



Holy Redeemer Credit Union Limited



1944 - 2010

66

Years of Service



... A FACE, A NAME, A MEMBER/OWNER...

NOT JUST A NUMBER

EXPERIENCE THE CREDIT UNION DIFFERENCE

**Earn attractive returns on savings
and pay low interest on loans
when you borrow
for**

HOUSING



EDUCATION



HEALTH



BUSINESS



JOIN A CREDIT UNION TODAY

"Your financial means to a better Belize"

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 2009)
 - 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 24th, 2010 - S.J.C. Gymnasium
3:00p.m. Sharp



Minutes of HRCU's 65TH Annual General Meeting SJC Landivar Gym, Belize City, Wednesday, April 29TH, 2009

CANCELLATION OF MEETING:

Everyone will recall that our 65TH AGM was cancelled by the authorities a little more than an hour before the AGM was scheduled to commence. The H1N1 virus (swine flu) was raging in Mexico and other neighboring countries and the medical experts felt that it was necessary to cancel all mass gatherings throughout Belize, including our AGM.

All systems were in place for the AGM and we did not even have sufficient time to inform member-owners who turned out in great numbers for the AGM despite the notice aired on the radio by the authorities. In the presence of representatives from the Central Bank, the Belize Credit Union League and a few invited guests from our sister credit unions, over 2,000 AGM booklets were handed out that night. While doing so staff, management, directors and committee members did their best to inform everyone of what was taking place. They even mentioned to everyone in the queue the importance of what was to have been in the reports for the AGM, including the highest dividend rate ever to be paid to member-owners, a dividend rate of 7.75%. Excitement was indeed in the air and it was for sure that had the meeting been allowed to proceed it would have been another successful AGM for HRCU.

However, since we were unable to assemble as a group due to the ban on mass gatherings, the crowds of member-owners were quickly dispersed being informed that they would be hearing from their credit union officials as soon as they were able to meet with the Registrar and his team to chart the way forward.

PAYMENT OF DIVIDENDS & REBATES:

As in previous years since computerization in 1991, our dividends & rebates have always been paid on May 1ST immediately following the AGM. We found ourselves in a quandary especially when rumors in circulation stated that since our dividends & rebates had not been officially declared and approved at an AGM we could not proceed to pay them. Such a move would have affected 42,262 member-owners and as our treasurer, Mrs. Jane Usher, would have reported at the AGM, in excess of \$22 million dollars were to be returned to member-owners after setting aside all statutory requirements in reserves, including provisioning for loan losses. Member-owners, having already been disappointed by calling off their AGM,



would now have to wait for their dividends & rebates? This was just too much to ask anyone to endure especially when they depended on it to help make ends meet. After consultations with the Registrar's representatives at the Central Bank we were finally given the green light to proceed with the payment of dividends & rebates on the expected date of May 1ST but, HRCU officials would have to meet personally with the Registrar as soon as possible.

MEETING WITH THE REGISTRAR AND CENTRAL BANK OFFICIALS:

Shortly after the posting of dividends & rebates on May 1ST our office manager, president, and vice president met with the Registrar, Mr. Glenford Ysaguirre, along with Mrs. Neri Matus and Ms. Angela Reneau of the Central Bank's Financial Sector Supervision Department. Following healthy and fruitful discussions it was agreed that HRCU could continue business as usual. As soon as the ban on mass gatherings was called off and, at a convenient date to the board of directors, committees, and management, a special membership meeting should be convened to seek the approval of member-owners on matters that needed their approval at the 65TH AGM. In particular, the dividend & rebate rates, 7.75% and 10% respectively, needed to be ratified since they had already been credited to member-owners accounts. In order to be in full compliance with the Credit Union Act, the laws that govern the operations of credit unions in Belize, the board of directors and management set the date for the special membership meeting for Saturday, July 18TH, 2009 at SJC Landivar Gym. Following are the Minutes for that Special Membership Meeting.

CALL TO ORDER OF SPECIAL MEMBERSHIP MEETING:

With some 1,525 member-owners in attendance, at 2:00 PM sharp, on a warm Saturday afternoon, the Master of Ceremonies for the occasion, Ernesto Vasquez, sounded the gavel calling the Special Membership Meeting to order. As is always customary at the start of any HRCU meeting, Mr. Vasquez called on Vice-President Fred Smith to lead us in prayer. Mr. Smith began with his own special prayer then led the gathering in the recitation of the beautiful Peace Prayer of St. Francis of Assisi "Lord Make me an Instrument of Thy Peace". A moment of silence was observed for all member-owners who had passed away during the financial year April 1ST, 2008 to March 31ST, 2009.

Mr. Vasquez then welcomed everyone to the Special Membership Meeting, particularly those who had traveled from afar to hear the good news about HRCU. He established protocols for the meeting then singled out the presence of the official from the Central Bank,



Miss Sharett Bradley, who was representing the Registrar and also the representative from the Belize Credit Union League, Ms. Johnnie Pollard. He then called on the President, Mr. Karl Menzies, to say a few words to member-owners of HRCU.

PRESIDENT'S OPENING REMARKS:

Mr. Menzies, on behalf of the board of directors, committees, management & staff began by thanking everyone for showing up. As already mentioned by the Master of Ceremonies, he said "I will be very brief but what I have to say is very important".

He then proceeded to inform member-owners that they were present on a warm Saturday afternoon to confirm very important things that should have been confirmed at the 65th AGM which was called off by the authorities. "This was a record breaking year" continued Mr. Menzies and he informed member-owners amid loud cheers and applause that the Board had recommended the largest dividend rate in the 65 year history of HRCU -7.75%. This had already been paid to them along with their 10% interest rebate but both needed to be confirmed to be in compliance with the Credit Union Act.

The President also mentioned that besides the usual twenty-five \$1,000 dollar prizes this year the Board had approved a special \$5,000 dollar prize as an incentive to encourage member-owners to be a part of their AGM's and Special Membership Meetings whenever called. He ended by thanking Ms. Jane and her hard working staff for another excellent year of operations and hoped that next year 2010 would even be better.

CONFIRMATION OF DIVIDENDS & REBATES:

Master of Ceremonies, Ernesto Vasquez, mentioned that this confirmation would be short and sweet for he was sure that everyone was pleased with the dividends & rebates they received on May 1st, 2009.

The acceptance and confirmation of the 7.75% dividend rate and the 10% rebate rate was done on a motion from Mr. Anwar Barrow and seconded by Mrs. Jaimala Vasquez. All present were in favor from the thunderous applause that came from the floor.



CONFIRMATION OF ELECTED OFFICERS:

Before asking for a confirmation of the new officers who had been working since the cancellation of the 65th AGM, Mr. Vasquez explained that these were the persons who had been recommended to serve member-owners by HRCU's Nominating Committee.

Board of Directors: Mrs. Jane Usher and Mr. Rene Blanco

Credit Committee: Ms. Marion Marsden

Supervisory Committee: Mr. Jose Can, Mr. Felix Reyes, and Mr. Alberto Young

All officers were accepted and confirmed on a motion put forward by Fr. Oliver Smalls and seconded by Mr. Dean Warrior. Everyone was in favor and supported the motion by a show of hands. There were no dissenting votes.

CONFIRMATION OF EXTERNAL AUDITORS:

In calling for the confirmation of the external auditors, Mr. Vasquez mentioned that their work was in addition to the works carried out by HRCU's internal auditor, the Supervisory Committee, and the Central Bank's inspection team who acted as the regulatory body for the entire Credit Union Movement in Belize.

He indicated that for the last few years the international accounting firm of Castillo Sanchez and Burrell had been HRCU's external auditors. He continued to say that they had done an excellent job of keeping HRCU's records in proper order and that they were once again being recommended by HRCU's Nominating Committee on the approval of the Registrar and the Central Bank's inspection team.

The confirmation and appointment of Castillo Sanchez and Burrell as external auditors for HRCU was put forward on a motion from Ms. Ethel Castillo and seconded by Ms. Rita Douglas. All member-owners were in favor of the motion by a show of hands.

MASTER OF CEREMONIES REMARKS:

In his closing remarks Mr. Ernesto Vasquez thanked everyone for their cooperation in the confirmation of those very important issues that needed to be done to satisfy the Registrar of



Credit Unions. By so doing HRCU as a leader among the leaders of the Credit Union Movement in Belize was now in full compliance with the Credit Union Act.

OTHER BUSINESS:

There were a grand total of twenty-five \$1000 dollar prizes to be raffled among HRCU member-owners and specially invited delegates from sister credit unions. The first big winner of \$1,000 dollars was Ms. Channey Moore. Included among the other lucky winners for the afternoon were:

Glenda Tillett	Whitney Thompson	Marcia Moody	Kirsten Crown
Hubert Humes	Dorla Bowman	Justin Conoquie	Myrna Vasquez
Louburn Brown	Fiona Alay	Joe Martinez	Yvonne Thompson
Nisa Magdaleno	Mark Menzies	Crystal Brown	Alice Middleton
Samantha Burgess	Cherry Reynolds	Corin Wallen	Kristin Chun
Carmelina Wagner	Viola Augustine	Paulette Gentle	Francine Velasquez

After drawing the \$5,000 Grand Prize winner for the afternoon who was Ms. Margaret Garcia, the Treasurer and General Manager of HRCU, Mrs. Jane Usher, personally thanked everyone for showing up for the Special Membership Meeting. She informed member-owners that without their participation nothing would be accomplished hence it was most important that they keep abreast of what was happening with HRCU. She reminded everyone that they were a part of a multi-million dollar business and that every penny that HRCU makes in profits belongs to its member-owners and not to any single large investor. "Be a part and play an active role in HRCU" Miss Jane ended up saying.

At exactly 3:45 PM, the final count for member-owners in attendance being 2,015, the Master of Ceremonies called for the adjournment of the Special Membership Meeting. This motion was accepted by Mr. Mark Menzies and seconded by Mrs. Suzette Usher.

Karl H. Menzies, CSC/JP President

Oscar Riveroll, JP Secretary

* * * * *

"Age does not protect you from love, but love, to some extent, protects you from age." - Jeanne Moreau



HRCU on-line Account Inquiry Service at

www.hrcubelize.org



Visit your HRCU website and access your account information without having to call, visit the office, or wait for a printed account statement to arrive in the mail.



Member-owners can now view all their accounts (shares, savings, deposits, loan, checking & term deposit) at the click of a mouse from the comfort of their home or office.



This new service will benefit everyone especially those member-owners who reside overseas and those whose entire salaries are deposited at HRCU or their loan payments are made via paysheet deductions.



Simply visit our website, apply for this new service and be given a "secure" and password "protected" access to all your account information on-line.



Bill pay and account transfer services soon to be made available at HRCU from the comfort of your home or office on your laptop or personal computer.

This will be another safe, easy, and convenient service for HRCU existing and potential member-owners.

The power of saving at HRCU

"watch your \$money\$ grow"

(at current Dividend rate of 7.75%)

monthly savings	after 5 years (60 months)	after 10 years (120 months)	after 15 years (180 months)	after 20 years (240 months)	after 25 years (300 months)
\$ 5.00	\$ 362.69	\$ 889.45	\$ 1,654.53	\$ 2,765.72	\$ 4,379.63
\$ 25.00	\$ 1,813.45	\$ 4,447.25	\$ 8,272.65	\$ 13,828.60	\$ 21,898.15
\$ 50.00	\$ 3,626.90	\$ 8,894.50	\$ 16,545.30	\$ 27,657.20	\$ 43,796.30
\$ 75.00	\$ 5,440.35	\$ 13,341.75	\$ 24,817.95	\$ 41,485.80	\$ 65,694.45
\$ 100.00	\$ 7,253.80	\$ 17,789.00	\$ 33,090.60	\$ 55,314.40	\$ 87,592.60
\$ 150.00	\$ 10,880.70	\$ 26,683.50	\$ 49,635.90	\$ 82,971.60	\$ 131,388.90
\$ 200.00	\$ 14,507.60	\$ 35,578.00	\$ 66,181.20	\$ 110,628.80	\$ 175,18.20
\$ 250.00	\$ 18,134.50	\$ 44,472.50	\$ 82,726.50	\$ 138,286.00	\$ 218,981.50
\$ 300.00	\$ 21,761.40	\$ 53,367.00	\$ 99,271.80	\$ 165,943.20	\$ 262,777.80
\$ 400.00	\$ 29,015.20	\$ 71,156.00	\$ 132,362.40	\$ 221,257.60	\$ 350,370.40
\$ 500.00	\$ 36,269.00	\$ 88,945.00	\$ 165,453.00	\$ 276,572.00	\$ 437,963.00

monthly savings	after 30 years (360 months)	after 35 years (420 months)	after 40 years (480 months)	after 45 years (540 months)	after 50 years (600 months)
\$ 5.00	\$ 6,723.66	\$ 10,128.13	\$ 15,072.79	\$ 22,254.41	\$ 32,685.00
\$ 25.00	\$ 33,618.30	\$ 50,640.65	\$ 75,363.95	\$ 111,272.05	\$ 163,425.00
\$ 50.00	\$ 67,236.60	\$ 101,281.30	\$ 150,727.90	\$ 222,544.10	\$ 326,850.00
\$ 75.00	\$ 100,854.90	\$ 151,921.95	\$ 226,091.85	\$ 333,816.15	\$ 490,275.00
\$ 100.00	\$ 134,473.20	\$ 202,562.60	\$ 301,455.80	\$ 445,088.20	\$ 653,700.00
\$ 150.00	\$ 201,709.80	\$ 303,843.90	\$ 452,183.70	\$ 667,632.30	\$ 980,550.00
\$ 200.00	\$ 268,946.40	\$ 405,125.20	\$ 602,911.60	\$ 890,176.40	\$1,307,400.00
\$ 250.00	\$ 336,183.00	\$ 506,406.50	\$ 753,639.50	\$ 1,112,720.50	\$1,634,250.00
\$ 300.00	\$ 403,419.60	\$ 607,687.80	\$ 904,367.40	\$ 1,335,264.60	\$1,961,100.00
\$ 400.00	\$ 537,892.80	\$ 810,250.40	\$ 1,205,823.20	\$ 1,780,352.80	\$2,614,800.00
\$ 500.00	\$ 672,366.00	\$1,012,813.00	\$1,507,279.00	\$2,225,441.00	\$3,268,500.00

Saving towards your retirement
"Building your Nestegg"
 or simply saving towards a specific goal such as:
 bicycle, boat, vehicle, vacation, education, furniture, house...

WHY YOU SHOULD BORROW FROM YOUR CREDIT UNION

...because it is the best interest rate in the country!!

(only 1% per month on the reducing loan balance)

LOAN AMOUNT: \$ 1,200.00
 PAYMENT AMOUNT: \$ 100.00
 PAYMENT FREQUENCY: monthly
 LOAN ISSUE DATE: 23/04/2010

INTEREST RATE: 12.00%
 PRINCIPAL + INTEREST

PURPOSE: education

PAYMENT DATE	MONTHLY PAYMENT	MONTHLY INTEREST	PRINCIPAL PAYMENT	LOAN BALANCE
				\$ 1,200.00
23/05/2010	\$ 112.00	\$ 12.00	\$ 100.00	\$ 1,100.00
23/06/2010	\$ 111.00	\$ 11.00	\$ 100.00	\$ 1,000.00
23/07/2010	\$ 110.00	\$ 10.00	\$ 100.00	\$ 900.00
23/08/2010	\$ 109.00	\$ 9.00	\$ 100.00	\$ 800.00
23/09/2010	\$ 108.00	\$ 8.00	\$ 100.00	\$ 700.00
23/10/2010	\$ 107.00	\$ 7.00	\$ 100.00	\$ 600.00
23/11/2010	\$ 106.00	\$ 6.00	\$ 100.00	\$ 500.00
23/12/2010	\$ 105.00	\$ 5.00	\$ 100.00	\$ 400.00
23/01/2011	\$ 104.00	\$ 4.00	\$ 100.00	\$ 300.00
23/02/2011	\$ 103.00	\$ 3.00	\$ 100.00	\$ 200.00
23/03/2011	\$ 102.00	\$ 2.00	\$ 100.00	\$ 100.00
23/04/2011	\$ 101.00	\$ 1.00	\$ 100.00	\$.00

\$ 78.00
 \$ 7.80
 \$ 70.20

total interest paid
 less, 10% rebate at HRCU
 adjusted interest paid
 (after rebate)

Credit Unions effective interest rate: 6.50%
 HRCU effective interest rate after 10% rebate: 5.85%

Plus...at HRCU there are no loan set up charges,
 no up front "add on" interest charges,
 no close out costs or early payment penalty fees,
 no loan processing fees,
 no additional loan fees or hidden charges period!!

Why borrow from anywhere else but...HRCU

Board of Directors Report

(April 1ST, 2009 to March 31ST, 2010)

Distinguished member-owners of HRCU:

It is so often said that "time waits for no one" or to put another way "time never stands still". This is no doubt the reason why we are gathered here this afternoon for our first ever AGM to be held on a warm Saturday afternoon...but it is actually our 66TH AGM. It is once again time to give account of our stewardship over the past twelve months. I will begin by saying that despite the fact that we are being told that we are experiencing the worst recession in the recent history of Belize, HRCU has once again withstood the test of time. This is simply because you have been loyal and faithful to your credit union.

As your president I must inform you that the members of your board of directors have held regular monthly meetings as per the Credit Union Act to take charge of your credit union affairs and to ensure that your monies continue to be safe and secure at No.1 Hydes Lane. It therefore gives me the greatest of pleasure to inform you today that "all" is well at HRCU. You will hear for yourself when our treasurer and general manager since 1956, Mrs. Jane Usher, delivers that all important treasurer's report.

We closed out our financial year 2009/2010 with another record breaking enrollment of member-owners. During this period under review we took in 2,534 members and I am indeed happy to inform you that our membership now stands at 43,778 strong. Of this number 23,623 are women, 19,826 are men and 329 are organizational accounts. The women have always outnumbered the men at HRCU but what can we expect when it was actually three ladies who came up with twenty five cents each for the humble beginning of HRCU. A truly remarkable story! It still gives me goose bumps every time I hear Miss Jane repeat that story. No one could have convinced me that from seventy five cents and three member-owners we would have reached where we are today. Fellow member-owners of HRCU may you always continue to be loyal and faithful to your credit union. In so doing it has paid off handsomely for all of us as an HRCU family.

Our total assets of \$348.3 million have now reached its highest level ever despite the fact that on the recommendation of our regulators, the Central Bank of Belize, and CCCU Pearls consultant, Ralph Wharton, we have decided to report our loan portfolio at net. Simply put we now have to account and report by provisioning for those loans that might and could become uncollectable. Luckily for HRCU we have been setting aside reserves for bad debts, besides the required statutory reserves, so the initial reporting at "net" loans was not too painful. On the upbeat side however we are reporting today our lowest delinquency rate ever - 6.8% and 3.7% after taking into consideration shares, savings, mortgages and other collateral held as security. This is thanks to management and the aggressive work of the trained staff of our delinquency department. May I remind you that we will leave no stones unturned in our quest to go after those who have rescinded on their loan commitments. Some of you "temporarily" have legitimate excuses for you may have indeed fallen upon hard times. Let us hear from you! But to those of you who can pay and refuse to pay, your credit union loan obligation is a just commitment that must be given priority of payment. What you have borrowed is the hard-earned savings of your member-owners and you must pay it back or we will see you in court.



In fulfilling our social responsibility as a corporate citizen we have assisted various charities, churches, schools, and organizations. Only recently we contributed \$5,000 dollars to the Haiti Earthquake Relief efforts of the League, monies that will go direct to help the credit union movement in Haiti. Your directors have also increased our Henry Charles "Eagles" Usher Education Grant Program by \$25 thousand dollars allowing us to assist in 2009 some 147 students with \$125 thousand dollars. To date this program since coming on stream has helped 642 students with \$695 thousand dollars.

Speaking of the League, we continue to assist wherever possible, especially in their valiant efforts to host an annual credit union convention for the Belize movement. This year as member-owners we will each be contributing \$4 dollars in League Dues as was approved in my last year's board of directors report. This is such a small price to pay when we consider all that the League does for the benefit of its credit union affiliates. Let us always remember that coming together as a unified credit union movement makes us a serious lobbying force and as has been proven in the past, "in unity there is strength". In Belize, one in every three persons is a credit union member-owner!

Our esteemed treasurer, as has been confirmed by our supervisory committee and external auditors, is reporting that at March 31st, 2010 our assets totaled \$348.3, an increase of 11.4%. Membership has reached 43,778 a net increase of 3.6%. Investments are \$117.7 million with new purchases of \$17 million in fixed deposits. Savings total \$273.1 million, 78.4% of liabilities. Outstanding "net" loans total \$218.1 million, 62.6% of assets. Reserves total \$75.3 million and remain liquid in commercial bank fixed deposits. As a result of all this our gross profit has reached \$33.9 million with expenses of \$8.9 million leaving a net profit of \$25.0 million. Despite the recession your directors are once again recommending that we maintain a 7.75% dividend rate and a 10% interest rebate rate for those member-owners who service their loan commitments as promised.

In closing it would be unforgivable if I did not include the success of our unique Burial Scheme Program. Last year we increased loan protection to \$65,000 and life savings coverage to \$15,000 thousand at no cost to member-owners. However, having heard all the difficulties that member-owners face during the loss of their loved ones and the onerous funeral bills that have to be paid, your directors have unanimously agreed to increase the benefit from \$4,000 to \$4,500 effective May 1st, 2010 and to \$5,000 on May 1st, 2011 with no increase in member-owners contributions of \$2 dollars per month.

Finally I refer all of you to page 8 of this AGM booklet for a subject very dear to my heart. We have once again reproduced the exponential power of savings and interest earned, this time at the current dividend rate of 7.75%. Member-owners as your credit union's little umbrella man constantly reminds us all: "you must save for that rainy day".

God's continued richest Blessings on all of you and please... save, save, save...

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



Credit Committee Report

(April 1st, 2009 to March 31st, 2010)

Good afternoon member-owners of HRCU:

Once again we gather for our Annual General Meeting to provide you, as member-owners, with a report on loan transactions for 2009/10. At the beginning of the financial year 2009, due to the economic situation in our country, there were some indications that it would be a challenging year for our members. The members of HRCU are the heart of this financial institution, and we realize the need to assist and are committed to helping our members improve their financial well-being.

The Credit Committee continues to meet weekly to review member-owners loan requests. We do our best to ensure that each borrower has the capacity to repay, adequate security, and that the loan is for a genuine purpose. As part of our commitment to serve, we deliberate upon each loan, ensuring that the Credit Union makes the best decisions to satisfy the varied needs of our member-owners.

The Committee is pleased to report that in the 12-month period ending March 31, 2010, 16,819 loans were approved totaling **\$77,768,477.97**. Our total "net" loan portfolio amounts to \$218,120,187.15 or 62.6% of total assets. Of all the different types of loans that our credit union disbursed, Investments (Business) is the largest with \$21,765,845.23 or 27.99%. Over \$17.8 million in Housing & Home Improvements loans were granted during the year, with 2,239 loans or 22.96%. Education followed with 1,060 loans in the amount of \$5,564,674.45 and 7.16%. Member loans outstanding grew over 10.4% in 2009/10. For more information you will find a breakdown of the loan categories on page 14 and a pie chart showing the loan performance and purposes on page 15.

Today, we have a platform in place that will carry us into the future. We want to continue to build upon the success of the past years and to look towards increasing the membership in the future so that many more people can benefit in managing their money in this creative way. Despite the economic crisis we face, we continue to provide you with facilities to improve and save time and we are always thinking of new and innovative ways to make it easier for you to conduct your business. We hope you will utilize all the services offered.

While delinquencies will occur we must not miss opportunities to ensure that you understand the crippling effects delinquency puts on you as a member and your credit union. Many members believe that being a delinquent does not matter as long as you pay when you get the money. Not so! Your loan repayment history does play a major part in approving future loans along with other criteria. Be responsible and commit yourself to your repayment promise and avoid being a delinquent. You never know when you will need the loan services of your credit union.



As Chairperson of Holy Redeemer Credit Union's Credit Committee, I want to take this opportunity to thank you the members of the Credit Union, to whom we owe our growth and success. Its your use of all the products and services at the Credit Union that enables it to grow. Thank you!

To my fellow Credit Committee members, thank you. It's a pleasure to serve with you. Thank you for your time and energy in your role as volunteers. Volunteers are not paid for service on the committee, but, we are fortunate to see how the Credit Union is a valuable resource to families and individuals that make up our membership. On behalf of the Credit Committee, I wish to thank the Credit Union's management and staff for all their hard work in serving the members in extremely challenging times.

We know going forward, it won't be easy, but with faith in God and strength of our membership, we will continue to succeed, and yes, we will prevail.

Thank you and may the GOD of hope fill us with all JOY and PEACE, continue to bless the Holy Redeemer Credit Union, and allow us to look forward to another great year in 2010/2011. "Credit Unions will not be the answer to every problem in Belize, but Credit Unions may be a straw in which a dam builds up and eventually alters the flow of the stream". (Roy F. Bergengren "Great Pathways To Credit Unions" Cuna Mutual Publication 1964)

Your Credit Committee:

- Marion Marsden MBE, J.P - Chairperson
- Eleanor Gillett J.P - Secretary
- Carol Babb - Member

"He who has a thousand friends has not a friend to spare, while he who has one enemy shall meet him everywhere."

- Ralph Waldo Emerson

"I am careful not to confuse excellence with perfection.

Excellence, I can reach for; perfection is God's business."

- Michael J. Fox

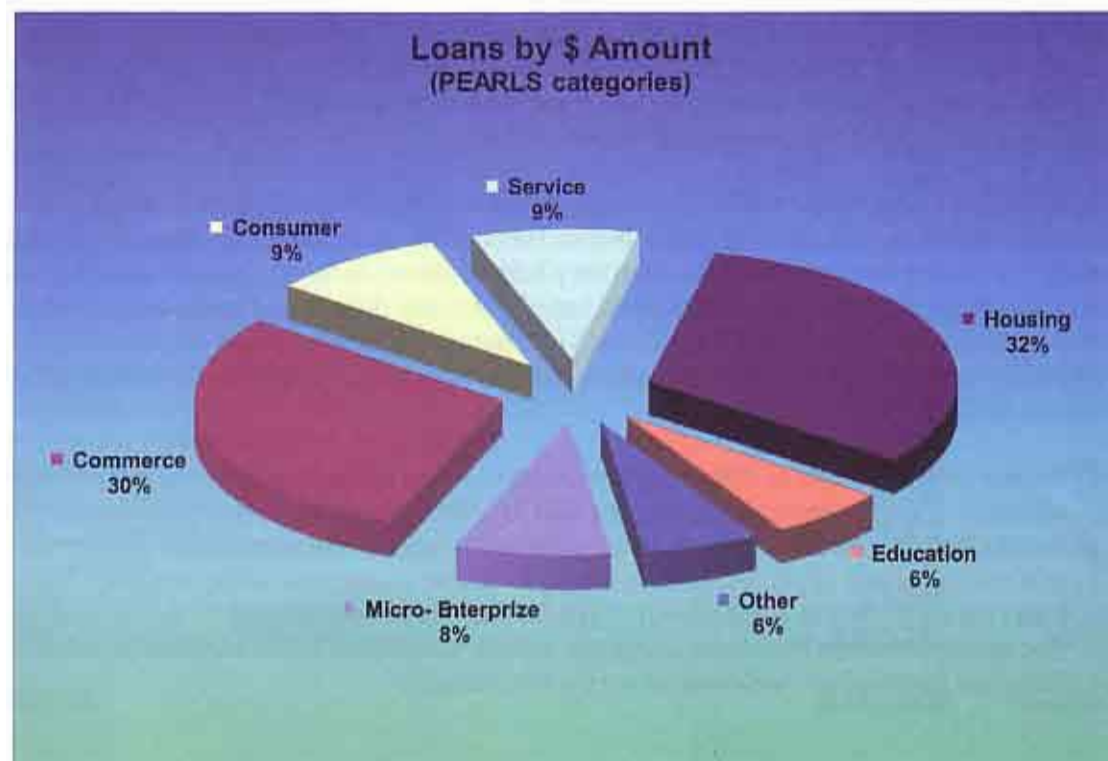
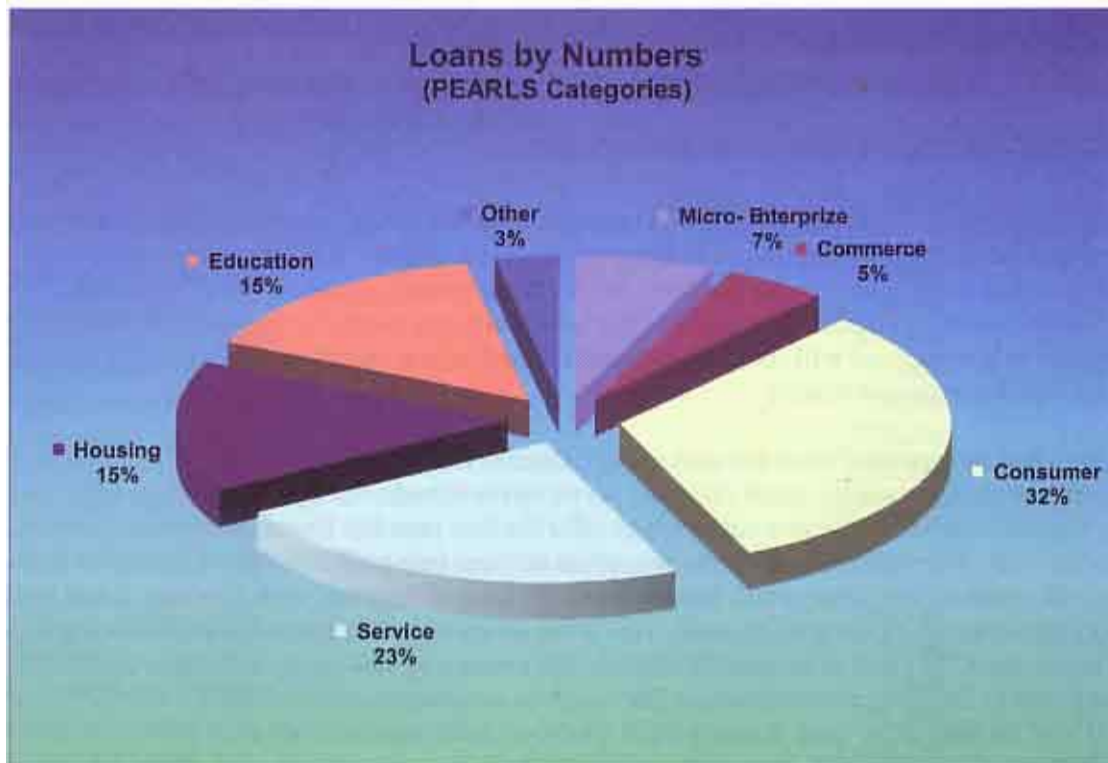


Loans Issued from April 1st, 2009 to March 31st, 2010

Pearls Codes	Loans By Purpose	AMOUNT TOTALS	AMOUNT %	NUMBER TOTALS	NUMBER %
3	Appliance & Household Goods	\$ 947,950.97	1.22%	629	3.74%
1	Boat Purchase & Repairs	\$ 462,891.03	0.60%	43	0.26%
4	Christmas & Easter Expenses	\$ 632,647.60	0.81%	595	3.54%
4	Dental & Medical	\$ 3,002,064.77	3.86%	1,574	9.36%
6	Education (All Levels)	\$ 4,861,057.90	6.25%	2,540	15.10%
4	Funeral Expenses	\$ 260,662.25	0.34%	184	1.09%
4	Government Taxes & Insurance	\$ 985,551.13	1.27%	297	1.77%
5	House Repairs & Renovations	\$ 17,855,534.83	22.96%	2,239	13.31%
2	Investment (Business)	\$ 21,765,845.23	27.99%	829	4.93%
1	Fishing & Farming	\$ 275,190.47	0.35%	19	0.11%
7	Consolidation of Debts	\$ 4,740,373.84	6.10%	519	3.09%
5	Legal Fees	\$ 2,498,338.56	3.21%	93	0.55%
3	Miscellaneous Expenses	\$ 2,785,553.52	3.58%	726	4.32%
5	Homes & Housing Starts	\$ 45,945.00	0.06%	8	0.05%
1	Outboard Engine & Repairs	\$ 13,050.00	0.02%	8	0.05%
3	Personal Expenses	\$ 3,449,010.01	4.43%	3,996	23.76%
5	Land Purchase	\$ 4,465,371.58	5.74%	197	1.17%
2	Investment (Real Estate)	\$ 1,228,910.93	1.58%	26	0.15%
3	Sporting Equipment	\$ 0.00	0.00%	0	0.00%
4	Travel & Vacation	\$ 1,234,184.20	1.59%	491	2.92%
4	Utility Bills	\$ 564,569.70	0.73%	700	4.16%
1	Vehicle & Vehicle Repairs	\$ 5,564,674.45	7.16%	1,060	6.30%
4	Wedding Expenses	\$ 129,100.00	0.17%	46	0.27%
	GRAND TOTALS:	\$ 77,768,477.97	100.00%	16,819	100.00%
	(PEARLS Categories)				
1	Micro- Enterprise	\$ 6,315,805.95	8.12%	1,130	6.72%
2	Commerce	\$ 22,994,756.16	29.57%	855	5.08%
3	Consumer	\$ 7,182,514.50	9.24%	5,351	31.82%
4	Service	\$ 6,808,779.65	8.76%	3,887	23.11%
5	Housing	\$ 24,865,189.97	31.97%	2,537	15.08%
6	Education	\$ 4,861,057.90	6.25%	2,540	15.10%
7	Other	\$ 4,740,373.84	6.10%	519	3.09%
	GRAND TOTALS:	\$ 77,768,477.97	100.00%	16,819	100.00%

"Demolish the bridges behind you ... then there is no choice but to move forward." ~ Firdtjof Nansen





General Manager/Treasurer's Report: (April 1ST, 2009 to March 31ST, 2010)

Dear faithful & loyal member-owners of HRCU:

This is going to be my fourth formal AGM report to you and I must admit that it has indeed caught on as I do enjoy the preparation of putting the reports together. It gives me the opportunity to reminisce on another year under our belts, but most importantly, another year of successes for the member-owners of HRCU. You deserve the best, hence my pledge to you today is that working together in harmony we will continue to meet the needs of our member-owners and by extension the wider Belizean community.

Quite a lot has happened since the start of our financial year back in April 2009. Our credit union has grown stronger, much, much stronger. As we strive to make our operations more efficient for the benefit of member-owners our aim is to offer the best possible financial services that HRCU can provide. We continue to improve on current services being offered and we have now teamed up with some of our sister credit unions from the League together with Heritage Bank to add more power to our existing ATM cards. As I write we are currently in the advanced testing stages to allow our ATM cards to be used throughout our country by linking up with other credit unions and Heritage Bank via a new company that we are in the process of establishing. Our ATM cards will also be able to be used at many POS (Point of Sale) machines all over Belize which will enable member-owners to shop without having to carry around cash with them. If you are traveling in the districts and run short on cash you will also be able to access cash from any ATM machine from participating credit unions or Heritage Bank. This is indeed a bold step that we have taken and we are all pioneers in the process. And although there may be some fees that have to be paid to access this new service, we will try to keep them as minimal as we possibly can, for you know that at your credit union it is all about service.

Another service that we are working on and it is just a matter of formalizing it is being able to make your HRCU loan payments at any Belize Bank office in the country. Many of you have already been using this service. It has been very helpful for we do have member-owners all over Belize and there are Belize Bank offices in just about every district and town. Again nothing comes for free and using this service will cost \$1.00 per transaction as soon as the finer details are worked out with the bank to enable immediate credit to your HRCU account after you deposit the money in the Belize Bank.

Only recently we were able to offer member-owners on-line account inquiry via our website as was promised. This has been a huge step for HRCU. We have gotten only favorable comments in particular from our member-owners living overseas who can now access their accounts at the click of a mouse. Some of you are already asking to be able to pay your utility and other bills on-line, a service which has to come shortly if HRCU intends to keep abreast of the technological age. Our member-owners have been extremely patient, and at HRCU it is our intention to deliver only first class financial services because we owe it to them!



Speaking about being patient...no one has been more patient than our member-owners in Independence and surrounding villages. We have gotten numerous complaints recently on the length of time that it has taken us but trust me, 2010 will be your year. The blueprints for your new HRCU Branch Office have finally been completed and works will begin shortly. You will get your new building complete with all services that are currently offered at our headquarters in Belize City. You deserve no less!

Earlier you heard the significant role that HRCU plays in providing credit. Thanks to the hard-earned savings of member-owners we have been able to provide if not the cheapest, one of the cheapest sources of credit in the entire country. Like our sister credit unions, HRCU because of its reducing balance method of interest calculation, has an effective interest rate far below the 12% per annum advertised. In addition, our rewards program of 10% interest rebate brings down even lower our overall effective interest rate. Please study carefully page 9 of this AGM booklet and know that we will need no legislation to reduce our loan interest rate because it is already at an all time low. It has always been and it puzzles me why our member-owners don't take more advantage of this service.

The audited financials of HRCU say it all. Times are not the best but we must make the best of the times to enable the survival of HRCU and this great credit union movement which has played a pivotal role in bringing some measure of financial relief to the poorest of the poor. Together we have worked the monies entrusted to us by you investing them to the point where we have amassed almost \$34 million in profits before expenses. Your directors, committee members, management and staff have all contributed to this success and played their part but without you there simply would be no HRCU.

The close of 2009 ended sadly for me as I had a fall which confined me to bed for the greater part of the opening months of the New Year. During that time I was able to reflect greatly on the journey HRCU took to reach where it is today from 1944 to 2010. Those were pleasant memories for me and if I had the opportunity to do it all over again I would steer HRCU's ship of state down that same course despite the rough seas and oceans we had to navigate many times. After all, at the end of any HRCU journey there is always satisfaction in knowing that you were able to help relieve some member-owner of their financial burden, stress and worries.

While at home and could not be physically at the office it was just as if I was there for your directors allowed me the luxury of setting up a temporary home office. From the confines of my home I was thus able to keep a watchful eye to ensure that all was running smoothly. Now, to those of you who may be concerned about continuity at HRCU there is absolutely no need to be for I have trained members of staff to carry on quite smartly when I am not around. You recently re-elected me to serve as a director of the board and I am truly honored and indeed thankful to still be able to serve. My legs are surely not what they use to be. However, my mouth is big and my brain intact therefore as long as I am around I will keep everyone in check from the president right down to the newly hired members of staff. This much I can promise to all member-owners of HRCU.

On that final note I say a big "thank you" for coming out in support of your credit union.

Jane E.M. Usher, CBE/JP, General Manager/Treasurer



Independence Receiving Station (Branch Highlights)

	March 31st, 2010	March 31st, 2009	March 31st, 2008
MEMBERSHIP			
# of males	1,024	963	899
# of females	957	890	816
# of organizations	27	26	27
Total Membership	2,008	1,879	1,742
# of members under Age 50	1,540	1,446	1,347
# of members Age 50 and over	441	407	368
SHARES/SAVINGS			
Total received	\$ 4,208,808.53	\$ 3,724,466.43	\$ 2,664,900.71
Total withdrawn	\$ 2,293,241.49	\$ 2,138,738.77	\$ 1,794,027.48
Total shares/savings	\$ 8,844,682.51	\$ 7,847,449.83	\$ 6,965,203.87
Average shares/savings	\$ 4,404.73	\$ 4,176.39	\$ 3,998.40
LOANS			
Total issued	\$ 2,650,860.27	\$ 1,647,642.46	\$ 1,904,072.53
Total repaid	\$ 2,097,630.87	\$ 1,502,984.27	\$ 1,289,642.46
Total interest collected	\$ 623,177.56	\$ 577,580.40	\$ 552,486.43
# of borrowers	470	443	441
Total loans outstanding	\$ 5,057,796.02	\$ 4,504,566.62	\$ 4,359,908.43
Average loans	\$ 10,761.27	\$ 10,168.32	\$ 9,886.41
BURIAL SCHEME PROGRAM			
FB claim benefits paid	\$ 20,000.00	\$ 28,000.00	\$ 28,000.00
# of member-owners	5	7	7
LP/LS claim benefits paid	\$ 8,052.81	\$ 24,104.07	\$ 36,293.82
# of member-owners	8	10	6
HENRY "EAGLES" USHER GRANTS AWARDED			
# of Tertiary School grants	6	3	7
# of Secondary School grants	7	15	16
# of Primary School grants	11	16	10
Total grants awarded	24	34	33
Dollar value of grants	\$19,050.00	\$23,800.00	\$29,600.00

"The measure of success is not whether you have a tough problem to deal with, but whether it is the same problem you had last year."

- John Foster Dulles



Adding value to your existing ATM card via a secure Debit Network



In addition to having access to your funds from HRCU's ATMs you will now also have access from the following ATMs countrywide:

St. John's Credit Union Ltd.
(SJCUC) Belize City
St. Martin's Credit Union Ltd.
(SMCU) San Ignacio Town
La Inmaculada Credit Union Ltd.
(LICU) Orange Walk Town
Toledo Teachers Credit Union Ltd.
(TTCU) Punta Gorda Town
Heritage Bank Limited
*(HBL) Belize City,
Belmopan, San Ignacio,
Independence, Pomona,
Orange Walk Town, and
San Pedro Town*

...and coming soon...

Holy Redeemer Credit Union Ltd.
(HRCU) Independence



HRCU member-owners please know that withdrawals from HRCU's ATM's both in Belize City and Independence will cost you nothing but withdrawals from all other participating ATM's on the network will cost \$2.00 per transaction.

Your ATM cards will also be able to be used to pay for purchases from various business establishments countrywide at no cost to our member-owners. This will eliminate member-owners having to walk around with large sums of monies in their wallets and purses.

A list of participating merchants will soon be made available.

A new ATM/POS agreement form will have to be signed by each member-owner who wants to be able to take advantage of this new service before their cards are activated.



Special Membership Meeting





Saturday, July 18th, 2009





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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, 2010 and 2009, and the statements of income and expense, statements of cash receipts and cash disbursements 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

Juan Castillo, FCCA
Giacomo Sanchez, CPA
Claude Burrell, CPA CISA

Audit & Risk Advisory
Business Solutions
Outsourcing
Real Estate
Corporate
Paralegal

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, 2010 and 2009 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 1 to the financial statements, which describes the modified cash receipts and disbursements basis of accounting used to prepare the financial statements.

Castulo Sanchez Burnett, CPA

Chartered Accountants

April 9, 2010



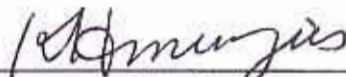
**STATEMENTS OF FINANCIAL POSITION – MODIFIED CASH BASIS
MARCH 31, 2010 AND 2009**

<u>ASSETS</u>	<u>Notes</u>	<u>2010</u>	<u>2009</u>
CASH RESOURCES			
Cash and bank		\$ 8,171,393	\$ 9,871,837
INVESTMENTS			
Fixed deposits at commercial banks		109,000,000	92,000,000
Other investments	2	8,672,881	8,672,881
OTHER ASSETS			
Stationery and supplies	1a	44,134	14,259
LOANS RECEIVABLE			
Members' loans	3	231,408,268	207,631,808
Less: provision for doubtful loans	1g.3	(13,288,081)	(10,065,821)
FIXED ASSETS			
Property, plant and equipment – net	1b,4	<u>4,327,118</u>	<u>4,490,870</u>
TOTAL		<u>\$348,335,713</u>	<u>\$312,615,834</u>

LIABILITIES AND FUNDS EMPLOYED

LIABILITIES			
Members' deposits, savings and PCA	1d	\$271,981,047	\$241,333,605 *
FUNDS EMPLOYED			
Members' shares	1c	1,094,450	1,056,550 *
Contingency and special reserve	1h,5	13,280,274	15,026,204
Education fund	1h,5	2,592,523	2,311,282
Guaranty fund	1h,5	19,339	18,707
Burial scheme catastrophe reserve	1h,5	4,078,736	3,578,276
Statutory reserve	1f,5	34,833,572	32,268,166
Undistributed surplus	1h,5	<u>20,455,772</u>	<u>17,023,044</u>
TOTAL		<u>\$348,335,713</u>	<u>\$312,615,834</u>

The financial statements on pages 3 to 6 were approved and authorized for issue by the Board of Directors on April 13, 2010 and are signed on its behalf by:



President



Treasurer

*Reclassified for comparative purposes

The notes on pages 7 to 11 are an integral part of these financial statements.



**STATEMENTS OF INCOME AND EXPENSES – MODIFIED CASH BASIS
YEARS ENDED MARCH 31, 2010 AND 2009**

	<u>Notes</u>	<u>2010</u>	<u>2009</u>
INCOME			
	1		
Interest on current accounts		\$ 252,504	\$ 334,183
Interest from loans		24,738,080	21,942,235
Interest from fixed deposits		7,864,083	6,236,373
Interest from BEL debentures		715,000	715,000
Dividends from BWSL shares		78,000	78,000
Loan mortgage income		272,206	117,967
Other income		<u>60,434</u>	<u>52,694</u>
TOTAL INCOME		<u>33,980,307</u>	<u>29,476,452</u>
EXPENSES			
	1		
Advertising and marketing		28,745	17,593
Cash shortage		1,765	642
Bank interest and charges		1,050	141
Collection charges		74,059	74,706
Coverage premiums		1,408,634	1,258,058
Fidelity bond coverage		15,000	15,000
Depreciation		423,583	414,038
Committee expense		2,358	2,268
Generator/UPS/AC maintenance		36,753	24,941
Software systems support		16,800	16,965
Building insurance		25,000	25,000
Property taxes		5,962	5,848
Office expense		42,363	33,353
Postage and stamps		7,356	6,332
Interest expense – deposits/PCA		4,754,808	3,839,865
Loan mortgage expense		23,626	5,842
Staff salaries/pension/benefits		1,574,432	1,266,593
Auditing and supervision fees		50,650	43,500
Social security expense		23,239	20,924
Stationery and supplies expense		87,428	51,225
Upkeep of office		23,210	20,602
Utilities – electricity		99,958	94,554
– telephone		51,272	48,636
– water		5,341	4,603
Security services		<u>173,895</u>	<u>173,857</u>
TOTAL OPERATING EXPENSES		<u>8,957,287</u>	<u>7,465,086</u>
SURPLUS		<u>\$25,023,020</u>	<u>\$22,011,366</u>

The notes on pages 7 to 11 are an integral part of these financial statements.



**STATEMENTS OF CASH RECEIPTS AND CASH DISBURSEMENTS
YEARS ENDED MARCH 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
CASH RECEIPTS		
Members' deposits/Shares/PCA received	\$126,845,622	\$111,418,352
Loans repaid	53,992,018	52,575,361
Interest on loans	24,738,080	21,942,235
Loan mortgage income	272,206	117,967
Interest on fixed deposits	7,864,083	6,236,373
Interest on current account	252,504	334,183
Interest on authorized LOC	-	264
FIP commission	2,188	2,356
ATM/PCA income	7,257	6,636
BEL interest	715,000	715,000
BWSL dividend	78,000	78,000
Cash overage	430	1,352
Entrance fees	632	561
Other income	45,743	37,226
Sale of passbook	4,816	4,860
PCA authorized LOC	229	45,672
Fixed deposits redeemed	23,000,000	6,000,000
Contingency and special reserves	533	75
Loan loss recovery	34,523	5,312
TOTAL RECEIPTS	<u>237,853,864</u>	<u>199,521,785</u>
BEGINNING CASH IN BANKS	<u>9,871,837</u>	<u>10,196,272</u>
	<u>\$247,725,701</u>	<u>\$209,718,057</u>

The notes on pages 7 to 11 are an integral part of these financial statements.



**STATEMENTS OF CASH RECEIPTS AND CASH DISBURSEMENTS (CONTINUED)
YEARS ENDED MARCH 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
CASH DISBURSEMENTS		
Members deposits/shares/PCA withdrawn	\$112,371,912	\$100,636,183
Loans issued	77,768,478	64,120,170
Loan mortgage expense	23,626	5,842
Interest expense – PCA	53,398	46,181
Interest expense – special/term deposits	4,701,410	3,793,684
Advertising and marketing	28,745	17,593
Building construction/renovations	32,380	54,315
Land purchase	-	313,430
Cash shortage	1,765	642
Bank interest and charges	1,050	141
Collection charges	74,059	74,706
Fidelity bond coverage	15,000	15,000
Coverage premiums	1,408,634	1,258,058
Committee and upkeep expenses	25,568	22,870
Education fund	469,450	450,632
Furniture and fixtures additions	17,722	-
Insurance and property taxes	30,962	30,848
Software system support	16,800	16,965
Generator/UPS/AC maintenance	36,753	24,941
ATM/computer and accessories	209,729	107,790
PCA Authorized LOC	229	45,672
Office expense and postage	49,719	39,685
Staff salaries/pensions/benefits	1,574,432	1,266,593
Auditing and supervision fees	50,650	43,500
Social Security expense	23,239	20,924
Contingency and special reserves	10,000	2,000
Belize Credit Union League dues	110,829	72,721
Utilities	156,571	147,793
Security services	173,895	173,857
Fixed deposits purchased	40,000,000	27,000,000
Prepaid stationery	74,009	6,517
Stationery and supplies	43,294	36,967
TOTAL DISBURSEMENTS	239,554,308	199,846,220
ENDING CASH IN BANKS	8,171,393	9,871,837
	<u>\$247,725,701</u>	<u>\$209,718,057</u>



The notes on pages 7 to 11 are an integral part of these financial statements.



**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED MARCH 31, 2010 AND 2009**

1. STATUS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 43,778 (2009 – 42,262) members.

HRCU is supervised by the Registrar of Credit Unions. As per the Credit Union Act, the Registrar of Credit Unions is the Governor of the Central Bank of Belize.

Summary of Significant Accounting Policies

Basis of Presentation – The financial statements have been prepared from the records maintained in the system of HRCU. 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. Stationery and Supplies – 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
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.

- c. Members’ Shares – As per the Credit Union Act, members’ shares in the credit union represent members’ permanent capital.
- d. Members’ Deposits, Savings and PCA – Members’ deposits, savings and personal checking accounts (PCA) are treated as liabilities on which interest determined by the Board of Directors is paid quarterly and monthly, respectively. This interest is credited to the members’ deposits and PCA accounts accordingly.



NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED MARCH 31, 2010 AND 2009

I. STATUS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- e. 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.
- f. Statutory Reserve – Effective October 5, 2005, in accordance with the amendment to 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.
- g. Provision for Doubtful Loans (Loan Loss Reserve) – In accordance with the 2005 amendments to 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 is to be used for credit facilities, loans, overdrafts, lines of credit, and advances.
- h. 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 3% and 2%, respectively. The education fund is reduced (debited) by donation expenses for sporting, education and charitable purposes and by annual general meeting expenses.

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 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.

- i. 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 balance sheet date are converted at the same rate.
- j. Investments – HRCU accounts for its minority 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.



**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED MARCH 31, 2010 AND 2009**

2. OTHER INVESTMENTS

	<u>2010</u>	<u>2009</u>
5 - \$1,000,000 series 2 Debentures maturing March 31, 2021 earning 9.5% per annum. The debentures are repayable by Belize Electricity Limited (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.	\$5,000,000	\$5,000,000
2 - \$1,000,000 series 1 Debentures maturing December 31, 2012 earning 12% per annum. 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.	2,000,000	2,000,000
72,792 ordinary shares at \$2.00 par in BEL.	172,881	172,881
1,000,000 shares at \$1.50 par in Belize Water Services Limited.	<u>1,500,000</u>	<u>1,500,000</u>
	<u>\$8,672,881</u>	<u>\$8,672,881</u>

3. LOANS RECEIVABLE

	<u>2010</u>	<u>2009</u>
Personal and business loans	\$112,810,934	\$109,789,711
Mortgage loans	<u>118,597,334</u>	<u>97,842,097</u>
	231,408,268	207,631,808
Less: provision for doubtful loans	<u>(13,288,081)</u>	<u>(10,065,821)</u>
	<u>\$218,120,187</u>	<u>\$197,565,987</u>
Provision for doubtful loans comprises the following:		
Brought forward April 1	\$10,065,821	\$11,672,908
Allocations	3,990,741	-
Add backs	34,523	5,312
Write-offs	<u>(803,004)</u>	<u>(1,612,399)</u>
Balance as at March 31	<u>\$13,288,081</u>	<u>\$10,065,821</u>



**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED MARCH 31, 2010 AND 2009**

4. PROPERTY, PLANT AND EQUIPMENT

Cost	Land	Buildings	Furniture, fixtures and equipment	Generator and UPS	Total
Brought forward, April 1, 2009	\$816,170	\$5,160,999	\$1,541,304	\$228,616	\$7,747,089
Additions	-	32,380	227,451	-	259,831
Carried forward, March 31, 2010	<u>816,170</u>	<u>5,193,379</u>	<u>1,768,755</u>	<u>228,616</u>	<u>8,006,920</u>
Accumulated Depreciation					
Brought forward, April 1, 2009	-	1,895,327	1,140,172	220,720	3,256,219
Additions	-	257,769	161,671	4,143	423,583
Carried forward, March 31, 2010	-	<u>2,153,096</u>	<u>1,301,843</u>	<u>224,863</u>	<u>3,679,802</u>
Net Book Value					
March 31, 2010	<u>\$816,170</u>	<u>\$3,040,283</u>	<u>\$ 466,912</u>	<u>\$ 3,753</u>	<u>\$4,327,118</u>
March 31, 2009	\$816,170	\$3,265,672	\$ 401,132	\$ 7,896	\$4,490,870

5. RESERVES AND FUND BALANCES

	Contingency and special reserve	Education fund	Guaranty fund	Burial scheme catastrophic reserve	Statutory reserve	Undistributed surplus	Total
Brought forward, April 1, 2009	\$15,026,204	\$2,311,282	\$18,707	\$3,578,276	\$32,268,166	\$17,023,044	\$70,225,679
Transfers:							
Dues	123,675	-	-	-	-	-	123,675
Entrance fees	-	-	632	-	-	-	632
Other adjustments	533	-	-	-	-	-	533
Fund Uses:							
Donations, AGM, And related expenses	-	(469,450)	-	-	-	-	(469,450)
Dividends and rebates	-	-	-	-	-	(15,532,303)	(15,532,303)
BCUL dues	(110,829)	-	-	-	-	-	(110,829)
Provision for doubtful loans	(2,500,000)	-	-	-	-	(1,490,741)	(3,990,741)
Other adjustments	(10,000)	-	-	-	-	-	(10,000)
Net Income	<u>750,691</u>	<u>750,691</u>	<u>-</u>	<u>500,460</u>	<u>2,565,406</u>	<u>20,455,772</u>	<u>25,023,020</u>
Carried forward, March 31, 2010	<u>\$13,280,274</u>	<u>\$2,592,523</u>	<u>\$19,339</u>	<u>\$4,078,736</u>	<u>\$34,833,572</u>	<u>\$20,455,772</u>	<u>\$75,260,216</u>



NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED MARCH 31, 2010 AND 2009

6. DISTRIBUTION OF NET INCOME

	<u>2010</u>	<u>2009</u>
Burial scheme catastrophic reserve	\$ 500,460	\$ 440,227
Contingency and special reserve	750,691	660,341
Education fund	750,691	660,341
Statutory reserve	2,565,406	3,227,413
Undistributed surplus	<u>20,455,772</u>	<u>17,023,044</u>
	<u>\$25,023,020</u>	<u>\$22,011,366</u>

During the year ended March 31, 2010 \$2,565,406 or 10.25% of net income was required to meet the prescribed Statutory Reserve requirement of 10% of assets. See also note 1f, 1g and 1h.

* * * * *



Burial Scheme Program Report

(April 1st 2009 to March 31st 2010)

HRCU continues to administer its Burial Scheme Program which comprises both the Funeral Benefits and the Loan Protection & Life Savings coverage that each member can enjoy once he/she meets the necessary requirements. The Loan Protection & Life Savings Benefits are **FREE** of cost to you and the Funeral Benefit is provided at an annual cost to the member of \$24.00 (only \$2.00 each month.) **Please note, however, that to enjoy maximum benefits your account MUST be up-to-date! That means you must NOT be past due with your 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!**

To qualify for the Funeral benefit, a member **MUST** maintain \$100.00 in the account at all times and must have a minimum of \$125.00 in his/her account to be able to pay the annual premium of \$24.00 at May 1st each year. **If an account falls BELOW \$100.00 at any time during the twelve-month 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 once again satisfied.** An explanation of the Loan Protection & Life Savings Benefits can be found on pages 36 and 37 in both English and Spanish.

This year, our youngest claim paid was to a little 8-year girl who lost her life in a traffic accident. Sadly, this young member did not maintain the required \$100.00 in her account and hence did not receive the Burial Benefit of \$4,000.00. We also lost a member who was 104 years old but could happily assist the family with the Burial Benefit. The major cause of death continues to be heart-related and we lost an equal amount of housewives and retirees. There were 9 lives lost by murder, 6 from HIV related complications, 4 in traffic accidents and 3 from suicide.

We must continue to emphasize the importance of coming in to update your beneficiary card so we are able to expedite the processing of the funeral benefit. It is recommended that you list an adult to manage the Burial Benefit if you leave minor children as your beneficiary. **Even more important, you must keep your account up-to-date with your loan payments and ensure that you have the minimum requirements in your shares at all times.**

HRCU continues to do its part in striving to provide the best for its member-owners and we are satisfied in knowing that we had the foresight to take the necessary steps to provide this much needed and appreciated service. **BUT it is YOUR responsibility to ensure that your account meets the necessary requirements to qualify for these Coverage Benefits!** Some beneficiaries get angry and disappointed when they realize that there are no benefits to help at a time when they need it most. You should make every effort to check if your account is up to date and if you have updated your beneficiary information. It is important to ensure that you indeed qualify for all your benefits. We are here to answer any question you may have. Let your credit union continue to work for you!



FUNERAL BENEFIT PAID SUMMARY REPORT

April 1st 2009 to March 31st 2010

AGE GROUP	FB PAID MALE	FB PAID FEMALE	AMOUNT TOTAL	%	\$ DOLLAR \$ VALUE PAID	%
UNDER 21	0	0	0	0.00%	\$.00	0.00%
21 - 25	1	0	1	0.72%	\$ 4,000.00	0.74%
26 - 30	2	1	3	2.17%	\$ 12,000.00	2.21%
31 - 35	3	4	7	5.07%	\$ 28,000.00	5.15%
36 - 40	3	2	5	3.62%	\$ 20,000.00	3.68%
41 - 45	3	2	5	3.62%	\$ 20,000.00	3.68%
46 - 50	4	6	10	7.25%	\$ 40,000.00	7.35%
51 - 55	3	2	5	3.62%	\$ 20,000.00	3.68%
56 - 60	5	7	12	8.70%	\$ 46,000.00	8.46%
61 - 65	5	10	15	10.87%	\$ 60,000.00	11.03%
66 - 69	4	8	12	8.70%	\$ 44,000.00	8.09%
70 - 74	8	5	13	9.42%	\$ 50,000.00	9.19%
75 - 79	8	9	17	12.32%	\$ 68,000.00	12.50%
80 - 84	6	12	18	13.04%	\$ 72,000.00	13.24%
85 & OVER	7	8	15	10.87%	\$ 60,000.00	11.03%
TOTALS:	62	76	138	100.00%	\$ 544,000.00	100.00%
UNDER 21	0	0	0	0.00%	\$.00	0.00%
21 - 49	16	15	31	22.46%	\$ 124,000.00	22.79%
50 - 69	17	27	44	31.88%	\$ 170,000.00	31.25%
70 & OVER	29	34	63	45.65%	\$ 250,000.00	45.96%
TOTALS:	62	76	138	100.00%	\$ 544,000.00	100.00%
AGE OF YOUNGEST CLAIM PAID:	21				\$ 4,000.00	
AGE OF OLDEST CLAIM PAID:	104				\$ 4,000.00	
CLAIMS PAID AT 50%:	4				\$ 8,000.00	

"Those who bring joy into the lives of others cannot keep it from themselves." ~ Unknown



LP/LS BENEFIT PAID SUMMARY REPORT

April 1st, 2009 to March 31st, 2010

Holy
Redeemer
Credit
Union
Limited

AGE GROUP	MALE	FEMALE	AMOUNT TOTAL	LS PAID	LP PAID	TOTAL LP/LS	%
UNDER 21	0	2	2	\$ 252.65	\$.00	\$ 252.65	0.03%
21 - 25	2	1	3	\$ 1,523.42	\$.00	\$ 1,523.42	0.15%
26 - 30	4	4	8	\$ 3,509.54	\$ 5,341.89	\$ 8,851.43	0.88%
31 - 35	6	5	11	\$ 16,136.29	\$ 13,860.94	\$ 29,997.23	2.98%
36 - 40	5	2	7	\$ 27,921.02	\$ 92,201.22	\$ 120,122.24	11.93%
41 - 45	3	2	5	\$ 27,827.55	\$ 40,212.80	\$ 68,040.35	6.76%
46 - 50	6	6	12	\$ 40,115.40	\$ 85,074.04	\$ 125,189.44	12.43%
51 - 55	4	5	9	\$ 22,125.87	\$ 46,721.43	\$ 68,847.30	6.84%
56 - 60	5	6	11	\$ 51,908.92	\$ 109,455.50	\$ 161,364.42	16.02%
61 - 65	6	15	21	\$ 78,553.16	\$ 150,385.81	\$ 228,938.97	22.73%
66 - 69	4	9	13	\$ 38,613.09	\$ 49,501.90	\$ 88,114.99	8.75%
70 - 74	8	7	15	\$ 23,199.50	\$.00	\$ 23,199.50	2.30%
75 - 79	9	10	19	\$ 24,172.51	\$.00	\$ 24,172.51	2.40%
80 - 84	5	12	17	\$ 53,631.04	\$.00	\$ 53,631.04	5.33%
85 & OVER	5	7	12	\$ 4,825.49	\$.00	\$ 4,825.49	0.48%
TOTALS:	72	93	165	\$ 414,315.45	\$ 592,755.53	\$1,007,070.98	100.00%

UNDER 21	0	2	2	\$ 252.65	\$.00	\$ 252.65	0.03%
21 - 49	26	20	46	\$ 117,033.22	\$ 236,690.89	\$ 353,724.11	35.12%
50 - 69	19	35	54	\$ 191,201.04	\$ 356,064.64	\$ 547,265.68	54.34%
70 & OVER	27	36	63	\$ 105,828.54	\$.00	\$ 105,828.54	10.51%
TOTALS:	72	93	165	\$ 414,315.45	\$ 592,755.53	\$1,007,070.98	100.00%

	AGE	TOTAL	LS	LP
AGE OF YOUNGEST CLAIM PAID:	8	\$ 91.82	\$ 91.82	\$.00
AGE OF OLDEST CLAIM PAID:	104	\$ 16.73	\$ 16.73	\$.00
AVERAGE BENEFITS PAID:		\$ 6,103.46	\$ 2,511.00	\$ 17,962.29
(# OF LP BENEFITS PAID)	33			
LARGEST BENEFIT PAID:		\$80,000.00	\$15,000.00	\$ 65,000.00
SMALLEST BENEFIT PAID:		\$ 6.34	\$ 6.34	\$ 65.28

# OF DEATHS BY ACCIDENT:	4	# OF DEATHS FROM HIV-AIDS:	6
# OF DEATHS BY MURDER:	9	# OF DEATHS FROM SUICIDE:	3
# PERMANENT DISABILITY:	0		

"Even the smallest dreams have the potential to change the world."

- Unknown



Understanding HRCU'S Burial Scheme Program Benefits

LOAN PROTECTION (LP):	Loans are covered up to \$65,000.00 (Including six months interest)
LIFE SAVINGS (LS):	Life savings are covered up to \$15,000.00
	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 \$4,000.00 (Coverage effective date: 01/01/2007)

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 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 \$65,000.00, 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 HRCU.

Loans are covered for a period of 20 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.



Comprenacion de los Beneficios de HRCU

PROTECCION DE PRESTAMOS: Préstamos son protegidos por el Aseguro hasta la cantidad de \$65,000.00 Dolares. (Incluyendo interés de seis meses)

AHORROS DE VIDA: Ahorros de Vida son cubiertos hasta \$15,000.00 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%

BENEFICIO FUNERARIO: Maximo de \$4,000.00
(Fecha efectiva de cobertura: 01/01/2007)

Beneficios bajo la Protección de Préstamos terminan al cumplir el miembro los 70 años de edad; aunque el préstamo fuera hecho antes de los 70 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.

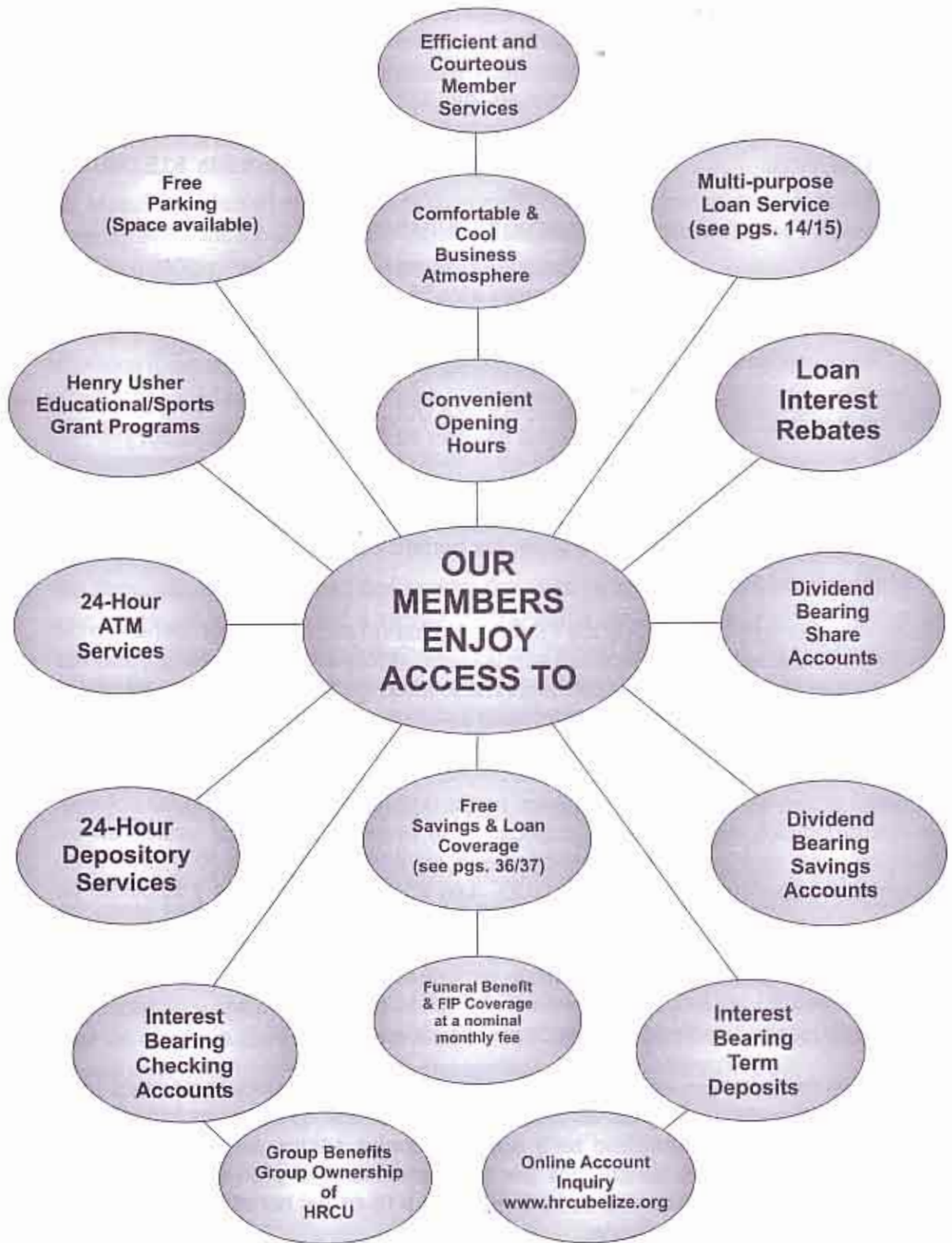
Préstamos gozan de beneficios regulares, hasta un máximo de \$65,000.00 dolares, pero los beneficios de ahorros se duplican si la muerte del deudor ocurre en un accidente. Por ejemplo, si un miembro tiene un ahorro de \$100.00 y muere en accidente, el beneficiario recibirá \$300.00. Los \$100.00 de ahorros y \$200.00 de HRCU.

Préstamos gozan de protección solo por un período de 20 años.

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.





Supervisory Committee Report

(April 1st, 2009 to March 31st, 2010)

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 31st, 2010 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 31st, 2010 and for the year then ended.

Respectfully submitted

April 14th, 2010

Jose Can - Chairman
Alberto Young - Secretary
Felix Reyes - Member

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

- Conrad Hilton

* * * * *

“Informed decision-making comes from a long tradition of guessing and then blaming others for inadequate result.”

- Scott Adams



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

(April 1st, 2009 to March 31st, 2010)

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 (serving two more years)
SECRETARY:	OSCAR R. RIVEROLL, JP (term ends today)
DIRECTOR:	RENE BLANCO (serving two more years)

CREDIT COMMITTEE:

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

SUPERVISORY COMMITTEE:

CHAIRPERSON:	JOSE CAN
	FELIX REYES
	ALBERTO YOUNG

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

“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



**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

66th



Anniversary

**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



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