	8,526
1st Qtr. 2020	30,967	512	75	20,631
2nd Qtr. 2019	24,553	557	126	18,329
2nd Qtr. 2020	19,018	189	39	22,767
3rd Qtr. 2019	24,849	485	98	18,301
3rd Qtr. 2020	27,481	411	100	24,569
4th Qtr. 2019	26,501	412	49	22,214
4th Qtr. 2020	25,558	315	80	29,187

### New Accounts

A total of Thirteen Hundred and Seventeen (1317) accounts were opened in 2020 compared to Nineteen Hundred (1900) accounts in 2019. The Member Service Representatives maintained their high standard of service delivery to members throughout the period (averaging 97% excellent rating) as mentioned in the monthly customer surveys.

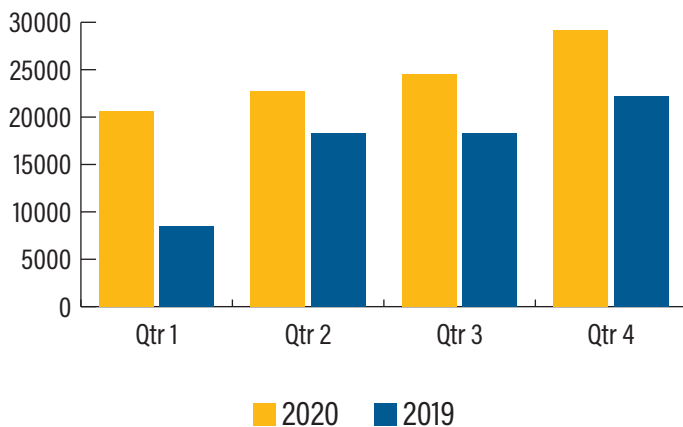
Type of Account	2019	2020
Adult	1320	851
Minor	409	329
Business / Organization	171	137
<b>Total</b>	<b>1900</b>	<b>1317</b>

The Townhouse ATM is one of the high traffic ATMs of the organization. The number of transactions continues to increase each quarter as more members join the credit union. There were issues with downtime in the second



and third quarters of the year mainly related to the card reader and the new polymer notes.

### ATM Transactions



The Member Service Department initiated the birthday alerts for minors once they have attained the age of eighteen. Correspondence is sent out monthly to the parent or guardian encouraging them to change over the minor account to an adult account. This initiative supports the strategic goal of the organisation in growing the assets and member shares annually.

### OLD PARHAM ROAD BRANCH

The year 2020 was an unprecedented year. The year was riddled with many challenges due mainly to the COVID-19 pandemic which disrupted the entire world. The pandemic caused major economic fallout as hotels and other businesses were either forced to close or had to curtail their operating hours. This meant that a number of members either lost their job, were laid off or worked shortened hours. Additionally, for a period of approximately one month the Country was on a partial lock-down to curb the spread of the virus to include the Credit Union before financial institutions were designated essential services. Thereafter, for a period the Institution operated truncated hours due to the stringent curfew in place. All these challenges affected the performance of the Credit Union for the year 2020. The statistical information is shared below.

### Statistical Information

The Credit Union's overall new membership numbers declined in 2020. This decline can be directly attributed to the resulting effects COVID-19 had on businesses and the economy on a whole. The table shows the comparison of new members onboarded over the period 2017 to 2020.

2017	2,242
2018	2,480
2019	1,117
2020	7,27
<b>Grand Total</b>	<b>6,566</b>

### GIA Transactions

The number of GIA transactions declined in 2020. Members' spending power declined as a result of job losses (whether temporary or permanent) due to the closure of hotels and other businesses. The tables below display the volumes generated through the GIA online service for the period 2017 to 2020. The number of GIA transactions decreased by 7.51% in 2020 from 2019.

#### GIA Transactions by Year

	Total
2017	34,711
2018	45,689
2019	53,340
2020	49,335
<b>Grand Total</b>	<b>183,075</b>

### ATM Transactions

The number of ATM transactions also declined in 2020. In addition to the effect on members' spending power due to job losses (whether temporary or permanent) due to the

closure of hotels and other businesses we experienced a major challenge when one of the ATMs on our network was severely vandalised. The vandalism was such that the machine was inoperable since then and the recommendation was to replace the entire unit. Following the vandalism of the ATM at the Bargain Centre Perry Bay Supermarket and other issues with the location of another ATM unit at the Bargain Centre Tyrells Supermarket, a decision was made to relocate the ATM at that location to its new location at The Covent Garden in English Harbour.

#### ATM Transactions by Year

	Total
2017	268,421
2018	344,636
2019	345,213
2020	286,368
<b>Grand Total</b>	<b>1,244,638</b>

#### Teller Transactions

The total transactions completed by the tellers/customer service representatives at the Old Parham Road location over the review period was approximately 152,862 compared to 2019 which was 179,029 a decrease of approximately 14.6%.

#### Electronic Funds Transfer (EFT)

CFCCU implemented the EFT process in 2019. In the initial year, EFT requests were processed without a charge. A decision was subsequently made to levy a nominal fee to process the requests in keeping with our strategic plan to diversify and increase our revenue streams from non-loan revenues.

The tables below show the approximate total EFTs sent and received for 2019 and 2020 both in number and amount. The information shows a significant increase in both incoming (~113%) and outgoing (~1839%) amounts and numbers.

#### Outgoing EFTs

Year	Number Sent	\$ Amount Sent
2019	600	1,978,300.71
2020	3032	38,356,661.45

#### Incoming EFTs

Year	Number Sent	\$ Amount Sent
2019	353	53,484,406.70
2020	6163	114,140,054.84

#### CREDGO

The Mobile App (CREDGO) which was launched in the 3rd quarter 2019 was available initially on the Android platform only. The App subsequently became available on the iOS platform in May 2020. With the lockdown and the state of emergency, members were encouraged to sign up for and utilise our online platforms, whether GIA or the App. The total CREDGO transactions for 2020 was 32,619, an increase of 29,619 transactions or approximately 1,125% over 2019.

#### Total CREDGO Transactions

	Total
2019	2,663
2020	32,619

#### School Savings Programme

The School Savings programme which was progressing well was suspended for an extended period during the year as the schools were either conducting classes virtually or completely closed. Although no new schools were added in 2020, approximately 569 new School Savers were added to the programme.

Following quite a promising resumption in late 2019 and early 2020 after Hurricane Maria in 2017, the Barbuda program is still suspended as at the end of 2020.

### Special Projects

The process of separating the ATM deposits to specific general ledger (GL) numbers was undertaken and completed. This process allows for greater transparency and accountability in the balancing of the deposit-taking ATMs. This has been successful.

The separation of the closed and dormant files from among the active files started and is ongoing.

## ACCOUNTS DEPARTMENT

The year 2020 saw an unprecedented worldwide catastrophe that could not have been predicted. In a very short period, many economies were brought to their knees by a quickly spreading virus COVID-19. This pandemic can be blamed for the fiscal challenges being faced here in our nation which by extension has had an impact on our Credit Union's financial standing.

To offer much needed assistance to our membership, who themselves have seen significant fall-off in their incomes and in some instances were laid off and even severed from their jobs; the Credit Union invited applications for Moratoriums. As at December 31st 2020, the Institution would have granted 991 Moratoriums, the value of those loans being \$51,214,237 (Period: April – December 2020), 78% of which have now resumed Payments to their accounts.

Active Moratoriums as at December 31, 2020:

Mortgages	39	\$8,032,193
Personal Loans	171	\$4,864,471
Total	210	\$12,896,664

Consequently, the granting of moratoriums involves the waiver of not only principal payments but interest payments as well. As at December 31, 2020, the value of Interest payments waived was \$2,414,119. The waiver of Interest directly affects profitability and the amount noted represents a reduction of the loan Income anticipated. Therefore, going forward, the process of granting Moratoriums as well as extensions must be done prudently, carefully assessing the member's financial circumstances and then determining the best possible means to address their situation, whether it be moratoriums, transfers from secured savings, or in some cases restructuring of their loan facilities.

During the year 2020, we also saw a stark increase in Delinquency. Our Delinquency Ratio increased from 4.85% at the end of 2019 to 6.02% at the end of 2020 and we anticipate that this will increase further even with the roll out of Moratoriums. To this end, The Credit Union has recruited a new member of staff to join the Collections Team. We are also rolling out the newly authorized Collections Policy and reviewing our external collection program as well. We realize that in these times, what is required is a robust collection plan carefully tailored to gauge each individual case of delinquency.

## LOANS DEPARTMENT

### Changes in the Loans Policy

For the year under review some changes were made to the Loans Policy.

### Changes made are as follows:

#### Section 5: Consumer Loans

*Affidavit of Means* is required. This document is used to determine or estimate self-employed earnings. The document is prepared by a Notary Public or an Attorney at Law, using the owner's business receipts and invoices.



## Used Vehicles

Ensure during loan processing (disbursement) members are advised that the registration and insurance certificates are returned to the Credit Union.

## Section 8 - Mortgage Loans

### Eligibility

Only members of the Community First Co-operative Credit Union are eligible to borrow.

All loans must be applied for, using the electronic application form. The handwritten application form will only be used if the electronic form is not accessible.

*Independent Legal Advice* will be required if the member is using another person's property as additional security, or in the case of two persons borrowing for the same purpose, this also include persons in marriage.

### Disbursement

**Deviation** – If there are any changes from the original plan the member will be responsible to cover the cost out of pocket to take the project to the stipulated stage. No funds should be given until the project is at the stage required for next disbursement.

**Cost over runs** – An additional 10% should be factored into the original cost in case of cost over runs due to increase of material costs and other factors related to the mortgage, except in the cases of deviation.

**Valuators** – Valuators should be provided with a copy of the plans and estimate (soft or hard copies) to ensure the project is on time and to assist them in reporting any deviations or issues arising.

## Schedule 5 - Bills of Sale

Age of Vehicle	Security Value
New	0 – 5%
1 – 2 years	5 – 10%
3 – 4 years	5 – 10%
Greater than 5 years	

## LOAN DISBURSEMENT

As expected, the Loans Department saw a significant decrease in members borrowing in 2020 compared to 2019. The loans statistic is reporting two thousand, six hundred and eighty-three (2683) members borrowed in 2019, compared to one thousand, nine hundred and ninety-three dollars (1993) borrowed in 2020 a significant decrease of six hundred and ninety-three (693) members.

The report indicated that we lent **\$73,667,402.89** in **2019**, compared to **\$64,851,616.49** lent in **2020**, a substantial difference of **\$8,815,786.40**.

This of course was as a result of the pandemic, members who worked in the hotel industry were laid off, to include taxi drivers, members who worked in restaurants, and other tourism related establishments were also affected by the layoff.

The Loans Department assisted the Accounts Department in completing Moratorium applications for those members that were either laid off or were placed on reduced working hours and days.

### Loans disbursed by purpose

The **Used Vehicle** loan product continues to dominate the portfolio, although the government announced mid-year 2020, that they will no longer be giving duty free concessions to purchase used vehicles overseas. Three hundred and twenty-seven members (327) borrowed to the value of **\$7,028,730.16**, this represents the largest group of members borrowing.

Our second highest category for members borrowing is our **Debt Consolidation** product; two hundred and seventy-nine (279) members borrowed to the value of **\$4,491,668.56**. It was observed that during the year under review members who are still employed took the opportunity to consolidate all their outstanding debts, especially loans taken from the non-bank financial institutions.

The **Amalgamated** expenses category indicated that one hundred and forty-nine (149) members borrowed to the value of **\$2,148,277.70**, this product is also used to assist members with paying off outstanding debts.

**Property Purchase and Mortgage** categories reflected the most lent for the year 2020, despite the global pandemic and subsequent closure of borders around the world including our twin island state. Our loans granted report indicates that one hundred seventy-six (176) members borrowed to the value of **\$27,214,189.22**.

Our **Land loan** product is usually one of the categories that is popular. Members are purchasing lands from either private individuals or government owned, such as CHAPA or National Housing. This year one hundred and eleven (111) members borrowed to the value of **\$7,274,225.52**.

The Loans Department as per our work plans along with the Accounts Department are ensuring that members with loans that have fallen into arrears come in to **Reschedule**. We are pleased to report that eighteen (18) members have rescheduled their loans to the value of **\$1,616,986.17**.

We continue to prepare the pre-qualifying letters for those members that are interested in seeking approval for their Mortgages. This process has assisted the department by making the application process a lot faster whenever the members return to apply for their mortgages.

The Department continues to encourage those members that cannot afford homes from National Housing and CHAPA, to consider purchasing homes from Willy D Housing Project located at Freemans Village.

Appointments were done via telephone instead of face to face. This was put in place to minimize contact and to adhere to the COVID-19 protocols.

Despite the pandemic and the closure of various businesses, the loans department was able to lend to one thousand, nine hundred and ninety-three (**1993**) members to the value of sixty-four million, eight hundred and fifty-one thousand, six hundred and sixteen dollars and forty-nine cents (**\$64,851,616.49**).

## THE EXECUTION OF THE STRATEGIC PLAN 2017- 2021

### 4.0. STRATEGIC PLAN

The following are the Organizational Goals for Community First Credit Union that were revised in 2016 and commenced implementation in 2017:

The plan includes the following objectives:

1. Provide exceptional member service via improved member access to the credit union's products and services.
2. Demonstrate its corporate social responsibility by engaging in community outreach and youth empowerment activities.
3. Leveraging technology to improve efficiency and member access.
4. Provide financial education to members to enable them to manage their finances.
5. Grow the assets, member shares and loans portfolio by 8% in 2017 and 7% annually for 2018 - 2021.
6. Maintain the delinquency and institutional capital ratios at 5% and 11% respectively for the years 2017-2021.
7. Diversify revenue streams - 15% of revenue from non-loan revenue annually.

Organisational Goal 1	Strategic Priority Area
<b>Provide exceptional member service via improved member access to the credit union's products and services</b>	<b>Accessibility</b>
<b>Performance</b>	
<ul style="list-style-type: none"> <li>▶ Changed Tyrells ATM location to improve member access and reliability</li> <li>▶ Purchased new full-service ATM for Old Parham Road Branch to upgrade aging hardware</li> <li>▶ Implemented full Electronic Journals on in-branch ATMs to improve up times</li> <li>▶ Customer Service training conducted for staff</li> <li>▶ Educate staff on CFCCU Policies, Manuals and procedures</li> <li>▶ CFCCU Culture reinforcement activities held</li> <li>▶ Provide leadership development training / mentoring / coaching for supervisory and managerial staff.</li> <li>▶ Implement contingencies to prepare for Labour shortages</li> </ul>	

Organisational Goal 2	Strategic Priority Area
<b>Demonstrate corporate social responsibility by engaging in community outreach and youth empowerment activities</b>	<b>Outreach</b>
<b>Performance</b>	
<ul style="list-style-type: none"> <li>▶ Continued donations considering social distancing protocols</li> </ul>	

Organisational Goal 3	Strategic Priority Area
<b>Leveraging technology to improve efficiency and member access</b>	<b>Technology</b>
<b>Performance</b>	
<ul style="list-style-type: none"> <li>▶ Continued use of Psychometric Assessments for recruitment</li> <li>▶ Added the iOS version of <b>CREDGO</b> to our offerings.</li> <li>▶ Implemented Office 365 throughout the organization to improve reliability for software and email capabilities.</li> <li>▶ Made Email Payroll alerts universal during lockdown period</li> </ul>	



### Performance (cont)

- ▶ Made Permanent Shares available for purchase via GIA with \$5 increment modification.
- ▶ Testing Online Loan Application
- ▶ Maintenance of Online Survey tools throughout the organization
- ▶ Additional Vendors added for Bill Payment service
- ▶ Digital Small Business Expo held to highlight small business members of CFCCU
- ▶ Implemented Managed Wi-Fi service for members visiting our Branches
- ▶ Activated Artificial Intelligence software on our Facebook Platform to improve response times and accuracy of information.

### Organisational Goal 4

### Strategic Priority Area

**Provide financial education to members to enable them to manage their finances**

**Member Education**

### Performance

- ▶ Publish financial tips in the newspapers, in house screens and social media platforms.
- ▶ Printed financial tips that were distributed by Loans Officers, Member Service Representatives and Tellers at all branches

### Organisational Goal 5

### Strategic Priority Area

**Grow the assets, member shares and loans portfolio by 8% in 2017 and 7% annually for 2018 - 2021**

**Asset Base**

### Performance

- ▶ Asset Growth at the end of 2020 was 11.48%. The corresponding growth for the same period in 2019 was 21.85%.
- ▶ Loans Portfolio Growth at the end 2020 was 10.69%. The corresponding growth for the same period in 2019 was 22.58%.
- ▶ Encourage dormant members to re-activate their accounts and start saving
- ▶ Implemented a Merger Committee Policy
- ▶ Unclaimed Balances - Run unclaimed accounts, review listing & send out notice in the media
- ▶ Create a standard birthday alert contact letter, run monthly alert report and send out letters
- ▶ Increase in membership at the end of 2020 stands at 4.88%. The corresponding growth for the same period in 2019 was 12.6%.

### MEMBERSHIP

2017	17,177
2018	19,875
2019	22,379
2020	23,473

Organisational Goal 6	Strategic Priority Area
<b>Maintain the delinquency and institutional capital ratios at 5% and 11% respectively for the years 2017- 2021</b>	<b>Ratio Maintenance</b>
Performance	
<ul style="list-style-type: none"> <li>▶ Delinquency Ratio December 2020: 6.02%                      December 2019: 4.91%</li> <li>▶ Institutional Capital December 2020: 13.5%                      December 2019: 13.3%</li> <li>▶ Provide tips on delinquency to members through the media channels</li> <li>▶ Moratorium and Loan Policies amended to match the changing environment</li> </ul>	

Organisational Goal 7	Strategic Priority Area
<b>Diversify revenue streams - 15% of revenue from non-loan revenue annually</b>	<b>Product Development</b>
Performance	
<ul style="list-style-type: none"> <li>▶ Non-Loan Revenue at December 2020 stood at 12.3% compared to 11.96% a year earlier. Important to note is a 2 million dollar decrease in Total Income from previous year, thus the increase in the percentage.</li> <li>▶ Promote ancillary products (e.g. FIP, Health Insurance)</li> <li>▶ Investment Committee Meetings held to discuss the Investment Portfolio and make investments for 2020</li> </ul>	

# TREASURER'S REPORT

My fellow co-operators, as Treasurer it is my obligation to present to you, our esteemed members, the financial state of affairs of our Credit Union for the fiscal year ending December 2020.

The year 2020 would have been overshadowed by the COVID-19 pandemic which took hold in March 2020. The pandemic and subsequent slowdown in the economy affected every facet of CFCCU from new membership to asset growth. Management moved swiftly to have the Moratorium Policy adjusted to facilitate the speedy approval of moratoriums for members who were unemployed, had reduced incomes or were facing significant financial pressure in their households.

By the end of June 2020 over 900 loans to the tune of approximately EC\$47 million had been approved by Management and the Credit Committee to provide relief to the membership; this represented over 20% of our outstanding loan portfolio. Seventy eight percent (78%) of Applicants had resumed payments by December 31st 2020. Active Moratoriums as at December 31, 2020 stood at 210 loans; totaling \$12,896,664.34. Administratively, management tried its best to cover the needs of our membership, volunteers and team members which resulted in increased costs in COVID-19 related expenses and waived interest.

Nevertheless, our Credit Union was still able to report growth in its asset base of 10.29% in comparison to 21.78% in 2019 which has already surpassed the strategic growth target for 2020 of 7%. Essentially, we moved from an asset base of \$261,024,173 in 2019 to \$287,886,913 in 2020.

Membership grew in 2020 by 4.89% compared to a 12.6% growth rate in the previous year. More specifically, this brought our membership to 23,473 in 2020 from 22,379 in the previous year.



As such, it is evident that even in these times of economic uncertainty, our Credit Union continues to gain the confidence of the wider society in our ability to meet their financial needs.

This is further evident in the increased growth recorded in Savings over the period January to December 2020 of 11.62% compared to 19.5% in 2019. That is, total savings increased from \$216,289,339 in 2019 to 241,419,938 in 2020.

Following the growth trend, the Loans Portfolio increased similarly by 10.12% in 2020, from \$200,273,841 in 2019 to \$220,535,079 in 2020.

Permanent Shares increased by 4.90% from \$7,250,440 in 2019 to \$7,605,405 in 2020. The Credit Union continues to be innovative in encouraging our members to solidify their investment in their credit Union by purchasing additional shares.

The delinquency ratio at the end of 2020 was 6.02%, significantly higher than the 4.91% recorded in at the end of 2019, ultimately breaching the 5% limit established for loan delinquency. Taking into consideration the impact that the pandemic has had on members who were unemployed, had reduced incomes or were facing significant financial pressure in their households, the Credit Union continues to employ all avenues to ensure improvement in this area.



Overall our credit Union remains sound and resilient in spite of the current economic uncertainty; a true testament of our communal efforts. We continue to build on our strengths and creatively explore ways to improve on our weaknesses.

Savings over the period January to December 2020 grew by 11.62%. Total savings increased from \$216,289,339 in 2019 to \$241,419,938 in 2020.

Years	Savings
2006	42,729,327
2007	54,129,450
2008	64,245,872
2009	68,477,572
2010	69,424,262
2011	72,565,230
2012	80,714,706
2013	89,804,220
2014	105,534,689
2015	112,974,813
2016	133,814,736
2017	153,074,089
2018	180,917,717
2019	216,289,339
2020	241,419,938

## MEMBERSHIP

Membership totals grew this year by 4.89%, a lower performance compared to growth of 12.6% experienced the previous year.

## PERMANENT SHARES:

Permanent Shares increased by 4.90% from \$7,250,440 in 2019 to \$7,605,405 in 2020. We continue to encourage our members to solidify their investment in their Credit Union by purchasing more Permanent Shares.

## ASSETS

Year	Assets	Loans
2006	53,874,666.00	36,100,927.00
2007	66,669,806.00	42,118,559.00
2008	78,187,302.00	55,899,768.00
2009	81,016,949.00	59,102,423.00
2010	79,202,027.00	61,125,370.00
2011	86,694,184.00	63,942,567.00
2012	95,632,427.00	73,837,381.00
2013	106,101,207.00	77,966,106.00
2014	122,241,624.00	88,685,866.00
2015	131,859,179.00	96,321,058.00
2016	156,859,145.00	112,519,772.00
2017	181,839,833.00	134,012,070.00
2018	214,334,271.00	165,761,024.00
2019	261,024,173.00	200,273,841.00
2020	287,886,913.00	220,535,079.00

Our Credit Union's Asset Base growth continues to outstrip its strategic plan goal, this financial year, the Credit Union's Assets grew by 10.29% from \$261,024,173 in 2019 to \$287,886,913 in 2020. This compares to a growth rate of 21.78% over the previous year.

## LOANS

The Loan portfolio grew by 10.12% from \$200,273,841 in 2019 to \$220,535,079 in 2020. The Net Loans to Total Assets Ratio (see PEARLS contracted very slightly from 76.7% at the end of 2019 to 76.6% at the end of 2020.

## DELINQUENCY

The delinquency ratio was 6.02% at the end of 2020, breaching the PEARLS maximum standard of 5%. This is directly attributable to the effects of the pandemic on Antigua and Barbuda's economy as even after the moratorium period expired, some members were still unemployed, had reduced incomes or were facing significant financial pressure in their households.

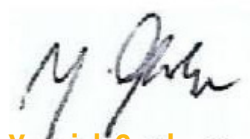
As the economy begins to improve and unemployment starts returning to its pre-pandemic level, we should see an improvement in the delinquency levels. The Credit Union also continues to exploit all avenues to ensure improvement in this area.

Days in Delinquency	No.	Delinquent Loans
(I) 1-30 days	1	60,850.48
(ii) 31-59 days	44	1,579,433.44
(iii) 60-89 days	28	693,882.03
(iv) 90-179 days	94	1,378,106.64
(v) 180-269 days	61	1,599,471.48
(vi) 270-365 days	53	1,064,645.26
(vii) over 365 days	224	7,371,440.29
	505	13,747,829.62

## NET INCOME

The Credit Union realized a net surplus in the amount of \$872,727 for the financial year 2020, a drastic but unsurprising 85.18% reduction from the previous year's net surplus. In spite of the direct and sudden impact of the pandemic on our economy, our credit Union was able to show its resilience and weather the storm despite the erosion to our surplus position.

This without a doubt stands as testament to the financial soundness of our beloved institution. Thank you to all stakeholders, Board of Directors, committee members, Management and staff who contributed and will continue to contribute to the continued development of our beloved Credit Union.



**Yannick Gordon**

Treasurer

PEARLS RATIOS		GOAL	Dec-20	
<b>P</b>	<b>PROTECTION</b>			
1.	Loan Loss Allowance/ Delinquency> 12 Months	100%	56.15%	
2*	Net Loan Loss Allowance/Allow.Required for Delinquency1-12 months	35% for 1-12 months	-79.96%	
3	Completed Loan Charge-Off of Delinquency> 12 Months	Yes	No	
4	Annual LoanCharge-offs/Gross Loan Portfolio	Minimized	0.19%	
5	Accum Charge offs recovered/Accumulated charge offs	>75%	0.00%	
6	Solvency	Min 111%	117.87%	
<b>E</b>	<b>EFFECTIVE FINANCIAL STRUCTURE</b>			
1*	Net Loans/Total Assets	70-80%	76.9%	
2	Liquid Investments/Total Assets	16%	14.3%	
3	Financial Investments/Total Assets	Max 2%	1.9%	
4	Non-Financial Investments /Total Assets	0%	0.0%	
5•	Saving Deposits / Total Assets	70-80%	83.2%	
6	External Credit I Total Assets	0-15%	1.3%	
7	Member Shares I Total Assets	10-20%	2.6%	
8	Institutional Capital /TotalAssets	Min 10%	13.5%	
9•	Net Institutional Capital /Total Assets	Min 10%	16.1%	
<b>A</b>	<b>ASSET QUALITY</b>			
1*	Delinquent loans /GrossLoan Portfolio	<=5%	5.00%	
2*	Non-EarningAssets/ Total Assets	<=5%	8.9%	
3	Zero Cost Funds	>=200%	226.00%	
<b>R</b>	<b>RATES OF RETURN (ANNUALISED)</b>			
1	Loan Income/Loan Portfolio	Market Rate	6.93%	
2	Liquid Investment Income/Liquid Investments	Market Rate	0.00%	
3	FinancialInvestment Income/Financial Investments	Market Rate	13.13%	
4	Non-FinancialInvestment Income/Non-Financial Investments	>=R1	#DIV/0!	
5	Interest paid on Deposits/Total Deposits	Market Rate	1.81%	
6	External Credit Exp/External Credit	Market Rate	6.16%	
7	Dividend on Member Shares /MemberShares	Market Rate	0.00%	
8	Fee Income/GrossIncome	Market Rate	2.35%	
9	Gross Income Margin /Total Assets	Market Rate	4.41%	
10*	Operating Expense/Total Assets	<5%	2.83%	
11	ProvisionExpense/Total Assets	Sufficient for Losses	0.00%	
12	Operating Expenses/Gross Income	<55%	47.30%	
13*	Return on Assets	Enough for E9	1.58%	
14	Return on Equity	Market Rate	11.70%	
15*	Fixed Rate Loans and Investments <5 years maturity/Net Institutional Capital	<=150%	338.01%	
<b>L</b>	<b>LIQUIDITY</b>			
1*	Liquid Assets -Short-term Payables/ Total Deposits & Withdrawable Shares	15%	19.47%	Last Period's Amount in EC \$ or number for Membership
2	LiquidReserves/ Total Deposits & Withdrawable Shares	10%	17.06%	
3	Non-earning liquidAssets/Total Assets	1%	2.09%	
<b>S</b>	<b>SIANS OF GROWTH (ANNUALIZED)</b>			
1	Loans	To reach E1	10.69%	\$204,844,819
2	Liquid Investments	To reach E2	6.29%	\$44,836,422
3	Financial Investments	To reach E3	199.81%	\$1,848,146
4	Non-FinancialInvestments	To reach E4	#DIV/0	\$0
5	Savings Deposits	To reach E5	11.40%	\$217,149,254
6	ExternalCredit	15%orless	-3.34%	\$3,920,866
7	Members Shares	To reach E7	4.89%	\$7,250,540
8	Institutional Capital	To reach E8	21.06%	\$32,386,904
9	Net Institutional Capital	To reach E9	#DIV/0!	
10	Membership	15%	0.048885116	\$22,379
11*	Total Assets	Inflation+10%	11.48%	\$261,169,992



# YOUR CFC

## OLD PARH



**Management Team (L-R):** Shamair Henry (Financial Controller) Lenora Murphy (Human Resources Manager), Jennifer Brown (Branch Manager), Karl Spencer (General Manager), Cheryl George (Branch Manager- Old Parham Road), Angela Payne (Loans Manager)



**Operations Department-Member Service Representatives (L-R):** Monique Richardson, Camille Hunte, Jessica Magloire, Tericia Simon



**Operations Department - Customer Service Representatives (L-R):** Trevor Ambrose, Okorie Matthew, Roshawn Gloade, Keyenna Jackson, Latesa WYNTER, Thalia Haywood, Narissa Hampson (back row), Earvin Miller, Centhelia Hughes (front row), Absent from Photo-Shane Herbert



**Operations Department - Utilities (L-R):** Javier Jarvis, Nina Darroux-Benjamin, Shanika Lewis, Shelly-Ann Apparicio, Adriane Henry, Nigel Benjamin

## VILLAGE WALK



**Accounts Department (L-R):** Shamair Henry, Danielle Cools-Lartigue, Claudette Simon, Johtoya Thomas, Shekira Valarie

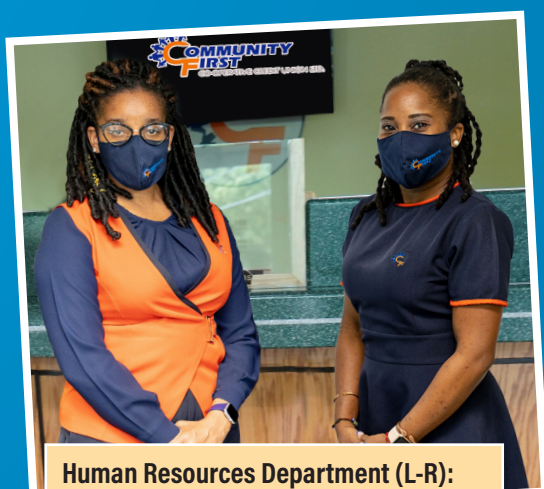


# CCU FAMILY

## AM ROAD

### Loans Department

(L-R): Althea Inniss, Sherna Drew-Christopher, Shirese Sheppard, Mario Connor, Angela Payne, Ilet Benjamin Shamra Paige



**Human Resources Department (L-R):**  
Lenora Murphy, Tonya Jackson



**Business Administration Department (L-R):** Dwight Bloodman, Donna Cornelius, Tamarie James-Roberts, Karl Spencer

## TOWNHOUSE BRANCH



**Operations Department - Member Service Representatives (L-R):** Valri-Ann Greenaway, Torri Michael, Athina Monroe, Paula Goodman, Kiana Jacobs, Absent from Photo- Athina Monroe



**Operations Department - Customer Service Representatives (L-R):** Ondre Spencer, Chessia Gordon, Shakeil George, Absent from Photo - Sastiere Francis

# CREDIT COMMITTEE REPORT

## INTRODUCTION

The Credit Committee is comprised of three (3) volunteers - Ms. Tamika Browne (Chairperson), Mrs. Tarika Ferris (Secretary), and Ms. Casmint Edwards-Whyte (member). Chairperson Browne completes her second term this year.

The three-member committee is charged with the responsibility of ensuring that all loan applications comply with the Credit Union's loan policy and evaluating a borrower's ability to repay in order to mitigate the risks of delinquency.

The Committee continues to meet weekly to fulfil this mandate. Despite the national lockdowns put in place as a result of the pandemic and the adjusted opening hours of the Credit Union, the Credit Committee was still able to meet at least once per week to carry out its duties.

As a result of lay-offs primarily in the hospitality and self-employed areas, loan moratoriums were approved for members for an initial period of three (3) months.



Name	Meetings		
	Scheduled	Attended	Absent/ Excused
Tamika Browne	50	36	14
Tarika Ferris	50	47	3
Casmint Edwards-Whyte	50	48	2

## LOAN DISBURSEMENT

Unlike the previous years' trend, there was a decrease in the loan portfolio in terms of the amount lent by 12% or \$8,831,786.40 for the year in review. The number of loans disbursed also experienced a further decrease - 691 less loans were disbursed representing a reduction of approximately 26%. The foregoing is likely a result of the economic effects of the Pandemic including job losses and lay-offs.



Loan Purpose Description	2020		2019	
	COUNT	TOTAL VALUE	COUNT	TOTAL VALUE
AMALGAMATED	149	2,148,277.70	150	2,988,068.24
BUILDING EXPENSES	36	834,500.17	44	1,082,456.18
BUILDING REPAIRS/RENOVATIONS	180	3,025,767.63	140	2,900,150.10
BUSINESS LOANS	13	1,279,281.07	23	1,400,387.54
COMPUTER PURCHASES	5	15,506.00	5	32,000.00
CONSOLIDATED DEBT	279	4,491,668.56	384	6,360,077.30
EDUCATIONAL	103	1,911,052.24	116	2,596,053.31
EQUIPMENT & SUPPLIES	66	1,009,462.41	68	1,036,456.50
FISHERIES & AGRICULTURE	7	144,200.00	6	118,150.00
FUNERAL EXPENSES	14	131,402.83	13	161,802.65
FURNITURE & APPLIANCES	105	1,095,787.31	118	1,450,394.24
HOUSE INSURANCES	2	3,430.00	1	5,000.00
LAND PURCHASES	111	7,274,225.52	99	6,395,105.77
LEGAL EXPENSES	13	274,020.26	4	73,085.75
MATERNITY LOAN	1	2,600.00	6	36,800.00
MEDICAL EXPENSES	27	281,949.57	28	355,567.50
OTHER BILLS	154	1,207,749.78	98	882,442.34
RESCHEDULED LOANS	18	1,616,986.17	5	59,742.91
UTILITIES	1	5,500.00	0	0.00
WEDDING EXPENSES	15	115,086.00	22	378,604.03
TRAVEL EXPENSES	88	893,628.24	537	5,795,869.09
VEHICLE EXPENSES	4	50,785.00	15	288,391.37
PROPERTY PURCHASE	26	3,652,982.65	16	2,292,415.43
MORTGAGE	150	23,561,206.57	145	21,623,062.28
NEW VEHICLES	21	2,211,688.17	29	2,605,938.56
USED VEHICLES	326	7,012,730.16	539	12,254,326.25
VEHICLE REPAIRS/INSURANCES	78	584,142.48	72	495,055.55
<b>TOTAL</b>	<b>1,992</b>	<b>64,835,616.49</b>	<b>2,683</b>	<b>73,667,402.89</b>



## LOANS BY PURPOSE

For the year in review, Mortgages represented the purpose for which the most money was borrowed at \$23,561,206.57, an 8% percent increase over 2019. Members also borrowed heavily for land purchases. A total of 111 loans were approved for this purpose at a value of \$7,274,225.52. Used vehicles continue to dominate the loan portfolio in terms of the number of borrowers with 326 loans approved for this purpose.

This represents 16% of the total loans disbursed with a total amount lent of \$7,012,730.16. Of note, the second category in terms of the number of loans approved was Consolidated Debt. A total of 279 loans were approved for this purpose.

Despite an overall decrease in the number of loans approved in 2020, the following categories also saw increases over the 2019 period:

- ▶ Building Repairs & Renovation
- ▶ Other Bills
- ▶ Land Purchases

Most notably, a significant decrease was observed in the Travel Expenses category for which only 88 loans were approved compared to 537 for the previous period. This reduction can almost certainly be attributed to the pandemic and the resulting travel restrictions and closures of various ports of entry.

## LOANS BY GENDER

Of the total number of loans approved in 2020: **1,225 or 61.59%** of the applicants were female, while **765 or 38.4%** were male. As the females continue to be the dominant

borrowers, they represented **54.66%** of the total amount borrowed (\$35,443,580.14), while the borrowings of their male counterparts represented 45.33% or \$29,392,036.35.

LOANS BY GENDER	2020			2019		
	COUNT	TOTAL VALUE	PERCENT	COUNT	TOTAL VALUE	PERCENT
MALE	765	29,392,036.35	45.33	1,034	30,387,797.09	41.25
FEMALE	1,227	35,443,580.14	54.66	1,649	43,279,605.80	58.75
<b>TOTAL</b>	<b>1,992</b>	<b>64,835,616.49</b>		<b>2,683</b>	<b>73,667,402.89</b>	

## LOANS BY AGE

The 36-40 age category continues to borrow the most in terms of loan value, with a total of \$13,074,653 borrowed in 2020, representing 20.17% of the loan portfolio. Unlike previous years where the most borrowers were between the

ages of 26-30, the 31-35 age category are now the dominant borrowers with 355 loans issued to this group for the year in review, representing 17.82% of the total number of loans issued in 2020.

LOANS BY AGE	COUNT	2020		COUNT	2019	
		TOTAL VALUE	PERCENT		TOTAL VALUE	PERCENT
1 - 18 Years	0	0	0	3	32,100.00	0.04
19 - 25 Years	242	5,471,172.64	8.44	352	7,174,913.80	9.74
26 - 30 Years	293	8,017,497.17	12.37	471	10,640,117.65	14.44
31 - 35 Years	355	11,694,324.53	18.04	436	10,990,822.33	14.92
36 - 40 Years	314	13,074,653.00	20.17	384	15,082,983.45	20.47
41 - 45 Years	248	9,103,666.70	14.04	333	10,104,822.43	13.72
46 - 50 Years	214	6,945,136.60	10.71	284	9,337,718.26	12.68
51 - 60 Years	253	8,704,094.21	13.42	314	8,613,465.07	11.69
61 - 70 Years	69	1,722,071.64	2.66	101	1,630,759.90	2.21
71 and Over	4	103,000.00	0.16	5	59,700.00	0.08
<b>TOTAL</b>	<b>1,992</b>	<b>64,835,616.49</b>		<b>2,683</b>	<b>73,667,402.89</b>	

## SUMMARY REPORT

The overall loan portfolio experienced a decrease over the year in review compared to the previous reporting period. There was a reduction in the amount of loans disbursed of 26% with a corresponding decrease of 12% in the amount borrowed. Despite the foregoing, members continued to borrow heavily for Mortgages, Land Purchases and Used Vehicles. The most significant decrease in terms of the number of loans disbursed was in the Travel Expenses category.

Females continue to dominate the loan portfolio, surpassing their male counterparts in both the amounts borrowed and the number of borrowers. The 36-40 age category continues to dominate with regards to the amount borrowed, while the 31-35 age category dominated in terms of the amount of loans disbursed.

## TRAINING

Due to the Covid-19 Pandemic, no in person training sessions were held. The Cooperative League however, held an AML Training via Zoom on 17 November 2020. The Credit Committee was in attendance at this training.



**Tamika Browne (Ms.)**  
Chairperson

# SUPERVISORY & COMPLIANCE COMMITTEE REPORT

## INTRODUCTION

The Community First Co-operative Credit Union (CFCCU) Supervisory and Compliance Committee carries out its duties in accordance with its legal responsibilities outlined in the Co-operative Societies Act, 2010.

The five (5) member committee includes: -

- ▶ Nicole Edwards-Francis (Chairperson)
- ▶ Sherrie-Ann Brazier (Secretary)
- ▶ Cynthia Jacobs-Browne (Member)
- ▶ Jeremiah Harriette (Member)
- ▶ Keisha Knight (Member)

## COMMITTEE ATTENDANCE

Given the impact of the Covid-19 pandemic and the government shutdown in March 2020, the Supervisory and Compliance Committee only had thirty-five (35) scheduled meetings for the year 2020. The committee would have met in person during the first quarter of 2020 and switched to a virtual platform in May 2020.

## IMPORTANCE OF THE COMMITTEE

The Supervisory and Compliance Committee plays a critical role and has vital duties to discharge. Our role has become more crucial and onerous in light of the global economic and financial situation. Failure to carry out



Name	Meetings		
	Scheduled	Attended	Absent/ Excused
Nicole Edwards-Francis	35	35	0
Sherrie-Ann Brazier	35	33	2
Cynthia Jacobs-Browne	35	34	1
Jeremiah Harriette	35	34	1
Keisha Knight	35	32	3

duties diligently can result in members being personally liable.

Duties carried out by the Supervisory and Compliance Committee included, but were not limited to: -

- ▶ Inspected loan applications to ensure that the proper procedure and due diligence is followed and that all the required documents are presented by the applicants.

- ▶ Reviewed loan files of staff and officials to ensure that the procedures and policies are followed.
- ▶ Reviewed new accounts and reactivated accounts to ensure that the applicants meet the eligibility requirements and that the requisite documents are in order and were current.
- ▶ Examined Source of Declaration of Funds to ensure that members are compliant with regards to anti-money laundering and anti-terrorism funding.
- ▶ Scrutinized Cheques (i) the Royal Bank of Canada (RBC) cheques are examined against the loan reports and (ii) Antigua Commercial Bank (ACB) cheques are cross checked against the payment vouchers.
- ▶ Reviewed statutory deductions on a quarterly basis to ensure that payments are made to Social Security, Medical Benefits, Board of Education and the Inland Revenue Department.
- ▶ Examined Board of Directors minutes to ensure that the Board is compliant with their statutory duties and obligations.
- ▶ Conducted surprise cash counts in an effort to keep the tellers precise and accountable. For the most part they were accurate, and the Committee commends them for their efforts.
- ▶ Examined teller's daily cash receipts against the daily report to ensure accuracy.
- ▶ Reviewed monthly compliance reports to ensure that the functions of the credit union are in keeping with its standard operating procedures.
- ▶ Reviewed monthly delinquency reports and commends the Financial Controller for their hard work and efforts in maintaining a low delinquency rate.
- ▶ Reviewed recommendations made during the Regulatory examination and Independent AML/CFT examinations.
- ▶ Reviewed new and updated policies and procedures.

Unfortunately, the Committee was unable to perform the customary building inspection at yearend 2020. However, the Committee was satisfied with the Covid19 protocols put in place by Management to ensure safety of staff and members.

## TRAINING

Committee Members, Nicole Edwards-Francis and Jeremiah Harriette attended training session in October 2020 aimed at "Reading and Understanding Credit Union Financial Statements for Non-Accountants". This was hosted by the Institute of Chartered Accountants of Barbados, Caribbean Confederation of Credit Union and Barbados Co-operative & Credit Union League.

The Supervisory and Compliance Committee joined in training with FSRC via Zoom platform in December 2020.

## COMPLIANCE OFFICER SERVICES

The CFCCU continues to utilize the services of the Compliance Officer with the other credit unions of the Antigua and Barbuda Co-operative League.

The Supervisory and Compliance Committee would have met with the Compliance Officer at minimum, twice in 2020.

## CONCLUSION

The Supervisory and Compliance Committee continues to operate in accordance with the Co-operative Societies Act, 2010 and other legal requirements.

The Committee can report that there were no major discrepancies for the reporting period and thanks the Management team, staff and other officials for their assistance and willingness to respond to all our requests and queries, as we carried out our mandate.

Cooperatively yours



**Nicole Edwards-Francis**  
Chairperson



# CREDIT UNION PRAYER

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 it is giving that we receive;  
It is in pardoning that we are pardoned;  
And it is in dying that we are  
Born to eternal life.

Prayer of St. Francis of Assisi