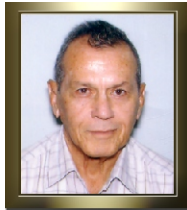


# HOLY REDEEMER CREDIT UNION LIMITED



**69TH ANNIVERSARY 1944 - 2013**

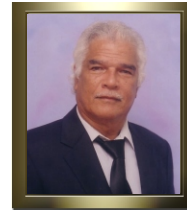
# Board of Directors



**Karl H. Menzies (President)**  
Serving since 1989



**Jane E. Usher**  
Serving since 1954



**Fred Smith**  
Serving since 1987



**Oscar Riveroll**  
Serving since 1998



**Kathlyn Tillett**  
Serving since 2012



**Rene Blanco**  
Serving since 2005

## Credit Committee



**Marion Marsden (Chairperson)**  
Serving since 1978



**Eleanor Gillett**  
Serving since 2008



**Carol Babb**  
Serving since 2007

## Supervisory Committee



**Feliz Reyes (Chairperson)**  
Serving since 2007



**Alberto Young Jr.**  
Serving since 2009



**Jose Can**  
Serving since 2005

# Annual General Meeting

## Business Agenda

1. **MEETING CALLED TO ORDER BY PRESIDENT**
2. **OPENING PRAYER** (See inside back cover of booklet)
3. **ROLL CALL**
4. **APPROVAL OF MINUTES** (Annual General Meeting 2012)
  - a. Matters arising from Minutes
  - b. Confirmation of Minutes
5. **REPORTS**
  - a. Board of Directors
  - b. Credit Committee
  - c. Treasurer's Report (Balance Sheet with Accounts)
  - d. Burial Scheme Program Report
  - e. Supervisory Committee
6. **DISCUSSION AND ACCEPTANCE OF REPORTS**  
(Declaration of Dividends)
7. **CHAIRMAN'S REMARKS**
8. **ELECTION OF OFFICERS:**

Board of Directors	-	2 Vacancies
Credit Committee	-	1 Vacancy
Supervisory Committee	-	3 Vacancies
9. **NEW BUSINESS**
  - a. Confirmation of External Auditors
10. **ADJOURNMENT OF BUSINESS MEETING**
  - a. HRCU Special AGM Raffle



Saturday, April 27th, 2013 - S.J.C. Gymnasium  
3:00 p.m. Sharp



# MINUTES OF HOLY REDEEMER CREDIT UNION LIMITED 68<sup>th</sup> ANNUAL GENERAL MEETING

Held on Saturday, 28<sup>th</sup>, April 2012  
Saint John's College Gymnasium

## Present:

Mr. Karl H. Menzies	- President, Board of Directors
Mr. Fred Smith	- Vice-President, Board of Directors
Mrs. Jane Usher	- Treasurer, Board of Directors
Mr. Oscar Riveroll	- Secretary, Board of Directors
Mr. Rene Blanco	- Director, Board of Directors
Ms. Marion Marsden	- Chairperson, Credit Committee
Dr. Carol Babb	- Member, Credit Committee
Ms. Eleanor Gillett	- Member, Credit Committee
Mr. Jose Can	- Chairperson, Supervisory Committee
Mr. Feliz Reyes	- Member, Supervisory Committee
Mr. Alberto Young Jr.	- Member, Supervisory Committee

Member-owners in attendance: 2,384 (final count)

Mistress of Ceremonies: Dr. Carol Babb

Minutes Taker: Miss Keshia Young

The meeting commenced at 3:00 p.m.

### **1. Call to order of 2012 Annual General Meeting**

With over 1,348 member-owners in attendance, at approximately 3:00 p.m. on Saturday, April 28<sup>th</sup>, 2012, the Mistress of Ceremonies for the occasion, Dr. Carol Babb, called on President, Mr. Karl H. Menzies to declare the 68<sup>th</sup> Annual General Meeting (AGM) opened.

The President, Mr. Karl H. Menzies, welcomed the gathering and proceeded to call the 68<sup>th</sup> AGM to order. In order to invoke God's blessing on the gathering, the Mistress of Ceremonies called on Ms. Eleanor Gillett, Member of the Credit Committee, to lead the gathering in the recitation of the Peace Prayer of St. Francis of Assisi "Lord Make me an Instrument of Thy Peace". Ms. Gillett then asked everyone to stand for a moment of silence for member-owners who had passed away during the financial year April 1<sup>st</sup>, 2011 to March 31<sup>st</sup>, 2012.



The Mistress of Ceremonies then introduced to member-owners the members who dedicatedly served them on the Board of Directors, Credit Committee, and Supervisory Committee for the financial year April 1<sup>st</sup>, 2011 to March 31<sup>st</sup>, 2012. She then proceeded to the first item on the agenda.

## 2. **Approval of Minutes - 2011 Annual General Meeting**

Before calling for the confirmation of the minutes of the 2011 AGM, the Mistress of Ceremonies, Dr. Carol Babb, asked member-owners to review the minutes for any corrections. There were no corrections to the minutes.

The minutes were subsequently accepted and confirmed on a motion from Ms. Veronica Vasquez and seconded by Ms. Salustina Sanz. All member-owners were in favor of the motion by a show of hands. The Mistress of Ceremonies then called on the President, Mr. Karl H. Menzies, to present the Board of Directors' Report.

## 3. **Presentation of Reports**

- Board of Directors Report

The President, Mr. Karl H. Menzies, on behalf of the Board of Directors, committees, management, and staff presented to member-owners the Board of Directors' (BOD) report for the financial year April 1<sup>st</sup>, 2011 to March 31<sup>st</sup>, 2012.

The President informed member-owners that despite the difficult economic times, yet another year of steady growth had been recorded into the history books of Holy Redeemer Credit Union (HRCU). He indicated that it is due to the loyalty of member-owners to their credit union that HRCU has continued to survive through good and difficult economic times. Mr. Menzies reported to member-owners HRCU's assets which totaled \$418.7 million at March 31<sup>st</sup>, 2012, a net increase of \$36.7 million or 9.61% growth. He indicated that from daily operations carried out during the financial year 2011/2012, HRCU realized a gross profit of \$37.9 million, netting in the vicinity of over \$28.5 million, following the deductions of \$9.4 million in expenses. The financial year ended with another healthy income to expense ratio of 24.79%, equally as good and as competitive as those ratios recorded in previous years.

Member-owners were also informed that the upcoming financial year is expected to be extremely challenging, considering that HRCU's coffers are full to capacity but no one seems to want to borrow due to the uncertainty of the economic times. Member-owners were further informed that due to a chronic excess liquidity in the banking system, commercial banks are no longer entertaining new fixed deposits, practically giving back monies at times to depositors when their fixed deposits mature. In addition, those fixed deposits that the banks need to hold onto, the rates have been slashed in half which will adversely affect HRCU's investment income. Mr. Menzies indicated that as a result of the unpredictable future of the investment climate in Belize, which does not look



promising at this time, the Board of Directors is recommending that HRCU's reserves be strengthened, thereby increasing capital requirements to beyond the limits that are stipulated by law. This simply means that more of HRCU's profits will be held back to ensure that our credit union survives the difficult economic hardships ahead. Consequently, the Board of Directors is recommending a dividend rate of 6.75%, a percentage point less than the previous year.

The President continued to report that the real success story behind HRCU is interest from Loans, which was reported as the biggest income earner for the credit union; interest from Loans was reported as \$27.0 million, compared to \$26.3 million last year. He encouraged member-owners to take advantage of HRCU's loan services with interest rate of 1% per month on the “reducing” balance, the cheapest source of borrowed monies with no fees attached, since HRCU will no longer be able to depend on Investment Income. In an effort to further encourage member-owners to take advantage of HRCU's loan services, Mr. Menzies indicated that the Board of Directors are recommending an increase in rebates from 10% to 12.5% for the past financial year and hopefully, to 15% at the end of the next financial year.

Member-owners were also informed of increased benefits under HRCU's Burial Scheme Program. The Loan Protection (LP) coverage has been increased from \$65,000.00 to \$75,000.00 and the Life Savings (LS) coverage from \$15,000.00 to \$20,000.00 at no cost to member-owners. Both increases are in-keeping with HRCU's efforts to offer the best possible services that the credit union can afford.

The President further informed member-owners that this year 2012, has been designated as the International Year of Cooperatives (IYC) and Credit Unions. A National Committee was formed from among the major stakeholders who have planned a series of activities to commemorate the Year which will be celebrated under the themes “**Cooperative Enterprise Build a Better World**” and “**Credit Unions Build a Better World**”. During the IYC launch, the Credit Union League's official headquarters was inaugurated, which was made possible by its affiliates purchasing dividend-earning preferred shares. Mr. Menzies indicated that HRCU will continue to support the Belize Credit Union League and its tireless efforts to bring the best possible new and improved service to the Belize Credit Union Movement.

The President ended by referring member-owners to the inside front cover of the AGM booklet, titled “**Inclusion to HRCU By-Laws Article VIII Section 1(a)...**” He informed member-owners that when the Treasurer, Mrs. Jane Usher confided that she felt that she could not stand for re-election, the Board of Directors immediately put together an inclusion to HRCU's By-Laws, Article VIII - Section 1 (a) “**Provision for the inclusion of a Director Emeritus with full voting rights**”, elevating Mrs. Usher to a lifetime position on the Board of Directors of HRCU, her new title being, Director Emeritus. The Board of Directors also commissioned that a biography on Mrs. Jane Usher be written immediately for the benefit of HRCU, the wider Credit Union Movement, and our country, Belize.



- Credit Committee Report

The Mistress of Ceremonies, Dr. Carol Babb welcomed all member-owners, delegates from the Credit Union League, sister credit unions and the officials from the Central Bank of Belize. She then called on Ms. Marion Marsden, Chairperson of the Credit Committee, who has served HRCU for the past 34 years, to present the Credit Committee Report.

Ms. Marsden on behalf of the Credit Committee presented the Credit Committee Report for the financial year April 1<sup>st</sup>, 2011 to March 31<sup>st</sup>, 2012. She reported that with sound management, dedicated staff, committed directors, increasing membership, constant growth of savings and loans...progress was inevitable. She continued to report that in line with the trends witnessed in 2010, the past twelve months have seen increasing economic challenges accompanied by increasing stress being felt across HRCU's membership base due to growing unemployment. This has impacted negatively on the loans portfolio with higher levels of arrears an upward climb in delinquency ratio which at March 31<sup>st</sup>, 2012 was reported at 8.78% before taking into consideration shares, chattels and mortgages held as security. With these accounted for, the delinquency rate was reported at 5.03%. As a result, the Delinquency Department has implemented a more active management of the loans portfolio to ensure that member-owners do not fall behind in their loan repayment schedules.

Ms. Marsden informed member-owners that the Credit Committee continues to meet weekly to review and approve loans in compliance with lending regulations and HRCU's loan policy. She emphasized to member-owners the importance of providing accurate information on loan application forms in order to assist in the efficient processing of the loan, and to be truthful when submitting the required information on the loan application. Ms. Marsden also encouraged member-owners to increase their savings, if possible even while repaying loans which helps to establish a good record for future borrowing.

At the close of the financial year ended March 31<sup>st</sup>, 2012, HRCU's loan portfolio was reported at \$249.0 million owed by 9,950 borrowers. Member-owners were directed to the table on page 14 and the accompanying graphs on page 15 of the AGM Booklet which showed that the bulk of the loan portfolio is concentrated in housing which totaled \$80.8 million or 32.4%, an increase of \$1.2 million over the previous year. Loans for Commercial needs amounted to \$51.9 million of the entire loan portfolio. During the past financial year, 21,276 loans were approved amounting to \$73.8 million dollars. Character loans which are approved based on member-owners past repayment history or saving history was reported as the true success behind HRCU's loan programs, as a person's character is considered the best factor in determining the borrower's repayability.

Ms. Marsden urged member-owners to borrow in a responsible and sensible manner at levels they can afford to repay. This is particularly important during times of economic



hardships and the uncertainty about future events. She indicated that the ability of the Credit Union to continue providing loans is hinged on its membership savings and the regularity with which borrowers repay their loans. Delinquency affects both member-owners and the organization. Ms. Marsden further reported that with advice of the Regulators, the Central Bank of Belize, non-performing loans will be removed from HRCU's loan portfolio. However, vigorous pursuit will be made for the collections of these delinquent loans. Member-owners were reminded that their loan commitment is a just and legal obligation and must be given priority of payment. She thanked member-owners who borrowed during the year and reminded everyone of their responsibility to borrow wisely and repay promptly as promised.

- General Manager/Treasurer's Report

The Mistress of Ceremonies called on Mrs. Jane Usher, General Manager/Treasurer, to present the Treasurer's Report for the financial year April 1<sup>st</sup>, 2011 to March 31<sup>st</sup>, 2012. The Mistress of Ceremonies then asked member-owners to give a standing ovation for Mrs. Usher who has faithfully served HRCU for over 58 years.

Mrs. Usher began her report by referring member-owners to the General Manager/Treasurer's Report on pages 16 and 17 of the AGM Booklet. She reported to member-owners that the credit union realized a profit of over \$37 million, \$9 million was used to run the credit union, leaving a surplus of over \$28 million to share with member-owners. Mrs. Usher indicated that \$19.947 million in profits will be returned to member-owners in dividends & rebates, effective May 1<sup>st</sup>, 2012. She clarified to member-owners that their rebates can be applied to their loan balances if this is what they preferred.

Mrs. Usher assured member-owners that she tries very hard to be the best manager with the help of members of the credit union. She encouraged member-owners to read the reports in the AGM Booklet and extended an invitation to member-owners to visit her at the credit union at any time, if they have any queries or concerns. Mrs. Usher ended by expressing her appreciation to everyone for attending the 68<sup>th</sup> AGM.

- Burial Scheme Program Report

The Mistress of Ceremonies called on Mr. Fred Smith, Vice-President, to present the Burial Scheme Program Report for the financial year ended March 31<sup>st</sup>, 2012.

Mr. Smith reported to member-owners the benefits of the Burial Scheme Program and the necessary requirements to qualify for these Coverage Benefits. He informed member-owners that it is their responsibility to take advantage of all that is offered and to take the necessary measures to qualify for these benefits. He indicated that to qualify for the Funeral benefits of \$5,000.00, a member must maintain \$100.00 in his/her account at all times and must have a minimum of \$130.00 in his/her account to be able to pay the annual premium of \$24.00 at May 1<sup>st</sup>, each year. If an account falls below \$100.00 at any time during the twelve-month (12) period of the financial year, that member has lost the rights to the funeral benefits and will have to wait one year to





be re-instated once the requirements are satisfied. In addition, to enjoy maximum benefits member-owners account must be up-to-date (not be past due with loan payments). If the deceased member's account is in arrears, HRCU will apply all benefits to the outstanding amounts due before releasing any funds to the beneficiary.

Member-owners were also informed that a total of 169 claims were paid to member-owners' beneficiaries during the past financial year with the main causes of death for both male and female member-owners being heart related disease and cancer.

Mr. Smith continued to emphasize to member-owners the importance of updating their beneficiary card, which is necessary to expedite the processing of the funeral benefit. He recommended to members that an adult be listed to manage the Burial Benefit if minor children are listed as beneficiary. Even more important, continued Mr. Smith, is that accounts are kept up-to-date with loan payments and to ensure that the minimum requirements in your shares are met at all times to qualify for all of your benefits. He assured member-owners that HRCU continues to do its part in striving for the best for its member-owner and it is member-owners responsibility to ensure that their account meets the necessary requirement to qualify for these Coverage Benefits.

- Supervisory Committee Report

The Mistress of Ceremonies called on Mr. Jose Can, Chairman of the Supervisory Committee, to present the Supervisory Committee's Report to member-owners.

Mr. Can reported to member-owners that pursuant to instructions contained in the Credit Union Act, the Supervisory Committee has during the financial year ended March 31<sup>st</sup>, 2012 caused to be examined the books of accounts and records by the accounting firm of Castillo Sanchez & Burrell, LLP. He reported that HRCU has provided for the independent external audit of such books of accounts and records by the accounting firm of Castillo Sanchez & Burrell, LLP whose report is contained in this AGM Booklet.

The Chairman further advised member-owners that the Supervisory Committee reviewed on a monthly basis the financial statements and related reports of HRCU and has obtained all information and explanations that were required.

He ended by stating that in the Supervisory Committee's opinion, based on the independent external audit and monthly reviews of the financial statements of HRCU, the Balance Sheet, together with the Statement of Income & Expenses and the Statement of Cash Receipts & Cash Disbursements presents fairly the state of the Credit Union's affairs as at March 31<sup>st</sup>, 2012 and for the year then ended.

#### **4. Discussion & Acceptance of Reports (Declaration of Dividends)**

The Mistress of Ceremonies opened the floor for any matters arising from the reports. There were no matters arising from the reports. Dr. Babb then called for the



acceptance of the reports along with the 6.75% dividend and 12.5% interest rebate rate for member-owners who serviced their loan commitments as promised.

The reports along with the 6.75% dividend and 12.5% rebate were accepted and confirmed on a motion from Mrs. Karen Diaz and seconded by Mr. Theodore Figueroa.

## 5. Election of Officers

The Mistress of Ceremonies asked respective persons whose term had ended to step down and proceeded to call on Ms. Angela Reneau, who was representing the Registrar to commence the election process.

Ms. Reneau proceeded to commence the voting process for an inclusion to HRCU By-Laws - Article VIII Section 1 (a) - *“Provision for the inclusion of a Director Emeritus with full voting rights”*. She asked for the assistance of Ms. Yolanda Gomez and Ms. Corrine Fuller from La Inmaculada Credit Union and the Belize Credit Union League, respectively to confirm that there was a 2/3 vote in order for the provision to be carried. With the permission of member-owners, the provision to appoint Mrs. Jane Usher to a lifetime position on HRCU's Board of Directors, was confirmed with show of hands. Ms. Reneau confirmed that the vote was carried and a recommendation will be sent to the Registrar for final approval.

Ms. Reneau then commenced the election process for the confirmation of elected officers. She informed member-owners that persons nominated to serve are nominated by HRCU's nominating committee which consists of the President, Vice-President, and Financial Controller. As provided by the Credit Union Act, and for transparency purposes, Ms. Reneau opened the floor for three (3) minutes for each nomination to member-owners for additional nominations.

The following individuals were accepted and confirmed to serve member-owners as follows:

- **Board of Directors:** Mr. Rene Blanco and Ms. Kathlyn Tillett

These directors were accepted and confirmed to serve for the next three (3) years on a motion put forward by **Mrs. Dorothy Menzies** and seconded by **Mrs. Karen Diaz**.

- **Credit Committee:** Ms. Marion Marsden

The officer was accepted and confirmed to serve for the next three (3) years on a motion put forward by **Mrs. Lucy McDonald** and seconded by **Mr. Henry Mortis**.

- **Supervisory Committee:** Mr. Jose Can, Mr. Feliz Reyes and Mr. Alberto Young

These officers were accepted and confirmed to serve for one (1) year on a motion put forward by **Ms. Laverne Williams** and seconded by **Ms. Catherine Casimero**.



Everyone was in favor and supported all motions by a show of hands. There were no dissenting votes.

## 6. New Business

The Mistress of Ceremonies called for the confirmation and re-appointment of Castillo Sanchez & Burrell, LLP as external auditors for HRCU for the fiscal year 2012/2013. Castillo Sanchez & Burrell, LLP was subsequently confirmed and re-appointed as external auditors for HRCU for the fiscal year 2012/13 on a motion from **Ms. Jennifer Mendoza** and seconded by **Mrs. Joan Burrell**. All member-owners were in favor of the motion by show of hands.

## 7. Adjournment

At exactly 4:30 p.m., with the final count for voting members-owners in attendance at 2,384, the Mistress of Ceremonies, Dr. Carol Babb, called for the adjournment of the 68<sup>th</sup> AGM. The adjournment of the meeting was put forward on a motion from **Mrs. Karen Diaz** and seconded by **Mr. Sam Flowers**. Dr. Babb then announced the commencement of the HRCU's Special AGM Raffle.

## 8. Other Business (Special AGM Raffle)

There were a grand total of twenty-five \$1,000.00 dollars prizes to be raffled among HRCU member-owners. The first big winner of \$1,000.00 was **Ms. Carrie Moguel**. Including among the other lucky winners for the evening were:

Lucky Winners					
1.	Myrna Trapp	9.	Arnett Monica Madril	17.	Francisco Rodriguez
2.	Shelmadine Lynch	10.	Margaret Lightburn	18.	Alicia Magdaleno
3.	Desiree Vocaro	11.	Karla Bol	19.	Shawn Staine
4.	Samuel Madril	12.	Earlean Garcia	20.	Elisa Velasquez
5.	Melissa Turton	13.	Devon Tillett	21.	Kash Sankofa
6.	Dorla August	14.	Dayton McBride	22.	Margaret Gentle
7.	Lisbeth Castillo	15.	Anaya Aranda	23.	Adelita Aranda
8.	Raeshawn Williams	16.	Barbara Arnold	24.	Camryn Oxley

After drawing the \$5,000.00 Grand Prize winner for the afternoon who was **Mrs. Marcia Moody**, Dr. Babb thanked everyone for attending HRCU's 68th Annual General Meeting.



# Board of Directors Report

(April 1<sup>ST</sup>, 2012 to March 31<sup>ST</sup>, 2013)

## Distinguished member-owners of HRCU:

On May 15<sup>TH</sup>, 2013, a little over two weeks from today, HRCU will have completed 69 years of serving member-owners and by extension, this beautiful jewel of ours called Belize. We have much to be proud of, especially when we recall our humble beginning in 1944, when 3 young ladies were finally convinced by the Parish priest of Holy Redeemer to save \$.25 cents each. Yes! Fr. Henry Sutti, S.J., following in the footsteps of Fr. Marion Ganey, S.J., who had already convinced fishermen in Punta Gorda to form St. Peter Claver Credit Union in 1943, got those 3 young ladies interested after a tennis match along with others who were present, among them newly weds Jane Price and Henry Usher. I don't believe that any of those early HRCU pioneers realized then the magnitude of things that were to come and the important role that HRCU would have played, and continues to play, in Belize's quest for economic and financial independence.

As president of the Board of Directors it is my duty to inform you that your elected directors and your newly appointed Director Emeritus, Mrs. Jane Usher, continue to hold regular monthly meetings, as per the Credit Union Act, to take charge of your credit union affairs and to ensure that your monies remain safe and secure at No.1 Hydes Lane, the registered office of HRCU. It is with greatest pleasure that I inform you, based on the reports that you will hear during the course of the afternoon, that "all" is well at HRCU.

We closed out our financial year 2012/2013 with a membership of 49,545 including 2,663 new membership enrollments. Of this number 27,004 are women, 22,143 are men and 398 are organizational accounts. The women continue to outnumber the men at HRCU and from reports that I have seen, women continue to be better savers and are better at servicing their loan obligations. We need the help of you ladies present here this afternoon to convince your men to be as responsible as you all have been over the years.

Our total assets of \$458.9 million is now just short of reaching half a billion dollars. Fellow member-owners we are now talking billions, not millions, and, it is because of all of you present here today, to hear the good news, that we have achieved milestone, after milestone, after milestone. Our loan portfolio of \$254.7 million continues to be reported at "net" which simply means that we must make required provisions for those loans that are delinquent based on the recommendation of our regulators, the Central Bank of Belize. Provisioning is always difficult as we must take monies from our hard-earned profits to set aside for those loans that may become uncollectable in the future. Whenever we are forced to do this we have less money to give back to member-owners in the form of dividends and loan interest rebates. Luckily for HRCU we have been setting aside additional reserves for bad debts, besides the required statutory reserves. So far we have not had to dig into our current profits to meet provisioning requirements. However, if our delinquency ratio continues to grow we may soon have to go down that road. For this reason we are encouraging all member-owners to please repay their loans as promised. Our current delinquency ratio of 7.3% at March 31<sup>ST</sup>, 2013 would be much lower if member-owners were honoring their debt obligations. As member-owners of HRCU let us challenge ourselves to do better as our HRCU marches forward to complete seven decades of excellent service to all of



us and to our beloved Belize.

HRCU's social responsibility as a good corporate citizen would not be complete if we did not assist those various charities, churches, schools, and organizations that have positive impacts on the lives of our citizens, including our member-owners. We have contributed hundreds of thousands of dollars to various noble causes and see absolutely no reason why we should not continue to give. Let us never forget what our own Credit Union Prayer, the Peace Prayer of St. Francis of Assisi, has taught all of us: "...that it is in giving that we shall receive..." no doubt the reason for the success story behind HRCU.

We continue to work closely with our League, the Belize Credit Union League, to bring the best possible services to the entire Credit Union Movement. The \$4 dollars that each member pays in dues is a small price to pay for the many benefits we receive in coming together as "one" movement. Our staff, directors, and committee members all continue to receive excellent training via the League. When all affiliated credit unions meet under the umbrella of the League we are able to share experiences, gain knowledge, and nurture friendships that go way beyond our national and regional borders. Most important is that remaining united we form a serious lobbying force "for in unity there is strength".

Our Director Emeritus and treasurer, Miss Jane, is also reporting that at March 31<sup>ST</sup>, 2013 savings totaled \$361.2 million, 78.7% of liabilities. Reserves total \$93.6 million and still remain liquid in commercial bank CD's. As a result of all this our gross profit has reached \$36.0 million with expenses of \$9.1 million leaving a net profit of \$26.9 million. Despite the serious drop in investment income due to commercial banks slicing their CD rates in half, your directors are recommending that we pay a 6.00% dividend rate and a 15% interest rebate rate for those who serviced their loan commitments as promised. This increase in our rebate rate is also to thank those member-owners who used our loan service during the past financial year. "Income from Loans" is the biggest income earner for HRCU. Without income we can't pay dividends or meet our expenses!

Today my 3-year term of office as a director comes to a close but I have been once again asked to serve and I have given my consent to continue as long as I am reelected. I have served as your director since 1987, serving as HRCU's president since 1998 -15 years. Although I may not hold the record for the longest serving president of HRCU since I do believe that Henry Usher still holds that honor, I have been told by Miss Jane that I am now the longest serving president in "consecutive" years having served 15 years in succession. Please know that I am deeply honored to have served HRCU. I did so to the best of my ability, with deepest humility, always respecting the decisions of the majority. Serving HRCU is a privilege afforded to me by all you wonderful member-owners.

Thank you all very much and God's continued richest Blessings upon all of you!

#### **Your Board of Directors,**

Karl H. Menzies, CSC/JP - President  
Fred Smith, CSC/JP - Vice President  
Jane E.M. Usher, CBE/JP - Treasurer

Oscar Riveroll, JP - Secretary  
Rene Blanco - Director  
Kathlyn Tillett - Director



# Credit Committee Report

(April 1<sup>ST</sup>, 2012 to March 31<sup>ST</sup>, 2013)

## Good afternoon member-owners:

It is with pleasure that the Credit Committee presents its annual report for the year 2012/2013 to the member-owners of Holy Redeemer Credit Union. We have been honored to serve and to assist you in realizing your dreams and aspirations.

The Credit Committee is comprised of three members and continues to meet every Wednesday to facilitate the quick and timely manner of processing loans. We are mindful of the need for efficient and effective service in an ever changing competitive environment.

Some loan applications can be approved by our fully trained loans officers. However larger, more difficult loans must be referred to the Credit Committee. Usually, some loans are granted within shares/savings, fully secured by those shares/savings, while others are granted on the strength of the shares/savings of a co-maker within the credit union. Some loans are given on character based on your past re-payment history meanwhile others need to be secured by mortgages.

At the close of our financial year ended March 31<sup>ST</sup>, 2013, a total of 22,088 loans were disbursed amounting to \$88.2 million dollars. The table and graphs on pages 14 & 15 of this AGM booklet shows the size of our existing loan portfolio at March 31<sup>ST</sup>, 2013 which now totals \$271.9 million dollars. These numbers reflect increases in areas such as House Repairs & Renovations, Business Investments, Education, Consolidation of Debts, and Vehicles & Vehicle Repairs.

We are governed by and always remain in compliance with our Credit Union Act. Your Credit Committee ensures that borrowers are able to satisfy their loan requirements outlined in HRCU's Loans Policy. I must add here that your Board of Directors saw the need to amend this Loans Policy to extend the length of loans from 20 to 25 years thereby allowing for a reduced monthly loan payment. This will help our young married couples and single parents to fulfill their dreams of owing a house. It will also help our young graduates returning from furthering their education abroad with huge student loans to repay. Also know that your Burial Scheme Program was amended to accommodate for this increase as our loans are now covered for 25 years, instead of 20 years. We continue to encourage our member-owners to visit the office where we will not only be of assistance to you, but we can listen to your suggestions on how best to improve the services at HRCU.

Your Credit Committee continues to form an essential part of the HRCU's Team. The committee, in making decisions, takes into consideration whether if granting you a loan they are actually helping you or getting you deeper into debt you simply cannot afford. It can be said that we have had our fair share of challenges; however we have been able to weather the storm through HRCU's team efforts.



A Credit Union is a group of people who pool their monies to assist each other in times of need. We have a responsibility to other member-owners of the credit union to ensure that money lent is likely to be repaid. After all, money that you borrow belongs to members of the credit union. If it is not repaid other members suffer. In working together to maintain our competitive edge over other financial institutions we must re-emphasize the importance of not only borrowing from the credit union but saving meanwhile you are repaying your loans.

Some members know that they want a loan but they do not take the time to study their financial situation. They borrow for the moment's needs and are likely to run into trouble after a while because they did not take time to plan properly. Do not let this happen to you. Remember if you borrow you must pay as promised; this is how the credit union grows and how it will continue to grow. Because of HRCU's phenomenal growth over the years we remain thankful to many.

Firstly, we thank God for all His many Blessings and Guidance. May He continue to Watch and Protect our HRCU and all of us present here this afternoon. With His loving Embrace may we go forth and share His Peace, His Hope, and His Love.

We must also take this opportunity to thank Management for always being there to guide us, especially during our weekly loan meetings. Special thanks to the staff of the Loans Department for their continued assistance, co-operation, and support.

Thanks to the Board of Directors and the Supervisory Committee for their cooperation which resulted in another successful year of operation.

Profound gratitude is expressed to my Credit Committee members who faithfully served during the year. Our committee has always been committed to service as we look forward to hopefully another successful year for HRCU.

Finally, the Credit Committee would like to take this opportunity to thank you, the general membership, for electing us and for giving us the opportunity to serve you throughout the entire year.

### **For and on behalf of HRCU's Credit Committee**

Marion Marsden, MBE/JP, Chairperson

Eleanor Gillett, JP, Secretary

Dr. Carol Babb, JP, Member

*"When you control your money affairs, then you will be masters of  
you own destiny, and you will be free men."*

*- Rev. Marion M. Ganey, SJ/OBE*



# HRCU Loan Portfolio at March 31st, 2013

Pearls Codes	Loans By Purpose	AMOUNT TOTALS	AMOUNT %	NUMBER TOTALS	NUMBER %
3	Appliance & Household Goods	\$ 3,734,953.28	1.37%	426	4.10%
1	Boat Purchase & Repairs	\$ 2,887,351.03	1.06%	46	0.44%
4	Christmas & Easter Expenses	\$ 2,900,552.57	1.07%	287	2.76%
4	Dental & Medical	\$ 13,548,470.53	4.98%	896	8.63%
6	Education (All Levels)	\$ 17,922,877.96	6.59%	1,206	11.61%
4	Funeral Expenses	\$ 1,996,195.29	0.73%	129	1.24%
4	Government Taxes & Insurance	\$ 20,766,351.49	7.64%	262	2.52%
5	House Repairs & Renovations	\$ 69,352,635.81	25.51%	1,898	18.27%
2	Investment (Business)	\$ 63,437,099.23	23.33%	913	8.79%
1	Fishing & Farming	\$ 993,409.27	0.37%	24	0.23%
7	Consolidation of Debts	\$ 15,111,096.36	5.56%	380	3.66%
5	Legal Fees	\$ 3,504,646.84	1.29%	72	0.69%
3	Miscellaneous Expenses	\$ 9,285,351.18	3.42%	523	5.04%
5	Homes & Housing Starts	\$ 1,718,798.67	0.63%	56	0.54%
1	Outboard Engine & Repairs	\$ 137,104.00	0.05%	5	0.05%
3	Personal Expenses	\$ 12,289,713.03	4.52%	1,404	13.52%
5	Land Purchase	\$ 5,904,736.17	2.17%	168	1.62%
2	Investment (Real Estate)	\$ 3,112,420.39	1.14%	25	0.24%
3	Sporting Equipment	\$ 2,540.00	0.00%	1	0.01%
4	Travel & Vacation	\$ 4,323,929.55	1.59%	346	3.33%
4	Utility Bills	\$ 1,568,621.63	0.58%	253	2.44%
1	Vehicle & Vehicle Repairs	\$ 16,732,645.59	6.15%	1,009	9.72%
4	Wedding Expenses	\$ 656,393.80	0.24%	57	0.55%
	<b>GRAND TOTALS:</b>	<b>\$ 271,887,893.67</b>	<b>100.00%</b>	<b>10,386</b>	<b>100.00%</b>
	(PEARLS Categories)				
1	Micro- Enterprise	\$ 20,750,509.89	7.63%	1,084	10.44%
2	Commerce	\$ 66,549,519.62	24.48%	938	9.03%
3	Consumer	\$ 25,312,557.49	9.31%	2,354	22.67%
4	Service	\$ 45,760,514.86	16.83%	2,230	21.47%
5	Housing	\$ 80,480,817.49	29.60%	2,194	21.12%
6	Education	\$ 17,922,877.96	6.59%	1,206	11.61%
7	Other	\$ 15,111,096.36	5.56%	380	3.66%
	<b>GRAND TOTALS:</b>	<b>\$ 271,887,893.67</b>	<b>100.00%</b>	<b>10,386</b>	<b>100.00%</b>

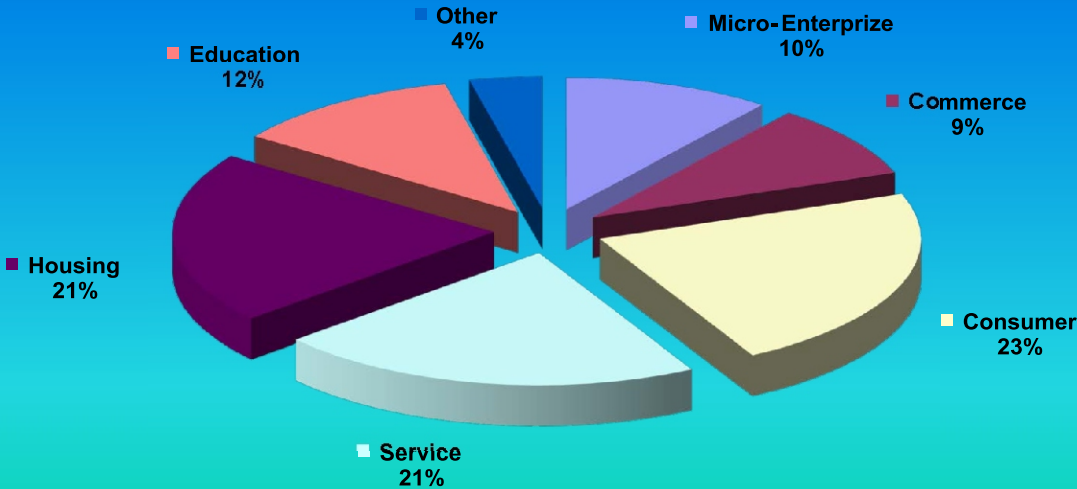
*“Achievement seems to be connected with action. Successful men and women keep moving. They make mistakes, but they don't quit.”*

*~ Conrad Hilton*

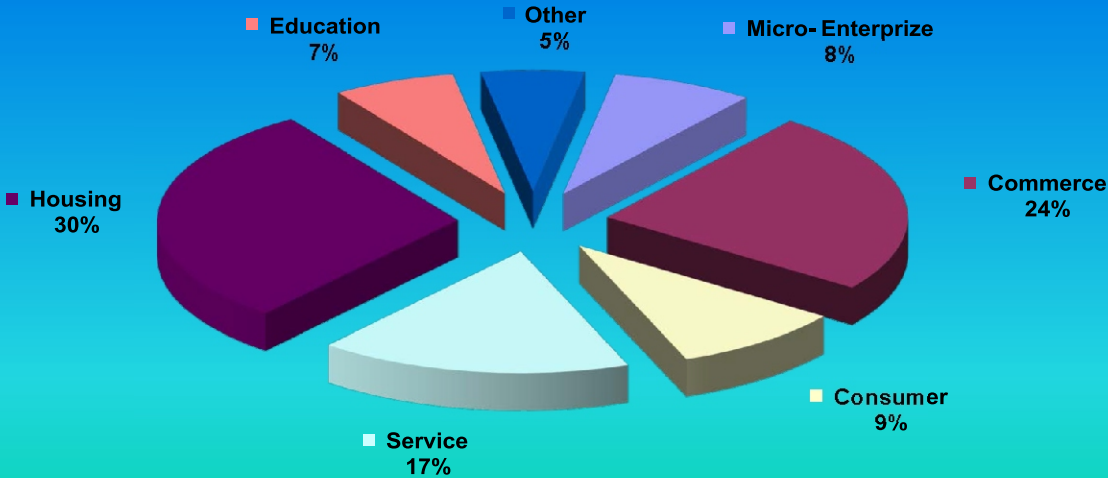




### Loans by Numbers (PEARLS Categories)



### Loans by \$ Amount (PEARLS categories)



## General Manager/Treasurer's Report: (April 1<sup>ST</sup>, 2012 to March 31<sup>ST</sup>, 2013)

### Dear faithful & loyal member-owners of HRCU:

We continue to grow daily at HRCU, both in assets and membership, the latter just short of reaching 50,000 member-owners. It has not been an easy year for us but your directors and committee members, together with management and our dedicated staff, despite the predictions of difficult economic times ahead, kept HRCU's ship-of-state in forward motion at all times. Today we pay tribute to them once more by printing all their pictures in the inside front cover of your AGM booklet. It is important that you know the people who make those important decisions for the continued success of your credit union.

The volume of business at No.1 Hydes Lane continues to grow daily, many of you experiencing this growth first hand whenever you are inside the office. We try to keep as many tellers open during those extremely busy days sometimes as much as eleven tellers, not to mention those members of staff who help out at the side counters. This has been a challenge for us but with the recent launch of “**Network One**” where credit unions and Heritage Bank have formed a secured debit network of ATMs and POS machines there will be little or no waiting in lines for those who choose to keep up with technology. You can be any where in the country and still have access to your account using your HRCU ATM card. This is truly remarkable when you think about it and we strongly encourage everyone to stop by the office to apply for an ATM card if you haven't done so already.

Another innovation that we have been improving upon is our On-line Service. When we first started out it was simply a means of accessing your account to check your balances or print your account statement. We have now gone a step further allowing on-line transfer of monies within your account or between accounts, the latter to allow those parents who want to save monies for their children. The matter of “bill-pay” where you can pay your utility and other bills from the comfort of your home or office is being investigated but everything takes time because we want to make sure that it is done properly and that we meet all the requirements of our regulator, the Central Bank of Belize, and AML/CFT (anti money laundering & counter finance of terrorism) guidelines of our own Financial Intelligence Unit (FIU). HRCU takes greatest pride in ensuring that we always operate within the Laws of Belize, especially our own Credit Union Act.

The chronic excess liquidity in the financial sector continues to prove burdensome for HRCU. You will note on our Profit & Loss Statement that interest earned from term deposits in the commercial banks have almost been slashed in half, from \$9.2 million last year to \$5.4 million this year. Next year it will be even worse as the banks continue to lower, offering very unattractive rates of interest on term deposits. No longer can we depend on investment income. We must go back to the good old days of working our loan portfolio if we are to survive. This is the reason why we are giving back 15% for loan interest rebates because those member-owners who use our loan service are really the ones responsible for keeping HRCU's doors opened. Member-owners I appeal to you today to use the loan services of your credit union. Borrowing from HRCU is still the cheapest source of obtaining loans which comes with absolutely no fees and no penalties.



HRCU's own term deposit offering had to be recently discontinued due to the plunge in interest rates brought on by Central Bank's monetary and fiscal policies which triggered this excess liquidity in the financial sector. Many retirees were pleased that they could look forward to investing their gratuity and severance pay with HRCU, receiving interest on their investment monthly which they could survive on. On the flip side of the coin many parents and single mothers alike also sought hope in their term deposit investments at HRCU that accrued interest quarterly which would be used to send their children off to college when that day became a reality. For this very reason your directors are currently in serious discussion, studying the figures, to see how best we can come up with another program to benefit our retirees and those saving towards their children's education. You can help make this happen by using the loan services of HRCU. Together we can!

On the topic of education, I am happy to report today that our very own Henry Charles "Eagles" Usher Education Grant Program which got started on the occasion of our 60th Anniversary has now given out in education grants in excess of \$1 million dollars. It is not a scholarship offering but rather an educational grant that can be used for books, uniforms, tuition or whatever educational purpose the recipient chooses to use the money for. This coming school year we will be re-visiting the program as we want to offer more but reaching out where it will benefit the greatest number of grant recipients. The cost of education is not cheap! If HRCU can play an important role in bringing some relief to our member-owners, then we want to be able to do so.

For the second year in succession our expenses have been less than the previous year. Last year's expenses totaled \$9.4 million, this year it is \$9.1 million. I recall back in the mid-1960's when I was invited, as president of the League, to attend a course at Coady International Institute in Antigonish, Nova Scotia, Canada. Coady's emphasis was about credit unions and it was there that one of my teachers mentioned that it is important to keep expenses to a minimum. These days all you hear is that you need to spend money to make money. Poor Jane is still from the old school of thought so I believe in counting pennies and I am so happy that we again did better at managing expenses this year than we did last year.

Finally, in closing I would like to comment on the inside middle page of this years AGM booklet. As I look around I'm not sure if any of you would have been present during the pioneer years of the Credit Union Movement in the early 1940's. With no television, no radio, other than foreign radio stations among them BBC and Armed Forces Radio, there was little we could do to advertise the Movement via local airwaves. So we took to the streets making our presence known. These pictures have surfaced and I thought I should share them with you. This was such an effective way of advertising that we had some 44 credit unions registered in Belize back then compared to 12 today. Those of our sister credit unions who are present with us this afternoon please take note of what the power of coming together can do for the entire Belize Credit Union Movement.

As always, may our credit unions continue to prosper both large and small in size. And may God continue to richly Bless and Inspire all those who believe in credit unionism, the cooperative spirit, and the power of coming together as one Movement.

**Jane E.M. Usher, CBE/JP - General Manager/Treasurer/Director Emeritus**



## Balance Sheet Analysis:

1. growth in assets totaled \$40.2 million or 9.1%
2. growth in savings (all types) totaled \$33.3 million or 9.8%
3. growth in loans totaled \$22.9 million or 9.2% owed by 10,207 borrowers
4. increase in Other Investments of \$1 million is an additional investment in BEL Series 5 Debentures
5. Loan Loss Reserve is what we MUST set aside for doubtful loans. To always be on the safe side we have over provided over the years from our profits. As per new Central Bank regulations we can now only increase this reserve by setting up a Bad Debts Expense so please honor your loan commitments as promised
6. our Total Equity is fast approaching \$100 million which continues to show that HRCU's financial position strengthens significantly year after year

## Income and Expense Analysis:

1. Interest on Loans amounted to \$28.5 million or 79.9% of total income
2. Interest on Fixed Deposits amounted to \$5.4 million or 15.1% of total income compared to \$9.2 million and 24.4% last year
3. Interest from Current Accounts amounted to \$874 thousand doubling the \$418 thousand from last year. These are excess funds held in current accounts at the commercial banks as a result of the liquidity crises in the financial sector
4. we have a new income account, Dividend on BCUL Shares, from which we earned \$12 thousand dollars. This is the return from HRCU's investment in our League's new building, the official headquarters for the Credit Union Movement
5. expenses were some \$300 thousand less than last year with the biggest items of expense being Interest Costs at \$3.9 million, Coverage Premiums at \$1.8 million, and Staff Costs at \$2.1 million
6. all other line items of expenses came in at budgeted figures or a little over what was estimated at the beginning of the financial year
7. as a result of all this our income to expense ratio was 25.29% or in other words, it cost HRCU just about \$.25 cents out of each income dollar to run the office.
8. it is due to this efficiency that we are able to return back to you in the form of dividends and loan interest rebates \$21.0 million dollars



# THE CREDIT UNION DIFFERENCE

....including HRCU's difference!!



Holy  
Redeemer  
Credit  
Union  
Limited

**Credit Unions exist to serve their member-owners where member-owners....**

- **own their credit union and are a “name” and not just an “account number”**
- **enjoy equal voting rights at AGM's where they choose their leaders**
- **receive earnings in the form of dividends at the end of the financial year**
- **pay low interest rates on loans and pay no loan processing fees or charges**
- **earn loan interest rebates making the effective loan interest rate even lower**
- **are not charged any fees for “early repayment” or “late repayment” on loans**
- **enjoy attractive interest on savings, deposits, and checking accounts**
- **are encouraged to build up their savings for that “rainy day” while repaying loans**
- **are educated on how to improve their savings and borrowing habits**
- **receive FREE loan protection and life savings & disability coverage benefits**
- **participate in affordable funeral benefit coverage schemes**
- **benefit from discounted premiums on property and motor insurance when purchased through their credit union**
- **form part of the worldwide movement being affiliated through a league of credit unions the Belize Credit Union League (BCUL), the Caribbean Confederation of Credit Unions (CCCU), and the World Council of Credit Unions (WOCCU)**

**So.....why not join a credit union today.....HRCU welcomes you!!**



# Independence Receiving Station (Branch Highlights)

	March 31st, 2013	March 31st, 2012	March 31st, 2011
<b>MEMBERSHIP</b>			
# of males	1,196	1,144	1,083
# of females	1,205	1,134	1,024
# of organizations	23	23	21
Total Membership	2,424	2,301	2,128
# of members under Age 50	1,799	1,723	1,620
# of members Age 50 and over	602	555	487
<b>SHARES/SAVINGS</b>			
Total received	\$ 6,133,097.96	\$ 6,192,538.19	\$ 4,972,969.67
Total withdrawn	\$ 2,879,910.24	\$ 2,810,238.57	\$ 2,437,954.49
Total shares/savings	\$ 13,229,357.69	\$ 12,298,514.59	\$ 9,357,125.28
Average shares/savings	\$ 5,457.66	\$ 5,344.86	\$ 4,397.15
<b>LOANS</b>			
Total issued	\$ 3,335,329.38	\$ 2,735,037.77	\$ 3,098,937.28
Total repaid	\$ 1,187,939.42	\$ 2,609,982.77	\$ 2,835,823.01
Total interest collected	\$ 1,001,412.51	\$ 877,908.18	\$ 720,238.19
# of borrowers	527	524	478
Total loans outstanding	\$ 7,593,355.25	\$ 5,445,965.29	\$ 5,320,910.29
Average loans	\$ 14,408.64	\$ 10,393.06	\$ 11,131.61
<b>BURIAL SCHEME PROGRAM</b>			
FB claim benefits paid	\$ 25,000.00	\$ 15,000.00	\$ 25,500.00
# of member-owners	5	3	6
LP/LS claim benefits paid	\$ 7,242.03	\$ 13,781.59	\$ 3,747.45
# of member-owners	5	4	5
<b>HENRY "EAGLES" USHER GRANTS AWARDED</b>			
# of Tertiary School grants	5	4	3
# of Secondary School grants	10	8	6
# of Primary School grants	4	10	9
Total grants awarded	3	22	18
Dollar value of grants	\$ 19,650.00	\$ 16,900.00	\$ 12,950.00

*"HRCU reminds us that it is good to have money and the things that money can buy. But it is good too to check up once in a while and make sure that you haven't lost the things that money can't buy."*



# Behold the Power of One

By Barb Kachelski, CAE - SVP/COO for CUES and a former Newspaper Reporter

(Wednesday, June 27, 2012 at 10:00 AM)

Power has been on my mind this week.

Here at the [CCCU and CUES International Convention](#), I've seen individuals who have power of rank: a governor-general, a minister of finance, and leaders in credit union movements from 19 different countries. And I was impressed that all of them are human, approachable, and convinced of the potential for credit unions to make a positive mark on the world.

I've also seen power in numbers. I honestly don't know the exact number of attendees, since we have had on-site registrants. When we left for the conference it stood at 612. That doesn't count sponsors, speakers or guests of attendees. The energy level has been amazing.

But the power that has me the most fascinated is the power of one. And what brought that power to mind is one diminutive woman, Miss Jane. The leader of the Belize delegation mentioned her attendance with reverence at the opening ceremony. People craned their heads to see her in the crowd. Whether she is sitting at a breakfast table or heading to a session, people head toward her to speak to her or hug her. Miss Jane was honored at an awards ceremony for more than seven *decades* of service to the credit union movement.



*Miss Jane and three of her 10 children*

I saw her in the hallway the next day and congratulated her on the honor. Later that day, a woman with her approached me and said, "Mom thought you'd like to have this." Miss Jane's daughter handed me Holy Redeemer Credit Union Ltd.'s 68<sup>th</sup> anniversary book, proudly stating 1944-2012 on the cover. Inside the front cover is a photo of Mrs. Jane Ellen Usher, CBE/JP, noting her involvement in founding the credit union, her service as general manager/treasurer for 58 years, and her receiving the title "Commander of the British Empire by her Majesty the Queen of England for her services to the movement." I know from speaking to people here Miss Jane was also involved in establishing her league and served as one of the first female chairperson.

Yesterday I thanked Miss Jane for the book. It turns out she doesn't have just one child here with her; she has three. They proudly told me they have seven additional brothers and sisters. She is the general manager and treasurer and still goes to the credit union every day. My impression is that one individual with passion and drive should never be underestimated.

So in the end, after mulling about Power this week, I have come to the conclusion that the power of rank and the power of numbers are nothing without the power of one ... because it all starts with one person who wants to make a difference.

# *Belize Credit Unions on parade through the main streets of Belize City...*



*...the early years of advertising the Credit Union Movement in British Honduras (now Belize)*





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### **INDEPENDENT AUDITORS' REPORT**

#### **To the Board of Directors and Members of Holy Redeemer Credit Union Limited:**

##### Report on the Financial Statements

We have audited the accompanying financial statements of Holy Redeemer Credit Union Limited, which comprises the statements of financial position as at March 31, 2013 and 2012, and the statements of income and expenses, statements of cash receipts and cash disbursements, statements of changes in fund balances for the years then ended, and a summary of significant accounting policies and other explanatory notes. The financial statements have been prepared by management based on the financial reporting provisions of the Credit Union Act Chapter 314 of the Substantive Laws of Belize.

##### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Credit Union Act and for 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 audits. We conducted our audits in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about 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.

**Independent Correspondent Firm to Deloitte Touche Tohmatsu**

Partners:  
Giacomo Sanchez, CPA  
Claude Burrell, CPA CISA

Consultant:  
Julian Castillo, CA

Audit & Risk Advisory  
Business Solutions  
Outsourcing  
Real Estate  
Corporate  
Paralegal

**Independent Auditors' Report**  
**Page 2**

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

Opinion

In our opinion, the financial statements present fairly, in all material respects the financial position of Holy Redeemer Credit Union Limited as of March 31, 2013 and 2012 and of its income and expenses and cash receipts and cash disbursements for the years then ended in accordance with the Credit Union Act Chapter 314 of the Substantive Laws of Belize.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 2a to the financial statements, which describes the modified cash basis of accounting used to prepare the financial statements.



**Chartered Accountants**  
**April 12, 2013**

**HOLY REDEEMER CREDIT UNION LIMITED**

**STATEMENTS OF FINANCIAL POSITION – MODIFIED CASH BASIS  
MARCH 31, 2013 AND 2012 (IN BELIZE DOLLARS)**

<b><u>ASSETS</u></b>	<b><u>Notes</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>
<b>CURRENT ASSETS:</b>			
Cash and bank balances	2d	\$ 68,556,371	\$ 52,313,515
Debentures	2e, 3	8,000,000	7,000,000
Fixed deposits	2e	122,000,000	122,000,000
Other investments	2e, 4	2,022,881	2,022,881
Stationery and supplies	2f	27,932	20,037
Members' loans receivable	2g, 5	271,887,894	249,019,895
Less: loan loss reserve	2h, 5	(17,230,812)	(17,444,988)
Other receivable – PCA line of credit	2i	18,329	8,676
Total current assets		<u>455,282,595</u>	<u>414,940,016</u>
<b>NON-CURRENT ASSETS:</b>			
Property, plant & equipment – net	2j, 6	<u>3,572,289</u>	<u>3,751,267</u>
Total non-current assets		<u>3,572,289</u>	<u>3,751,267</u>
<b>TOTAL ASSETS</b>		<b><u>\$458,854,884</u></b>	<b><u>\$418,691,283</u></b>
<b><u>LIABILITIES AND EQUITY</u></b>			
<b>CURRENT LIABILITIES:</b>			
Members' deposits, savings and PCA	2k	<u>\$361,159,445</u>	<u>\$327,835,038</u>
Total current liabilities		<u>361,159,445</u>	<u>327,835,038</u>
<b>EQUITY:</b>			
Members' shares – mandatory	2L	1,222,192	1,180,707
Members' shares – voluntary	2L	2,861,025	2,738,775
Burial scheme catastrophic reserve	2n, 7, 8	5,732,795	5,195,321
Contingency and special reserve	2n, 8	18,301,257	16,670,129
Education fund	2n, 8	2,625,944	2,627,533
Guaranty fund	2n, 8	21,400	20,734
Statutory reserve	2m, 8	45,886,055	42,475,786
Undistributed surplus	2n, 8	<u>21,044,771</u>	<u>19,947,260</u>
Total equity		<u>97,695,439</u>	<u>90,856,245</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b><u>\$458,854,884</u></b>	<b><u>\$418,691,283</u></b>

The financial statements on pages 26 to 30 were approved and authorized for issue by the Board of Directors on April 18, 2013 and are signed on its behalf by:

  
\_\_\_\_\_  
**President**

  
\_\_\_\_\_  
**Treasurer**

The notes on pages 31 to 35 are an integral part of these financial statements.



**HOLY REDEEMER CREDIT UNION LIMITED**Holy  
Redeemer  
Credit  
Union  
Limited**STATEMENTS OF INCOME AND EXPENSES – MODIFIED CASH BASIS  
YEARS ENDED MARCH 31, 2013 AND 2012 (IN BELIZE DOLLARS)**

	<u>Notes</u>	<u>2013</u>	<u>2012</u>
INCOME:	2a, 2o		
Dividends from BCUL shares		\$ 12,000	\$ -
Dividends from BEL shares		4,004	-
Dividends from BWSL shares		150,000	150,000
Interest from BEL debentures		707,500	715,000
Interest from fixed deposits		5,417,583	9,230,077
Interest from members' loans		28,452,775	27,021,645
Interest on current accounts		873,508	418,423
Loan mortgage fees		291,211	290,404
Other income		<u>63,688</u>	<u>61,492</u>
TOTAL INCOME		<u>35,972,269</u>	<u>37,887,041</u>
OPERATING EXPENSES:	2a, 2o		
Advertising and marketing		30,288	26,881
Auditing and supervision fees		59,113	44,375
Bank interest and charges		9,443	7,002
Cash shortage		1,772	3,044
Collection charges		69,924	68,705
Committee expense		5,069	6,484
Coverage premiums		1,795,690	1,600,102
Depreciation		430,125	424,817
Fidelity bond coverage		15,000	15,000
Generator/UPS/AC maintenance		28,596	25,325
Insurance		21,002	25,000
Interest expense – deposits/PCA		3,866,418	4,713,770
Loan mortgage expense		43,161	35,525
Office expense		68,712	51,912
Postage and stamps		7,961	7,673
Property taxes		6,880	7,080
Security services		185,891	181,164
Social security expense		24,283	22,686
Software systems support		29,149	29,149
Staff salaries/pension/benefits		2,132,746	1,829,537
Stationery and supplies expense		77,468	74,360
Upkeep of office		26,162	23,071
Utilities – electricity		106,945	110,578
– telephone		51,599	51,970
– water		<u>5,200</u>	<u>5,744</u>
TOTAL OPERATING EXPENSES		<u>9,098,597</u>	<u>9,390,954</u>
SURPLUS		<u>\$26,873,672</u>	<u>\$28,496,087</u>

The notes on pages 31 to 35 are an integral part of these financial statements.



**HOLY REDEEMER CREDIT UNION LIMITED**

**STATEMENTS OF CASH RECEIPTS AND CASH DISBURSEMENTS**  
**YEARS ENDED MARCH 31, 2013 AND 2012(IN BELIZE DOLLARS)**

	<u>2013</u>	<u>2012</u>
CASH RECEIPTS:		
ATM/Point of Sale facility fees	\$ 2,398	\$ 1,916
ATM/PCA income	9,496	8,366
BCUL dividend	12,000	-
BEL dividend	4,004	-
BEL interest	707,500	715,000
BWSL dividend	150,000	150,000
Cash overage	781	1,935
Contingency and special reserves	361	403
Entrance fees	666	727
FIP commission	2,057	2,569
Fixed deposits redeemed	-	6,000,000
Interest on authorized LOC	1,437	768
Interest on current account	873,508	418,423
Interest on fixed deposits	5,417,583	9,230,077
Interest on loans	28,452,775	27,021,645
Loan loss recovery	14,669	17,277
Loan mortgage fees	291,211	290,404
Loans repaid	65,059,753	67,231,567
Members' deposits/Shares/PCA received	173,102,082	142,132,419
Other income	40,915	40,580
PCA authorized LOC	159,607	252,671
Sale of passbook	<u>6,604</u>	<u>5,358</u>
TOTAL RECEIPTS	274,309,407	253,522,105
BEGINNING CASH IN BANKS	<u>52,313,515</u>	<u>19,144,292</u>
	<b><u>\$326,622,922</u></b>	<b><u>\$272,666,397</u></b>

The notes on pages 31 to 35 are an integral part of these financial statements.



**HOLY REDEEMER CREDIT UNION LIMITED***Holy  
Redeemer  
Credit  
Union  
Limited***STATEMENTS OF CASH RECEIPTS AND CASH DISBURSEMENTS (CONTINUED)  
YEARS ENDED MARCH 31, 2013 AND 2012 (IN BELIZE DOLLARS)**

	<u>2013</u>	<u>2012</u>
CASH DISBURSEMENTS:		
Advertising and marketing	\$ 30,288	\$ 26,881
ATM/computer and accessories	236,060	93,586
Auditing and supervision fees	59,113	44,375
Bank interest and charges	9,443	7,002
Belize Credit Union League dues	162,716	156,373
Building construction/renovations	12,623	39,305
Cash shortage	1,772	3,044
Collection charges	69,924	68,705
Committee and upkeep expenses	31,231	29,555
Contingency and special reserves	-	18,676
Coverage premiums	1,795,690	1,600,102
Debentures purchased	1,000,000	-
Education fund	539,063	591,491
Fidelity bond coverage	15,000	15,000
Fixed deposits purchased	-	6,000,000
Furniture and fixtures	2,464	-
Generator/UPS/AC maintenance	28,596	25,325
Generator/UPS/AC systems	-	42,073
Insurance and property taxes	27,882	32,080
Interest expense – PCA	69,671	61,841
Interest expense – special/term deposits	3,796,747	4,651,929
Loans issued	88,156,597	73,858,333
Loan mortgage expense	43,161	35,525
Members deposits/shares/PCA withdrawn	159,111,401	130,040,389
Office expense and postage	76,673	59,585
PCA Authorized LOC	169,260	260,581
Prepaid stationery	35,827	5,975
Security services	185,891	181,164
Shares – BCUL	-	300,000
Social Security expense	24,283	22,686
Software system support	29,149	29,149
Staff salaries/pensions/benefits	2,132,746	1,829,537
Stationery and supplies	49,536	54,323
Utilities	<u>163,744</u>	<u>168,292</u>
TOTAL DISBURSEMENTS	<u>258,066,551</u>	<u>220,352,882</u>
ENDING CASH IN BANKS	<u>68,556,371</u>	<u>52,313,515</u>
	<u>\$326,622,922</u>	<u>\$272,666,397</u>

The notes on pages 31 to 35 are an integral part of these financial statements.



**HOLY REDEEMER CREDIT UNION LIMITED**

**STATEMENTS OF CHANGES IN FUND BALANCES  
MARCH 31, 2013 AND 2012 (IN BELIZE DOLLARS)**

	Burial scheme catastrophe reserve	Contingency and special reserve	Education fund	Guaranty fund	Statutory reserve	Undistributed surplus	Total
Brought forward, March 31, 2012	\$5,195,321	\$16,670,129	\$2,627,533	\$20,734	\$42,475,786	\$19,947,260	\$86,936,763
Transfers:							
Dues	-	186,804	-	-	-	-	186,804
Entrance fees	-	-	-	666	-	-	666
Other adjustments	-	361	-	-	-	-	361
Undistributed surplus	-	262,995	-	-	-	(262,995)	-
Fund Uses:							
BCUL dues	-	(162,716)	-	-	-	-	(162,716)
Dividends and rebates	-	-	-	-	-	(19,684,265)	(19,684,265)
Donations, AGM, And related expenses	-	-	(539,063)	-	-	-	(539,063)
Surplus	<u>537,474</u>	<u>1,343,684</u>	<u>537,474</u>	<u>-</u>	<u>3,410,269</u>	<u>21,044,771</u>	<u>26,873,672</u>
Carried forward, March 31, 2013	<b><u>\$5,732,795</u></b>	<b><u>\$18,301,257</u></b>	<b><u>\$2,625,944</u></b>	<b><u>\$21,400</u></b>	<b><u>\$45,886,055</u></b>	<b><u>\$21,044,771</u></b>	<b><u>\$93,612,222</u></b>

The notes on pages 8 to 12 are an integral part of these financial statements.



**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED MARCH 31, 2013 AND 2012 (IN BELIZE DOLLARS)**

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**1. STATUS**

Status – Holy Redeemer Credit Union Limited (“HRCU”) was incorporated in 1944 under the Credit Unions Act Chapter 314 of the Substantive Laws of Belize. The main objects of a credit union are to promote thrift among its members, to receive savings of its members either as payment on shares or as deposits, and to make loans to members exclusively for provident or productive purposes. HRCU currently has 49,545 (2012 – 47,758) members. HRCU is supervised by the Registrar of Credit Unions. As per the Credit Unions Act, the Registrar of Credit Unions is the Governor of the Central Bank of Belize.

The registered office is located at Hodapp House, 1 Hyde’s Lane Belize City.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

- a. Basis of Presentation – The financial statements have been prepared from the records maintained in the accounting system of HRCU. HRCU uses a modified cash basis of accounting. On this basis, revenues are recorded when received and expenses recorded when paid while certain other transactions are recorded as detailed below.
- b. Functional and Presentation Currency – The financial statements are presented in Belize dollars, which is HRCU’s functional currency. That is the currency of the primary economic environment in which HRCU operates.
- c. Foreign Currencies – Transactions in United States dollars during the year are converted into Belize dollars at the rate of Belize dollars \$2 = United States \$1. Balances outstanding at the end of the reporting period are converted at the same rate.
- d. Cash and Bank Balances – Cash and bank balances include cash on hand and deposits held at call with banks.
- e. Investments – HRCU accounts for its equity investments under the cost method. The investment value is only reduced by permanent declines in the investment value. Under this method dividends are treated as income when received.  
  
Other investments in marketable securities are classified as held-to-maturity and are accounted for at cost. The related income is recorded when received.
- f. Stationery and Supplies – Significant expenditures for supplies and stationery are recorded as prepayments and charged to expenses as the supplies are being used. Use of the supplies is analyzed on a regular basis and charges to expenses are increased when necessary.
- g. Members’ Loans Receivable - Loans are recognized when cash is advanced to the borrowers and are initially recognized at fair value. Loans are carried at amortized cost using the effective interest method. The financial assets are derecognized when the rights to receive cash flows from the financial assets have expired.





**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**YEARS ENDED MARCH 31, 2013 AND 2012 (IN BELIZE DOLLARS)**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

- h. Loan Loss Reserve – In accordance with the Credit Unions Act, HRCU may transfer at least 10% of its surplus prior to any dividend declaration to a loan loss reserve, as necessary. This reserve was to be used for credit facilities, loans, overdrafts, lines of credit, and advances. The account is currently treated as a contra-asset account to member loans receivable in accordance with a directive given by the Registrar of Credit Unions.
- i. Other Receivable – Other receivable includes line of credit offered on PCA accounts.
- j. Property, Plant and Equipment and Depreciation– 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:

Buildings	20 years
Furniture, fixtures and equipment	10 years
Computer and accessories	5 years
Generator and UPS	5 years

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 or losses on disposal are included in income for the year.

An item of property, plant and equipment and any significant part recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

- k. Members' Deposits, Savings and PCA – Members' term deposits, special deposits, savings and personal checking accounts (PCA) are treated as current liabilities.
- l. Members' Shares – As per the Credit Unions Act, members' shares in the credit union represent members' capital.
- m. Statutory Reserve – In accordance with the Credit Unions Act, HRCU transfers at least 10% of its surplus prior to any dividend declaration to a statutory reserve. As per the Credit Unions Act, the statutory reserve is to be accumulated until it reaches 10% of total assets and should not be used for any other purpose except upon liquidation of the Credit Union.
- n. Other Reserves – HRCU on an annual basis transfers a percentage of its surplus before any dividend declaration to an education fund and a catastrophic reserve as determined by the Board of Directors, currently 2%. The education fund is reduced (debited) by donation expenses for sporting, education and charitable purposes and by annual general meeting expenses. It is also used for expenses incurred due to directors, committees, and staff training and other relevant expenses approved by the Board of Directors.



**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED MARCH 31, 2013 AND 2012 (IN BELIZE DOLLARS)****2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

- n. Other Reserves (continued) – The contingency and special reserve is increased by members’ annual dues and may be additionally increased by up to 10% of its surplus prior to any dividend declaration and by the remaining undistributed surplus from any previous year after the payment of all dividends and is reduced (debited) by any purposes authorized by the Board of Directors. HRCU utilizes a guaranty fund to set aside \$0.25 of new members’ entrance fees.
- o. Income and Expense Recognition – Interest income, dividends and other income are recognized when collected. Interest and other expenses are recognized when paid. Interest on special deposits and personal checking accounts are paid quarterly and monthly, respectively. Interest on term deposits may be paid quarterly or monthly. The interest rates paid on member accounts are determined by the Board of Directors.
- p. Dividends and Rebates – Dividends not exceeding 8% are declared annually on member shares/savings balances. These dividends are credited to the members’ shares/savings accounts along with interest rebates given to members who qualify each year. Dividend and rebate rates are recommended by the Board of Directors and approved at the Annual General Meeting.
- q. Taxation – As a registered credit union in Belize, HRCU is exempt from taxes on receipts assessed under the Income and Business Tax Act.

**3. DEBENTURES**

	<u>2013</u>	<u>2012</u>
2 - \$1,000,000 series 1 Debentures maturing December 31, 2012 earning 12% per annum. The debentures are repayable by Belize Electricity Limited (BEL) at the option of the holders on or after June 30, 2003 and may be called by BEL for payment on or after June 30, 2003.	\$ -	\$2,000,000
5 - \$1,000,000 series 2 Debentures maturing March 31, 2021 earning 9.5% per annum. The debentures are repayable by BEL at the option of the holders on or after April 30, 2008 and may be called by BEL for payment on or after April 30, 2008.	<b>5,000,000</b>	5,000,000
3 - \$1,000,000 series 5 Debentures maturing December 31, 2024, earning 7% per annum paid quarterly. The debentures are repayable by BEL at the option of the holders on or after December 31, 2018 and may be called by BEL for payment on or after December 31, 2016.	<b>3,000,000</b>	-
	<b><u>\$8,000,000</u></b>	<b><u>\$7,000,000</u></b>



**HOLY REDEEMER CREDIT UNION LIMITED**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED MARCH 31, 2013 AND 2012 (IN BELIZE DOLLARS)**

**4. OTHER INVESTMENTS**

	<u>2013</u>	<u>2012</u>
72,792 ordinary shares at \$2.00 par in Belize Electricity Limited.	\$ 172,881	\$ 172,881
1,000,000 shares at \$1.50 par in Belize Water Services Limited.	1,500,000	1,500,000
300 redeemable preference shares at \$1,000 par in the Belize Credit Union League Limited.	300,000	300,000
Subscription for ownership interest in Heritage/Credit Unions ATM/POS initiative.	<u>50,000</u>	<u>50,000</u>
	<b><u>\$2,022,881</u></b>	<b><u>\$2,022,881</u></b>

**5. MEMBERS' LOANS RECEIVABLE**

	<u>2013</u>	<u>2012</u>
Mortgage loans	\$149,206,533	\$135,717,820
Personal and business loans	<u>122,681,361</u>	<u>113,302,075</u>
	271,887,894	249,019,895
Less: loan loss reserve	<u>(17,230,812)</u>	<u>(17,444,988)</u>
	<b><u>\$254,657,082</u></b>	<b><u>\$231,574,907</u></b>

Loan loss reserve comprises the following:

Brought forward April 1	\$ 17,444,988	\$14,875,106
Add backs	14,669	17,277
Allocations	-	3,145,157
Write-offs	<u>(228,845)</u>	<u>(592,552)</u>
Balance as at March 31	<b><u>\$17,230,812</u></b>	<b><u>\$17,444,988</u></b>

Write-offs represent the charge off of adversely classified loan balances that are approved on a monthly basis by the Board of Directors. However, collection efforts are still made in respect of these accounts.

**6. PROPERTY, PLANT AND EQUIPMENT**

Cost	Land	Buildings	Furniture, Fixtures and equipment	Generator and UPS	Total
Brought forward, April 1, 2012	\$816,170	\$5,246,870	\$1,962,165	\$270,689	\$8,295,894
Additions	-	<u>12,623</u>	<u>238,524</u>	-	<u>251,147</u>
Carried forward, March 31, 2013	<u>816,170</u>	<u>5,259,493</u>	<u>2,200,689</u>	<u>270,689</u>	<u>8,547,041</u>
<b>Accumulated Depreciation</b>					
Brought forward, April 1, 2012	-	2,675,817	1,631,778	237,032	4,544,627
Additions	-	<u>262,343</u>	<u>159,368</u>	<u>8,414</u>	<u>430,125</u>
Carried forward, March 31, 2013	<u>-</u>	<u>2,938,160</u>	<u>1,791,146</u>	<u>245,446</u>	<u>4,974,752</u>
<b>Net Book Value</b>					
March 31, 2013	<b><u>\$816,170</u></b>	<b><u>\$2,321,333</u></b>	<b><u>\$409,543</u></b>	<b><u>\$25,243</u></b>	<b><u>\$3,572,289</u></b>
March 31, 2012	<b><u>\$816,170</u></b>	<b><u>\$2,571,053</u></b>	<b><u>\$330,387</u></b>	<b><u>\$33,657</u></b>	<b><u>\$3,751,267</u></b>



**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED MARCH 31, 2013 AND 2012 (IN BELIZE DOLLARS)****7. BURIAL SCHEME PROGRAM**

Benefits under the Burial Scheme Program comprise both the Funeral Benefits and the Loan Protection & Life Savings coverage.

On January 1, 2005, HRCU initiated the Funeral Benefits Burial Scheme whereby members make an annual contribution of \$24.00. In order for a member to qualify under the scheme, the member must maintain \$100.00 in their account at all times and must have a minimum of \$130.00 in his/her account to be able to pay the annual premium of \$24.00 on May 1, each year. Effective May 1, 2011, the funeral benefit was increased from \$4,000 to \$5,000 at no additional cost to members as approved by the Board of Directors of HRCU.

On June 1, 2005 HRCU also initiated the Loan Protection & Life Savings Scheme. The costs of this scheme are borne by HRCU. Premiums are determined using a flat rate of \$0.50 per \$1,000 on both qualifying loans and savings up to the coverage maximum. Coverage becomes effective immediately upon the member joining HRCU. The scheme offers protection of savings up to a maximum of \$20,000 with set percentages tiered by age and loan protection up to a maximum of \$75,000. Effective May 1, 2011, the Board of Directors approved extension of the loan protection coverage from age 70 to age 75.

**8. DISTRIBUTION OF SURPLUS**

	<u>2013</u>	<u>2012</u>
Burial scheme catastrophic reserve	\$ 537,474	\$ 569,922
Contingency and special reserve	1,343,684	854,883
Education fund	537,474	569,922
Statutory reserve	3,410,269	4,274,413
Undistributed surplus	<u>21,044,771</u>	<u>19,947,260</u>
	<u>26,873,672</u>	26,216,400
Loan loss reserve	-	<u>2,279,687</u>
	<u>\$26,873,672</u>	<u>\$28,496,087</u>

During the year ended March 31, 2013, \$3,409,701 or 12.688% of the surplus was required to meet the prescribed Statutory Reserve requirement of 10% of assets. The Board of Directors approved an allocation of \$3,410,269 or 12.69% of the surplus. See also note 2m.

During the year ended March 31, 2013, undistributed surplus from 2011/2012 totaling \$262,995 was allocated to the Contingency and Special Reserve. See also note 2n.

\* \* \* \* \*



# INTERNATIONAL CREDIT UNION DAY®

# MEMBERS MATTER MOST™



OCTOBER 18  
2012



World  
Council  
of Credit  
Unions

188 million members and counting



## Burial Scheme Program Report (April 1<sup>ST</sup>, 2012 to March 31<sup>ST</sup>, 2013)

In 2005 we began administering our own Burial Scheme Program starting first with the Funeral Benefit followed by the Loan Protection & Life Savings coverage. Over the years we have managed to increase coverage limits to the point where we now pay out \$5,000 for Funeral Benefit, \$75,000 for Loan Protection, and \$20,000 in Life Savings for a combined total of \$100,000 in benefits. The Loan Protection and Life Savings coverage are fully paid for by your credit union and the Funeral Benefit comes at a nominal cost of \$24 per year, simply put, only \$2 dollars per month.

HRCU's Burial Scheme Program continues to do excellently. In fact, it has surpassed our expectations when you examine the figures. When the program first got started in 2005, on the advice of the Supervisor of Insurance, we established a Burial Scheme Catastrophic Reserve in the event there was some natural disaster such as a hurricane or tsunami and many of our members were killed. We wanted to ensure that we could pay all claims against the Burial Scheme, preferably from the monies that we set aside in special accounts invested right at HRCU where everyone benefits from its use. Our accounts will show that we have some \$5.7 million dollars invested in our catastrophic fund and the special accounts used to pay claims have another \$5.2 million.

The reports printed on pages 38 and 39 of this AGM booklet will show that during the past year under review we paid out \$883 thousand in Funeral benefits and \$1.3 million in Loan Protection & Life Savings benefits. Total claims paid out were 180 and 205 respectively so in reality we lost a total of 205 member-owners during this past financial year. Of the 205 member-owners, 110 were males and 95 were females. Also worthy of mention is that our youngest person was only 2 years old and the oldest was 99 years old, just short of being a centenarian. Cancer continues to be a killer with 27 deaths and sad but true, we lost 18 member-owners to murder which proves that the violence on our streets still continues to plague our society.

Currently your directors and management are in discussion to see how we can better the current benefits form our Burial Scheme Program since it has been so successful. We are discussing raising the loan coverage to \$100,000 to keep up with the size of loans being issued since more and more people are investing in homes, education, and business ventures. We are also thinking of raising the coverage for savings to \$25,000 since we need to encourage people to build up their savings for that eventual "rainy day" which always comes when least expected. Some feel that since people are living longer, more productive lives we should raise the age for Loan Protection from 75 to 80 or increase the 100% coverage limit for Life Savings from 55 to 60. These are indeed exciting times for HRCU and we want to offer what is best for HRCU and all member-owners.

In closing I must remind you to pay particular attention to pages 40 and 41 of this AGM booklet. It is important that you understand how HRCU's Burial Scheme Program operates hence the reason for publishing in English and Spanish. Remember that you must maintain a minimum of \$130.00 in your account to be able to pay the annual cost of \$24.00 on May 1<sup>st</sup> each year and you must keep your account up-to-date with your loan payments to enjoy full coverage benefits. **HRCU is doing its part; you must do yours!!**



# FUNERAL BENEFIT PAID SUMMARY REPORT

April 1st 2012 to March 31st 2013

AGE GROUP	FB PAID		AMOUNT TOTAL	%	\$ DOLLAR \$ VALUE PAID	%
	MALE	FEMALE				
<b>UNDER 21</b>	1	1	2	1.11%	\$ 10,000.00	1.13%
<b>21 - 25</b>	2	0	2	1.11%	\$ 10,000.00	1.13%
<b>26 - 30</b>	7	2	9	5.00%	\$ 45,000.00	5.10%
<b>31 - 35</b>	1	2	3	1.67%	\$ 15,000.00	1.70%
<b>36 - 40</b>	5	1	6	3.33%	\$ 30,000.00	3.40%
<b>41 - 45</b>	6	4	10	5.56%	\$ 50,000.00	5.66%
<b>46 - 50</b>	6	5	11	6.11%	\$ 54,000.00	6.12%
<b>51 - 55</b>	7	4	11	6.11%	\$ 55,000.00	6.23%
<b>56 - 60</b>	8	1	9	5.00%	\$ 42,500.00	4.81%
<b>61 - 65</b>	5	9	14	7.78%	\$ 70,000.00	7.93%
<b>66 - 69</b>	9	10	19	10.56%	\$ 95,000.00	10.76%
<b>70 - 74</b>	11	10	21	11.67%	\$ 104,500.00	11.83%
<b>75 - 79</b>	9	11	20	11.11%	\$ 92,000.00	10.42%
<b>80 - 84</b>	6	10	16	8.89%	\$ 78,500.00	8.89%
<b>85 &amp; OVER</b>	6	21	27	15.00%	\$ 131,500.00	14.89%
<b>TOTALS:</b>	<b>89</b>	<b>91</b>	<b>180</b>	<b>100.00%</b>	<b>\$ 883,000.00</b>	<b>100.00%</b>
<b>UNDER 21</b>	1	1	2	1.11%	\$ 10,000.00	1.13%
<b>21 - 49</b>	26	13	39	21.67%	\$ 195,000.00	22.08%
<b>50 - 69</b>	30	25	55	30.56%	\$ 271,500.00	30.75%
<b>70 &amp; OVER</b>	32	52	84	46.67%	\$ 406,500.00	46.04%
<b>TOTALS:</b>	<b>89</b>	<b>91</b>	<b>180</b>	<b>100.00%</b>	<b>\$ 883,000.00</b>	<b>100.00%</b>
<b>AGE OF YOUNGEST CLAIM PAID:</b>			<b>2</b>		<b>\$ 5,000.00</b>	
<b>AGE OF OLDEST CLAIM PAID:</b>			<b>99</b>		<b>\$ 5,000.00</b>	
<b>CLAIMS PAID AT 50%:</b>			<b>4</b>		<b>\$ 10,000.00</b>	

*"When the power of love overcomes the love of power...  
...only then will there be peace."*

*~ Unknown*



# LP/LS BENEFIT PAID SUMMARY REPORT

## April 1st, 2012 to March 31st, 2013

*Holy  
Redeemer  
Credit  
Union  
Limited*

AGE GROUP	MALE	FEMALE	AMOUNT TOTAL	LS PAID	LP PAID	TOTAL LP/LS	%
UNDER 21	2	3	5 \$	3,208.12	\$ -	\$ 3,208.12	0.26%
21 - 25	8	1	9 \$	3,169.63	\$ 502.50	\$ 3,672.13	0.29%
26 - 30	11	3	14 \$	24,046.44	\$ 39,547.99	\$ 63,594.43	5.08%
31 - 35	4	2	6 \$	7,420.65	\$ 14,585.76	\$ 22,006.41	1.76%
36 - 40	9	1	10 \$	20,182.99	\$ 33,733.49	\$ 53,916.48	4.30%
41 - 45	6	5	11 \$	14,585.84	\$ 15,778.44	\$ 30,364.28	2.42%
46 - 50	6	4	10 \$	54,754.24	\$ 90,146.76	\$ 144,901.00	11.57%
51 - 55	9	5	14 \$	61,352.42	\$ 5,960.25	\$ 147,312.67	11.76%
56 - 60	11	3	14 \$	55,505.70	\$ 48,952.22	\$ 104,457.92	8.34%
61 - 65	6	9	15 \$	68,929.48	\$ 75,415.09	\$ 144,344.57	11.52%
66 - 69	10	13	23 \$	119,922.69	\$ 215,802.20	\$ 335,724.89	26.80%
70 - 74	13	9	22 \$	89,578.13	\$ 20,083.60	\$ 109,661.73	8.75%
75 - 79	5	12	17 \$	39,394.59	\$ -	\$ 39,394.59	3.14%
80 - 84	5	9	14 \$	27,959.76	\$ -	\$ 27,959.76	2.23%
85 & OVER	5	16	21 \$	22,151.82	\$ -	\$ 22,151.82	1.77%
<b>TOTALS:</b>	<b>110</b>	<b>95</b>	<b>205</b>	<b>\$ 612,162.50</b>	<b>\$ 640,508.30</b>	<b>\$ 1,252,670.80</b>	<b>100.00%</b>

UNDER 21	2	3	5 \$	3,208.12	\$ -	\$ 3,208.12	0.26%
21 - 49	44	16	60 \$	124,159.79	\$ 194,294.94	\$ 318,454.73	25.42%
50 - 69	36	30	66 \$	305,710.29	\$ 426,129.76	\$ 731,840.05	58.42%
70 & OVER	28	46	74 \$	179,084.30	\$ 20,083.60	\$ 99,167.90	15.90%
<b>TOTALS:</b>	<b>110</b>	<b>95</b>	<b>205</b>	<b>\$ 612,162.50</b>	<b>\$ 640,508.30</b>	<b>\$ 1,252,670.80</b>	<b>100.00%</b>

	AGE	TOTAL	LS	LP
AGE OF YOUNGEST CLAIM PAID:	2	\$ 190.88	\$ 190.88	\$ -
AGE OF OLDEST CLAIM PAID:	99	\$ 116.70	\$ 116.70	\$ -
AVERAGE BENEFITS PAID:		\$ 6,110.59	\$ 2,986.16	\$ 11,861.26
(# OF LP BENEFITS PAID)	54			
LARGEST BENEFIT PAID:		\$ 80,796.81	\$ 17,196.81	\$ 63,600.00
SMALLEST BENEFIT PAID:		\$ 175.77	\$ 99.28	\$ 76.49

# OF DEATHS BY ACCIDENT:	9	# OF DEATHS FROM HIV-AIDS:	7
# OF DEATHS BY MURDER:	18	# OF DEATHS FROM CANCER:	27

*“Confidence doesn't come out of nowhere. It's a result of something... hours and days and weeks and years of constant work and dedication.”*

Roger Staubach





## Understanding HRCU'S Burial Scheme Program Benefits

LOAN PROTECTION (LP):	Loans are covered up to \$75,000.00 (Including six months interest)
LIFE SAVINGS (LS):	Life savings are covered up to \$20,000.00
MONEY SAVED FROM:	
Birth to 6 Months	25%
6 Months to 55 Years	100%
55 Years to 60 Years	75%
60 Years to 65 Years	50%
65 Years to 70 Years	25%
FUNERAL BENEFIT (FB):	Maximum of \$5,000.00 (Coverage effective date: 01/01/2011)

Benefits under Loan Protection cease on the member's 75th Birthday; even though the Loan may have been made before the member's 75th birthday, all balances owing on that day cease to enjoy benefits.

Money saved after the 70th birthday receives no coverage Benefits, but will receive the declared yearly dividend; however the money saved before, continues to receive coverage Benefits if not withdrawn. For example: money saved before the 55th birthday will receive 100% coverage even if the member is 70 years or over at time of death.

Loans receive regular benefits, up to \$75,000.00, but savings get doubled if death is by accident. For example, if a member has \$100.00 in savings and dies by accident, the beneficiary will receive \$300.00. Your \$100.00 plus \$200.00 from HRCU.

Loans are covered for a period of 25 years only.

Total and Permanent Disability claims up to age 60.

Bad Debt Waiver: member-owner yields right to a portion or all of FB benefit due to non-payment of loan. FB benefit will be applied to delinquent loan & interest not paid by LP benefit. Thereafter any remaining balance will go to member-owner's stated beneficiary.

If beneficiary has a delinquent loan, benefits will be applied first to that delinquent loan.



# Comprensión de los Beneficios de HRCU

PROTECCION DE PRESTAMOS: Préstamos son protegidos por el Aseguro hasta la cantidad de \$75,000.00 Dolares. (Incluyendo interés de seis meses)

AHORROS DE VIDA: Ahorros de Vida son cubiertos hasta \$20,000.00 dolares.

## DINERO AHORRADO DESDE:

- Nacimiento hasta los seis meses	25%
- 6 meses a los 55 años	100%
- 55 años a los 60 años	75%
- 60 años a los 65 años	50%
- 65 años a los 70 años	25%

BENEFICIO FUNERARIO: Maximo de \$5,000.00  
(Fecha efectiva de cobertura: 01/01/2011)

Beneficios bajo la Protección de Préstamos terminan al cumplir el miembro los 75 años de edad; aunque el préstamo fuera hecho antes de los 75 cumpleaños del miembro, todo préstamo con un saldo deja de gozar los beneficios de protección de HRCU ese mismo día.

Todo dinero ahorrado despues de los 70 cumpleaños no recibirá ningun Beneficio de Protección, pero si recibirá el dividendo anualmente declarado. Sin embargo, ahorros depositados antes de los 70 años continuan recibiendo los Beneficios de Protección si no son retirados. Por ejemplo, dinero ahorrado antes de cumplir los 55 años goza 100% de protección, aunque el miembro tenga 70 años o más al momento de su fallecimiento.

Préstamos gozan de beneficios regulares, hasta un máximo de \$75,000.00 dolares, pero los beneficios de ahorros se duplican si la muerte del deudor ocurre en un accidente. Por ejemplo, si un miembro tiene un ahorro de \$100.00 y muere en accidente, el beneficiario recibirá \$300.00. Los \$100.00 de ahorros y \$200.00 de HRCU.Préstamos gozan de protección solo por un período de 20 años.

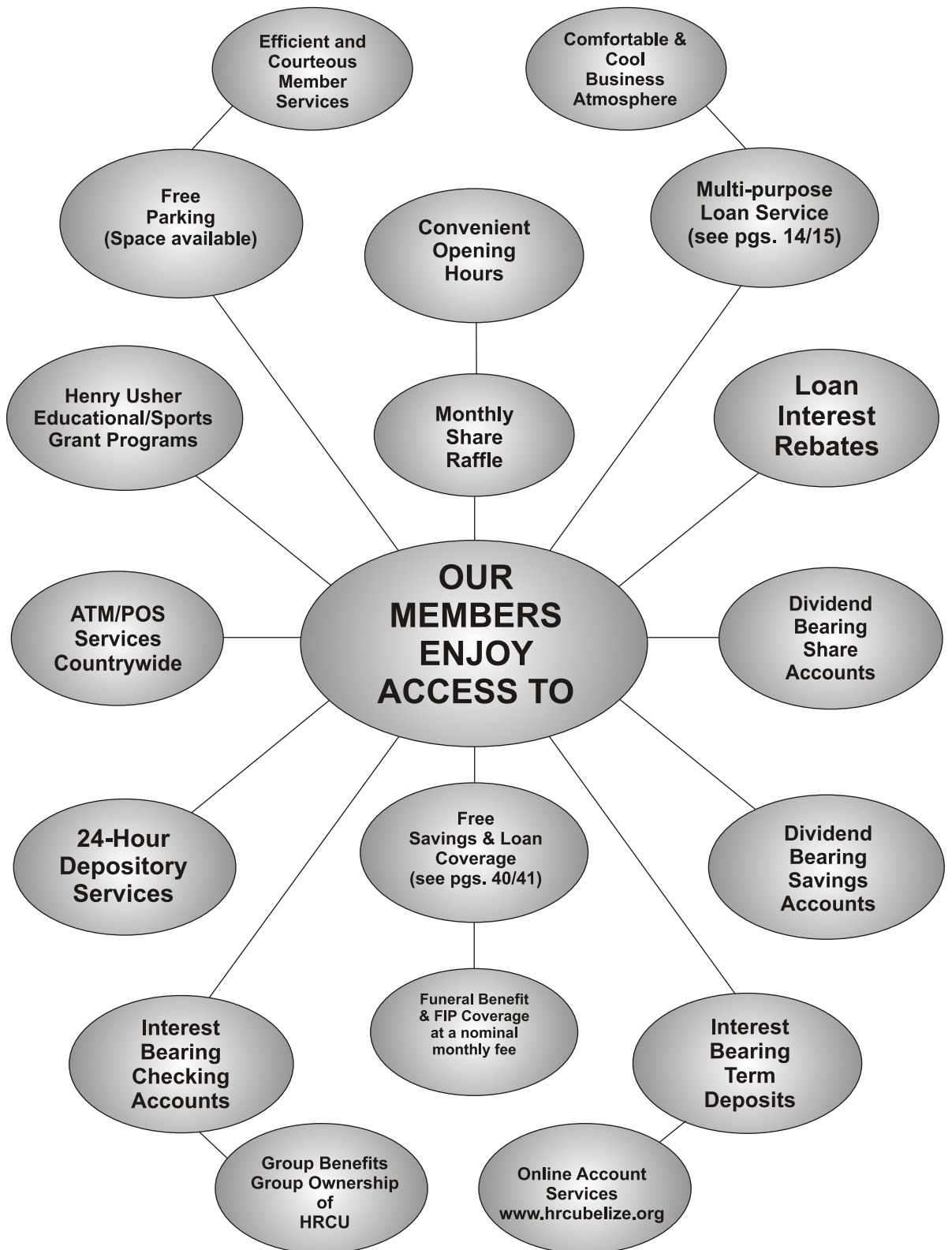
Préstamos gozan de protección solo por un período de 25 años.

Reclamos de incapacidad permanente hasta 60 años.

Renuncia de Derecho: un miembro-dueño con prestamo en delincuencia cede todo derecho a los beneficios del plan de protección para costos de servicios funebres. El valor equivalente de tal beneficio será aplicado contra saldos en delincuencia de prestamos e intereses no cancelados por los beneficios del plan de protección a prestamos. Cualquier saldo restante será aplicado a favor del beneficiario declarado de antemano por el miembro-dueño.

Si el beneficiario tiene un prestamo en delincuencia, los beneficios serán aplicados contra tal préstamo antes de que cualquier beneficio sea pagado al beneficiario.





# Supervisory Committee Report

(April 1<sup>ST</sup>, 2012 to March 31<sup>ST</sup>, 2013)

To the Members of Holy Redeemer Credit Union Limited:

Pursuant to instructions contained in the Credit Union Act, Chapter 314 of the Laws of Belize, we have during the financial year ended March 31<sup>ST</sup>, 2013 caused to be examined the books and records of the Holy Redeemer Credit Union Limited. We report that Holy Redeemer Credit Union Limited has provided for the independent external audit of such books of accounts and records by the accounting firm of Castillo Sanchez & Burrell, LLP whose report is contained in this Annual report.

We further advise that we reviewed on a monthly basis the financial statements and related reports of Holy Redeemer Credit Union Limited and we have obtained all information and explanations we have required.

In our opinion, based on the independent external audit and monthly reviews of the financial statements of Holy Redeemer Credit Union Limited, the Balance Sheet, together with the Statement of Income & Expenses and the Statement of Cash Receipts and Cash Disbursements present fairly the state of the Credit Union's affairs as at March 31<sup>ST</sup>, 2013 and for the year then ended.

## Respectfully submitted

April 17<sup>th</sup>, 2013

Feliz Reyes - Chairman  
Alberto Young Jr. - Secretary  
Jose Can - Member

*"We make a living by what we get, we make a life by what we give."*  
- **Winston Churchill**

\* \* \* \* \*

*"He is a wise man who does not grieve for the things which he has not, but rejoices for those which he has."* - **Epictetus**



## These are the officers who served you during the past year

(April 1<sup>st</sup>, 2012 to March 31<sup>st</sup>, 2013)

### BOARD OF DIRECTORS:

PRESIDENT:	KARL H. MENZIES, CSC/JP (term ends today)
VICE PRESIDENT:	FRED SMITH, CSC/JP (serving one more year)
TREASURER:	JANE E. M. USHER, CBE/JP (Director Emeritus)
SECRETARY:	OSCAR R. RIVEROLL, JP (term ends today)
DIRECTOR:	RENE BLANCO (serving two more years)
DIRECTOR:	KATHLYN TILLET (serving two more years)

### CREDIT COMMITTEE:

CHAIRPERSON:	MARION MARSDEN, MBE/JP (serving two more years)
	CAROL BABB, JP (term ends today)
	ELEANOR GILLET, JP (serving one more year)

### SUPERVISORY COMMITTEE:

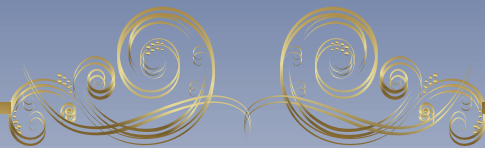
CHAIRPERSON:	FELIZ REYES
	ALBERTO YOUNG JR.
	JOSE CAN

(This Committee is elected yearly by the members present  
at the Annual General Meeting)

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*“Learn from yesterday, live for today, hope for tomorrow. The  
important thing is not to stop questioning.”* - **Albert Einstein**





**In order to invoke God's blessing on our gathering today,  
let us together please pray for PEACE in our world.**

**PEACE PRAYER  
OF  
ST. FRANCIS OF 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 it is in giving that we receive,  
It is in pardoning that we are pardoned,  
and it is in dying that we are born  
To eternal life.**

**Amen**





**Join a credit union today...  
...HRCU welcomes you!**

**Holy Redeemer Credit Union Ltd.**

**1 Hydes Lane, P.O. Box 544**

**Belize City, Belize**

**Central America**

**Tel: (501) 224-4320 or 224-5644**

**Fax: (501) 223-0738**

**Email: [hrcu@btl.net](mailto:hrcu@btl.net) Website: [www.hrcubelize.org](http://www.hrcubelize.org)**