
Holy Redeemer Credit Union Limited



1944

1999

Our Emerald Jubilee



I Am Your Credit Union

I was born of human desperation, reared in the household of need and dwell amidst the little people of our time.

I have experienced war, famine, misery and greed; daily I endure indifference and human selfishness.

I am clear of vision, firm of purpose and strong of heart and hand. Despite those who would misuse and neglect me, I press ever onward to serve and to save those who need me.

I am democratic in organization and cooperative in action; obedient to the majority voice of you, my members, in all that I do. I am therefore, exactly what you make of me - poor, weak and inefficient if you are disinterested; but strong and powerful ready to help you if you treat me wisely and well.

I am anxious to help with your family budgets, your personal financial problems, and your credit needs - all on a neighborly basis.

I am dedicated to serve all men without distinction of race, color or creed. I neither favor the rich and refined, nor frown on the poor and bereaved.

I am pledged to teach thrift, encourage thrift and render thrifty financial service to you, my people. Millions approve of my purpose.

I am trustworthy, I have a remarkable record. Financially, I have helped birth your babies, rear and educate your children, build and furnish your homes, transport your families, hospitalize your ill and bury your dead.

I am an ever present figure in your life, the helper in your greatest financial need. I am a part of the great international credit union movement servicing mankind. I am a part of all who need me. To serve is my task.

I Am Your Credit Union.



Annual General Meeting Agenda

Holy
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1. **MEETING CALLED TO ORDER BY PRESIDENT**
2. **OPENING PRAYER** (See back cover of booklet)
3. **ROLL CALL**
4. **READING OF MINUTES** (Annual General Meeting 1998)
 - 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. 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	-	No Vacancies
Supervisory Committee	-	3 Vacancies
9. **NEW BUSINESS**
10. **ADJOURNMENT OF BUSINESS MEETING**



Wednesday, April 28th, 1999 – Belize City Center, Belize City



Minutes of H.R.C.U.'s 54th Annual General Meeting Belize City Center, Belize City – Wednesday, April 29th, 1998

CALL TO ORDER

At 8:00 p.m., the President, Mr. Karl H. Menzies sounded the gavel for the start of the fifty fourth annual general meeting. He called on Mr. Alvan Fuller to lead us in prayer thanking the Almighty for his many blessings, followed by the Peace Prayer of St. Francis of Assisi. A minute of silence was observed for the ninety members who departed this life over the past year, particularly Mr. Henry Usher, our secretary.

He welcomed all members, whose interest was reflected in their presence. Special welcome was extended to Mrs. Arcelia Leiva, President of the Credit Union League, Mr. Joseph Bradley, Mr. Aaron Ogaldez, Mr. Ned Pitts and other visitors from Orange Walk.

Members present at this time were 1,207 compared to last year's 1,100.

READING OF MINUTES

The President proceeded to read the minutes of the Fifty Third Annual General Meeting held on Wednesday, April 23rd, 1997. He followed by sharing the Prayer entitled "Good Morning God", printed in our booklet.

BOARD OF DIRECTORS REPORT

Mr. Karl H. Menzies, President, commented that this was the first time he was reporting as president.

He was pleased, he said, to report an asset growth of some \$9.2 million and a cash turnover of over \$3.5 million. Expenses were kept at a minimum so that returns could be made to members in the form of Dividends and Interest Rebates on loan accounts that are up to date. A recommendation of 6% Dividends on shares and a return of 5% rebate on all interest paid on loans was approved.

He reported the loss of 90 members during the year now reviewed. Their beneficiaries received some \$565,000.00 in Cuna benefits. Cuna Insurance, he again said, may seem costly, but it brings some measure of comfort to members after the loss of a dear relative.

As promised in previous meetings, the firm of Deloitte & Touche has been appointed our auditors.

He referred members to the chart on page 12 of the Report now in their hands, which showed the number of loans granted since we became a Credit Union to be 293,787 amounting to over \$322 million. Cash turnover for the same period was over \$1.2 billion.



We will continue to work, he concluded, giving more and better service. He reminded us to live the Credit Union motto-Save Regularly, Borrow Wisely, Repay Promptly.

Virginia Forman moved the acceptance of the report, seconded by Ethel Castillo, all were in favour.

CREDIT COMMITTEE REPORT

In the absence of Mr. Raymond Barrow, Chairman, the President called on Miss Marion Marsden to present the report.

As in the past, the committee met weekly on Wednesday to consider loans and make decisions as to their approval and the adequacy of securities offered. Securities accepted were members saving records, character, co-maker's pledged shares and their responsibility, and in the case of loans for housing-first mortgages and share equities.

For the period April 1st, 1997 to March 31st, 1998, records indicated a total of 12,825 loans given amounting to \$31.6M. Loans repaid totalled \$24.6M, with loans outstanding at \$79.4M as shown on the Balance Sheet.

She, too reiterated the President's position that the Credit Union will succeed if members are responsible and repay loans on time, and as promised. She mentioned that the Credit Union is a unique organization, owned and operated by members. The members all benefit financially.

The Credit Committee's report was accepted by Mrs. Florita Gidwani, seconded by Mrs. Pauline Rivero and approved by all.

SUPERVISORY COMMITTEE REPORT

In the absence of Mr. John Burns, Chairman, the President called on Mr. Michael Coye to present his report.

HRCU has shown significant growth over the years as evidenced by its current membership in excess of 31,000. Because of the increased level of operations, the Board of Directors appointed the accounting firm of Deloitte & Touche to perform a full audit of the Credit Union's financial statements, as well as its internal controls. The committee expects that over the next year, additional procedures and accounting policies will be implemented to enhance management's reporting systems as well as to ensure better management of the loan portfolio.

Delinquent loans continue to be a problem as borrowers fail to meet their commitments on time thus affecting the profitability and cash flow. As a result, management will undertake additional measures to improve this situation.

The committee thanked management and staff for their continued assistance during the past fiscal year.



TREASURER'S REPORT

Mrs. Jane Usher, Treasurer, presented her report. First she sought the cooperation of parents and guardians in keeping the children quiet.

For the first time in fifty four years, the cents have been dropped from the reports, she said. However, each single penny is accounted for and accounts are kept in balance down to the last penny.

Asset growth for the financial period was \$9.25M, an increase of 11.06% over last year, compared to 1997 asset growth of 8.12% and 1996 growth of 10.84%.

When members are happy, we feel that we have not worked in vain. She brought to our attention the following problems experienced with accounts:

- 1) **Beneficiary**
Each new member is required to complete a membership card at inception and fill in the section which requires a beneficiary to be named. Problems arise when a member dies and the beneficiary has not been changed or updated. In order to avoid costly legal expenses, the necessary changes must be made at the appropriate time.
- 2) **Joint Accounts**
From time to time, members open joint accounts. She asked us to be conscious of the consequences which may arise as a result of doing so. Problems arise when both signatories of a joint account are required to sign a withdrawal when necessary.
- 3) **Passbooks**
She reminded us to keep passbooks safe as it serves as our record of receipts and payments. In the event a passbook is kept at the Credit Union at the request of the member, members must ensure that entries are correct and in the absence of a passbook, a copy of a receipt should be requested when payments are made; showing balances if needed.

Mrs. Usher pointed out that on Page 30 of this year's booklet, a special report on the dates and venues of past AGM's was listed for the benefit of the younger members.

She too further stressed the importance of repaying loans and honoring commitments. She encouraged delinquent borrowers to repay on time and not complain of accumulated interest if this is not done. Working together as a team, we will all benefit, she assured.

She was also pleased to report that this year some \$6.6M will be returned to members in the form of dividends and rebates.

She ended by thanking the little members for keeping quiet. Everyone applauded. The Treasurer's Report was accepted by Mr. P. Armstrong, seconded by



Mr. Hector Gloria, and accepted by all.

ELECTIONS OF OFFICERS

The President called on Mr. Joseph Bradley, Asst. Registrar of Cooperatives, to conduct elections of officers.

1) **BOARD OF DIRECTORS**

Two vacancies were available, namely Mr. Karl H. Menzies and Mr. Oscar Riveroll, who served in the absence of Mr. Henry Usher. Both were re-elected to serve. Nominations were accepted by Ms. N. Gladden, seconded by R. Vasquez and approved by all.

2) **CREDIT COMMITTEE**

Three vacancies existed. Mr. Raymond Barrow, Ms. Joan Waight, and Ms. Marion Marsden were re-elected to serve. Nominations were accepted by Mrs. Ellajeon Gillett, seconded by Mr. J. Nunez, and approved by all.

3) **SUPERVISORY COMMITTEE**

Three vacancies existed. Mr. John Burns, Mr. Michael Coye, and Mr. Joseph Habet were re-elected to serve. Nominations were accepted by Ms. Georgia Nicholson, seconded by Adelia Young, and approved by all.

OTHER BUSINESS

Punctuality prize was drawn at 7:30 p.m. Lucky ticket was #14 held by Desiree Everett.

Usual raffle was conducted by The President. Lucky winners included:

TICKET NO.	LUCKY RECIPIENT	TICKET NO.	LUCKY RECIPIENT
641	Mark Reid - \$750	790	Bernice Castillo - \$250
187	Tanisha Myers/ Cynthia Anderson - \$1000	838	Rene Arnold - \$500
458	Jane Garcia - \$750	705	Angelee Courtenay - \$250
310	Chester McClaren - \$1000	331	Yvonne Miller - \$500
888	Georgia Castro - \$500	1184	Alice Middleton - \$500

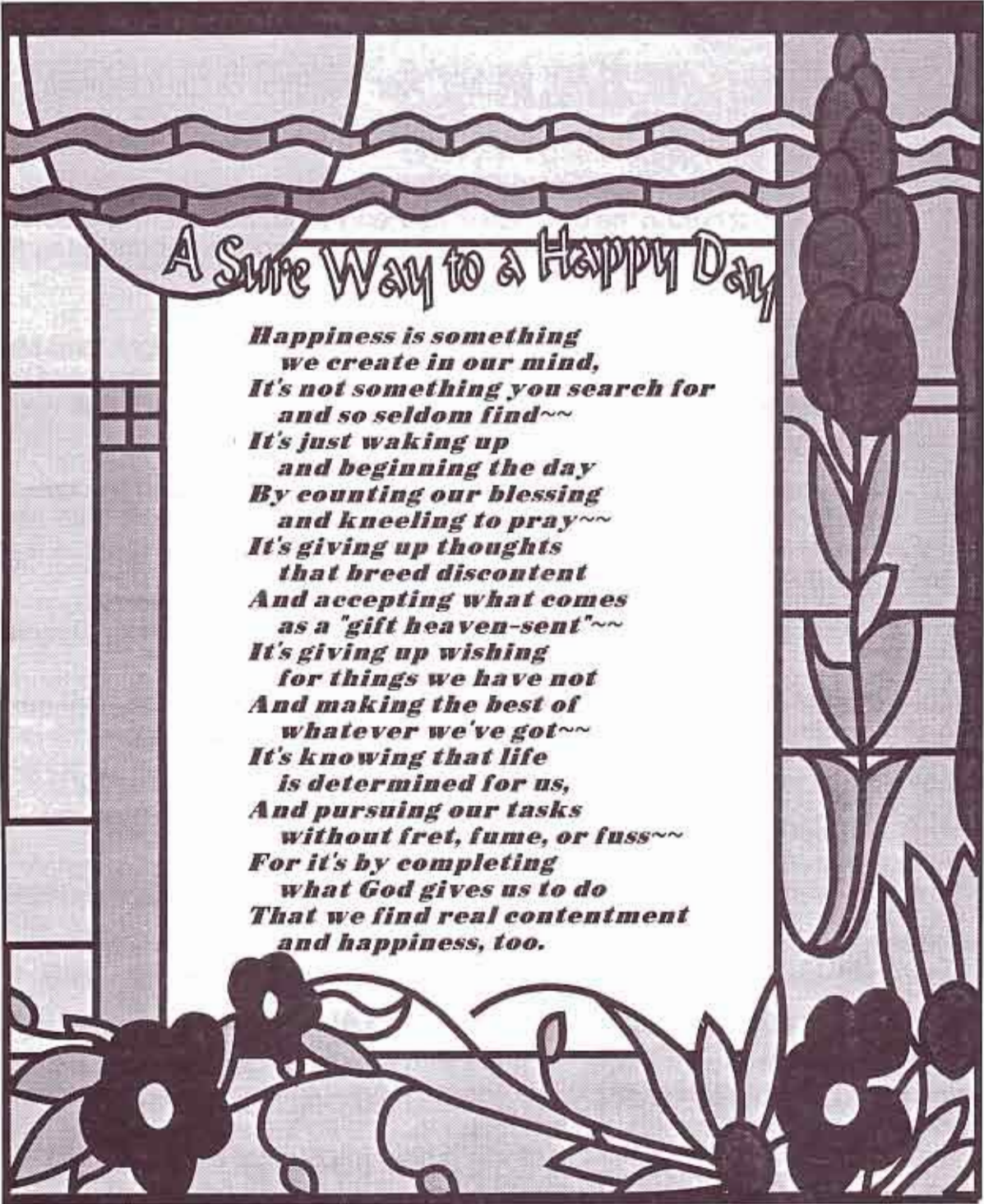
Another count of members present registered at 1,474.

At 9:20 p.m. the President moved that the 54th Annual General Meeting be adjourned, Mrs. Pauline Rivero so moved, seconded by Mr. Jose Nunez, all voted in favour.

Karl H. Menzies, President

Oscar Riveroll, Secretary





A Sure Way to a Happy Day

*Happiness is something
we create in our mind,
It's not something you search for
and so seldom find~~
It's just waking up
and beginning the day
By counting our blessing
and kneeling to pray~~
It's giving up thoughts
that breed discontent
And accepting what comes
as a "gift heaven-sent"~~
It's giving up wishing
for things we have not
And making the best of
whatever we've got~~
It's knowing that life
is determined for us,
And pursuing our tasks
without fret, fume, or fuss~~
For it's by completing
what God gives us to do
That we find real contentment
and happiness, too.*



Board of Directors Report

(April 1st, 1998 to March 31st, 1999)

Holy
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Dear members:

As we celebrate our Emerald Jubilee (55th Anniversary) let us all be aware that this will be our final report to you before entering a new millennium and a new century. Our next AGM gathering will be in the year 2000 so let us all challenge ourselves tonight, let us all make a commitment that we will increase our savings to benefit ourselves, our fellow members, but most importantly, our credit union - HRCU.

This past year has been another important year for HRCU. We accomplished yet another milestone, an extremely important one at that. To be exact, on January 29th, 1999, we crossed over the \$100 million dollar mark closing out our financial year with \$103 million in assets. It took us 23 years to reach our first \$1 million, 50 years to exceed \$50 million, and in an additional 5 year period we doubled that figure, surpassing \$103 million dollars. This tells truly a remarkable success story!

From operations carried out during the year we realized a net profit of \$8.5 million. If approved tonight, we are recommending a 6% dividend and a 5% interest rebate.

During the period under review, 85 members died, their beneficiaries received CUNA MUTUAL benefits totaling \$307,836.12. Please note that we always include in our AGM booklet a special section entitled "Understanding CUNA MUTUAL Benefits". This time for the benefit of our Spanish-speaking members, we have included a translation.

Very shortly you will see a massive expansion to our building getting underway, in order to create more space to better serve you. Our computer system is now fully Y2K compatible, both software & hardware, in preparation to usher in the Year 2000.

We continue to keep our building insured, likewise our machinery & furniture, and have maintained our CUMIS Fidelity Bond. As diligent members of your Board, we continue to work closely with management to bring to you the best possible services any credit union in Belize can offer.



Tonight as we close another chapter of HRCU's success story, each and every one of us can be proud that we are an integral part of a movement of people that has brought betterment to ourselves, our fellow members, our credit union, hence our country. By pooling our savings the credit union way, we have provided an easy source of credit at a very modest and affordable interest rate for everyone to benefit from in times of greatest need and hardships. Let us continue to live up to the real aim of the credit union movement as the great pioneer Roy Bergengren once said: "**its to prove the practicality of the brotherhood of man**".

It was a distinct pleasure serving you, our members.

Your Board of Directors,

KARL MENZIES - President
FRED SMITH - Vice President
JANE USHER, C.B.E./JP - Treasurer
ALVAN L. FULLER - Member
OSCAR RIVEROLL - Member

**When You Control Your Money Affairs,
You'll Be Masters of Your Own Destiny
And You'll Be Free Men.**

Marion M. Ganey, S.J., O.B.E.
(May 1969)
Our Silver Jubilee



Credit Committee Report

April 1st, 1998 to March 31st, 1999

Holy
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Fellow members:

It is always a distinct honor on my behalf and on the behalf of our Committee to report to you our activities for the year we now review.

At last year's Annual Meeting we were elected to serve a two year term. Tonight we have completed one year.

Every Wednesday we met, and as seen in our Annual Report 12,739 loans were issued totaling \$33,164,164, and loans repaid were \$26,027,021. You will see on our Balance Sheet that Loans form the greater part of our Assets - \$86,561,905. If these loans are strong and healthy, our Credit Union is strong and can continue to fill all our members needs - and these are many. If they are slow, and payments made not as pledged, but when you can make the time to come in and pay, even though you may say "but I pay my interest charges", you slow down the "pool" from which loans are made.

There is a small request we would like to make. When applying for a Loan, please present your Credit Union passbook. This will assist us in considering your loan application. How you Save, how you Repay your Loans, how you treat your Interest payments; all this information is shown in your passbook, and this record helps us tremendously in deciding whether to grant your loan, or ask that you show more interest in your Credit Union before borrowing.

From the chart prepared for you, you will see that "Home Improvement" formed the biggest part of loans granted. This was partly due to repairs undertaken after Hurricane Mitch passed near us. Business took a good portion too, and this is good, for these are productive Loans that should help the borrower to improve his living standard and that of his family.

This year as we prepare for a new Century, let us commit ourselves to a firm Savings Program. Let us save "til it hurts" thereby gaining additional security, hence more borrowing power. We can do it if we try!

We are your Credit Committee:

RAYMOND H. BARROW - Chairman

JOAN WAIGHT - Secretary

MARION MARSDEN - Member



LOAN PURPOSES (1998/99) **Amount** **Numbers** **%**

Appliance & Household Goods	867,180.00	700	2.61
Boat Purchase & Repairs	277,929.88	38	0.84
Christmas & Easter Expenses	271,320.00	268	0.82
Dental & Medical	1,481,929.01	1,135	4.47
Education (All Levels)	2,254,948.95	1,342	6.80
Funeral Expenses	147,556.08	119	0.44
Government Taxes & Insurance	331,692.44	105	1.00
House Repairs & Renovations	10,475,237.57	2,482	31.59
Investment (Business)	5,396,125.89	798	16.27
Fishing & Farming	57,350.00	15	0.18
Consolidation of Debts	1,320,142.97	585	3.98
Legal Fees	439,187.71	70	1.32
Miscellaneous Expenses	677,331.16	549	2.04
Homes & Housing Starts	1,781,684.06	280	5.37
Outboard Engine & Repairs	27,203.05	17	0.08
Personal Expenses	1,261,956.34	2,182	3.81
Land Purchase	721,038.15	97	2.17
Investment (Real Estate)	581,544.66	74	1.75
Sporting Equipment	5,450.00	7	0.02
Travel & Vacation	1,038,516.34	583	3.13
Utility Bills	181,720.33	356	0.55
Vehicle & Vehicle Repairs	3,354,626.61	869	10.12
Wedding Expenses	212,493.75	68	0.64

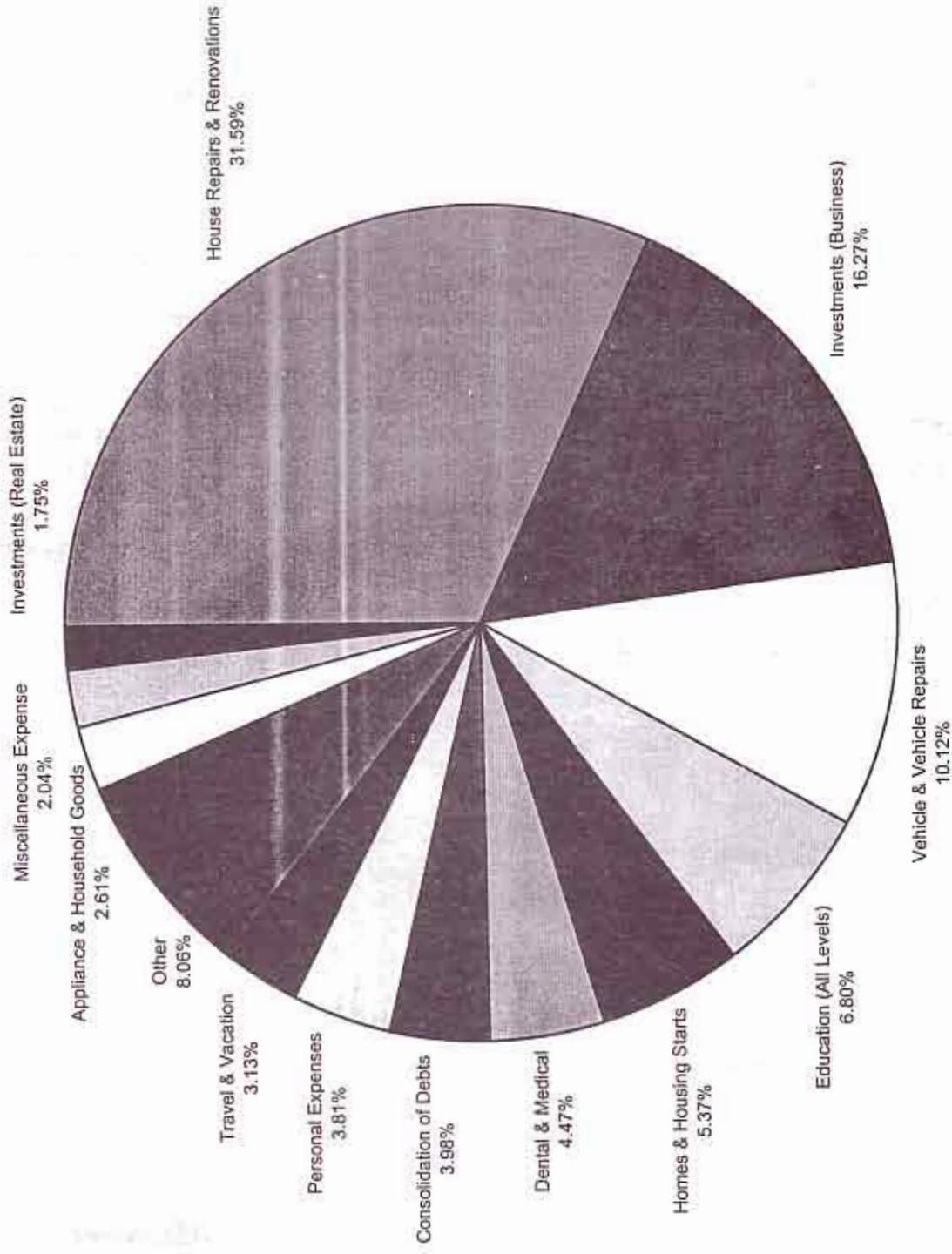
Grand Totals: 33,164,164.95 12,739 100.00

*"Money is only a medium of Exchange-
properly managed it makes fair and good exchanges;
badly managed it leads to financial disasters".
Your Credit Union teaches you good money management".*

JOIN ONE NOW!



LOAN PURPOSES 1998/99



Supervisory Committee Report

(April 1st, 1998 to March 31st, 1999)

My Fellow Members:

Holy Redeemer Credit Union operates under the Credit Union act Chapter No. 247 of the Laws of Belize (Revised Edition)

We have been on the Supervisory Committee for over three years now, and frequently are in close contact with our external auditors, Deloitte & Touche and are satisfied that their report presented tonight reflects the credit union's affairs.

We have requested that Management provides improved internal controls, and to our knowledge this is being done. Unproductive loans are being monitored and the situation has improved from last year. Continued vigilance is being maintained.

We continue to keep abreast of the Credit Union's affairs, and as Holy Redeemer progresses, we urge members to continue their savings program and keep in touch with their Credit Union at all times, while we continue to serve in our capacity as Supervisors.

John Burns, Chairman

Michael Coye

Jose Habet

*Save Regularly,
Borrow Wisely,
Repay Promptly*

Be a good Credit Union Member!!





INDEPENDENT AUDITORS' REPORT

To The Board of Directors and Members of Holy Redeemer Credit Union Limited:

We have audited the accompanying balance sheets - modified cash basis - of Holy Redeemer Credit Union Limited as of March 31, 1999 and 1998 and the related statements of income and expenses - modified cash basis - and cash receipts and cash disbursements for the years then ended. These financial statements are the responsibility of Holy Redeemer Credit Union Limited's management. 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 plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Holy Redeemer Credit Union Limited's policy is to prepare its financial statements on a modified cash receipts and disbursements basis as detailed in Note 1 to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position - modified cash basis - of Holy Redeemer Credit Union Limited as of March 31, 1999 and 1998 and results of its income and expenses - modified cash basis - and cash receipts and cash disbursements for the years then ended in accordance with the modified cash receipts and disbursements basis as described in Note 1 to the financial statements.


Deloitte & Touche
April 23, 1999



HOLY REDEEMER CREDIT UNION LIMITED

**BALANCE SHEETS – MODIFIED CASH BASIS
MARCH 31, 1999 AND 1998**

<u>ASSETS</u>	<u>Notes</u>	<u>1999</u>	<u>1998</u>
CASH RESOURCES			
Cash and bank		\$ 1,956,985	\$ 1,920,036
INVESTMENTS			
Bank fixed deposits	2	12,000,000	10,000,000
Other investments	3	2,000,000	1,000,000
OTHER ASSETS			
Stationery and Supplies	1	25,360	35,630
LOANS RECEIVABLE			
Members outstanding loans	4	86,561,905	79,424,762
FIXED ASSETS			
Property, plant and equipment - net	1,5	<u>490,770</u>	<u>453,334</u>
TOTAL		\$ <u>103,035,020</u>	\$ <u>92,833,762</u>
<u>LIABILITIES AND FUNDS EMPLOYED</u>			
DEBT			
Reconstruction & Development Corp.	6	\$ 125,000	\$ 175,000
OTHER LIABILITIES			
Dividends and rebates payable	7	-	2,013,534
Members' deposits and shares	1	76,037,493	69,245,214
Unclaimed shares (miscellaneous)		<u>18,381</u>	<u>21,205</u>
		76,180,874	71,454,953
FUNDS EMPLOYED			
Fund balance	1,8	<u>26,854,146</u>	<u>21,378,809</u>
TOTAL		\$ <u>103,035,020</u>	\$ <u>92,833,762</u>

 President

 Treasurer

See notes to financial statements.



HOLY REDEEMER CREDIT UNION LIMITED

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STATEMENTS OF INCOME AND EXPENSES – MODIFIED CASH BASIS YEARS ENDED MARCH 31, 1999 AND 1998

	Notes	1999	1998
INCOME			
	1		
Interest from loans		\$ 8,890,830	\$ 8,082,356
Interest from fixed deposits (investments)		1,054,102	920,512
Interest from debentures (investments)		229,151	-
Rental income		1,970	2,425
Other Income		29,888	26,256
TOTAL INCOME		10,205,941	9,031,549
OPERATING EXPENSES			
	1		
Cash shortage		188	552
Bank interest and charges		373	131
Collection charges		58,635	48,526
CUMIS fidelity bond		9,431	9,155
CUNA MUTUAL insurance premiums		728,009	645,291
Depreciation		28,110	48,186
Committee expense		2,857	1,799
Equipment maintenance		13,690	13,690
Generator/UPS/AC maintenance		9,581	13,171
Software systems support		16,275	12,476
Building and computer insurance		9,119	9,119
Property taxes		2,807	2,525
Office expense		12,903	9,789
Postage and stamps		3,846	4,176
Interest expense - Recondev		10,562	13,813
Staff salaries/Pension/Benefits		630,602	614,108
Auditing fees		36,225	17,250
Social security expense		6,148	6,102
Stationery and supplies expense		44,361	35,984
Upkeep of office		13,306	13,604
Utilities: electricity		30,458	29,487
telephone		14,452	15,417
water		388	389
Security services		41,829	42,373
Donation expense		-	10,763
TOTAL OPERATING EXPENSES		1,724,155	1,617,876
NET INCOME		\$ 8,481,786	\$ 7,413,673

See notes to financial statements



HOLY REDEEMER CREDIT UNION LIMITED

**STATEMENTS OF CASH RECEIPTS AND CASH DISBURSEMENTS
YEARS ENDED MARCH 31, 1999 AND 1998**

	<u>1999</u>	<u>1998</u>
CASH RECEIPTS		
Members Deposits/Shares received	\$ 33,371,073	\$28,798,439
Loans repaid	26,027,021	24,630,844
Interest on loans	8,890,830	8,082,356
Investment income	1,054,102	920,512
Cash overage	160	262
Entrance fees	374	408
Unclaimed shares (miscellaneous)	11,830	137,107
BEL interest	229,151	-
Other income	27,346	23,965
Sale of passbook	2,382	2,029
Rental income	1,970	2,425
Fixed deposits cashed	-	950,000
Special and statutory reserves	1,575	1,532
TOTAL RECEIPTS	69,617,814	63,549,879
BEGINNING CASH IN BANKS	1,920,036	1,076,125
	<u>\$ 71,537,850</u>	<u>\$ 64,626,004</u>

See notes to financial statements.



HOLY REDEEMER CREDIT UNION LIMITED

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STATEMENTS OF CASH RECEIPTS AND CASH DISBURSEMENTS (CONTINUED) YEARS ENDED MARCH 31, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
CASH DISBURSEMENTS		
Members Deposits/Shares withdrawn	\$ 31,435,624	\$26,720,030
Loans issued	33,164,164	31,576,847
Building addition	-	12,767
Cash shortage	188	552
Bank interest and charges	373	131
Collection charges	58,635	48,526
CUMIS Fedelity bond	9,431	9,155
CUNA MUTUAL insurance premiums	728,009	645,291
Committee and upkeep expenses	16,163	15,403
Education Fund	140,399	101,753
Furniture and fixtures additions	1,075	3,605
BEL Debentures	1,000,000	1,000,000
Insurance and property taxes	11,926	11,644
Interest expense - Recondev	10,562	13,813
Software system support	16,275	12,476
Equipment maintenance and support	13,690	13,690
Generator/UPS/AC maintenance	9,581	13,171
Computer and accessories	64,471	-
Unclaimed shares(miscellaneous)	14,654	144,030
Reconstruction and Development	50,000	50,000
Office expense and postage	16,749	13,965
Staff salaries/Pensions/Benefits	630,602	614,108
Auditing Fees	36,225	17,250
Social Security expense	6,148	6,102
Special and statutory reserves	24,703	89,366
Utilities	45,298	45,293
Security services	41,829	42,373
Fixed Deposits	2,000,000	1,450,000
Prepaid Stationery	15,090	16,431
Stationery and supplies	19,001	18,196
TOTAL DISBURSEMENTS	69,580,865	62,705,968
ENDING CASH IN BANKS	1,956,985	1,920,036
	<u>\$ 71,537,850</u>	<u>\$ 64,626,004</u>

See notes to financial statements.



HOLY REDEEMER CREDIT UNION LIMITED

NOTES TO FINANCIAL STATEMENTS YEARS ENDED MARCH 31, 1999 AND 1998

1. STATUS AND SIGNIFICANT ACCOUNTING POLICIES

Status - Holy Redeemer Credit Union Limited ("HRCU") was incorporated in 1944 under the Credit Unions Act 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 31,364 members.

Significant Accounting Policies - HRCU uses a modified cash receipts and disbursements method of accounting. On this basis, revenues are recorded when received and expenses recorded when paid while certain other transactions are recorded as detailed below.

- a. Prepayments - Significant expenditures for supplies and stationery are recorded as prepayments and charged to expenses over a three year period as the supplies are being used. Use of the supplies is analyzed on a regular basis and charges to expenses are increased when necessary.
- b. 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
Generator	5 years
Computer and accessories	5 years
Furniture, fixtures and equipment	10 years

Maintenance and repairs are expensed as incurred. Major asset additions and expenditures which 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.

- c. Members Deposits and Shares - Members' shares and deposits in the Credit Union are treated as current liabilities on which dividends not to exceed 6% are declared annually. Amounts paid in excess of 6% are considered to be interest by HRCU but are recorded as dividends. These dividends are credited to the members shares and deposit accounts along with interest rebates given to members each year.
- d. Statutory Reserve - Each year, in accordance with the Credit Unions Act, HRCU transfers up to 20% of its undivided earnings 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 purposes other than the write off of bad loans and upon liquidation of the Credit Union.



- e. Other Reserves - HRCU on an annual basis transfers a percentage of its undivided earnings prior to any dividend declaration to an education fund and a contingency reserve as determined by the Board of Directors, currently 3% and 2%, respectively. The education fund is reduced (debited) for donations expenses for sporting, education and charitable purposes, for advertising and marketing expenses and for annual general meeting and other staff function expenses.

The contingency reserve is also increased by members annual dues and by 50% of the remaining undivided earnings from any previous year after the payment of all dividends and is reduced (debited) for any purposes authorized by the Board of Directors. The remaining 50% of undistributed undivided earnings of any previous year is credited to a special reserve which may be used for any purposes authorized by the Board of Directors. HRCU utilizes a guarantee fund to set aside \$0.25 of new members entrance fees.

2. BANK FIXED DEPOSITS

	<u>1999</u>	<u>1998</u>
8% Bank Fixed Deposits	\$ 1,000,000	\$ -
9% Bank Fixed Deposits	1,365,000	615,000
9.5% Bank Fixed Deposits	3,810,000	-
10% Bank Fixed Deposits	1,750,000	750,000
10.5% Bank Fixed Deposits	2,450,000	200,000
11% Bank Fixed Deposits	1,625,000	7,535,000
11.5% Bank Fixed Deposits	-	900,000
Total	<u>\$ 12,000,000</u>	<u>\$ 10,000,000</u>

3. OTHER INVESTMENTS

Other investments represent \$2,000,000 of Belize Electricity Limited (BEL) Debentures bought during the year ended March 31, 1999 and 1998 (\$1,000,000 subscription). The Debentures bear interest at 12% per annum payable quarterly and mature on December 31, 2012. The Debentures are repayable by 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.

4. LOANS RECEIVABLE

	<u>1999</u>	<u>1998</u>
Personal and business loan	\$ 47,973,523	\$ 43,777,110
Mortgage loan	<u>38,588,382</u>	<u>35,647,652</u>
	<u>\$ 86,561,905</u>	<u>\$ 79,424,762</u>



5. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Furniture, Fixtures and Equipment	Generator and UPS	Total
Cost					
Balance March 31, 1998	\$ 141,000	\$ 547,661	\$ 408,782	\$ 73,199	\$ 1,170,642
Additions	<u>-</u>	<u>-</u>	<u>65,546</u>	<u>-</u>	<u>65,546</u>
Balance March 31, 1999	<u>\$ 141,000</u>	<u>\$ 547,661</u>	<u>\$ 474,328</u>	<u>\$ 73,199</u>	<u>\$ 1,236,188</u>
Accumulated Depreciation					
Balance March 31, 1998	\$ -	\$ 241,527	\$ 402,582	\$ 73,199	\$ 717,308
Additions	<u>-</u>	<u>27,383</u>	<u>727</u>	<u>-</u>	<u>28,110</u>
Balance March 31, 1999	<u>\$ -</u>	<u>\$ 268,910</u>	<u>\$ 403,309</u>	<u>\$ 73,199</u>	<u>\$ 745,418</u>
Net Book Value					
March 31, 1999	<u>\$ 141,000</u>	<u>\$ 278,751</u>	<u>\$ 71,019</u>	<u>\$ -</u>	<u>\$ 490,770</u>
March 31, 1998	<u>\$ 141,000</u>	<u>\$ 306,134</u>	<u>\$ 6,200</u>	<u>\$ -</u>	<u>\$ 453,334</u>

6. DEBT

Reconstruction & Development Corporation - Loan for \$500,000 obtained for relending to members for housing loans. The loan is repayable by 20 semi-annual installments of \$25,000 payable on September 30 and March 31 with a final installment of \$25,000 due on September 30, 2001. The loan bears interest at 6½% per annum and is unsecured.

	<u>1999</u>	<u>1998</u>
	<u>\$ 125,000</u>	<u>\$ 175,000</u>

The loan principal is repayable as follows:

1999 - 2000	50,000
2000 - 2001	50,000
2001 - 2002	<u>25,000</u>
	<u>\$125,000</u>



7. DIVIDENDS AND REBATES PAYABLE

Dividends and rebates payable represent dividends and rebates due to members in the years prior to 1991 before the computerization of members' accounts. These amounts are manually being reconciled and are credited to members' accounts as the accounts are updated. During 1999, \$117,223 (1998 - \$131,387) was transferred from this account to members share accounts.

In 1999, the Board of Directors of HRCU approved the transfer of the balance in the account of \$1,896,311 to the Contingency Reserve account after it was agreed that the balance was mainly comprised of over-calculated dividends and rebates arising prior to the computerization of the Credit Union's records (see note 8). This treatment is consistent with the current practice where excess earnings are transferred to the Contingency and Special Reserves.

8. FUND BALANCES

	Contingency Reserve	Education Fund	Guaranty Fund	Special Reserve	Statutory Reserve	Undivided Earnings	Total
Balance, March 31, 1998	\$ 2,497,605	\$ 719,083	\$ 13,013	\$ 2,204,556	\$ 9,283,376	\$ 6,661,176	\$ 21,378,809
Transfers:							
From dividends and rebates payable	1,896,311	-	-	-	-	-	1,896,311
From undivided earnings	944,017	-	-	944,017	-	(1,888,034)	-
Dues	33,535	-	-	-	-	-	33,535
Entrance Fees	-	-	374	-	-	-	374
Other adjustments	-	-	-	287	-	-	287
Fund Uses:							
Donations, AGM, and related expenses	-	(140,399)	-	-	-	-	(140,399)
Dividends and rebates	-	-	-	-	-	(4,773,142)	(4,773,142)
Loans write off	-	-	-	-	(23,415)	-	(23,415)
Net Income	169,636	254,454	-	-	1,043,541	7,014,155	8,481,786
Balance, March 31, 1999	<u>\$ 5,541,104</u>	<u>\$ 833,138</u>	<u>\$ 13,387</u>	<u>\$ 3,148,860</u>	<u>\$ 10,303,502</u>	<u>\$ 7,014,155</u>	<u>\$ 26,854,146</u>

9. DISTRIBUTION OF NET INCOME

	1999	1998
Contingency Reserve – 2% (1998 – 2%)	\$ 169,636	\$ 148,273
Education Fund – 3% (1998 – 3%)	254,454	222,410
Statutory Reserve – 12.3% (1998 – 5.2%)	1,043,541	381,814
Undivided Earnings – 82.7% (1998 – 89.8%)	<u>7,014,155</u>	<u>6,661,176</u>
	<u>\$ 8,481,786</u>	<u>\$ 7,413,673</u>

During the year 1998, the Statutory Reserve exceeded 10% of the total assets of the Credit Union requiring only 5.2% of the maximum allowed 20% of net income to be set aside in the Statutory Reserve. During 1999, only 12.3% was required to be set aside in the Statutory Reserve for the reserve to meet the 10% of total assets requirement.



How Do You Live Your Dash

I read of a man who stood to speak at the funeral of a friend.

He referred to the dates on her tombstone from the beginning...to the end.

He noted that first came her date of birth and spoke the following date with tears,

But he said what mattered most of all was the dash between those years. (1934-1998)

For that dash represents all the time that she spent alive on earth...

And now only those who loved her know what that little line is worth.

For it matters not, how much we own; the cars...the house...the cash,

What matters is how we live and love and how we spend our dash.

So think about this long and hard...Are there things you'd like to change?

For you never know how much time is left, that can still be rearranged.

If we could just slow down enough to consider what's true and real,

And always try to understand the way other people feel.

*And be less quick to anger, and show appreciation more
And love the people in our lives like we've never loved before.
If we treat each other with respect, and more often wear a smile...*

Remembering that this special dash might only last a little while.

So, when your eulogy's being read with your life's actions to rehash...

Would you be proud of the things they say about how you spent your dash?

Author Unknown



Understanding CUNA Mutual Benefits

LOAN PROTECTION:	Loans are covered up to \$40,000.00 (Level Coverage Rider Effective)
LIFE SAVINGS:	Life savings are insured up to \$8,000.00
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%

Benefits under Loan Protection cease on the member's 70th Birthday; even though the Loan may have been made before the member's 70th birthday, all balances owing on that day cease to enjoy benefits.

Money saved after the 70th birthday receives no Insurance Benefits, but will receive the declared yearly dividend; however the money saved before, continues to receive Insurance 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, i.e. "the debt dies with the debtor up to \$40,000.00", but savings get double 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 CUNA MUTUAL.

Loans are insured for a period of 20 years only.

Credit Unions help you to help yourself financially.

Be a part of this selfhelp movement.

JOIN A CREDIT UNION NOW

Holy Redeemer Credit Union - WELCOMES YOU



Comprension de los Beneficios de CUNA MUTUAL

PROTECCION DE PRESTAMOS: Préstamos son protegidos por el Aseguro De Cuna Mutua hasta la cantidad de \$40,000.00 Dolares.
(Aunque Ud. deba mas su préstamo siempre sera protegido hasta \$40,000.00 dolares por CUNA).

AHORROS DE VIDA: Ahorros de Vida son asegurados hasta \$8,000.00 dolares.

DINERO AHORRADO DESDE:

- Nacimiento hasta los sies 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%

Beneficios bajo la Protección de Préstamos terminan al cumplir el miembro los 70 años de edad; a pesar de que el préstamo fuera hecho antes de los 70 cumpleaños del miembro. Todo préstamo con un balance deja de gozar los beneficios de CUNA MUTUAL ese mismo día.

Todo dinero ahorrado despues de los 70 cumpleaños no recibirá ningun Beneficio de Aseguro, pero si recibirá el dividendo anualmente declarado. Sin embargo, el dinero ahorrado antes de los 70 años continuará recibiendo los Beneficios de Aseguro si no es retirado. Por ejemplo, dinero ahorrado antes de cumplir los 55 años tiene una seguridad de 100% aunque el miembro tenga 70 años o mas al tiempo de su fallecimiento.

Préstamos reciben beneficios regulares, es decir, "La deuda muere con el deudor hasta un máximo de 40,000.00 dolares", pero los beneficios de ahorros son dobles si la muerte del deudor es accidentalmente. Por ejemplo, si un miembro tiene un ahorro de \$100.00 y muere accidentalmente, el beneficiario recibirá \$300.00. Los \$100.00 de ahorros y \$200.00 de CUNA MUTUAL.

Préstamos son asegurados por un período de VIENTE AÑOS.

**UNIONES DE CREDITO LES AYUDA A AYUDARSE ECONOMICAMENTE
SEA PARTE DE ESTE MOVIMIENTO DE AYUDA PROPIA.
INGRESE AHORA MISMO EN UNA UNION DE CREDITO
LA UNION DE CREDITO DEL SANTO RENDENTOR
LES DA LA BIENVENIDA**



Credit Union Prayer

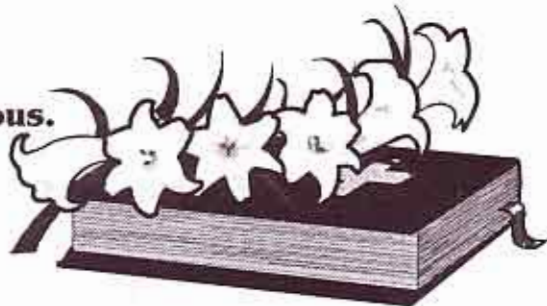
Holy
Redeemer
Credit
Union
Limited

I pray to You, this day my God,
For guidance and for Grace;
That I may always do my part
In my appointed place;
Each day I deal in worldly wealth,
And watch the way it mounts,
In terms of interest on a loan,
And larger share accounts.

If I would be of service to
The rich and to the poor,
And help them with their problems
And the tasks they must endure,
Then, today, I should be
Their counselor and friend,
And give all the aid and comfort
I can possible extend.

At work, at home and while at church
My credit union plays a part.
It makes for Christian living and
Gives money matters heart
It lets me join my fellow man
In the things we need to do
To make ourselves secure, and build
A Better World for You.

Anonymous.



These are the officers who served you during the past year

(April 1st, 1998 to March 31st, 1999)

BOARD OF DIRECTORS:

PRESIDENT:	KARL H. MENZIES (serving two more years)
VICE PRESIDENT:	FRED SMITH (term ends tonight)
TREASURER:	JANE E. M. USHER (serving 1 more year)
DIRECTOR:	ALVAN L. FULLER (term ends tonight)
DIRECTOR:	OSCAR R. RIVEROLL (serving 2 more years)

CREDIT COMMITTEE:

CHAIRMAN:	RAYMOND H. BARROW (serving 1 more year)
	JOAN WAIGHT (serving 1 more year)
	MARION MARSDEN (serving 1 more year)

SUPERVISORY COMMITTEE:

CHAIRMAN:	JOHN BURNS
	JOE HABET
	MICHAEL COYE

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

"BLESSED BE THE CREDIT UNION WITH ONE MEMBER WHO WANTS TO MAKE IT GROW, HOW WONDERFUL IT WOULD BE IF EACH AND EVERYONE OF US WERE THAT ONE MEMBER."



HOLY REDEEMER CREDIT UNION LIMITED

*Holy
Redeemer
Credit
Union
Limited*

STATISTICAL ANALYSIS BY MEMBERSHIP & SAVINGS AS OF MARCH 31ST, 1999

	MEMBERS (total)	SAVINGS (millions)
Under 50	24,788	\$ 51.5
50 & Over	6,576	\$ 24.5
	31,364	\$ 76.0
Under 18	5,506	\$ 3.7
18 - 24	3,798	\$ 2.9
25 - 59	17,070	\$ 55.0
60 - 70	3,440	\$ 8.9
Over 70	1,550	\$ 5.5
	31,364	\$ 76.0

GROWTH IN SAVINGS & ASSETS WITH GROWTH ESTIMATES

YEAR	SAVINGS GROWTH (millions)	% GROWTH	ASSET GROWTH (millions)	% GROWTH
1997	\$ 62.8	12.66%	\$ 83.6	10.84%
1998	\$ 69.2	10.31%	\$ 92.8	11.06%
1999	\$ 76.0	9.81%	\$ 103.0	10.99%
2000 (est.)	\$ 85.0	11.79%	\$ 115.0	11.61%
2001 (est.)	\$ 100.0	17.65%	\$ 135.0	17.39%

GOAL: \$100 million in savings by the Year 2001





Belize Credit Union League Limited

4 Cor Kut Avenue & Tanoomah St.
P.O. Box 397 - BELIZE CITY, BELIZE, C.A.
TELEPHONE: 02-72510

15th October, 1998

Mrs. Jane Usher
Treasurer
Holy Redeemer Credit Union, Ltd.
#1 Hydes Lane
Belize City

Dear Mrs. Usher,

At the 27th Annual General Meeting and 41st International Convention of the Caribbean Confederation of Credit Unions held in Port of Spain, Trinidad in July 1998, the Belize Delegation saw it proper and fitting to sponsor a Resolution recording the passing and contribution made to the movement in Belize by the late Mr. Henry Usher M.B.E. former Secretary of Holy Redeemer Credit Union Ltd.

Enclosed is a copy of the Resolution and we would wish that it be read into the minutes at your next meeting of the Board of Holy Redeemer Credit Union Ltd.

Yours cooperatively,

E.D. Eusey
Secretary/Treasurer
Belize Credit Union
League Ltd.





RECOGNITION

**CARIBBEAN CONFEDERATION
OF CREDIT UNIONS**

RESOLUTION

“WHEREAS MR. Henry Usher, M.B.E., pioneer of the Credit Union Movement in Belize and first Belizean Registrar passed away on October 7th, 1997; and

WHEREAS MR. Henry Usher, recognised in Belize as Father of the Credit Unions, made a significant contribution to the establishment and development of Credit Unions in Belize;

BE IT RESOLVED that this 41st International Convention and 27th Annual General Meeting records its condolences of his passing; and

BE IT FURTHER RESOLVED that a copy of this resolution be sent to the Belize Credit Union League and his family.

BELIZE CREDIT UNION LEAGUE, LTD.

Date Received 11/10/98

Time Received 10:00 am

Signature [Handwritten Signature]

Holy Redeemer Credit Union Limited ANNUAL GENERAL MEETING

In order to invoke God's blessing on our gathering tonight,
let us together recite the

PEACE PRAYER
of
ST. FRANCIS OF ASSISI

LORD, make me an instrument of your PEACE,
Where there is HATRED, let me sow LOVE;
Where there is INJURY, PARDON
DOUBT, FAITH.

Where there is DESPAIR, let me sow HOPE,
Where there is DARKNESS, let me sow LIGHT,
Where there is SADNESS,
Let me sow 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.