



**WEST COAST CO-OPERATIVE
CREDIT UNION LTD.**

2023 Annual Report



Growth and Development - A Life Changing Commitment

The Credit Union Prayer

Lord, make me an instrument of thy peace

Where there is hatred, let me sow love;

Where there is injury, pardon;

Where there is doubt, faith;

Where there is despair, hope;

Where there is darkness, light; and

Where there is sadness, joy.

O divine Master, grant that I may not

So much seek to be consoled as to console;

To be understood as to understand;

To be loved as to love;

For it is in pardoning that we are pardoned;

And it is in dying that we are born to eternal life.

Bless O Lord our deliberations, and grant that

Whatever we may say and do, will have thy

Blessing and guidance

Through Jesus Christ Our Lord,

AMEN



Vision And Mission

Vision

Most Credible Choice

Mission

Maximizing members' value through delivery of efficient and effective services consistent with co-operative principles, legislation and sound management.

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Standing Orders

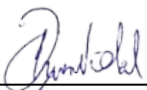
1. (a) A Member shall stand and identify his / herself when addressing the Chair.
(b) Speeches to be clear and relevant to the subject before the meeting.
2. A Member shall address the meeting when called upon by the Chairman to do so. After which he/ she shall immediately take his / her seat.
3. No Member shall address the meeting except through the Chairman.
4. A Member may not speak twice on the same subject except:
(a) The mover of a motion – has the right to reply.
(b) He rises to object or explain (with the permission of the Chair).
5. The mover of the “Procedural Motion” (Adjournment lay on the table, Motion to postpone) has no right to reply.
6. No Speeches to be made after the “Question” has been put and carried or negated.
7. A Member rising on a “Point of Order” to state the point clearly and concisely,
(a) Point of Order must have relevance to the “Standing Order”.
(b) A Member should not “Call” another Member “to Order” but may draw the attention of the Chair to a “Breach Order”.
8. A question should not be put to the vote if a member desires to speak on it or move an amendment to it – except that of a “Procedural Motion: The Previous Question”, “Proceed to the Next Business” or Closure: That the question be “Now Put” may be moved at any time.
9. Only one amendment should be before the meeting at one and the same time.
10. When a motion is withdrawn any amendment to it falls.
11. The Chairman to have the right to a “casting vote”.
12. If there is equality of voting on an amendment, and if the Chairman does not exercise his casting vote the Amendment is lost.
13. Provision to be made for the protection by the Chairman from vilification (personal abuse).

Notice of Annual General Meeting

Notice is hereby given that the 18th Annual General Meeting of the West Coast Co-operative Credit Union Limited shall convene on Sunday, August 13th, 2023, from 3:00 p.m. at the Layou Resource Center.

AGENDA

1. Ascertainment of Quorum
2. Call to Order and Credit Union Prayer
3. Apologies for Absence
4. Adoption of Agenda
5. Opening Remarks – Chairperson and President of the Board of Directors
6. Presentation on Loan Process at WCCCU
7. Reading and Confirmation of Minutes of the 17th AGM
8. Matters Arising from the Minutes
9. Reports and Discussion thereon:
 - a. Board of Directors
 - b. Auditor and Treasurer
 - c. Credit Committee
 - d. Supervisory and Compliance Committee
 - e. Nominations Committee
10. New Business:
 - a. Appropriation of Surplus
 - b. Appointment of Auditor
 - c. Open Forum
11. Election of Officers
12. Any Other Business
 - a. Drawing of Early Bird Prizes
 - b. Presentation of Prizes
13. Vote of Thanks
14. Adjournment



Dyvon Vidal (MR.)
Secretary(Ag)

Board of Directors Report - 2022



ERIC SERRANT
PRESIDENT
BOARD OF DIRECTORS

Introduction

Fellow members of this impressive cooperative, your support and commitment have earned us a surplus after appropriations of well over one million dollars (i.e. EC\$1,207,852) for the financial year 2022. We are very pleased to report this achievement. We are pleased also to report on the activities that have taken us to this point, notwithstanding an operating environment slowly recovering from the limitations imposed by the COVID-19 pandemic. The resulting economic sluggishness, exacerbated by high inflation has challenged our mettle. But as the saying goes: ‘when the going gets tough, the tough get going’.

2022 has seen significant contraction in the financial services sector with the closure of yet another financial institution - the First Caribbean International Bank, which effectively left only two banks on island. Consequently, the Credit Union movement is more critical to the provision of financial services and to foster economic development in our communities and the country. Against this backdrop, West Coast must proceed confidently, albeit cautiously, to provide opportunities for advancement and wealth creation that you expect from your financial institution. As this report shows, West Coast has done this, standing as a beacon of hope, providing useful products and trustworthy service at accessible locations, in response to members’ needs.

Governance

For 2022, the Board of Directors comprised:

§ President:	Eric Serrant
§ Vice-President:	Malcolm St. Rose
§ Secretary:	Lynn Fontenelle
§ Treasurer:	Bernard Pacquette
§ Assistant Secretary/Treasurer:	Pellam Jno Baptiste
§ Members:	Glenroy Toussaint, Tenny Shillingford, Dyvon Vidal and Ken George
§ Ex-officio member:	Ericson Robinson (General Manager).

From his assumption of the office of General Manager, to date, Director (Ex-officio) Robinson has demonstrated exceptional leadership, steering the society through some of the more turbulent times of our journey. We commend him and record gratitude for the loyalty and excellent work of the staff under his leadership.

For 2022, the Board, convened twelve (12) times; the attendance of Directors at those meetings is shown in Table 1.

Table 1: Board of Directors - Attendance at Meetings 2022

Members	Meetings convened	No. Attended
Eric Serrant	12	12
Bernard Pacquette	12	11
Malcolm St. Rose	12	6
Tenny Shillingford	12	9
Ken George	12	11
Lyn John Fontenelle	12	10
Glenroy Toussaint	12	11
*Dana St. Jean	1	1
*Helen Ambo	5	5
Dyvon Vidal	5	5
Pellam Jno-Baptiste	5	3

[*These Directors left office early 2022]

Membership

In 2022, membership commitment continued to move the credit union forward. We welcomed an additional one hundred and twenty-one (121) members to the society. This took membership figures to four thousand, nine hundred and fifty-five (4,955) in 2022, from four thousand, eight hundred and thirty-four (4,834) in 2021. The share capital of West Coast also grew by 4.1% in 2022. The growth is represented by five hundred and ninety-two (592) additional shares, a value of EC\$29,600, which brought the end-of-year total share capital to \$750,800 (Table 2 presents the membership and share growth trends for the last five years).

Table 2: Membership and Share Growth Trend 2018-2022

Year	Value of Shares	No. of Shares	Rate of Growth (Shares)	Rate in Growth (Membership)
2022	\$764,700	4955	4.10%	2.50%
2021	\$721,200.00	4834	4.43%	1.89%
2020	\$690,600.00	4744	5.01%	2.91%
2019	\$657,650.00	4610	10.59%	3.88%
2018	\$594,650.00	4438	23.46%	5.64%

We pay tribute to the members who in 2022 and record with gratitude their lifelong patronage of the society. We express sincere condolences to their families and loved ones on their passing. We salute them today:

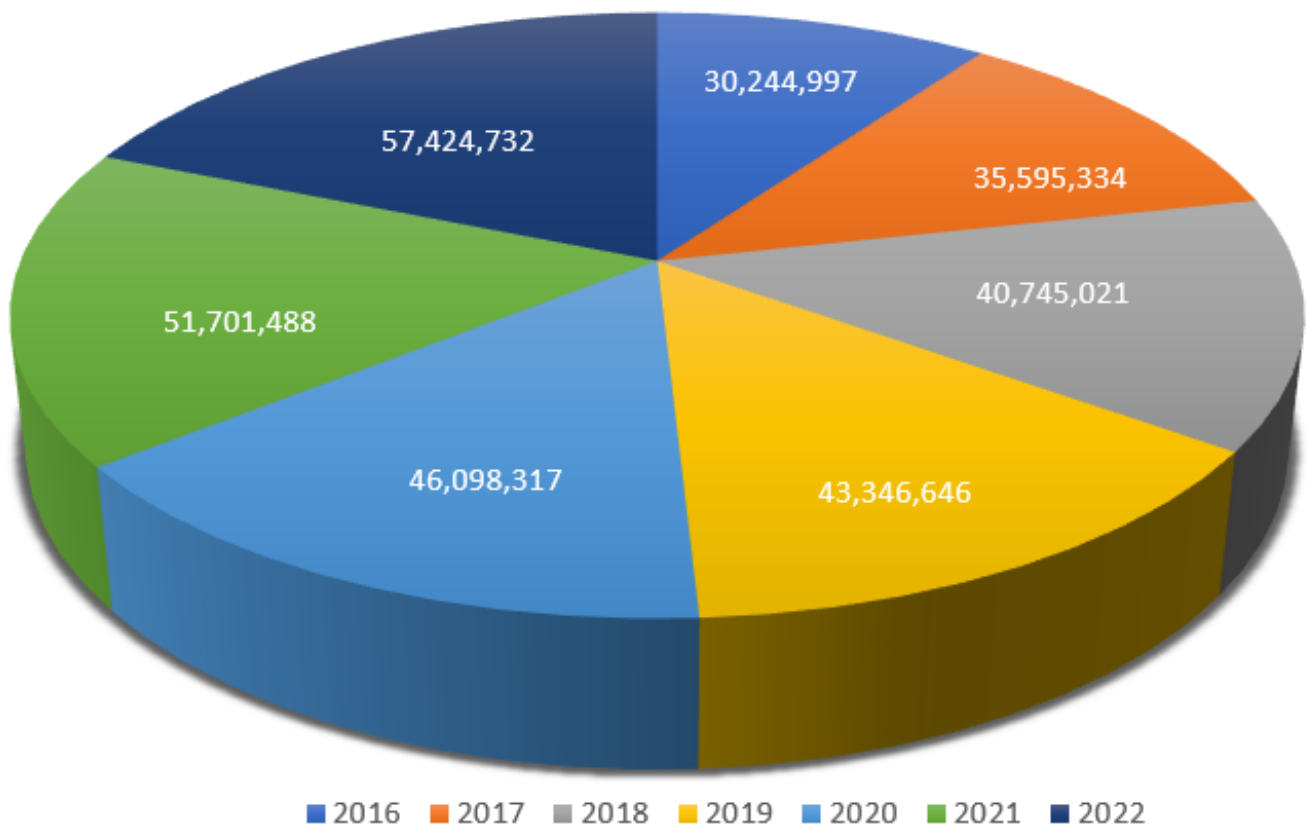
Dellien Jeffery	Garfield Ambo
Lener Nichollas	Elizabeth Carbon
Mariline Edmond	Franklyn Larocque
Anthea Christmas	Morris John
Mc Mila Jno Baptiste	Genicia Variste
Bryson Louis	Rock Joseph Lucien
Colbert Brumant	Juliana Vidal
Gerald Charles	

Main Performance Indicators

(I) TOTAL ASSETS

The performance indicators are evidence of the society’s continued growth path for the year, notwithstanding a sluggish economy, and inflationary pressures coming out of the exogenous shock of the pandemic. Though COVID-19 seems to be behind us, the recovery has been lackluster at best. Macro-economic performance has been dampened by inflation and a slow restart of the tourism industry. Despite this, the society’s total assets increased 11% over 2021 (Fig. 1 compares asset growth over the past seven years). This is attributed in part to a 27% increase in member deposits, following the shrinkage of the banking sector.

Fig. 1: West Coast Asset Growth 2016 - 2022



(I) PEARLS Ratios

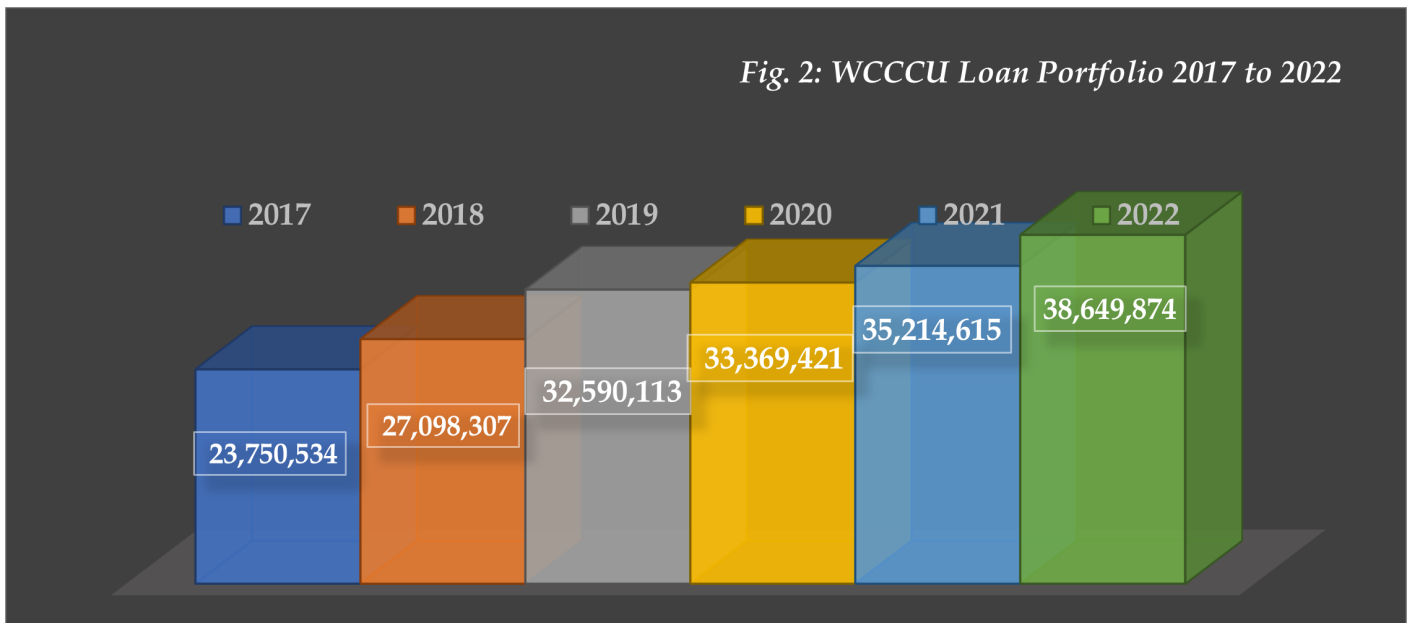
PEARLS is a management tool developed by the World Council of Credit Unions to monitor the financial stability of credit unions. Each ratio of this tool compares performance against an established standard. They provide serving volunteers, project staff, national federations and regulators with vital information for monitoring, planning, standardizing, ranking and facilitating supervisory control in the societies. Table 2 presents the PEARLS comparative ratios for the society in 2021 and 2022.

Table 2: WCCCU PEARLS Indicators – 2021 and 2022

Comparison Areas	Ratios	Recommended Industry Standards	Performance in 2021 %	Performance in 2022 %
Protection	<i>Loan loss allowance to Delinquent Loans (12 months)</i>	100%	127.23%	132.62%
Effective Financial Structure	<i>Net loans to Net Assets</i>	70 - 80%	64.14%	64.90%
	<i>Saving Deposits to Total Assets</i>	70 - 80%	87.33%	85.53%
Asset Quality	<i>Total Delinquent Loans to Total Loan Portfolio</i>	Less than 5%	7.30%	3.52%
Rates of Return	<i>Operating Expense to Average Assets</i>	Less than 5%	3.29%	2.99%
Liquidity	<i>Liquid Reserves to Total Saving Deposits</i>	10%	34.84%	31.08%
Signs of Growth	<i>Capital to Signs of Growth</i>		4.68%	4.94%

(III) LOANS

Since loans are the core business of the credit union, their design and management engage much of the attention and work of volunteers and staff. The portfolio grew in 2022 by 12.45% (See Fig. 2 for growth in the loans portfolio over the last six year). One contributor to this growth was the decrease in 'Expected Credit Losses' as compared to 2021.



*See note 8 in Auditors Report***

(IV) DELINQUENCY

We compliment members who borrow with the society and are faithful in meeting your contractual obligations. Notwithstanding, delinquency remains a major concern to the society. During the year, strides were made to reduce it to the end-of-year low of 4.55%. At the end of 2021 the delinquency rate was 6.87%.

A number of members regularized your loan standing in the year under review despite challenging circumstances. Thank you. This is the discipline that should be the foundation of our experiences with the society, and other obligations. We encourage you to communicate with the staff your wishes, needs and difficulties.

Training and Development

The Financial Services Unit and the Dominica Cooperative Societies League Ltd. (DCSLL) collaborated to provide training to volunteers and staff of the Movement. The training concentrated on anti-money laundering, risk assessment methodology and risk assessment. The DCSLL also held webinars on: - Governance, Power of Attorney, Legal Documentation, Delinquency Management, and Office Management. Much of this training is a statutory requirement for credit unions. We thank our partners for this assistance.

Community Assistance

Social responsibility is a foundational principle of the credit union movement and West Coast remains committed to being a responsible corporate citizen. In the year under review, we contributed on behalf of all the membership, to several good-will causes promoted by the following institutions: Isaiah Thomas Secondary School, Salisbury Primary School, Colihaut Primary School, Kelleb John Laurent Primary School, Dominica Grammar School, Coulibistrie Primary School, Western District SDA Primary School, Belles Primary School, Education Trust Fund, President's Charities Foundation, Salisbury Sports Committee, Salisbury Health Center, Salisbury Village Council, Dominica Council on Ageing Inc. and Dominica Association of Persons with Disabilities Incorporated (D.A.P.D Inc.).

We wish the principals of these institutions all the best and pledge, going forward, our support to upliftment causes that favour community, education, training, youth development and support of the disadvantaged.

WCCCU Scholarship Programme

Our scholarship programme has turned out outstanding youth who have moved on to further develop themselves in their preparation for life. We are privileged to be able to assist. In 2022, we continued to support five secondary scholars at a total cost of EC\$3,065.72. Our evaluation showed that they were excelling and making us and their families proud. We congratulate them and their families and extend best wishes for success in their secondary school careers.

Affiliations

Our affiliations have been part of our ability to provide optimum service and we thank them for this. We highlight here the assistance of the Regulator in ensuring that business conforms to the law, and the DCSLL for overall guidance and training. In 2022, the society continued to operate a shared service agreement with the Central Co-operative Credit Union which enables members of both Central Cooperative and West Coast credit unions to transact business up to EC\$1,500 daily at each other's offices. This programme has been well hailed by members as a great convenience to them.

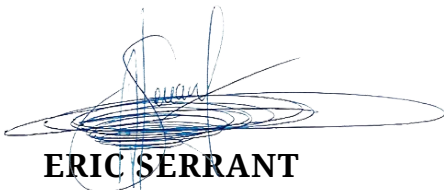
Conclusion

The Board expresses gratitude to management and the staff for their hard work and dedication throughout 2022. This is a major contributor to our success and continued growth. Profound thanks to serving volunteers on the Supervisory & Compliance and Credit Committees for your invaluable time and talent which you gift to the society without hesitation or complaint. Thanks also to the FSU (Financial Services Unit) - the Regulator, to sister co-operatives for all the valuable interactions and partnerships that are so integral to development. It is together that we all succeed.

Fellow members, West Coast Credit Union stands as a beacon, strong and resolute in our quest for a brighter future for members. We remain the number ONE choice for financial services on the west coast, and actually, the most credible choice for financial services anywhere on island. We weathered the storm of 2022, and stand with you as you plan your lives and your future.

May God bless us, our communities, our Credit Union, the credit union movement, and Dominica.

Thank you very much!



**ERIC SERRANT
PRESIDENT
BOARD OF DIRECTORS**

Treasurers Report



BERNARD PACQUETTE
TREASURER
BOARD OF DIRECTORS

West Coast Cooperative Credit Union Limited rebounded from the exogenous shock of Covid 19 with an impressive financial performance. Surplus before appropriations were \$1,654,593 or 442% increase over the 2021 results. This was primarily due to strong performance in its loan portfolio resulting in reversals in Expected Credit Losses taken during the pandemic year. Notwithstanding, revenue only increased by 5% or 169,393 to 3,597,100. This coupled with a \$1,093,555 increase in cash means that WCCCU is liquid and well posed to meet members needs in the coming year.

Interest expense increased by 10% or 70,231 to \$762,407 as the society continues to provide real return to its members for their trust and confidence in the Society. Operating costs should a marginal increase of 7% or \$107,431 to \$1,718,071 due to inflationary pressures on the society and the Dominican market in general. Considerable efforts are being exercised to keep market cost increases in line with expected levels and performance.

The society increased in investments by \$523,733 in the year under review leaving a total of \$5,630,771 invested for non-loan income contribution. Loans increased by \$4,129,048 in 2022 in line with the strong performance in the Society's lending portfolio. This confidence was financed through increases in member savings and time deposits which increased by \$2,251,540 and \$1,737,323 respectively over 2021 levels. Members deposits in the society at the end of 2022 stands at \$49,141,251.

WCCCU total assets stands at \$57,424,732 which is \$5,723,244 over 2021. This an 11% growth in the size of the Society's balance sheet in keeping with the strong performance of the society.

Key Ratios	2022	2021	2020	2019
Net Interest Margin	1.30%	1.40%	1.64%	1.66%
Loan to Asset Ratio	64.90%	64.14%	69.72%	73.07%
Return on Assets	2.83%	0.58%	2.42%	2.20%
Capital Adequacy	13.78%	12.18%	12.94%	10.98%
Cost to Income	60.61%	58.88%	50.78%	55.97%
Credit Cost Net Interest Margin	3.52%	5.83%	3.71%	3.71%

Net Interest Margin

This represents the net contribution to the society after interest costs have been paid as a percentage of the average total assets. It represents the just how much the society retains to meet its operating costs and provide a return to you the members after it has collected its interest on loans and paid out your interest on deposits. As the ratios show, the margin is getting slimmer every year as the society is forced to do more with less. Members demand lower interest rates on their loans and higher rates on their deposits, therefore management must continue to work and deliver results within this narrow and shrinking corridor.

Loan to Asset Ratio

This measure the amount of the total balance sheet that is invested in loans to members. The decrease over the years was as a result of Covid 19 which resulted in a contraction in lending as members incomes were affected. There is an increase from 2021 to 2022 signaling that members income stability is returning and the society is meeting members demand for loans as that matures.

Capital Adequacy

This ratio measures the Society's ability to withstand external shocks without affecting members savings. The industry standard is 10% or better. WCCCU has maintained a capital adequacy above regulatory and industry standards and that ratio is growing signaling the strength of your society.

Cost to Income

This ratio measures the operating cost to net interest. This is the ratio that determines how much it is costing the society to generate the net interest of the society. Increases in this ratio is affected by inflation and cost of operations while those increases are difficult to pass on to you the members. Notwithstanding, it is management and the board responsibility to keep this ratio as low as possible given market conditions.

Cost of Credit

This ratio measures the value of provisions the society must hold against its loan portfolio. If members do not service their loans, the provision rises thereby increasing value of this ratio as was event in 2021 when the society had to make provisions for expected credit losses coming out of Covid 19. In 2022, the society recovered and members in large part stabilized their lending with the society and as such a decrease was noted.

Return on Assets

Return on Assets measures how effective a company's management is generating profit from their total assets on their balance sheet. Return on Assets is shown as a percentage and the higher the number, the more efficient the company's management is at managing its balance sheet to generate profits. Credit Union's strive for a Return on Assets of 1.5% or above. This year, the West Coast Credit Union's Return on Assets was 2.4%.

On behalf of the Board of Directors, I would like to congratulate the Management and Staff and in particular you the members of West Coast. Only jointly we can produce positive results for ourselves.



BERNARD PACQUETTE
TREASURER

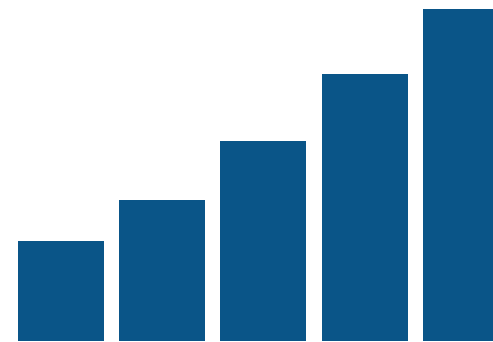
Auditor's Report



**WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022**

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**Orlando Allan Richards FCCA CA
CHARTERED CERTIFIED ACCOUNTANT
P.O. Box 202
Independence Street
Roseau
Dominica**

INDEPENDENT AUDITOR'S REPORT

To the Members of West Coast Co-operative Credit Union Limited

Opinion

I have audited the accompanying financial statements of the West Coast Co-operative Credit Union Limited which comprise the statement of financial position as at December 31, 2022, and the statement of income and appropriation, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the West Coast Co-operative Credit Union Limited as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and comply with the Co-operative Societies Act No. 2 of 2011 and the Co-operative Societies Regulations S.R.O 26 of 2001 of the Laws of the Commonwealth of Dominica.

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Society in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to my audit of the financial statements in Dominica, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

INDEPENDENT AUDITOR'S REPORT CONT'D

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit 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 League's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

INDEPENDENT AUDITOR'S REPORT CONT'D

Other Information

Management is responsible for the other information. The other information comprises the content of the Society's Annual Report except for the financial statements and my Auditor's Report thereon.

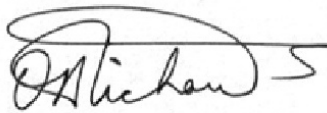
My opinion on the financial statements does not cover the other information and I do not express any form of assurance on the other information.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information appears to be materially misstated or inconsistent with the financial statements. If, based on the work I have performed, I conclude that there is a material misstatement in the other information, then I am required to report that fact. I have nothing to report in this regard.

Other Matters

This report is made solely to the Members of the West Coast Co-operative Credit Union Limited as a body, in accordance with Section 130 of the Co-operative Societies Act No. 2 of 2011 of the Laws of the Commonwealth of Dominica. My audit work has been undertaken so that I might state to the Members those matters I am required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Society and its Members as a body, for my audit work, for this report, or for the opinion I have formed.

The financial statement for the year ended December 31, 2021 was audited by another auditor who expressed an unqualified audit report which report was dated May 17, 2022.



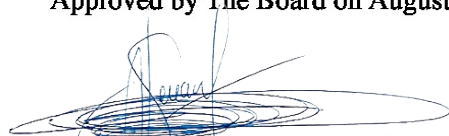
Roseau, Dominica
August 2, 2023

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
BALANCE SHEET
AS AT DECEMBER 31, 2022

	Notes	2022 \$	2021 \$
ASSETS			
Cash and bank balances	5	11,719,516	10,625,960
Financial assets at fair value through other comprehensive income	6	5,630,771	5,107,038
Financial assets at fair value through profit or loss	7	497,915	525,731
Financial assets at amortised cost	8	37,289,504	33,160,456
Other assets	9	323,366	461,577
Property plant and equipment	10	1,963,660	1,820,726
TOTAL ASSETS		57,424,732	51,701,488
LIABILITIES			
Members' savings/ordinary deposits	11	39,134,933	36,883,392
Term deposits	12	10,006,318	8,268,995
Accounts payable and provisions	13	212,692	185,615
Interest on term deposits	14	409,584	271,286
Technical Assistance Grant	15	17,481	17,481
TOTAL LIABILITY		49,781,008	45,626,769
MEMEBERS' EQUITY			
Members' Capital (permanent shares)	16	764,700	721,200
Statutory Reserve (guarantee fund)	17	1,641,243	1,309,599
Education Fund	18	93,515	86,004
Building fund reserve	19	62,284	62,284
Fair Value Reserve	19 (a)	122,554	150,370
Development Fund	20	120,485	103,939
Disaster Fund	21	153,486	70,756
Retained surplus		4,685,457	3,570,567
TOTAL MEMBERS' EQUITY:		7,643,724	6,074,719
TOTAL LIABILITIES AND MEMBERS EQUITY		57,424,732	51,701,488

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

Approved by The Board on August 2, 2023, and signed on behalf of the Board of Directors by:



ERIC SERRANT
PRESIDENT



BERNARD PACQUETTE
TREASURER

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2022

	Members' Capital	Statutory Reserve	Education Fund	Building Fund	Fair Value Reserve	Development Fund	Disaster Fund	Retained Surplus	Total
Balance as at 31/12/20	690,600	1,248,836	96,649	62,284	111,235	101,837	55,740	3,435,921	5,803,102
Appropriation	-	60,063	3,003	-	-	3,003	15,016	-	81,085
Net surplus	-	-	-	-	-	-	-	219,229	219,229
Shares Issued	30,600	-	-	-	-	-	-	-	30,600
Disbursements	-	-	(13,648)	-	-	(901)	-	-	(14,549)
Entrance fees	-	700	-	-	-	-	-	-	700
Dividends paid	-	-	-	-	-	-	-	(66,639)	(66,639)
Transfers / adjustment	-	-	-	-	39,135	-	-	(17,944)	21,191
Balance as at 31/12/21	721,200	1,309,599	86,004	62,284	150,370	103,939	70,756	3,570,567	6,074,719
Appropriation	-	330,919	16,546	-	-	16,546	82,730	-	446,741
Net surplus	-	-	-	-	-	-	-	1,207,852	1,207,852
Shares Issued	43,500	-	-	-	-	-	-	-	43,500
Disbursements	-	-	(9,035)	-	-	-	-	-	(9,035)
Entrance fees	-	725	-	-	-	-	-	-	725
Fair value adjustment	-	-	-	-	(27,816)	-	-	-	(27,816)
Dividends	-	-	-	-	-	-	-	(27,867)	(27,867)
Transfer / adjustment	-	-	-	-	-	-	-	(65,095)	(65,095)
Balance as at 31/12/22	764,700	1,641,243	93,515	62,284	122,554	120,485	153,486	4,685,457	7,643,724

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
STATEMENT OF INCOME AND APPROPRIATION
FOR YEAR ENDED DECEMBER 31, 2022

	NOTES	2022 \$	2021 \$
Interest income	22	3,597,100	3,427,707
Interest expense	22	762,407	692,176
Net interest income		2,834,693	2,735,531
Other income	23	60,040	68,213
Operating income		2,894,733	2,803,744
Operating cost	24	(1,718,071)	(1,610,640)
Expected Credit Losses	8(b)	595,235	(817,245)
Depreciation	10	(117,304)	(75,545)
Surplus before appropriation		1,654,593	300,314
Fair value loss	7	(27,816)	-
Surplus after fair value loss		1,626,777	300,314
Appropriations			
Fair value reserve transfer		27,816	-
Transfer to statutory reserve		(330,919)	(60,063)
Transfer to education fund		(16,546)	(3,003)
Transfer to development fund		(16,546)	(3,003)
Transfer to disaster fund		(82,730)	(15,016)
Net surplus for the year		1,207,852	219,229

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

	2022	2021
	\$	\$
Cash flows from operating activities		
Surplus before appropriation	1,654,593	300,314
Adjustments for:		
Depreciation	117,304	75,545
Expected Credit Losses	(595,235)	817,245
Loss on disposal of plant, property and equipment	8,225	14,981
Cash flows before changes in operating assets and liabilities	1,184,887	1,208,085
(Increase) in financial assets at amortised costs	(3,598,908)	(1,845,195)
(Increase) in other assets	138,211	(89,959)
Increase in members' savings/demand deposit	2,251,541	5,132,438
Increase/ (decrease) in term deposits	1,737,323	191,994
Increase/ (decrease) in accounts payable and provisions	27,077	5,684
Increase/ (decrease) in interest on term deposits	138,298	10,436
Net Cash used in operating activities	1,878,429	4,613,483
Cash flow from investing activities		
Purchase of fixed assets	(268,463)	(652,005)
Disposal of fixed assets	-	-
Increase in Financial Assets at FVOCI	(523,733)	(385,724)
Increase in Financial Assets at FVTPL	-	(193,000)
Net cash from investing activities	(792,196)	(1,230,729)
Cash flow from financing activities		
Dividends paid	(27,867)	(66,639)
Adjustment	-	21,192
Increase in members' capital (permanent shares)	43,500	30,600
Disbursements	(9,035)	(14,549)
Entrance fee	725	700
Net cash from financing activities	7,323	(28,696)
Net (decrease)/ increase in cash	1,093,556	3,354,058
Cash at beginning of year	10,625,960	7,271,902
Cash at end of year	11,719,516	10,625,960

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

1. General Information

West Coast Co-operative Credit Union Limited was formed following the merger between Salisbury Co-operative Credit Union and Colihaut Co-operative Credit Union which are registered under the Co-operative Societies Act No. 15 of 1996 of the Laws of the Commonwealth of Dominica, which has been replaced by Act No. 2 of 2011.

The registered office and principal place of business is located on the Main Street in Salisbury, Commonwealth of Dominica. Branch offices are located at Colihaut and St Joseph, Commonwealth of Dominica.

The principal objective of the Co-operative is to accept deposits, grant loans and to offer financial counselling to its members.

2. Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation

(i) Compliance with IFRS

The financial statements of the Society have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities, certain classes of property, plant and equipment-measured at fair value

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

2. Summary of significant accounting policies cont'd

a) Basis of preparation cont'd

(iii) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for the current reporting period and have not been early adopted by the Society. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

b) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

c) Financial assets and liabilities

Measurement methods

Amortised cost and effective interest rate

The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees.

When the Society revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

2. Summary of significant accounting policies cont'd

c) Financial assets and liabilities cont'd

Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets, except for financial assets that have subsequently become credit impaired (or 'stage 3'), for which interest revenue is calculated by applying the effective interest rate to their amortised cost (i.e.net of the expected credit loss provision).

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Society becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Society commits to purchase or sell the asset.

At initial recognition, the Society measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss.

Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost and investments in debt instruments measured at FVOCI, which results in an accounting loss being recognised in profit or loss when an asset is newly originated.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognises the difference as follows:

- When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.
- In all other cases, the difference is deferred, and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

2. Summary of significant accounting policies cont'd

c) Financial assets and liabilities cont'd

Financial assets

(i) Classification and subsequent measurement

The Society classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost

The classification requirements for debt and equity instruments are described below:

Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds and trade receivables purchased from clients in factoring arrangements without recourse.

Classification and subsequent measurement of debt instruments depend on:

- (i) the Society's business model for managing the asset; and
- (ii) the cash flow characteristics of the asset.

Based on these factors, the Society classifies its debt instruments into one of the following three measurement categories:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured. Interest income from these financial assets is included in 'Interest Income' using the effective interest rate method.
- Fair value through other comprehensive income (FVOCI): Financial assets that are held for collection payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in 'Net Investment income'. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

2. Summary of significant accounting policies cont'd

c) Financial assets and liabilities cont'd

- Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented in the profit or loss statement within 'Net trading income' in the period in which it arises, unless it arises from debt instruments that were designated at fair value or which are not held for trading, in which case they are presented separately in 'Net investment income'. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

Business model: the business model reflects how the Society manages the assets in order to generate cash flows. That is, whether the Society's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVPL. Factors considered by the Society in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated. For example, the Society's business model for the mortgage loan book is to hold to collect contractual cash flows.

Another example is the liquidity portfolio of assets, which is held by the Society as part of liquidity management and is generally classified within the hold to collect and sell business model. Securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the 'other' business model and measured at FVPL.

SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Society assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Society considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

2. Summary of significant accounting policies cont'd

c) Financial assets and liabilities cont'd

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. Examples of equity instruments include basic ordinary shares.

The Society subsequently measures all equity investments at fair value through profit or loss, except where the Society's management has elected, at initial recognition, to irrevocably designate an equity investment at fair value through other comprehensive income. The Society's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. When this election is used, fair value gains and losses are recognised in OCI and are not subsequently reclassified to profit or loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognised in profit or loss as other income when the Society's right to receive payments is established.

Gains and losses on equity investments at FVPL are included in the 'Other Income' line in the statement of profit or loss.

(ii) Impairment

The Society assesses on a forward-looking basis the expected credit loss ('ECL') associated with its debt instrument assets carried at amortised cost and FVOCI and with the exposure arising from loan commitments and financial guarantee contracts. The Society recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Note 4 (a) provides more detail of how the expected credit loss allowance is measured.

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

2. Summary of significant accounting policies cont'd

c) Financial assets and liabilities cont'd

(iii) Modification of loans

The Society sometimes renegotiates or otherwise modifies the contractual cash flows of loans to members. When this happens, the Society assesses whether or not the new terms are substantially different to the original terms. The Society does this by considering, among others, the following factors:

- If the borrower is in financial difficulty, whether the modification merely reduces the contractual cash flows to amounts the borrower is expected to be able to pay.
- Whether any substantial new terms are introduced, such as a profit share/equity-based return that substantially affects the risk profile of the loan.
- Significant extension of the loan term when the borrower is not in financial difficulty.
- Significant change in the interest rate.
- Insertion of collateral, other security or credit enhancements that significantly affect the credit risk associated with the loan.

If the terms are substantially different, the Society derecognises the original financial asset and recognises a 'new' asset at fair value and recalculates a new effective interest rate for the asset. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred.

However, the Society also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are also recognised in profit or loss as a gain or loss on derecognition.

If the terms are not substantially different, the renegotiation or modification does not result in derecognition, and the Society recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognises a modification gain or loss in profit or loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The impact of modifications of financial assets on the expected credit loss calculation is discussed in note 4 (a).

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

2. Summary of significant accounting policies cont'd

c) Financial assets and liabilities cont'd

(iv) Derecognition other than on a modification

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (i) the Society transfers substantially all the risks and rewards of ownership, or (ii) the Society neither transfers nor retains substantially all the risks and rewards of ownership and the Society has not retained control.

The Society enters into transactions where it retains the contractual rights to receive cash flows from assets but assumes a contractual obligation to pay those cash flows to other entities and transfers substantially all of the risks and rewards. These transactions are accounted for as 'pass through' transfers that result in derecognition if the Society:

- (i) Has no obligation to make payments unless it collects equivalent amounts from the assets;
- (ii) Is prohibited from selling or pledging the assets; and
- (iii) Has an obligation to remit any cash it collects from the assets without material delay.

Collateral (shares and bonds) furnished by the Society under standard repurchase agreements and securities lending and borrowing transactions are not derecognised because the Society retains substantially all the risks and rewards on the basis of the predetermined repurchase price, and the criteria for derecognition are therefore not met. This also applies to certain securitisation transactions in which the Society retains a subordinated residual interest.

Financial liabilities

(i) Classification and subsequent measurement

In both the current and prior period, financial liabilities are classified as subsequently measured at amortised cost, except for:

- Financial liabilities at fair value through profit or loss: this classification is applied to financial liabilities designated as such at initial recognition. Gains or losses on financial liabilities designated at fair value through profit or loss are presented partially in other comprehensive income (the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability, which is determined as the amount that is not attributable to changes in market conditions that give rise to market risk) and partially profit or loss (the remaining amount of change in the fair value of the liability). This is unless such a presentation would create, or enlarge, an accounting mismatch, in which case the gains and losses attributable to changes in the credit risk of the liability are also presented in profit or loss;

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

2. Summary of significant accounting policies cont'd

c) Financial assets and liabilities cont'd

- Financial liabilities arising from the transfer of financial assets which did not qualify for derecognition, whereby a financial liability is recognised for the consideration received for the transfer. In subsequent periods, the Society recognises any expense incurred on the financial liability; and
- Financial guarantee contracts and loan commitments Note 2 (d).

(ii) Derecognition

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

The exchange between the Society and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability.

In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in covenants are also taken into consideration. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

d) Financial guarantee contracts and loan commitments

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to banks, financial institutions and others on behalf of members to secure loans, overdrafts and other banking facilities.

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

2. Summary of significant accounting policies cont'd

d) Financial guarantee contracts and loan commitments cont'd

Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of:

- The amount of the loss allowance; and
- The premium received on initial recognition less income recognised in accordance with the principles of IFRS 15.

Loan commitments provided by the Society are measured as the amount of the loss allowance. The Society has not provided any commitment to provide loans at a below-market interest rate, or that can be settled net in cash or by delivering or issuing another financial instrument.

For loan commitments and financial guarantee contracts, the loss allowance is recognised as a provision. However, for contracts that include both a loan and an undrawn commitment and the Society cannot separately identify the expected credit losses on the undrawn commitment component from those on the loan component, the expected credit losses on the undrawn commitment are recognised together with the loss allowance for the loan. To the extent that the combined expected credit losses exceed the gross carrying amount of the loan, the expected credit losses are recognised as a provision.

e) Functional and presentation currency

(i) Functional and Presentation Currency

Items included in the financial statements of the Society are measured using the currency of the primary economic environment in which the Society operates ('the functional currency'). The financial statements are presented in Eastern Caribbean Dollars, which is the Society's functional and presentation currency

(ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

2. Summary of significant accounting policies cont'd

e) Functional and presentation currency cont'd

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

f) Property, plant and equipment

Land is stated at cost. All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Society and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation and amortization are calculated on the straight-line method to write down the cost of such assets to their residual value over their estimated useful lives as follows;

Building	2.5%,
Furniture fixtures and equipment	5% & 10%,
Computer Systems	33.3%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is Society policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

2. Summary of significant accounting policies cont'd

g) Intangible assets

Costs associated with maintaining software programmes are recognised as an expense as incurred.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

h) Payables

These amounts represent liabilities for goods and services provided to the Society prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within thirty (30) days of recognition.

i) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred.

Borrowings are subsequently measured at amortised cost.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired.

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

2. Summary of significant accounting policies cont'd

j) Dividends

Dividends on shares are recognized in equity in the period in which they are declared.

Section 5 of the Regulations to the Co-operative Societies Act authorizes the Society to pay a dividend on its shares at a rate which is not greater than three percent above savings rate set by the Eastern Caribbean Central Bank (ECCB). As at December 31, 2020 the ECCB savings rate was two percent.

Under section 129 of the Co-operative Societies Act No. 2 of 2011, a Society must pay a dividend to its members in proportion to their business with the Society at such rates as may be prescribed by its By-laws. Unrealized gains or gains arising from asset revaluation are not considered in determining income for the distribution of dividends.

Fair value gains on investment securities available-for-sale are not considered in determining income for the distribution of dividends.

k) Revenue recognition

Interest income and expense

Interest income and expense are recognized in the income statement for all interest-bearing instruments on an accrual basis using effective interest rates. Interest income includes income on fixed investments.

When the collectability of loans becomes doubtful, they would be written down to their recoverable amounts and interest income is thereafter recognized based on the rate of interest used to discount the future cash flows for the purpose of measuring the recoverable amount.

Dividend and other income

Dividend income and other income are recognized when received.

l) Provisions

Provisions for legal claims and make good obligations are recognised when the Society has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

2. Summary of significant accounting policies cont'd

l) Provisions cont'd

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

m) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The Society also has liabilities for long service leave and annual leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the Society does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

n) Taxation

The Society's income is exempt from taxation under section 25 (m) of the Income Tax Act Chapter 67: 01 of the Laws of the Commonwealth of Dominica. (2017 revised edition)

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

2. Summary of significant accounting policies cont'd

o) Comparatives

Where necessary, comparatives figures have been adjusted to conform to changes in presentation in the current year.

p) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Eastern Caribbean dollar unless otherwise stated.

3. Critical accounting estimates and judgement

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Society's accounting policies.

This note provides an overview of the areas that involve a higher degree of judgement or complexity, and major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment within the next financial year. Detailed information about each of these estimates and judgements is included in the related notes together with information about the basis of calculation for each affected line item in the financial statements.

Measurement of the expected credit loss allowance

The measurement of the expected credit loss allowance for financial assets measured at amortised cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of members defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in note 4 (a), which also sets out key sensitivities of the ECL to changes in these elements.

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Detailed information about the judgements and estimates made by the Society in the above areas is set out in note 4 (a).

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

4. Financial Risk Management

This note explains the Society's exposure to financial risks and how these risks could affect the Society's future financial performance.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, debt investments and contract assets	Aging analysis Credit ratings	Diversification of bank deposits, credit limits, Investment guidelines for debt investments
Market risk – security prices	Investments in equity securities	Sensitivity analysis	Portfolio diversification
Currency risk	Recognised financial assets and liabilities not denominated in Eastern Caribbean Dollars (XCD)	Cash flow forecasting	Strict guidelines for conducting foreign currency transactions
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

a) Credit risk

Credit risk is the risk of suffering financial loss, should any of the Society's members, clients or market counterparties fail to fulfil their contractual obligations to the Society. Credit risk arises mainly from interbank, commercial and member loans and advances, and loan commitments arising from such lending activities, but can also arise from credit enhancement provided, financial guarantees, letters of credit, endorsements and acceptances.

Credit risk is the single largest risk for the Society's operations; management therefore carefully manages its exposure to credit risk. The credit risk management and control are centralised in a credit risk management team which reports regularly to the Board of Directors.

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

a) Credit risk cont'd

Maximum exposure to credit risk

The maximum on-balance sheet and off-balance sheet exposure to credit risk at the reporting date was:

	2022	2021
	\$	\$
On-balance sheet		
Cash and bank balances	11,135,298	10,035,672
Investments	6,128,686	5,632,769
Loans and advances to members	37,289,504	33,160,456
Other Assets (receivables)	254,462	411,638
Total on-balance sheet	54,807,950	49,240,535
Off-balance sheet		
Loan commitments	342,550	350,082
Total	55,150,500	49,590,617

Credit risk measurement

Loans and advances (incl. loan commitments and guarantees)

The estimation of credit exposure for risk management purposes is complex and requires the use of models, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, of the associated loss ratios and of default correlations between counterparties. The Society measures credit risk using Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD). This is similar to the approach used for the purposes of measuring Expected Credit Loss (ECL) under IFRS 9.

Credit risk grading

The Society uses internal credit risk gradings that reflect its assessment of the probability of default of individual counterparties. The Society use internal rating models tailored to the various categories of counterparty. Borrower and loan specific information collected at the time of application (such as disposable income, and level of collateral for retail exposures is fed into this rating model. This allows for considerations which may not be captured as part of the other data inputs into the model. The credit grades are calibrated such that the risk of default increases exponentially at each higher risk grade.

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

4. Financial Risk Management cont'd

a) Credit risk cont'd

Expected credit loss measurement

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Society.
- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired. Please refer to section below for a description of how the Society determines when a significant increase in credit risk has occurred.
- If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'.
- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.
- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information. The section on 'Forward-looking information incorporated in the ECL models' includes an explanation of how the Society has incorporated this in its ECL models.

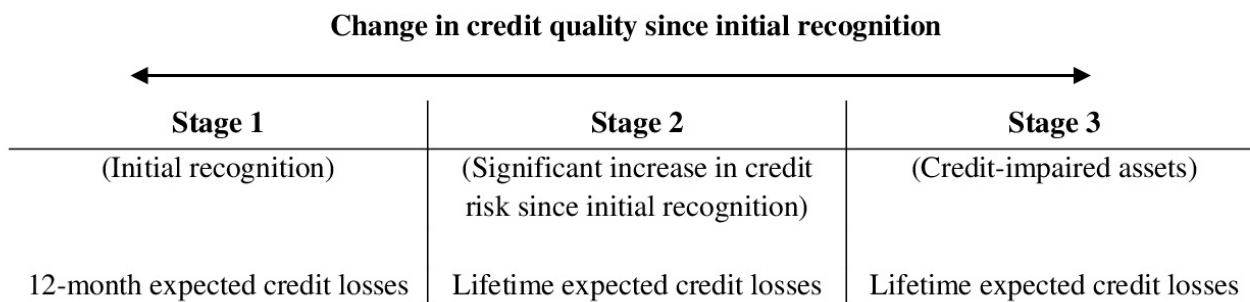
Further explanation is also provided of how the Society determines appropriate groupings when ECL is measured on a collective basis.

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

4. Financial Risk Management cont'd

a) Credit risk cont'd

The following diagram summarises the impairment requirements under IFRS 9 (other than purchased or originated credit-impaired financial assets):



The key judgements and assumptions adopted by the Society in addressing the requirements of the standard are discussed below:

Significant increase in credit risk (SICR)

Qualitative criteria:

For the loan portfolio, if the borrower meets one or more of the following criteria:

- In short-term forbearance
- Direct debit cancellation
- Extension to the terms granted
- Previous arrears within the last [12] months

For Treasury portfolios, if the borrower meets one or more of the following criteria:

- Significant increase in credit spread
- Significant adverse changes in business, financial and/or economic conditions in which the borrower operates
- Actual or expected forbearance or restructuring
- Actual or expected significant adverse change in operating results of the borrower
- Significant change in collateral value (secured facilities only) which is expected to increase risk of default
- Early signs of cashflow/liquidity problems such as delay in servicing of trade creditors/loans

The assessment of SICR incorporates forward-looking information and is performed on an annual basis at a portfolio level for all financial instruments held by the Society.

The criteria used to identify SICR are monitored and reviewed periodically for appropriateness by the independent Credit Risk team.

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

4. Financial Risk Management cont'd

a) Credit risk cont'd

Definition of default and credit-impaired assets

The Society defines a financial instrument as in default, which is fully aligned with the definition of credit impaired, when it meets one or more of the following criteria:

Quantitative criteria

The borrower is more than 90 days past due on its contractual payments

Qualitative criteria

The borrower meets the unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:

- The borrower is in long-term forbearance
- The borrower is deceased
- The borrower is insolvent
- The borrower is in breach of financial covenant(s)
- An active market for that financial asset has disappeared because of financial difficulties
- Concessions have been made by the lender relating to the borrower's financial difficulty
- It is becoming probable that the borrower will enter bankruptcy
- Financial assets are purchased or originated at a deep discount that reflects the incurred credit losses.

The criteria above have been applied to all financial instruments held by the Society and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD) and Loss given Default (LGD) throughout the Group's expected loss calculations.

An instrument is considered to no longer be in default (i.e. to have cured) when it no longer meets any of the default criteria for a consecutive period of six months. This period of six months has been determined based on an analysis which considers the likelihood of a financial instrument returning to default status after cure using different possible cure definitions.

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

4. Financial Risk Management cont'd

a) Credit risk cont'd

The Expected Credit Loss (ECL) is measured on either a 12-month (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit losses are the discounted product of the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD), defined as follows:

- The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.
- EAD is based on the amounts the Society expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD). For example, for a revolving commitment, the Society includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.
- Loss Given Default (LGD) represents the Society's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type.

- For amortising products and bullet repayment loans, this is based on the contractual repayments owed by the borrower over a 12 month or lifetime basis. This will also be adjusted for any expected overpayments made by a borrower. Early repayment/refinance assumptions are also incorporated into the calculation.

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

4. Financial Risk Management cont'd

a) Credit risk cont'd

The 12-month and lifetime LGDs are determined based on the factors which impact the recoveries made post default. These vary by product type.

- For secured products, this is primarily based on collateral type and projected collateral values, historical discounts to market/book values due to forced sales, time to repossession and recovery costs observed.
- For unsecured products, LGD's are typically set at product level due to the limited differentiation in recoveries achieved across different borrowers. These LGD's are influenced by collection strategies, including contracted debt sales and price.

Forward-looking economic information is also included in determining the 12-month and lifetime PD, EAD and LGD. These assumptions vary by product type.

The assumptions underlying the ECL calculation - such as how the maturity profile of the PDs and how collateral values change etc. - are monitored and reviewed on an annual basis.

There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

Forward-looking information incorporated in the ECL models

The assessment of SICR and the calculation of ECL both incorporate forward-looking information. The Society has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio.

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Society considers these forecasts to represent its best estimate of the possible outcomes and has analysed the non-linearities and asymmetries within the Society's different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

4. Financial Risk Management cont'd

a) Credit risk cont'd

Grouping of instruments for losses measured on a collective basis

For expected credit loss provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared risk characteristics, such that risk exposures within a group are homogeneous. In performing this grouping, there must be sufficient information for the group to be statistically credible. Where sufficient information is not available internally, the Society has considered benchmarking internal/external supplementary data to use for modelling purposes. The characteristics and any supplementary data used to determine groupings are outlined below:

Retail - Groupings for collective measurement

- Loan type (e.g. Mortgage, Personal and Education, Vehicles etc.)

The following exposures are assessed individually:

Retail

- Stage 3 loans with current exposure above \$100,000
- Properties in repossession proceedings

The appropriateness of groupings is monitored and reviewed on a periodic basis by the Credit Risk team.

Loss allowance

The loss allowance recognised in the period is impacted by a variety of factors, as described below:

- Transfers between Stage 1 and Stages 2 or 3 due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit-impaired in the period, and the consequent "step up" (or "step down") between 12-month and Lifetime ECL;
- Additional allowances for new financial instruments recognised during the period, as well as releases for financial instruments de-recognised in the period;
- Impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the period, arising from regular refreshing of inputs to models;
- Impacts on the measurement of ECL due to changes made to models and assumptions;
- Discount unwind within ECL due to the passage of time, as ECL is measured on a present value basis;
- Financial assets derecognised during the period and write-offs of allowances related to assets that were written off during the period.

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

4. Financial Risk Management cont'd

a) Credit risk cont'd

Expected Credit Loss (ECL) on loans to members are summarized as follows:

	Gross Amount	ECL	Net Amount
	\$	\$	\$
Stage 1	30,813,992	294,484	30,519,508
Stage 2	1,680,164	40,145	1,640,019
Stage 3	6,155,718	1,025,741	5,129,977
As at December 31, 2022	<u>38,649,874</u>	<u>1,360,370</u>	<u>37,289,504</u>
As at December 31, 2021	<u>35,214,616</u>	<u>2,054,160</u>	<u>33,160,456</u>

Write-off policy

The Society writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include (i) ceasing enforcement activity and (ii) where the Society's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.

The Society may write-off financial assets that are still subject to enforcement activity. The Society still seeks to recover amounts it is legally owed in full, but which have been partially written off due to no reasonable expectation of full recovery.

Modification of financial assets

The Society sometimes modifies the terms of loans provided to members due to commercial renegotiations, or for distressed loans, with a view to maximising recovery. Such restructuring activities include extended payment term arrangements, payment holidays and payment forgiveness. Restructuring policies and practices are based on indicators or criteria which, in the judgement of management, indicate that payment will most likely continue. These policies are kept under continuous review. Restructuring is most commonly applied to term loans.

The risk of default of such assets after modification is assessed at the reporting date and compared with the risk under the original terms at initial recognition, when the modification is not substantial and so does not result in derecognition of the original asset. The Society monitors the subsequent performance of modified assets. The Society may determine that the credit risk has significantly improved after restructuring, so that the assets are moved from Stage 3 or Stage 2 (Lifetime ECL) to Stage 1 (12-month ECL).

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

4. Financial Risk Management cont'd

a) Credit risk cont'd

This is only the case for assets which have performed in accordance with the new terms for six consecutive months or more.

The Society continues to monitor if there is a subsequent significant increase in credit risk in relation to such assets through the use of specific models for modified assets.

b) Liquidity risk

Liquidity risk is the risk that arises when the maturity dates of assets and liabilities do not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses.

The Society seeks to maintain sufficient available cash and committed credit lines and borrowing facilities to meet the demands of its members. To manage and reduce liquidity risk the Society's management actively seeks to match cash inflows with liability requirements.

Maturities of Financial Assets and Liabilities

	Up to 1 year \$	1 to 5 years \$	Over 5 years \$	Total \$
As at December 31, 2022				
Assets				
Cash and bank balances	11,719,516	-	-	11,719,516
Investments	-	4,652,958	1,475,728	6,128,686
Loans and advances to members	-	15,238,268	22,051,236	37,289,504
Other Assets	323,366	-	-	323,366
Total Financial Assets	12,042,882	19,891,226	23,526,964	55,461,072
Liabilities				
Members' savings/ordinary deposits	38,920,321	129,114	85,498	39,134,933
Term deposits	-	10,006,318	-	10,006,318
Other liabilities	212,692	-	17,481	230,173
Accrued interest payable	-	409,584	-	409,584
Total Financial Liabilities	39,133,013	10,545,016	102,979	49,781,008
Liquidity gap	(27,090,131)	9,346,210	23,423,985	5,680,064
As at December 31, 2021				
Total financial assets	11,087,537	18,900,846	19,842,440	49,830,823
Total financial liabilities	36,915,559	8,650,555	60,655	45,626,769
Liquidity gap	(25,828,022)	10,250,291	19,781,785	4,204,054

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

4. Financial Risk Management cont'd

c) Market Risk

The Society is exposed to market risks on a daily basis. Investments have been diversified to reduce the impact of market risk.

d) Currency Risk

The Society's exposure to currency risk is minimal since the Society's assets and liabilities are held in the functional currency, which is the Eastern Caribbean Dollar. Management has issued strict guidelines to staff for processing foreign currency transactions.

e) Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Credit Union's processes, personnel, technology and infrastructure and from external factors other than credit, liquidity, market and currency risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to the Board of Directors. This responsibility is supported by the development of overall Credit Union's standards for the management of operational risk.

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

5. Cash and Bank Balances

	2022	2021
	\$	\$
Cash on hand	584,218	590,288
Current account	534,214	349,306
Savings account	10,601,084	9,686,366
	11,719,516	10,625,960

6. Financial Assets at Fair Value through Other Comprehensive Income

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

- Equity securities which are not held for trading, and which the Society has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Society considers this classification to be more relevant.
- Debt securities where the contractual cash flows are solely principal and interest and the objective of the Society's business model is achieved both by collecting contractual cash flows and selling financial assets.

Financial assets at Fair Value Through Other Comprehensive Income include the following debt and equity investments:

	2022	2021
	\$	\$
<i>Equity Investments</i>		
Shares at Dominica Co-op. Societies League Ltd.	20,647	20,647
<i>Debt Investments</i>		
Statutory Reserve Deposit at Dominica Co-op Societies League Ltd	957,166	957,166
<i>Government Bonds</i>		
Government of St Lucia Treasury Bill	1,330,820	1,000,610
Government of St Lucia Bond	1,000,000	1,330,210
Government of Dominica debenture at 3% to 5%	1,185	1,522
<i>Fixed Deposits</i>		
At League and Credit Unions	2,320,953	1,796,883
At Insurance Companies	2,066,178	2,066,178
Impairment loss on fixed deposits at Insurance Companies	(2,066,178)	(2,066,178)
Total financial assets at fair value through OCI	5,630,771	5,107,038

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

7. Financial Assets at Fair Value through Profit and Loss

The Society classifies the following financial assets at fair value through profit or loss (FVPL):

- debt investments that do not qualify for measurement at either amortised cost (see note 8) or FVOCI (see note 6)
- equity investments that are held for trading, and
- equity investments for which the Society has not elected to recognise fair value gains and losses through OCI.

Financial assets mandatorily measured at FVPL include the following:

	2022	2021
	\$	\$
Shares at DUTC at cost	31,000	31,000
Provision for diminution in value of investment in DUTC	(31,000)	(31,000)
National Bank of Dominica shares at cost	203,000	203,000
CORP-EFF shares at cost	100,000	100,000
National Credit Union shares at cost	203	203
Dominica Electricity shares at fair value	222,528	222,528
Dominica Electricity shares fair value loss	(27,816)	-
	497,915	525,731

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022****8. Financial Assets at Amortised Cost**

The Society classifies its financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets at amortised cost include the following debt investments:

	2022	2021
	\$	\$
(a) Loans and advances to Members		
Loans to members	35,104,632	32,131,239
Loans to related parties (see note 27)	3,545,242	3,083,377
Total originated loans	38,649,874	35,214,616
Less: Allowance for Expected Credit Losses	1,360,370	2,054,160
	37,289,504	33,160,456
(b) Allowance for Expected Credit Losses		
	2022	2021
	\$	\$
Provision at beginning of year	2,054,160	1,236,915
Bad debts Written Off	(98,555)	-
Expected credit loss recognised during the period	(595,235)	817,245
Closing Allowance for Expected Credit Losses	1,360,370	2,054,160
(c) Originated Loans - Sectoral Analysis		
	2022	2021
	\$	\$
Personal	10,321,587	9,392,762
Mortgage	15,101,549	13,629,553
Home improvement & repair	727,683	812,885
Vehicles	4,818,620	5,238,725
Land	2,470,381	2,084,629
Debt consolidation	3,759,679	2,502,411
Business	509,837	595,177
Stabex (agriculture)	93,417	119,898
Appliance	4,644	20,236
Education	842,477	818,340
	38,649,874	35,214,616
Less: loss allowance for expected credit losses	1,360,370	2,054,160
	37,289,504	33,160,456

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED DECEMBER 31, 2022****9. Other assets**

	2022	2021
	\$	\$
Interest on statutory reserve invested at the League	23,451	23,451
Interest on fixed deposit	82,878	46,538
Utilities commission	727	733
Moneygram	-	125,722
Inventory – supplies non-trade	33,652	32,169
FIP Receivable	211	53
Security deposit – Electricity/Rent	4,100	4,100
League share dividend	619	619
Utilities – Domlec & Flow	3,475	6,326
Interest Receivable	139,001	204,096
Other	35,252	17,770
	323,366	461,577

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

10. Property and equipment

	Land	Building	Furniture Equipment	Computer Systems	TOTAL
COST/Valuation					
Balance - beginning of year 1/1/21	448,579	710,123	403,844	250,586	1,813,132
Additions	-	475,982	88,914	87,109	652,005
Disposal	(7,500)	-	(15,766)	(7,613)	(30,879)
Balance - end of year 31/12/21	441,079	1,186,105	476,992	330,082	2,434,258
Additions	-	26,235	137,945	76,783	240,963
Adjustment lease	-	27,500	-	-	27,500
Disposal	-	-	(3,209)	(14,183)	(17,392)
Balance - end of year 31/12/22	441,079	1,239,840	611,728	392,682	2,685,329
Accumulated Depreciation					
Balance- beginning of year 1/1/21	-	167,716	206,278	179,891	553,885
Eliminated on disposal/adjustment	-	-	(10,442)	(5,456)	(15,898)
Depreciation charge	-	13,885	23,793	37,867	75,545
Balance- end of year 31/12/21	-	181,601	219,629	212,302	613,532
Eliminated on disposal/adjustment	-	-	(2,159)	(7,008)	(9,167)
Depreciation charge	-	25,560	35,965	55,779	117,304
Balance- end of year 31/12/22	-	207,161	253,435	261,073	721,669
Net Book Value					
Beginning of year	441,079	1,004,504	257,363	117,780	1,820,726
End of year	441,079	1,032,679	358,293	131,609	1,963,660

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

11. Members Savings/Ordinary Deposits

	2022	2021
	\$	\$
Members' savings	32,253,509	30,079,848
Special savings	444,370	532,065
Ordinary deposit accounts	6,222,442	6,090,955
Members' pension savings	129,114	110,274
Junior savings	85,498	70,250
	39,134,933	36,883,392

Members' savings formerly called "members' shares" are now recorded as a liability in accordance with International Financial Reporting Standards (IFRS).

12. Term Deposits

	2022	2021
	\$	\$
Interest bearing fixed deposits at rates in range of 1.75 – 3.7% p.a.	10,006,318	8,268,995

13. Accounts Payable and Provisions

	2022	2021
	\$	\$
St Gerard Credit Union	12,953	12,953
Provision for annual general meeting	18,000	18,000
Provision for audit fees	17,500	10,625
Provision for Honoraria	1,800	1,800
Other	162,439	142,237
	212,692	185,615

14. Interest on Term Deposits

	2022	2021
	\$	\$
	409,584	271,286

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

15. Technical assistance grant

2022	2021
\$	\$
<u>17,481</u>	<u>17,481</u>

The Technical Assistance Grant is to be disbursed on certain conditions as set out under section 208 of the Stabex Loan #480000298 agreement. The grant is limited to 25% of the loan amount

16. Members' Capital (permanent shares)

	2022	2021
	\$	\$
Issued and fully paid shares of \$50 (par value) each		
Beginning of year	721,200	690,600
Issued during the year (net)	<u>43,500</u>	<u>30,600</u>
End of year	<u>764,700</u>	<u>721,200</u>

The liability of each member is limited to the paid-up shares.

Shares may with the consent of the Board, but not otherwise, be transferred from one member to another. Such transfers shall be in writing in such form as the Commissioner may approve and shall be subject to payment by the transferor and transferee of such fee for each transfer as the Board may prescribe. The Board may, in its absolute discretion, purchase shares from a member in cases of hardship.

17. Statutory Reserve

The Co-operative Societies Act stipulates that a Society shall credit no less than 20% of its net surplus to a reserve fund; and such Reserve Fund, may subject to the approval of the Commissioner, be used in the business of the Society, for the purposes of an exceptional nature, including unforeseen losses, unexpected shortfalls in liquid cash, capital retention, repair and maintenance and the avoidance of external borrowing.

	2022	2021
	\$	\$
Movements during the year were as follows:		
Balance - beginning of year	1,309,599	1,248,836
Add: Entrance Fee	725	700
Appropriation from surplus	<u>330,919</u>	<u>60,063</u>
	<u>1,641,243</u>	<u>1,309,599</u>

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

18. Education Fund

This represents funds appropriated from surplus for members' education.

19. Building Fund Reserve

This represents appropriation from surplus to be set aside for the Society's building projects.

(a) Fair Value Reserve

This represents the gain (loss) on investment in quoted shares.

20. Development Fund

The Co-operative Societies Act, states that every society shall establish and maintain a Development Fund. Every society that realizes a surplus from its operation as ascertained by the annual audit shall make annual contribution, not exceeding ten percent of that surplus to be used for the development of registered societies.

21. Disaster Fund

The fund has been established to assist with the restoration and renovation of the Society's freehold and leasehold premises that might become necessary from the damage caused by storms, hurricanes, and torrential rains.

22. Net interest and Investment income

Interest Income	2022	2021
	\$	\$
Interest from loans	3,234,832	3,128,680
Interest from savings account	177,686	143,445
Fixed deposit interest	60,384	42,454
Interest on statutory reserve invested at League	23,451	23,451
Treasury bill interest	100,736	89,632
Government bond interest	11	45
	3,597,100	3,427,707

Interest expense	2022	2021
	\$	\$
Interest on regular savings	429,718	379,564
Interest on term deposits	272,875	252,958
Interest on Christmas savings club	6,439	4,563
Interest on regular deposits	53,375	55,091
	762,407	692,176
Net interest and investment income	2,834,693	2,735,531

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

23. Other Income	2022	2021
	\$	\$
Dividend from other investments	4,000	2,593
Commission utility companies & Moneygram	22,156	30,487
Sale of passbooks	4,645	4,805
Commission FIP	7,203	9,430
Phone card commission	2,609	2,217
Corp-Eff dividend	207	-
Other income	19,220	18,681
	60,040	68,213

24. Operating Cost	2022	2021
	\$	\$
Personnel expenses (see note 25)	788,086	716,466
Governance (Board & Committees' expenses and honoraria)	11,629	15,556
Members' interest & protection	294,898	292,341
Annual general meeting	31,891	28,466
Audit fee	13,750	16,300
Fraternity expenses (League dues)	3,479	34,079
Occupancy expenses	14,885	18,244
Utilities (electricity, telecommunications & water)	142,825	118,670
Building insurance	16,706	11,111
General expenses	399,922	359,407
	1,718,071	1,610,640

25. Personnel Expenses	2022	2020
	\$	\$
Salaries	692,601	642,511
Social Security	47,333	43,207
Pension & insurance	24,469	16,635
Uniforms	13,043	14,113
Other	10,640	-
	788,086	716,466

WEST COAST CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

26. Pension Plan

The Credit Union operates a pension plan for its staff, which is funded by deductions from staff salary plus contributions from the Credit Union. These funds are managed by Sagicor Insurance Company.

27. Related Party Transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party by making financial and operational decisions.

As at December 31, 2020 related parties had the following balances with the Credit Union:

	2022		2021	
	Loans	Deposits/ Savings	Loans	Deposits/ Savings
Directors	1,533,497	79,831	1,289,830	129,659
Committee Members	526,531	80,452	400,931	93,415
Staff	1,485,214	200,179	1,392,616	247,781
	3,545,242	360,462	3,083,377	470,855

28. Fair value of financial assets and liabilities

All financial assets and liabilities are carried at fair value.

29. Contingencies and Commitments

- (a) Loans committed but not yet drawn down at the balance sheet date: \$342,550
(2021- \$350,081.89)
- (b) Legal – None.
- (c) Capital commitment: None.

30. Human Capital Management

	2022	2020
	\$	\$
Number of employees	22	21
Staff cost/ total revenue	21.38%	20.50%
Total Revenue per employee	163,275	166,464
Total Assets per employee	2,611,476	2,460,099

Supervisory and Compliance Annual Report

For the year ended December 31st, 2022



MS. LEESIA LEWIS
CHAIRPERSON
SUPERVISORY COMMITTEE

The Supervisory and Compliance Committee is pleased to present to members the report of activities conducted within the financial year, ended December 31st 2022, in accordance with the Co-operatives Societies Act, Cap. 78.03 and the Financial Services Unit Act, Cap. 63.03, of the 2017 Revised Laws of Dominica and the By-Laws of the West Coast Cooperative Credit Union.

Members serving on the Supervisory and Compliance Committee for the year ended December 31st, 2022 were as follows:

- Mrs. Sean Scotland - Chairperson (January - May)
- Miss Leesia Lewis - Chairperson (June - December)
- Miss Joewella Henderson - Secretary (January - December)
- Miss Lynsia Frank - Member (January - November)
- Mrs. Jarsmine Vidal-Matthew - Member (January - December)
- Miss Carla Douglas - Member (January - December)
- Mr. Julien Burgins - Member (January - December)
- Mr. Jamie Jno. Baptiste - Member (August - December)

Members Julien Burgins and Joewella Henderson have just completed their tenure of office. They have served the Society diligently. On behalf of the Society, we thank them for their contribution over the years.

The Supervisory and Compliance Committee plays a very essential role in the efficient and effective functioning of the Society. To ensure that the Society functions within the provisions stipulated in the Laws, By-Laws, and Policies governing the institution, the Committee has to examine the functioning of all aspects of the Society's operations. This entails the in-depth auditing and supervision of various parts of the institution and the review of all supporting documents. The Committee is charged with the responsibility of ensuring that the Credit Union is prudently managed and members' assets are safeguarded.

Supervisory and Compliance Annual Report

For the year ended December 31st, 2022

For the period under review, the following areas of the operations of the West Coast Co-operative Credit Union were examined and reports and recommendations were submitted to the Board of Directors:

- Reviewed the Minutes of the Meetings of the Board of Directors, Credit Committee, and Special Loans Committee
- Reviewed the Loan Portfolio
- Ensured that all advances, loans, deposits, other transactions, and decisions involving Directors, Committee members, and employees comply with the Cooperatives Societies Act, Cap 78.03 and Financial Services Unit Act, Cap. 63.03 of the 2017 Revised Laws of the Commonwealth of Dominica, the Regulations, Policies and By-Laws of the West Coast Cooperative Credit Union
- Examined the Management Reports
- Conducted end-of-year cash count
- Reviewed the Compliance Department Reports
- Scrutinized and appraised the policies and operating procedures of the society
- Confirmed the securities held by the Society
- Investigated complaints made by members affecting the proper management of the credit union

OBSERVATIONS RE AREAS EXAMINED

Cash Reconciliation

The Supervisory and Compliance Committee, along with the External Auditor conducted a cash count at the end of the financial year. No excesses or shortages of cash were revealed in the conduct of this exercise.

Loans Portfolio

Audits of the loan portfolio were conducted with the objective of determining whether the loans issued were in accordance with the Co-operatives Societies Act and WCCCU Loan Policy Manual, whether the securities held for mortgage and vehicle loans were valid and adequate, whether the approval limits established for the Loans Manager, General Manager, Credit Committee and the Board of Directors were adhered to, and whether all homeowners and vehicle insurance were updated.

A random sample of approved loans was selected and examined, along with all loans issued to serving members and employees. Satisfactory compliance with applicable laws and policies in the granting and disbursement of loans was observed. Our observations were brought to the attention of the General Manager and the Credit Department.

Supervisory and Compliance Annual Report

For the year ended December 31st, 2022

Minutes of Meetings

During the financial year, the Supervisory and Compliance Committee reviewed minutes of meetings of the Board of Directors, Credit Committee, and Special Loans Committee to ascertain the progress of the society and to observe their adherence to policies. All queries and recommendations obtained as a result of the reviews conducted by the Committee were forwarded to the necessary parties.

Compliance Department Report

A review was undertaken of WCCCU's compliance with the law and regulations governing Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT). The monthly reports were examined and the Committee is satisfied that WCCCU is taking the necessary steps to ensure compliance with the law and regulations.

Policies and Operating Procedures

The Supervisory and Compliance Committee's work plan for the financial year 2022 included the review of all policies and operating procedures to ensure that the Society operates within the purview of the rules and guidelines outlined in these manuals. This review is ongoing as some of the policies are currently being revised.

Supervisory and Compliance Annual Report

For the year ended December 31st, 2022

CONCLUSION

The Supervisory and Compliance Committee would like to report that to the best of its knowledge, the Management, Staff, and Managing Committees adhered to the policies and procedures governing the West Coast Co-operative Credit Union. Management continues to adopt a proactive approach to conducting business for the creation of revenue for the benefit of the membership. Despite the financial constraints imposed by the COVID-19 pandemic, management continues to set strategic goals to increase business with a focus on viable marketing strategies to improve the Loan Portfolio and achieve financial gains.

The Committee will remain a vigilant representative of members' interests, ensuring continued safety and soundness as the Credit Union strives to provide you and your family with excellent member services.

Additionally, the Committee records our warmest and sincere thanks to the President, members of the Board and Credit Committee, and staff for the work done to achieve the success of the West Coast Co-operative Credit Union. To all the valued members, we express our appreciation and encourage you to remain committed to the society as we seek to enhance the services in the upcoming years.

.....
LEESIA LEWIS (MISS)

CHAIRPERSON

For and on behalf of the

SUPERVISORY AND COMPLIANCE COMMITTEE



MORTGAGE

Flex



REQUIREMENTS

- ✓ 5% of amount requested deposited to savings
- ✓ Recent job letter
- ✓ Two most recent salary slips
- ✓ Must be employed for 2 years

- ✓ Maximum Term 30 years
- ✓ FREE Mortgage Insurance up to \$250,000
- ✓ Interest rates as low as 4.5%

CONTACT US

(767) 449 6556 / 449 9343

 wccultd@gmail.com / info@wccu.net

Salisbury. Pottersville. St. Joseph. Colihaut. Coulibistrie

Credit Committee Report

For the year ended December 31st, 2022



MRS. CALMA LOUIS
CHAIRPERSON
CREDIT COMMITTEE

Introduction

The Credit Committee of the West Coast Cooperative Credit Union is pleased to present the report on lending activities for the financial year 2022.

In fulfilling the mandate given to us by the membership and by the Cooperative Societies Act Cap. 78:03 of the 2017 Revised Laws of the Commonwealth of Dominica, we acted professionally, always maintaining high ethical standards. We assessed every loan application with due regard for the components of credit risk, and offered recommendations and decisions that were fully compliant with the society's loan policy.

Composition

For the year under review, Mrs. Calma Louis and Mrs. Mary-Lynn Vidal Blanc replaced Ms. Desrey Ambo and Mrs. Judith Shipley who had completed two consecutive terms in office. During their tenure, both outgoing volunteers made sterling contributions to the Committee and the society by extension. We extend gratitude, appreciation and very best wishes to Mses. Ambo and Shipley.

The Credit Committee comprises seven (7). For the term, the serving members and their designations were:

<i>Chairperson</i>	-	<i>Calma Louis</i>
<i>Secretary</i>	-	<i>Connie Joseph-Louis</i>
<i>Members</i>	-	<i>Darran Toulon</i>
		<i>Davis Laudat</i>
		<i>Nyla Austrie</i>
		<i>Josea John. Baptiste</i>
		<i>Mary -Lyn Vidal- Blanc</i>

Credit Committee Report

For the year ended December 31st, 2022

Functioning

The Committee met on a scheduled basis monthly on Wednesdays, but also from time to time as required by the loans department. We carefully reviewed all loan applications presented, monitored the level of loans in arrears, and deliberated on strategies for improving the loan experience at our society. The attendance of members at meetings is shown in Table 1.

Table 1: Attendance at Meetings by Credit Committee Members

Name	Meetings attended	Absent & Excused
<i>Calma Louis</i>	5	0
<i>Connie Joseph – Louis</i>	8	0
<i>Nyla Austrie</i>	7	1
<i>Davis Laudat</i>	5	3
<i>Mary Lyn Vidal- Blanc</i>	5	0
<i>Josea John Baptiste</i>	2	6
<i>Darran Toulon</i>	8	0
<i>Desrey Ambo (outgoing)</i>	3	0
<i>Judith Shipley (outgoing)</i>	2	1
TOTAL NO. OF MEETINGS	8	

Analysis of Loan Activities

Over seventeen million dollars: - **EC\$17,835,787.45**, was disbursed in loan funds in response to a total number of eight hundred and twenty-seven (**827**) loan applications. The performance compares very favourably, both in quantum and value, with that of the previous year 2021, when the value of loans disbursed was **\$12,851,095.27**, for a total number of seven hundred and thirty-seven (**737**) loans. The Committee is of the view that this showing: - an increase of ninety (90) loans and disbursement of close to five million more in loan funds - over the previous year, is an excellent 'new normal' coming from the impact of the COVID-19 pandemic on lending and other financial activities.

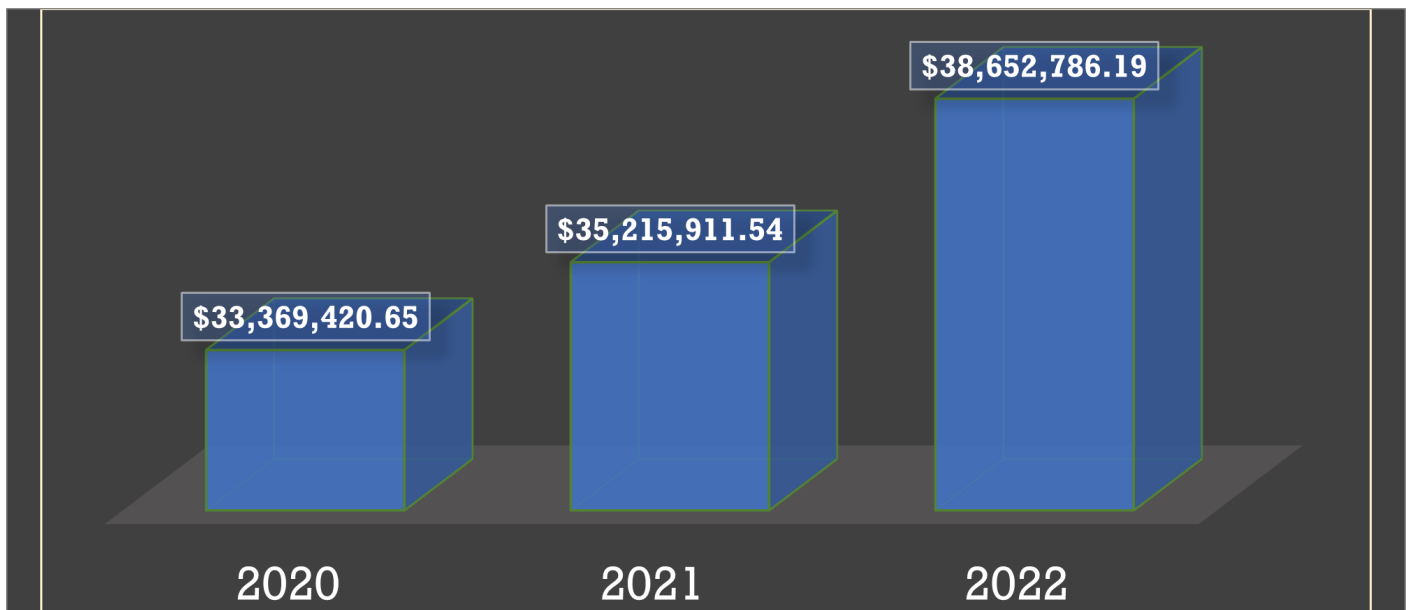
Credit Committee Report

For the year ended December 31st, 2022

A quick comparison of the last three years (see Fig. 1) shows consistent and steady growth. For 2022, the entire loan portfolio stood at **\$38,652,786.19**, a **9.8%** increase amounting to **\$3,440,121.45** over 2021 when the end of year portfolio stood at **\$35,212,664.74**. At the end of financial year 2020, the portfolio had been **\$33,369,420.65**.

We compliment members for utilizing the loan products developed and tailored by West Coast to meet your needs and to stabilize and improve your financial standing. The steady increase in the loan portfolio over the last three years is illustrated in Figure 1.

Figure 1: WCCCU: Overall Loan Portfolio 2020 - 2022



Loans Granted by Purpose:

Over **80%** of the loan funds disbursed, that is: - close to fifteen million dollars, were for five main purposes as shown on following table:

Purpose for Loans	Percentage %
Domestic / Personal	25.85%
Debt Consolidation	22.72%
Building	16.79%
Vehicle Purchase	9.41%
Home Improvement	5.73%

Credit Committee Report

For the year ended December 31st, 2022

The 'Domestic/Personal' category, at 25.85% of loans granted, recorded the highest number and value of loans given for the year. Loans for 'Debt Consolidation' at 22.72% was next in value, closely followed by 'Building / Mortgage loans at 16.79%. 'Vehicle Purchase' represented 9.41% of the portfolio while 'Home Improvement' loans represented 5.73% of the loans granted for 2022. Table 2 and Figure 1 depict, in tabular and diagram forms, the various categories of loans, number and value.

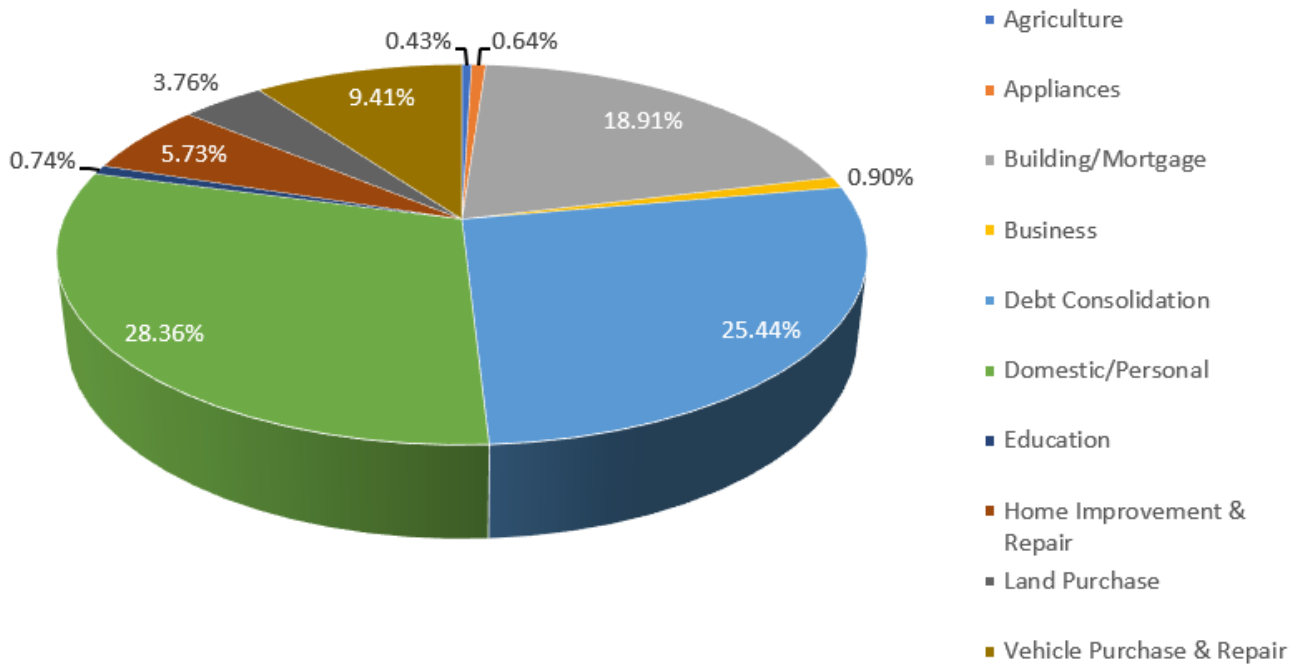
Table 2: Loans Granted by Purpose

Loan Purposes	Count	Value - EC\$	Percentage
<i>Agriculture</i>	7	77,582.36	0.43%
<i>Appliances</i>	7	114,467.42	0.64%
<i>Building/ Mortgage</i>	16	3,372,191.11	18.91%
<i>Business</i>	23	873,898.56	4.90%
<i>Debt Consolidation</i>	56	4,537,655.53	25.44%
<i>Domestic/ Personal</i>	610	5,057,559.63	28.36%
<i>Education</i>	3	131,576.00	0.74%
<i>Home Improvement & Repair</i>	42	1,022,375.17	5.73%
<i>Land Purchase</i>	8	670,531.10	3.76%
<i>Vehicle Purchase & Repair</i>	55	1,977,950.57	11.09%
Totals	827	17,835,787.45	100.00

Credit Committee Report

For the year ended December 31st, 2022

Figure 1. Percentage of Loans Approved by Category - 2022



Loans Granted by Gender

As is customary, males accounted for the larger share of loans taken for the year: – **62.7%**, or four hundred and seventy-seven (477) loans with a value of **\$11,177,283.78**. Females received **37.3%** of the loans given, numbering three hundred and fifty (350) at a value of **\$6,658,503.67**. The average is a total of 127 loans, totaling **\$4,518,780.11**.

The average loan granted to males was **\$23,432.46** while the average granted to females was **\$19,024.30** (Table 3 and Figure 2 refer). Thus, on average, males received **\$4,408.16** more per loan than females.

Credit Committee Report

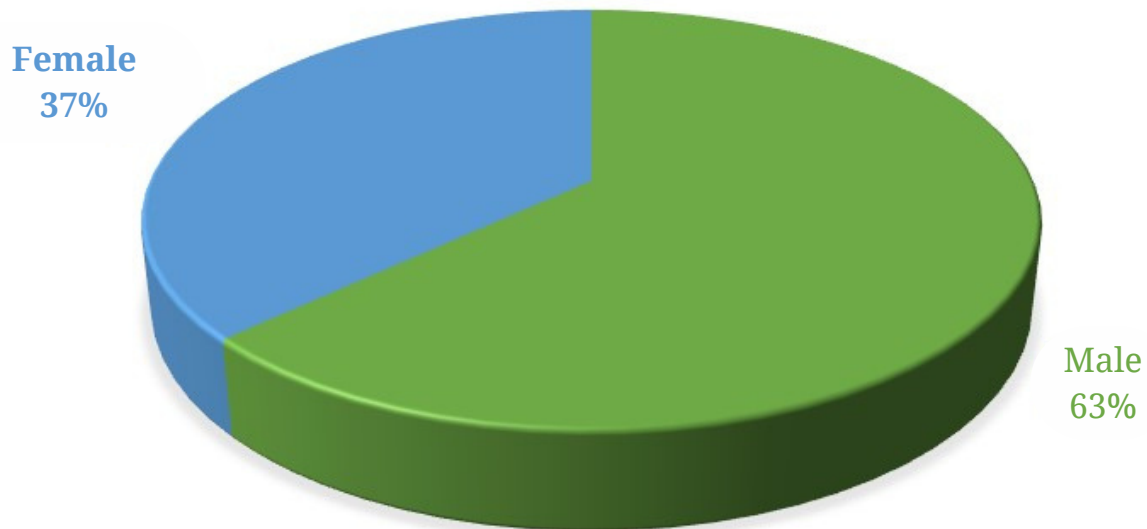
For the year ended December 31st, 2022

Further analysis of the lending by gender showed that males exceeded females in all the areas in which loans were granted.

Table 3: Loans Granted by Gender - 2022

Loans by Gender	Count	Value \$EC	Percentage
<i>Male</i>	477	11,177,283.78	62.67
<i>Female</i>	350	6,658,503.67	37.33
Totals	827	17,835,787.45	100

Figure 2: Loans Granted by Gender - 2022



Credit Committee Report

For the year ended December 31st, 2022

Loans Granted by Age

We also analyzed lending for the year by the age of debtors. Millennials aged 36 to 40 represented the best performing group of borrowers; taking the highest number and the greatest value of the loans. They received a grand total of 116 loans representing 21.17% of all loans granted. This performance was followed by the age group 41 – 45, accounting for 110 loans, 18.85% of the number granted, then by the age group 51 – 55 which accounted for 101 loans or 13.68% of total loans granted (See Table 4).

Table 4: Loan Granted by Age

Age	Count	Value EC\$	Percent
18 – 25	40	492,931.79	2.76
26 – 30	96	1,199,151.66	6.72
31 – 35	82	1,299,726.35	7.29
36 – 40	116	3,775,347.52	21.17
41 – 45	110	3,362,931.44	18.85
46 – 50	82	2,302,912.09	12.91
51 – 55	101	2,439,977.52	13.68
56 – 60	99	1,305,533.86	7.32
61 – 65	55	1,141,449.12	6.40
66 – 70	31	457,510.10	2.57
71 and over	15	58,316.00	0.33
Total	827	17,835,787.45	100.00

Credit Committee Report

For the year ended December 31st, 2022

Delinquency

We strove to keep the rate of loans in arrears below 5%, working closely with the Recovery Officer to assess bad loans and to make recommendations for recovery that took the members' circumstances into account. On December 31st, 2022, the rate of the loans in arrears was 6.95%.

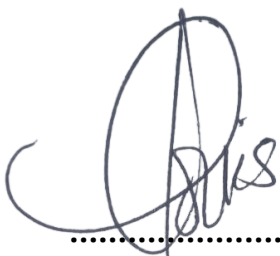
We commend those members who honour your borrowing agreements and who strive to be financially prudent. We urge members who encounter difficulties in meeting your agreements to discuss these situations with your Credit Union. As we strive to operationalize every facet of our mission, we will continue to provide every member with financial guidance, counseling, favourable opportunities and quality service to improve and sustain financial well-being.

Conclusion

The growth in the loan portfolio reflects an increasing demand for our loan products. Most importantly, it indicates that West Coast Co-operative Credit Union understands that providing affordable loans for provident and productive purposes for members is paramount. We aim to transform the social and economic status of members, enabling advancement and the achievement of financial goals. Rest assured that the challenges faced within the financial industry will not deter us from working assiduously to satisfy your financial needs.

We thank members for allowing us to serve you in this capacity. We thank the Board of Directors, other Committees, management and Staff for assisting us in fulfilling our mandate. We make special mention of Mrs. May-Lynn Vidal Blanc for her service and priceless contribution to the Committee despite her limited time serving; we wish her well. Finally, we salute the employees of the Loans department for the tremendous work done in 2022. Well done!

Thank you.



.....
CALMA LOUIS (MRS.)
CHAIRPERSON – CREDIT COMMITTEE



MAX \$2500
per child



SCHOOL KIT

LOW MONTHLY PAYMENTS

- Provide evidence that the child is in school (booklist)
- Complete your application and pick up your school kit.

CONTACT US

(767) 449 6556 / 449 9343 / 295 2682

 wccculd@gmail.com / info@wcccu.net



Terms & Conditions Apply

Nominations Committee Report

For the year ended December 31st, 2022



MR. KEN GEORGE
CHAIRPERSON
NOMINATION COMMITTEE

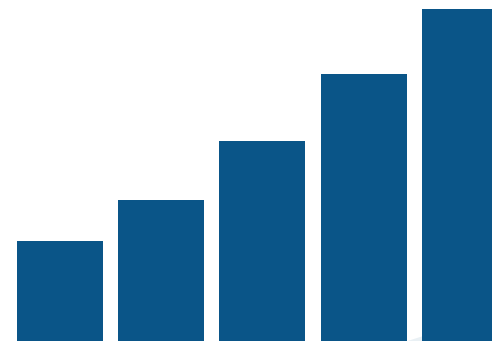
The Board of Directors appointed the Nomination Committee to nominate suitable members to fill vacant positions at the Society.

The members of the committee are:

- Mr. Ken George
- Mr. Glenroy Toussaint
- Ms. Leesia Lewis
- Mrs. Calma Louis

RECOMMENDATIONS

The committee met and selected persons in accordance with section 53, 59, 65 and 73 of the Co-operatives Societies Act of 2011 and Section 11(2) of the regulations, the committee recommends to the membership the following:



Nominations Committee Report

For the year ended December 31st, 2022

BOARD OF DIRECTORS

Name	Term	Expiry Date	Nominees
Mr. Glenroy Toussaint	1st	2024	
Mr. Dyron Vidal	1st	2024	
Mr. Eric Serrant	2nd	2023	Francis Paul
Mrs. Lyn John Fontenelle	1st (Resigned)	2024	Co-opt Mrs. Yvette Scotland
Mr. Pellam Jno Baptiste	1st	2024	
Mr. Malcolm St. Rose	2nd	2023	Mrs. Judith Shipley
Mr. Bernard Pacquette	2nd	2025	
Mr. Tenny Shillingford	2nd	2025	
Mr. Ken George	2nd	2025	

Nominations Committee Report

For the year ended December 31st, 2022

CREDIT COMMITTEE

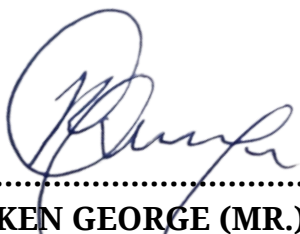
Name	Term	Expiry Date	Nominees
Mr. Darran Toulon	1st	2024	
Ms. Josea John Baptiste	2nd	2023	Mr. David Fritz
Mrs. Connie Joseph Louis	1st	2024	
Ms. Nyla Austrie	2nd	2023	Desrey Ambo
Mr. Davis Laudat	2nd	2025	
Mrs. Calma Louis	1st	2024	
Ms. Lyn Vidal	1st (Resigned)	2024	Co-opt Miss Shernica Pierre

Nominations Committee Report

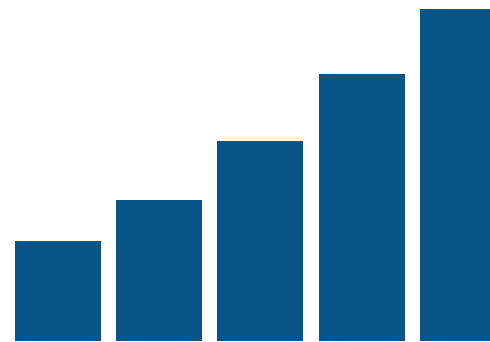
For the year ended December 31st, 2022

Supervisory Committee

Name	Term	Expiry Date	Nominees
Ms. Joewella Henderson	2nd	2023	Florestine Laurent
Ms. Lysia Frank	1st (Resigned)	2024	Co-opt Miss Edona Jno Baptiste
Ms. Samantha Scotland	1st (Resigned)	2024	Co-opt Mr. Jamie Jno Baptiste
Ms. Carla Douglas	2nd	2024	
Mr. Julien Burgins	2nd	2023	Ms. Eunie John
Ms. Leesia Lewis	1st	2024	
Mrs. Jasmine Vidal	2nd	2025	



.....
KEN GEORGE (MR.)
CHAIRPERSON – NOMINATIONS COMMITTEE



West Coast Co-operative Credit Union

Pottersville Branch Opening

June 5th, 2023



WCCCU
Products & Services

School Kit

MAX \$2500
per child

Farm Plus

\$10,000.00
Per Project

Fixed Deposits

Fresh Auto Start Loan

Only 8.5%

Mortgage Flex

APPROVED
Mortgage

Business Development

Deposits

Contact 295 2682 for more information

Esi Max

Savings

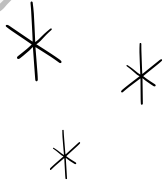
Education

Business Development

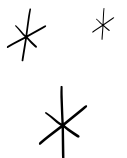
Recap



NOTES



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OUR LOCATIONS

Salisbury

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St. Joseph

Colihaut

Coulibistrie



SALISBURY

Main Street

☎ 449-6556 / 295-9343



POTTERSVILLE

19/21 Elliot Avenue

☎ 449-6556 / 295-9343



ST. JOSEPH

Ortrobando

☎ 446-6917 / 265-9303



COLIHAUT

Colihaut Village

☎ 446-654 / 265-1826



COULIBISTRIE

Coulibistrie Highway

☎ 446-6829 / 277-3833



Tel.# 449 6556/ 295 9343

Email: wcccultd@gmail.com / info@wcccu.net

Website: www.wcccu.net

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Salisbury. Pottersville. St. Joseph. Colihaut. Coulibistrie