

GRACE CO-OPERATIVE CREDIT UNION

WE HAVE HEARD YOUR VOICES
AND HAVE AMENDED OUR MOTOR VEHICLE LOAN POLICY TO BETTER SUIT YOU
OUR VALUED MEMBERS

Interest rates on regular loans are determined by the loan-to-share ratio and currently range from 12% to 20% on a reducing balance basis.

Effective May 1, 2010, the following policy will apply when using motor vehicles as collateral:

| Age of Vehicle | Percentage Financial | Repayment term |
|----------------|----------------------|----------------|
| None - 1 year | 90% | 5 years |
| 2 year | 85% | 5 years |
| 3 year | 80% | 5 years |
| 4 year | 75% | 4 years |
| 5 year | 70% | 4 years |
| 6 year | 65% | 4 years |
| 7 year | 60% | 3 years |
| 8 year | 55% | 2 years |
| 9 year | 50% | 2 years |
| 10 year | 45% | 1 year |

NR. The year of manufacture is considered year 1.

Based on the percentage of the loan which is secured with savings, the term of the loan can be extended further as follows:

| | |
|------------------------|------------------------|
| 10% - 30% | add maximum of 2 years |
| Greater than 30% - 50% | add maximum of 3 years |
| Greater than 50% - 80% | add maximum of 4 years |
| Greater than 80% | add maximum of 5 years |

However, no reliance shall be placed on vehicles over 10 years old and the maximum repayment term on any vehicle shall be 6 years.

Please contact Nesta Jackson- loan officer at 932 3588 for further information.

PRODUCTS AND SERVICES OFFERED BY
GRACE CO-OP CREDIT LTD.

It is Time To Save Money!

You may be asking yourself 'Save out of what?' Don't 'lose out on the banker'.

The Golden Harvest Savings Plan is a financial product in a competitive market. This is designed to make your money work for you.

The Partner Plan operates similar to the regular traditional partner with specified periods, at the end of which you earn a bonus and you don't have to pay the banker.

The infamous Family Indemnity Plan (FIP) is an insurance (death benefit) plan offered to members and their families for premiums as low as \$22.40 per plan and coverage of up to \$20,000 per individual.

Health insurance offered by Medica with monthly premium ranging from \$3,077.70 - \$8,917.80.

Grace Co-operative Credit Union Limited



VISION STATEMENT

To become the Credit Union and Financial Partner of first choice for GraceKennedy employees and their family members.

MISSION STATEMENT

Grace Co-operative Credit Union Limited is committed to assisting our members to meet their personal financial goals through the provision of superior Credit Union services delivered by great people, empowered with the right skills, necessary tools, and shared vision.

We will offer personalized and friendly customer service, prudent financial advice and a safe and competitive opportunity for loans, savings and investments.

Annual General Meeting 2010

We are always here for you!



Grace Co-operative Credit Union Limited

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Annual General Meeting 2010

We are always here for you!



FIVE YEAR STATISTICS

| | 2009 | 2008 | 2007 | 2006 | 2005 |
|---------------------------------------|-------------|--------------|-------------|-------------|-------------|
| PERMANENT SHARES | 2,025,000 | | | | |
| VOLUNTARY SHARES | 220,072,221 | 195,258,241 | 175,509,294 | 169,923,760 | 152,832,870 |
| % Increase over prior year | 12.71% | 11.25% | 3.29% | 11.18% | 16.90% |
| INSTITUTIONAL CAPITAL (Gross) | 52,527,957 | 48,007,463 | 44,173,500 | 40,591,352 | 36,521,288 |
| % Increase over prior year | 9.42% | 8.68% | 8.82% | 11.14% | 19.73% |
| LOANS TO MEMBERS | 226,391,896 | 213,641,828 | 193,207,424 | 188,780,133 | 202,384,241 |
| % Increase over prior year | 5.97% | 10.58% | 2.35% | -6.72% | 19.51% |
| TOTAL ASSETS | 379,887,171 | 354,696,359 | 311,137,050 | 303,344,330 | 271,894,285 |
| % Increase over prior year | 7.10% | 14.00% | 2.57% | 11.57% | 13.05% |
| CURRENT ASSETS **** | 124,716,139 | 115,053,420 | 94,302,418 | 93,594,102 | 49,683,741 |
| CURRENT LIABILITIES **** | 304,241,374 | 284,810,690* | 70,298,045 | 70,734,404 | 65,607,497 |
| INCOME AND SURPLUS | | | | | |
| INCOME | 56,284,353 | 48,427,013 | 43,498,017 | 42,710,843 | 38,970,403 |
| % Increase over prior year | 16.23% | 11.33% | 1.84% | 9.60% | 15.08% |
| EXPENSES | 33,726,723 | 29,424,897 | 25,996,606 | 22,692,916 | 21,584,182 |
| SURPLUS | 22,557,630 | 19,002,116 | 17,501,411 | 20,017,928 | 17,386,221 |
| % Increase/(Decrease) over prior year | 18.71% | 8.57% | -12.57% | 15.14% | 18.11% |
| UNDISTRIBUTED SURPLUS | 19,830,372 | 18,558,738 | 17,836,743 | 18,775,346 | 13,613,161 |
| RESERVES | 47,359,031 | 44,895,537 | 41,061,574 | 37,479,426 | 33,409,362 |
| DIVIDENDS PAID | 16,720,398 | 14,424,698 | 15,122,281 | 11,095,495 | 8,760,338 |

continued on next page



FIVE YEAR STATISTICS Cont'd.

| RATIOS | 2009 | 2008 | 2007 | 2006 | 2005 |
|---------------------------------------|--------|---------|--------|--------|--------|
| CURRENT ASSETS | 0.41:1 | 0.14:1* | 1.34:1 | 1.32:1 | 0.76:1 |
| SURPLUS TO INCOME | 40.07% | 39.24% | 40.23% | 46.87% | 44.61% |
| EXPENSES TO INCOME | 59.92% | 60.76% | 59.77% | 53.13% | 55.39% |
| INCOME TO TOTAL ASSETS | 14.82% | 13.65% | 13.98% | 14.08% | 14.33% |
| SURPLUS TO TOTAL ASSETS | 5.94% | 5.36% | 5.62% | 6.60% | 5.00% |
| UNDISTRIBUTED SURPLUS TO TOTAL ASSETS | 5.22% | 5.23% | 5.73% | 11.05% | 11.38% |
| MEMBERSHIP | 2,559 | 2,662 | 2,518 | 2,444 | 2,366 |
| BORROWERS | 1,571 | 1,374 | 1,331 | 847 | 931 |
| BORROWERS TO MEMBERSHIP | 61.39% | 51.62% | 52.86% | 34.65% | 39.35% |

* Restated

NOTICE

is hereby given that the
41st ANNUAL GENERAL MEETING
of the
Grace Co-operative Credit Union Limited
will be held on
WEDNESDAY, JUNE 9, 2010
in the
LUNCH ROOM, GRACEKENNEDY LIMITED
at **73 HARBOUR STREET, KINGSTON.**
The meeting will commence at 4:30 p.m.

Registration will begin
at 4:00 p.m.

Signed: Mrs. Paula Barclay
Secretary- Board of Directors



AGENDA

1. Ascertainment of a quorum
2. National Anthem (led by Felleshia Francis)
3. Notice convening Annual General Meeting
4. Prayer
5. Welcome and apologies for absence
6. Confirmation of Minutes of the 40th Annual General Meeting
7. Reports of:
 - a) Board of Directors
 - b) Auditor & Treasurer
 - i) Appropriation of Surplus
 - ii) Fixing of Maximum Liability for Loans Committee and Deposits
 - c) Nomination of Auditors
 - d) Credit Committee
 - e) Supervisory Committee
 - f) Recruitment and Education/Marketing Committee
 - g) Delegates Report on JCCUL's 68th AGM
8. Elections: See Report of Nominating Committee
 - a) Board of Directors
 - b) Credit Committee
 - c) Supervisory Committee
9. Resolutions
10. Any other Business
11. Gate Prizes
12. Adjournment



MINUTES OF THE 39TH ANNUAL GENERAL MEETING OF GRACE CO-OPERATIVE CREDIT UNION LIMITED HELD ON WEDNESDAY, JUNE 4, 2008 IN THE LUNCH ROOM, GRACEKENNEDY LIMITED, 73 - 75½ HARBOUR STREET, KINGSTON

ASCERTAINMENT THAT A QUORUM WAS PRESENT, CALL TO ORDER

Having ascertained that a quorum was present, the Chairman, Mr. Gilroy Graham called the meeting to order at 4:50 p.m. He apologized for the late start and asked Felleshia Francis to lead the singing of the National Anthem. Director Jerry Hamilton read the notice convening the meeting.

PRAYER, WELCOME

Mr. Davion Wilson read the Prayer of St. Francis of Assisi. Special welcome was extended to Mrs. Johnson-Young from CUNA Mutual, Mr. Thompson and Mrs. Gilbert representing the auditors Gilbert Thompson & Company Limited, Ms. Christine Mathison from the Department of Co-operatives and Friendly Societies, Omar Graham and Laurel Clayton-Hall from the Jamaica Co-operative Credit Union League and Colleen Richardson, former General Manager of the Grace Co-op Credit Union and now Manager of the Clarendon Co-operative Credit Union.

APOLOGIES FOR ABSENCE

Apologies for absence were tendered on behalf of the following persons:

Joe Taffe – 1st Vice President
Grace Burnett – Secretary
Paula Barclay – Assistant Secretary
Claudette White – Director

Courtney Campbell – Member
Robert Drummond – Member
Phillipa Beckford – CUNA Mutual

Mrs. Fay McIntosh advised that she would be leaving the meeting early.

CONFIRMATION OF THE MINUTES OF THE 39TH ANNUAL GENERAL MEETING AND MATTERS ARISING

The minutes of the 39th Annual General Meeting held on June 4, 2008 were taken as read on a motion by Faithlyn Myles and seconded by Leighton Grant.

There was one amendment to the minutes, on page 7 under the subheading Appropriation of Funds; the recommended dividend payment should be 10.5% instead of 10%.

After this amendment was made, the minutes were confirmed on a motion by Albert Anderson and seconded by Eric Mardner.

ADOPTION OF RESOLUTIONS AND ELECTION OF OFFICERS

The standing orders were suspended on a motion proposed by Simon Roberts and seconded by Alrick Campbell to enable voting on the resolutions and the election of officers.



MEMBERSHIP BOND

Motion for the adoption of the new membership bond was proposed by Simon Roberts and seconded by Lorraine Blair Baker.

The Motion was carried.

PERMANENT SHARES

Motion for the adoption of permanent shares of \$1,000 was proposed by Simon Roberts and seconded by Oral Richards.

The Motion was carried.

ALL RULES AND REGULATIONS

Motion for the adoption of all rules and regulations en bloc was proposed by Simon Roberts and seconded by Oral Richards.

The Motion was carried.

Ms. Matthison of the Department of Co-operatives and Friendly Societies was invited to preside over the elections. The members' attention was directed to the Report of the Nominating Committee.

Recommended for the Board of Directors were:

- Mrs. Sandra Barnett**
- Mr. Andrew Levy**
- Mr. Christopher Bond**
- Mrs. Paula Barclay**
- Miss Janette Taylor**

There being no other nominations, the nominees were confirmed to serve for the next two years. They join Gilroy Graham, Jerry Hamilton, Fay McIntosh and Joe Taffe, who have 1 year remaining in their tenure of service.

Recommendations for the Credit Committee were:

- Colin Atkinson**
- Marcia Dinnall-Douglas**
- Sydoney Johnson**

There being no other nominations, the nominees were confirmed to serve for the next two years.

Recommendations for the Supervisory Committee were:

- Mrs. Lorna Reynolds Minott**
- Mr. Leighton Grant**
- Mr. Aden Whittaker**
- Mr. Eric Mardner**
- Ms. Beverley Wright**

There being no other nominations, the nominees were confirmed to serve for the next year.

Recommended as Delegates and Alternates were:

- Delegates**
- Janette Taylor
 - Gilroy Graham

- Alternates**
- Jerry Hamilton
 - Hope Mowatt

The nominees were confirmed.

On a motion proposed by Leighton Grant and seconded by Colleen Williams, there was a resumption of the standing orders.



Report of the Board of Directors

The Board of Directors Report for the year 2008, having been circulated was taken as read. Mr. Christopher Bond presented highlights of the report as follows:

He thanked Ms. Colleen Richardson for her years of dedicated service as General Manager and welcomed Ms. Hope Mowatt to the position. Mr. Bond also thanked retiring directors Mrs. Grace Burnett and Mrs. Claudette White, retiring member of the Credit Committee Novelette Dias Morgan and retiring member of the Supervisory Committee Ingrid March- Herriman for their invaluable contribution to the Credit Union.

Lorraine Blair- Baker proposed a motion to adopt the report and this was seconded by Akilah Nangwaya.

Auditors Report

The auditors report was read by Mrs. Gilbert.

Lisa Belnavis- Edwards proposed a motion to adopt the report and this was seconded by Karen Walker.

Treasurer's Report

Motion to take the Treasurer's Report as read was proposed by Befekadu Russell and was seconded by Andrew Messado.

The Motion was carried.

A proposed dividend of 10% is to be paid gross of withholding tax.

Motion for the adoption of the declaration of dividends was proposed by Marsha Cope Johnson and seconded by Andrew Messado.

The Motion was carried.

Motion for the adoption of the Treasurer's Report was proposed by Akilah Nangwaya and seconded by Jackie Toyloy.

The Motion was carried.

Motion for the maximum liability of the Credit Union to be capped at 12 times the capital base was proposed by Colleen Williams and seconded by Lorraine Blair-Baker.

The Motion was carried.

Motion for the election of auditors was proposed by Andrew Messado and seconded by Marsha Cope-Johnson.

The Motion was carried.

Credit Committee Report

The report was presented by Colin Atkinson. A motion to take the report as read was proposed by Andrew Messado and seconded by Christopher Bond.

A motion to accept the report was proposed by Lorraine Blair Baker and seconded by Marsha Cope Johnson.

Supervisory Committee Report

The report was presented by Leighton Grant and accepted on a motion proposed by Cheralid Blackwood and seconded by Karen Walker.

Recruitment, Marketing and Education Committees

The report was presented by Hope Mowatt. A motion to take the report as read was proposed by Andrew Messado and seconded by Joan Cummings.



A motion to accept the report was proposed by Akilah Nangwaya and seconded by Dionne Rhoden.

Any Other Business

There being no other business, Jerry Hamilton asked Joni-Gaye Cawley to accept plaques on behalf of Mrs. Grace Burnett and Mrs. Claudette White.

Awarding of Prizes

Prizes were awarded to the following persons:

| Winner | Presenter |
|--------------------|--------------------|
| Oniel Malcolm | Colleen Richardson |
| Lurline Cummings | Nesta Jackson |
| Cheralid Blackwood | Christopher Bond |

Diana Smith won the gate prize.

ADJOURNMENT

At 6:55 p.m., in response to the chairman's request, a motion for adjournment was confirmed as proposed by Albert Anderson and seconded by Anna-Kay Lee.



REPORT OF THE BOARD OF DIRECTORS FOR YEAR ENDED 31ST DECEMBER 2009

Grace Co-operative Credit Union continues to grow and thrive during a difficult economic period. Our conservative management strategies and policies, the skills of our employees, and the commitment of our Board and Committees all combine to provide our members with a strong, financially sound service. In 2009, GCCU achieved growth in loans, deposits and assets.

At the last Annual General Meeting held on 10 June 2009, the following members were elected to serve on the Board for two (2) years:

- **Paula Barclay**
- **Sandra Barnett**
- **Christopher Bond**
- **Andrew Levy**
- **Janette Taylor**

The following members had one (1) year left in their tenure of service:

- **Gilroy Graham**
- **Jerry Hamilton**
- **Fay McIntosh**
- **Joseph Taffe**

Elections at the statutory meeting held on Friday, 17 June 2009 resulted in the following:

| | |
|---------------------|------------------|
| President: | Gilroy Graham |
| 1st Vice President: | Christopher Bond |
| 2nd Vice President: | Fay McIntosh |
| Treasurer: | Janette Taylor |
| Asst. Treasurer: | Sandra Barnett |
| Secretary: | Paula Barclay |
| Asst. Secretary: | Jerry Hamilton |
| Director: | Joseph Taffe |
| Director: | Andrew Levy |

Eleven (11) meetings were held with the Board in 2009 and on three (3) of these occasions the Supervisory and Credit Committees joined the Board for their quarterly Board and Officers meetings. The record of attendance for Board members was as follows:

| | # possible | # at which present | # for which excused |
|------------------|------------|--------------------|---------------------|
| Gilroy Graham | 11 | 9 | 2 |
| Christopher Bond | 11 | 10 | 1 |
| Fay McIntosh | 11 | 7 | 4 |
| Janette Taylor | 11 | 10 | 1 |
| Sandra Barnett | 7 | 5 | 2 |
| Paula Barclay | 11 | 8 | 3 |
| Jerry Hamilton | 11 | 8 | 3 |
| Joseph Taffe | 11 | 6 | 5 |
| Andrew Levy | 7 | 4 | 3 |



GROWTH

At 31 December 2009, our Credit Union's assets stood at \$379.9 million, savings at \$58.8 million and loans at \$226.4 million (See Table below). Total permanent membership was 2025.

| | 2009 | 2008 | |
|-------------------------|---------|---------|----------------|
| Membership | 2,025 | 2,588 | |
| | 2009 | 2008 | Annual Growth/ |
| | J'000 | J'000 | (Decline) |
| Permanent Shares | 2,025 | | |
| Voluntary Shares | 220,072 | 195,258 | 12.7% |
| Savings | 58,786 | 65,218 | -9.9% |
| Loans | 226,392 | 213,642 | 6.0% |
| Assets | 360,000 | 354,696 | 1.5% |

The significant reduction in the membership is due to the implementation of the permanent shares as the method of ownership capital (which flushed out a number of inactive accounts on our books, the owners of whom could not be contacted and which were therefore closed) and the closure of the membership bond for employees leaving the GraceKennedy Group after 10 June 2009.

Savings declined as members sought to reduce their loan obligations. We are encouraged by the increase in voluntary shares of \$24.5 million as this signifies members' willingness to save towards future borrowing. Loans increased marginally, as members reacted to their uncertainty regarding their future employment.

HUMAN RESOURCES

The Credit Union ended the year with a staff complement of five (5) with two (2) positions unfilled in the loans section. The quality of service is a key component to the continued success of our organization, and to this end, we have recruited two individuals to strengthen our complement, who will both commence employment by the end of May 2010 in the capacities of Senior Loan Officer and Loan Officer respectively.

During the year, the following training seminars were attended by both employees and volunteers:

- POCA Training
- Assessment of Lending Risks
- CUMIS software – E LEARNING
- Internal Audit & Compliance Management
- Loan Securities Documentation
- Techniques for Effective Supervision
- COSO Awareness Training
- Anti-Money Laundering and Combating Financing of Terrorism
- Teller Training
- Analysis of Credit Union Financial Reports

LOAN PRODUCTS

The following new products were introduced during 2009:

- Pay Day Loan**
- Based on net pay, member must be an employee of the GK Group,
 - Repayment must be within two months

cont'd . . . on page 12



BOARD OF



Glory Graham
President

Jerry Hamilton
Assistant Treasurer

Janette Taylor
Treasurer

Missing: Sandra Barnett – Asst. Treasurer

Joe Taffe
Director



A.G.M. PICTORIAL 2009



DIRECTORS



Christopher Bond
1st Vice President

Fay McIntosh
2nd Vice President

Paula Barclay
Secretary

Andrew Levy
Director



cont'd. fr. page 9

Wheels Express - Extended loan repayment periods, competitive rates and increased percentage financing linked to the age of the vehicles.

Motor cycles - Now added to list of qualifying vehicles

The loan repayment terms for loans within shares and savings were also extended. The continuous Bill of Sale was introduced to prevent members having to register a new bill each time they require additional funds using the same motor vehicle as collateral.

COMPLIANCE

For the period under review the financial statements were prepared in accordance with International Financial Reporting Standards and comply with the Co-operative Societies Act. We met all the reporting requirements of the League (JCCUL) and Bank of Jamaica during the year.

FUTURE

As we look forward to 2010 and beyond, you can be assured GCCU will continue to grow and prosper. We plan to aggressively market the credit union to existing and new employees of the Group. The Board, volunteers, and staff are committed to maintaining GCCU as a safe and sound financial institution while proving exceptional product and services to our members.

OBITUARY

The following member passed on during the year, Jennifer Perry- Brown.

Condolences are extended to the family members of the deceased.

ACKNOWLEDGEMENTS

On behalf of the Board of Directors, I acknowledge the continued and committed contribution of fellow directors to the oversight of our Credit Union. In particular, I wish to highlight the outstanding contribution of Mrs. Fay McIntosh who will be retiring from the Board. Her selfless involvement over approximately 27 years has served to assist in building and strengthening the Credit Union to what it is today.

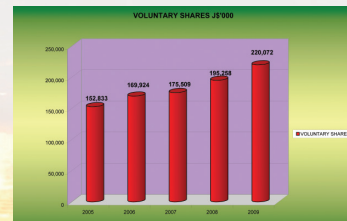
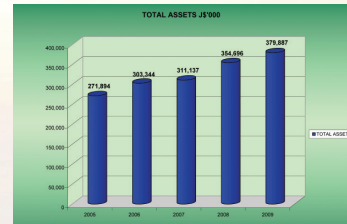
The Directors also extend their appreciation to the following persons:

- ❖ The Chairman and Directors of GraceKennedy Limited, and associated companies and subsidiaries
- ❖ Members of the Credit, Supervisory, Recruitment, Education/Marketing and Nominating Committees
- ❖ Directors and Staff of the Jamaica Co-operative Credit Union League
- ❖ The Office of the Registrar of Co-operatives and Friendly Societies and its staff
- ❖ CUNA Mutual Insurance Society
- ❖ Our Auditors, Gilbert Thompson & Co.
- ❖ Our contact persons at the various locations
- ❖ Our Credit Union Staff and last but not least
- ❖ You, our valued members, for your immense support throughout the year.

Gilroy Graham
President



**REPORT OF THE TREASURER
FOR YEAR ENDED 31ST DECEMBER 2009**



While some financial institutions are struggling with high loan delinquency and low growth in loans, Grace Co-operative Credit Union achieved another strong year financially. Assets grew 7% from \$355 million in 2008 to 380 million in 2009. The Return on Assets for 2009 was 5.4%

Members' savings and voluntary shares increased from \$260 million to \$279 million, up by \$19 million or 7%.

Loans grew by 6% to \$226 million, up from \$214 million. The majority of the growth was for the purchase of motor vehicles. Members took advantage of the very competitive rates and the extended repayment period. The delinquency ratio was way below the standard of 1% of total loans.

Our investment portfolio provided good returns in 2009 with an average rate of 12%, greater than inflation of 10.2%. The Government's debt restructuring programme will result in a reduction in this category of income for 2010.

STATEMENTS

The following is a summary of the detailed information contained in the audited financial statements. We, the members, altogether have (stated in Ja. Dollars)

| | 2009 | 2008 |
|---|-------------------|-------------------|
| a) Total Permanent Shares | 2,025,000 | - |
| We also own collectively as a society, the following: | | |
| i) Statutory Reserves to provide stability to the Credit Union | 46,096,563 | 41,576,069 |
| ii) Education Fund | 214,793 | 214,793 |
| iii) Capital Revaluation Reserve | 6,431,394 | 6,431,394 |
| iv) Bad Debt Reserve | 64,986 | 69,625 |
| v) Special Reserve | 785,736 | 2,894,736 |
| vi) Donation Reserve | 40,025 | 40,025 |
| vii) Unclaimed Share Reserve | 169,914 | 169,914 |
| viii) Share Transfer Reserve | 52,000 | - |
| ix) We have previous earnings that have not been returned to us as dividends. This amount is: | 1,783,340 | 3,357,045 |
| x) This year our net earnings is | 18,047,032 | 15,201,693 |
| The total we own in reserves, provision and earnings is | 75,710,783 | 69,955,294 |



The money we have has been:

| | 2009 | 2008 |
|--|-------------------|-------------------|
| a) Loaned to members | 226,456,882 | 213,711,453 |
| b) Used to purchase furniture and fixtures (net book value) | 211,533 | 119,428 |
| c) Invested in:- | | |
| i) Shares in the Jamaica Cooperative Credit Union League | 5,059,914 | 4,861,539 |
| ii) Demand Deposit with Jamaica Cooperative Credit Union | 102,149,767 | 90,158,408 |
| iii) Mortgage Funds with Jamaica Cooperative Credit Union | 12,345,598 | 11,286,820 |
| iv) Jamaica Cooperative Credit Union - Cu Cash | 12,407,669 | 18,006,520 |
| d) Bank account, etc | 2,702,798 | 1,459,171 |
| e) But we owed Depositors and external creditor | (73,785,896) | (80,217,614) |
| f) Members' voluntary shares | (220,072,221) | (195,258,241) |
| g) Others | 8,234,739 | 5,827,810 |
| The grand total of the loans and investment we have made is | 75,710,783 | 69,955,294 |

Our Income has been earned from:-

| | | |
|--|-------------------|-------------------|
| a) Interest on loans to members | 33,649,995 | 32,304,143 |
| b) Interest on Investments | 17,899,874 | 12,547,049 |
| c) Interest on investment with J.C.C.U.L | 4,074,973 | 3,114,230 |
| d) Other sources | 659,511 | 461,591 |
| | 56,284,353 | 48,427,013 |



The expenses for the year were:-

| | | |
|--|-------------------|-------------------|
| Salaries and related expenses | 14,772,732 | 12,516,978 |
| Insurance – Loan Protection and Life Saving (LP&L.S) | 1,596,350 | 1,415,869 |
| Facilities Fee | 3,373,932 | 3,063,886 |
| Interest Expense | 6,305,678 | 6,621,049 |
| Stationery | 487,328 | 350,630 |
| Dues and fees to J.C.C.U.L | 1,709,574 | 1,662,536 |
| Advertising and promotion | 110,442 | 197,623 |
| AGM, Seminars and other meetings | 1,743,191 | 698,473 |
| Audit fees | 400,000 | 375,000 |
| Provision for bad debts | (4,639) | 65,728 |
| Impairment Loss | 0 | 0 |
| Provision for education and training | 527,789 | 350,399 |
| Depreciation | 88,045 | 225,573 |
| General expenses | 2,616,301 | 1,881,153 |
| TOTAL EXPENSES | 33,726,723 | 29,424,897 |
| This leaves us a surplus of:- | 22,557,630 | 19,002,116 |
| We are setting aside Statutory Reserves as required by the Act | 4,510,598 | 3,800,423 |
| | 18,047,032 | 15,201,693 |
| Together with the undistributed earnings from previous yr. | 1,783,340 | 3,357,045 |
| | 19,830,372 | 18,558,738 |

CONCLUSION

2010 will likely see a continued tough economic climate. Rest assured that the Grace Co-operative Credit Union will continue to operate in a fashion which places the utmost importance on safety, security and soundness.

To you our members, my sincere thanks and appreciation for the confidence you have shown in allowing me to serve this great organization.

Respectfully Submitted,
Janette Taylor
TREASURER

Think



0% tax*

on your
investments

Call us today!

* Conditions Apply



NEW KINGSTON | MANDEVILLE | MONTEGO BAY

TOLL FREE: 1-888-2INVEST (246-8378)

www.fgfs.com ■ fgfs@gkco.com



DEPARTMENT OF CO-OPERATIVES & FRIENDLY SOCIETIES
(MINISTRY OF INDUSTRY, INVESTMENT & COMMERCE)

2 MUSGRAVE AVENUE
KINGSTON 10

ANY REPLY OR SUBSEQUENT REFERENCE TO THIS COMMUNICATION SHOULD BE ADDRESSED TO THE PERMANENT SECRETARY AND THE FOLLOWING REFERENCE QUOTED:

TEL: 927-4912/927-6572
or 978-1946
Fax: 927-6532

E-mail: dcofs@cwjamaica.com

S1
R376/-469 /04/10

April 1, 2010

The Secretary
Grace Co-operative Credit Union Limited
73 Harbour Street
KINGSTON

Dear Sir / Madam,

I forward herewith the Financial Statements of your Society for the year ended December 31, 2009.

You must hold the Annual General Meeting convened under Regulation 19 of the Co-operative Societies Regulations, 1950. At least seven (7) days notice shall be given before the meeting is held.

A copy of your report, which you intend to present to the Annual General Meeting on the year's working of the Society as set forth in Regulation 35 of the Co-operative Societies Regulations should be forwarded to this office.

Kindly advise me of the date of the Annual General Meeting, so that arrangements may be made for the Department to be represented.

Yours sincerely,

Errol Gallimore
FOR REGISTRAR OF CO-OPERATIVE
SOCIETIES AND FRIENDLY
SOCIETIES



Grace Co-operative Credit Union Limited Financial Statements

as at December 31, 2009



**GRACE CO-OPERATIVE CREDIT UNION LIMITED
AS AT 31 DECEMBER 2009**

C O N T E N T S

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STATEMENT I

**REPORT OF THE AUDITORS
TO THE REGISTRAR OF THE CO-OPERATIVE SOCIETIES
RE: GRACE CO-OPERATIVE CREDIT UNION LIMITED**

We have audited the accompanying Statement of Financial Position of Grace Co-operative Credit Union Limited at December 31, 2009 and the related Statement of Comprehensive Income, Cash Flows and changes to Shareholders' Equity for the year then ended and the summary of significant accounting principles and the explanatory notes set on statement VI – VI.21.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Reporting Standards and the requirements of the Co-operative Societies Act. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatements.

An Audit involves performing procedures to obtain audit evidence about amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatements of the financial statements whether due to fraud or error. In making those risk assessments the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

cont'd statement I.1



STATEMENT I.1

Auditor's Report cont'd.

Opinion

In our opinion, proper accounting records have been kept and the financial statements, which are in agreement therewith, give a true and fair view of the financial position of the Credit Union at December 31, 2009 and of the results of operations, changes in equity and cash flows of the credit union for the year then ended, and have been prepared in accordance with International Financial Reporting Standards and comply with the Co-operative Societies Act.

Gilbert Thompson & Co.

GILBERT THOMPSON & COMPANY
CHARTERED ACCOUNTANTS

March 24, 2010



STATEMENT II

**GRACE CO-OPERATIVE CREDIT UNION LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2009**

| | NOTES | 2009 | 2008 |
|-----------------------------------|--------------|---------------------------|---------------------------|
| | | £ | £ |
| ASSETS | | | |
| EARNING ASSETS | | | |
| LOANS TO MEMBERS | 5 | 226,391,896 | 213,641,828 |
| Loans | | 226,456,882 | 213,711,453 |
| Allowance for loan losses | 5 | (64,986) | (69,625) |
| LIQUID ASSETS | 10 | 117,260,234 | 109,624,099 |
| Cash and cash equivalent | | 2,702,798 | 1,459,171 |
| Liquid reserve (JCCUL) | | 114,557,436 | 108,164,928 |
| FINANCIAL INVESTMENTS | 11 | 28,567,603 | 25,881,683 |
| Securities and equivalent | | | |
| NON EARNING ASSETS | | | |
| OTHER ASSETS | 12 | 7,455,905 | 5,429,321 |
| Receivables | | 376,631 | 288,371 |
| Interest receivable | | 7,079,274 | 5,140,950 |
| FIXED ASSETS | | 211,533 | 119,428 |
| Furniture, fixtures and equipment | 8 | 211,533 | 119,428 |
| TOTAL ASSETS | | <u>379,887,171</u> | <u>354,696,359</u> |



STATEMENT II.1

GRACE CO-OPERATIVE CREDIT UNION LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2009

| | NOTES | 2009 \$ | 2008 \$ |
|---|-------|--------------------|--------------------|
| LIABILITIES | | | |
| INTEREST BEARING LIABILITIES | | | |
| Members savings deposits | 13 | 293,858,117 | 275,903,540 |
| External credits | 14 | 58,785,896 | 65,217,614 |
| Voluntary Shares | | 15,000,000 | 15,427,685 |
| | | 220,072,221 | 195,258,241 |
| NON-INTEREST BEARING LIABILITIES | | | |
| Accruals | 15 | 10,383,257 | 8,907,150 |
| Payables | | 3,941,285 | 2,910,111 |
| Others | | 6,362,732 | 5,944,778 |
| | | 79,240 | 52,261 |
| TOTAL LIABILITIES | | 304,241,374 | 284,810,690 |
| CAPITAL | | | |
| MEMBERS SHARE CAPITAL | | | |
| Permanent Shares | 18 | 2,025,000 | 0 |
| | | 2,025,000 | 0 |
| NON-INSTITUTIONAL CAPITAL | | | |
| Retained earnings and reserves | 16 | 1,262,468 | 3,319,468 |
| Undistributed surplus | | 19,830,372 | 18,558,738 |
| INSTITUTIONAL CAPITAL | | | |
| Statutory and legal reserves | 17 | 46,096,563 | 41,576,069 |
| Capital revaluation reserves | | 6,431,394 | 6,431,394 |
| TOTAL CAPITAL | | 75,645,797 | 69,885,669 |
| TOTAL LIABILITIES AND CAPITAL | | 379,887,171 | 354,696,359 |

For and on behalf of the Directors

DIRECTOR

DIRECTOR

The notes on statements VI form an integral part of the financial statements.



STATEMENT III

GRACE CO-OPERATIVE CREDIT UNION LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDING 31 DECEMBER 2009

| | NOTES | 2009 \$ | 2008 \$ |
|--|-------|---------------------|---------------------|
| INTEREST INCOME | | | |
| Loans and advances to members | | 55,624,842 | 47,965,422 |
| Liquid assets | | 33,649,995 | 32,304,143 |
| Investments | | 17,899,874 | 12,547,049 |
| Interest JCCUL - CuCash | | 2,876,961 | 1,017,013 |
| | | 1,198,012 | 2,097,217 |
| INTEREST EXPENSE | | | |
| Savings deposit | | 6,305,678 | 6,621,049 |
| External credit | | 3,720,789 | 4,741,606 |
| Other financial cost | | 2,024,331 | 1,664,356 |
| | | 560,558 | 215,087 |
| NET INTEREST INCOME | | 49,319,164 | 41,344,373 |
| Recoverable/(Increase) of loan losses | | 4,639 | (65,728) |
| Impairment losses | | - | - |
| NET INTEREST INCOME AFTER PROVISION | | 49,323,803 | 41,278,645 |
| NON-INTEREST INCOME | | | |
| Miscellaneous income | 6 | 659,511 | 461,591 |
| NET INTEREST AND OTHER INCOME | | 49,983,314 | 41,740,236 |
| OPERATING EXPENSES | | | |
| SURPLUS FOR THE YEAR | 25 | 27,425,684 | 22,738,120 |
| | | 22,557,630 | 19,002,116 |
| BALANCE B/FWD | | 18,558,738 | 17,836,743 |
| TRANSFERS and APPROPRIATIONS | 24 | (21,285,996) | (18,280,121) |
| ACCUMULATED SURPLUS | | 19,830,372 | 18,558,738 |

The notes on statements VI form an integral part of the financial statements.



STATEMENT IV

GRACE CO-OPERATIVE CREDIT UNION LIMITED
STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 DECEMBER 2009

| | Members Permanent Share Capital | Institutional Capital | Non- Institutional Capital (Undistributed Net Surplus) | TOTAL |
|---------------------------------------|------------------------------------|--------------------------|--|-------------------|
| Balance at 1 January 2008 | | 44,173,500 | 21,156,211 | 65,329,711 |
| Net surplus | | - | 19,002,116 | 19,002,116 |
| Unclaimed share reserve | | - | - | - |
| Transfer to statutory reserve | | 3,800,423 | (3,800,423) | - |
| Appropriations - | | | | |
| Transfer to retained earnings reserve | | - | - | - |
| Dividends | | - | (14,424,698) | (14,424,698) |
| Honorarium | | - | (55,000) | (55,000) |
| Entrance fee | | 33,540 | - | 33,540 |
| Prior year adjustment | | - | - | - |
| | | 33,540 | (14,479,698) | (14,446,158) |
| Contributions | | - | - | 0 |
| Withdrawals and transfers of shares | | - | - | 0 |
| Balance at 31 December 2008 | | 48,007,463 | 21,878,206 | 69,885,669 |
| Net surplus | | - | 22,557,630 | 22,557,630 |
| Transfer to statutory reserve | | 4,510,598 | (4,510,598) | - |
| Appropriations - | | | | |
| Transfer to retained earnings reserve | | - | - | - |
| Dividends | | - | (16,720,398) | (16,720,398) |
| Honorarium | | - | (55,000) | (55,000) |
| Entrance fee | | 9,896 | - | 9,896 |
| | | 9,896 | (16,775,398) | (16,765,502) |
| Share Transfer Account | | - | 52,000 | 52,000 |
| Contributions | 2,025,000 | - | (2,109,000) | (84,000) |
| Balance at 31 December 2009 | 2,025,000 | 52,527,957 | 21,092,840 | 75,645,797 |



STATEMENT IV.1

GRACE CO-OPERATIVE CREDIT UNION LIMITED
STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 DECEMBER 2009

| | INSTITUTIONAL CAPITAL | | |
|------------------------------------|-----------------------|---------------------|-------------------|
| | Statutory Reserve | Capital Reserves | TOTAL |
| Balance at 1 January 2008 | 37,742,106 | 6,431,394 | 44,173,500 |
| 20% statutory reserve | 3,800,423 | - | 3,800,423 |
| Entrance fees | 33,540 | - | 33,540 |
| Balance at 31 December 2008 | 41,576,069 | 6,431,394 | 48,007,463 |
| 20% statutory reserve | 4,510,598 | - | 4,510,598 |
| Entrance fees | 9,896 | - | 9,896 |
| Balance at 31 December 2009 | 48,096,563 | 6,431,394 | 52,527,957 |



STATEMENT V

GRACE CO-OPERATIVE CREDIT UNION LIMITED
CASH FLOW STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2009

| | 2009 £ | 2008 £ |
|--|---------------------|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Surplus for the year | 22,557,630 | 19,002,116 |
| Adjustment to reconcile surplus to Net cash provided by operating activities: | | |
| Depreciation | 88,045 | 225,573 |
| Net cash provided by operating activities | 22,645,675 | 19,227,689 |
| Cash flows from investing activities: | | |
| Fixed assets | (180,150) | (154,194) |
| Investments | (2,685,920) | (2,441,385) |
| Loans to members - Net | (12,750,068) | (20,438,301) |
| Other receivables | (2,026,584) | (1,968,207) |
| Net cash used in investing activities | (17,642,722) | (25,002,087) |
| Cash flows from financing activities: | | |
| Share capital - Voluntary | 24,813,980 | 19,748,947 |
| Share capital - Permanent | 2,025,000 | 0 |
| Entrance fees | 9,896 | 33,540 |
| Savings account (members) | (6,431,718) | 2,896,121 |
| External credit | (427,685) | 14,547,046 |
| Accruals | 1,031,174 | 608,316 |
| Payables | 417,954 | 1,514,831 |
| Other payables | 26,980 | (311,910) |
| Dividends | (16,720,398) | (14,424,698) |
| Reserve | 3,541,851 | 796,329 |
| Honoraria | (55,000) | (55,000) |
| Net cash provided by financing activities | 8,232,034 | 25,353,522 |
| Increase in liquid assets | 13,234,987 | 19,579,124 |
| Liquid asset at beginning of the year | 91,617,578 | 72,038,454 |
| Liquid asset at end of year | 104,852,565 | 91,617,578 |



STATEMENT VI

GRACE CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009

1. IDENTIFICATION AND ACTIVITIES:

Grace Co-operative Credit Union Limited is a co-operative society registered under the Co-operative Societies Act and resident in Jamaica. Membership is limited to employees and their immediate family of GraceKennedy Limited, its subsidiaries, associates and managed companies, all ex-employees of the bond as stated who are in good standing with the Credit Union, all pensioners of the bond as stated and their immediate family.

The main activities of the society are:

- To promote thrift among its members by affording them an opportunity to accumulate their savings;
- To create for them a source of credit for provident or productive purposes at a reasonable rate of interest.

2. REGULATION:

The Co-operative Societies Act requires, amongst other provision, that at least 20% of the net profit of the credit union be transferred annually to a reserve fund. The Co-operative is exempt from Income Tax under Section 59 (1) of the Co-operative Societies Act and Section 12 of the Income Tax Act.

The liability of individual members is limited by shares. Individual membership liability may not exceed 20% of total share capital.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of preparation -

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and the provision of the Co-operative Societies Act and have been prepared under the historical cost convention.

b) Use of estimates -

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from these estimates.

c) Financial instruments -

Financial instruments carried on the balance sheet include loans, liquid assets, financial investment cash and bank balances, interest and other receivables, members' deposit and interest and other payables. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item. The fair value of the credit union's financial instruments are discussed in Note 19.



STATEMENT VI.1

GRACE CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTD:

d) Foreign currencies -

Transactions during the year are converted at appropriate rate of exchange ruling at transaction dates. Assets and liabilities are translated at appropriate rate of exchange ruling at balance sheet date. Gains and losses arising from fluctuations in exchange are included in the statement of income and expenditure.

e) Revenue recognition -

Interest income earned from investments, interest expense and fee are recorded on the accrual basis. Income earned from loan is recognised in the statements of income and expenditure on an accrual basis.

f) Fixed assets and depreciation -

Fixed assets are depreciated on the straight line method at rates designed to write off their cost over their estimated useful lives. However, depreciation is prorated on a monthly basis during the year of purchase. Fixed assets are reviewed periodically for impairment. Where the carrying amount of an asset is greater than the estimated recoverable amount it is written down immediately to its recoverable amount.

The rates of depreciation are as follows:-

| | |
|---------------------------|---------|
| Furniture and Fixtures | 10% |
| Automated Teller Machine | 10% |
| Data Processing Equipment | 33 1/3% |

g) Loans -

Loans are stated net of any unearned income and of any allowance for delinquent loans. All loans are recognised when cash is advanced to members.

A loan is classified as delinquent when, in management's opinion, there has been a deterioration in credit quality to the extent that there is no longer reasonable assurance of timely collection of the full amount of principal and interest. If a payment on a loan is contractually sixty (60) days in arrears, the loan will be classified as delinquent, if not already classified as such.

h) Provision For loan losses -

The credit union maintains an allowance for loan losses, which in management's opinion, is adequate to absorb all credit related losses in its portfolio. The allowance consists of specific and general provisions for doubtful debts.

Specific provisions are established as a result of a review of the carrying value of loan in arrears and are derived based on the Jamaica Co-operative Credit Union League Limited provisioning policy of making a full provision for loans in arrears for over one (1) year. General provisions of 10% - 60% are established in respect of loans in arrears for two (2) to twelve (12) months.



STATEMENT VI.2

GRACE CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D:

i) Investments -

Management determines the classification of investment at times of purchase into held to maturity and available for sale.

Loans and advances which are provided directly to borrowers are classified as originating debts. These are initially recorded at cost which is the cash given to originate the debt including any transaction cost and are subsequently measured at amortized cost. Investments purchased on the secondary market which are intended to be held for an indefinite period of time and may be sold in response to liquidity needs or changes in interest rate are classified as available for sale. These investments are initially recognized at cost but are subsequently re-measured at fair value. Unrealised gains and losses arising from changes in fair values of securities classified as available for sale are recognized in equity. When securities are disposed of or impaired, the related accumulated fair value adjustments are included in the statements of revenue and expenses as gains and losses from investment securities.

A financial asset is considered impaired if its carrying amount exceeds its recoverable amount. The amount of the impairment loss of assets carried at amortized cost is calculated as the difference between the asset's carrying amount and the present value of expected future cash flows discounted at the original effective rate. The recoverable amount of a financial asset is the present value of expected future cash flows discounted at the current market interest rate for a similar financial asset.

All purchases and sales on investment securities are recognized at settlement date.

j) Institutional capital -

Institutional capital includes the statutory reserves fund as well as various other reserves established from time to time which, in the opinion of the Directors, are necessary to support the operations of the credit union and, thereby, protect the interest of the members. These reserves are not available for distribution.

k) Pension plan costs -

The credit union participates in a defined benefit scheme operated by GraceKennedy Limited. The pension scheme is generally funded by payments from employees of 5% or 10% and by GraceKennedy Limited of 0.5% of employee's taxable remuneration, taking into account the recommendations of independent qualified actuaries.



STATEMENT VI.3

GRACE CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009

4. FINANCIAL INSTRUMENTS RISK MANAGEMENT:-

(a) Introduction and overview

The Society has exposure to the following risks from its use of financial instruments

- Credit risks
- Liquidity risks
- Market risks

The Board of Directors has overall responsibility for the establishment and oversight of the Society's risk management framework. The Society's risk management policies are established to identify and analyze the risks faced by the Society, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Board through its various committees is responsible for monitoring compliance with the Society's risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to the risks faced by the Society. All committees report regularly to the Board on their activities.

The Supervisory Committee is responsible for monitoring compliance with the Society's risk management policies and procedures and for reviewing the adequacy of the risk management framework in relation to the risks faced by the Society.

(b) Credit Risk :-

Credit risk is the risk of financial loss to the Society if a member or counterparty to a financial instrument fails to meet its contractual obligations, and arises primarily from the Society's loans to members, deposits with other institutions and investment securities.

(i) Loans to members and guarantees:-

The management of credit risk in respect of loans to members and secured guarantees is delegated to the Credit Committee. The Committee is responsible for oversight of the society's credit risk, including formulating credit policies establishing the authorization structure for the approval of credit facilities, reviewing and assessing credit risk, limiting concentration of exposure to counterparties and developing and maintaining the society's risk grading. There is a documented credit policy in place, which guides the Society credit review process.

Collateral:-

The Society holds collateral against loans to members in the form of mortgage interest over property, lien over motor vehicles, other registered securities over assets, hypothecation of shares held in the Society and guarantees. Estimates of fair value are based on value of collateral assessed at the time of borrowing and are generally not updated except when a loan is individually assessed as impaired.



STATEMENT VI.4

GRACE CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009

4. FINANCIAL INSTRUMENTS RISK MANAGEMENT CONTD:-

(i) Loans to members and guarantees (cont'd)

Impaired loans:-

Impaired loans are loans for which the Society determines that it is probable that it will be unable to collect all principal and interest due according to the contractual terms of the loan.

Past due but not impaired loans:-

These are loans where contractual interest or principal payments are past due but the Society believes the impairment is not appropriate on the basis of the level of security available or the stage of collections of amounts owed to the Society.

Loans with renegotiated terms:-

Loans with renegotiated terms are loans that have been restructured due to deterioration in the member's financial position and where the Society has made concession that it would not otherwise consider. Once the loan is restructured, it remains in this category, for the remaining life of the loan, independent of satisfactory performance after restructuring.

Allowances for impairment:-

The Society established an allowance for impairment losses that represents its estimate of incurred losses in its loan portfolio. The main components of this allowance are a specific loss allowance component that relates to individual significant exposures, and a collective loan loss allowance established on a group basis in respect of losses that have been incurred but have not been identified on loans subject to individual assessment for impairment.

Write-off policy:-

The Society writes off a loan (and any related allowances for impairment losses) when the Society determines that the loans are uncollectible. This determination is usually made after considering information such as changes in the borrower's financial position, or that proceeds from collateral will not be sufficient to pay back the entire exposure.



STATEMENT VI.5

GRACE CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009

4. FINANCIAL INSTRUMENTS RISK MANAGEMENT CONTD:-

(b) Credit risk (cont'd)

(i) Deposits and investments securities

The Society limits its exposure to credit risks by investing only in liquid assets and only with counterparties that have a high credit quality. Therefore, management does not expect counterparty to fail to meet its obligations.

The Credit Union has documented investment and deposit policies in place, which guide it in managing its deposit and investment risks.

(iii) Exposure to credit risk:-

The carrying amount of financial assets represents the maximum exposure to credit exposure (before collateral held) which at the balance sheet date was:

| | 2009 £ | 2008 £ |
|----------------------------|--------------------|--------------------|
| Loans to members, net | 226,391,896 | 213,641,828 |
| Liquid assets - earning | 117,280,234 | 109,624,099 |
| Financial investments | 28,567,603 | 25,881,683 |
| Non-earning assets - other | 7,455,905 | 5,429,322 |
| | 379,675,638 | 354,576,932 |

There has been no change to the Society's exposure to credit risk or the manner in which it manages and measures the risk.

(c) Liquidity risk:-

Liquidity risk is the risk that the Society will encounter difficulty in meeting obligations from its financial liabilities. The Society's approach to managing liquidity is to ensure, as far as possible that it will always have sufficient liquidity to meet its liabilities when due under both normal or stressed conditions. Prudent liquidity risk management which the Society uses includes maintaining sufficient cash and marketable securities, monitoring future cash flows and liquidity on a daily basis and maintaining an adequate amount of committed facilities.



STATEMENT VI.6

GRACE CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009

FINANCIAL INSTRUMENTS RISK MANAGEMENT CONTD:-

(c) Liquidity risk (cont'd)

The Society manages this risk by keeping a substantial portion of its financial assets in liquid form in accordance with regulatory guidelines.

The Society is subject to a liquidity limit imposed by the League and compliance is regularly monitored. The key measure used by the Society for managing liquidity risk is the ratio of liquid assets minus short-term payables to total savings. For this purpose, liquid assets include cash bank balances and all liquid investments with maturity date of twelve months or less. The liquid asset ratio at the end of the year was **13.0 (2008: 13.1)**.

The Credit Union is also required to hold a liquidity reserve requirement of 10% of specified liabilities. A minimum of 8% is to be held with the League while a maximum of 2% can be held with approved financial institutions. The Credit Union was in compliance with the liquidity reserve requirement of 30.0% at the end of the year 2009, (2008: 31.0%)

There has been no change to the Society's exposure to liquidity risk or the manner in which it manages and measures the risk.

The following table represents the undiscounted contractual maturities of financial liabilities, including interest payments on the basis of their earliest possible contractual maturity.

| | 2008 | | | | | |
|------------------------|------------------------|-----------------------|------------------------|-------------------|----------------------|-------------------------|
| | Within 1 Month £ | 1 to 3 Months £ | 3 to 12 Months £ | 1-5 Years £ | Over 5 Years £ | Carrying Amount £ |
| Savings deposit | 4,891,321 | 34,565,335 | 15,000,051 | 10,760,907 | - | 65,217,614 |
| Members' share capital | - | - | - | - | 265,143,910 | 265,143,910 |
| External credit | - | - | - | 15,000,000 | - | 15,000,000 |
| Accounts payables | 1,564,177 | 1,348,153 | 3,139,535 | 2,855,285 | - | 8,907,150 |
| Loan commitment | - | 87,817 | 338,868 | 0 | - | 427,685 |
| | 6,455,498 | 36,001,305 | 18,479,454 | 28,616,192 | 265,143,910 | 354,696,359 |

| | 2009 | | | | | |
|-------------------|------------------------|-----------------------|------------------------|-------------------|----------------------|-------------------------|
| | Within 1 Month £ | 1 to 3 Months £ | 3 to 12 Months £ | 1-5 Years £ | Over 5 Years £ | Carrying Amount £ |
| Savings deposit | 4,408,942 | 31,156,525 | 13,520,756 | 9,699,673 | - | 58,785,896 |
| Voluntary shares | - | - | - | - | 293,686,379 | 293,686,379 |
| Permanent shares | - | - | - | - | 2,025,000 | 2,025,000 |
| External credit | - | - | - | 15,000,000 | - | 15,000,000 |
| Accounts payables | 1,823,300 | 1,572,025 | 3,660,098 | 3,327,834 | - | 10,383,257 |
| | 6,232,242 | 32,728,550 | 17,180,854 | 28,027,507 | 295,713,379 | 379,882,532 |



STATEMENT VI.7

GRACE CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009

4. FINANCIAL INSTRUMENTS RISK MANAGEMENT CONTD:-

(c) Liquidity risk (cont'd)

During the year 2009 members share capital were divided into permanent and voluntary. Voluntary shares may be withdrawn at anytime and this is classified in the account as a liability. Permanent shares however cannot be withdrawn.

Voluntary shares have no contractual maturity. The amounts included in the analysis are based on management's estimate of expected cash flows on these instruments as determined by retention history. These may vary significantly from actual cash flows, which are generally expected to maintain a stable or increasing balance.

The Credit Union is in the process of documenting the assets and liabilities policy that guides the management of its liquidity risks.

(d) Market risk:-

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. These arise mainly from changes in interest rates. Foreign currency rates and equity prices and will affect the Society's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk. Market risk exposures are measured using sensitivity analysis.

There has been no change to the Society's exposure to market risks or the manner in which it manages and measures the risk.

(i) Currency risk:-

Currency risk is the risk that the market value of, or the cash flows from, financial instruments will vary because of exchange rate fluctuations. The Society is not exposed to foreign currency risk due to fluctuations in exchange rates on transactions and balances that are denominated in currencies other than the Jamaican dollar.



STATEMENT VI.8

GRACE CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009

4. FINANCIAL INSTRUMENTS RISK MANAGEMENT CONTD:-

(ii) Interest rate risk:-

Interest rate risk is the risk of loss from fluctuations in the future cash flows or fair values of financial instruments because of a change in market interest rates. It arises when there is a mismatch between interest-earning assets and interest-bearing liabilities, which are subject to interest rate adjustments within a specified period. It can be reflected as a loss of future net interest income and/or a loss of current market values. Interest rate risk is managed by holding primarily fixed rate financial instruments.

A summary of the Society's interest rate gap position is as follows:

| | 2009 | | | Carrying amount \$ '000 |
|-------------------------|-------------------------------|------------------------------|------------------------------|----------------------------|
| | Within 3 months \$ '000 | 3 to 12 months \$ '000 | Over 12 months \$ '000 | |
| ASSETS | | | | |
| Loans | 19,243,311 | 31,684,865 | 175,453,719 | 226,391,896 |
| Liquid assets | 70,356,140 | 17,589,035 | 29,315,059 | 117,260,234 |
| Financial investments | - | 8,570,281 | 19,997,322 | 28,567,603 |
| | 89,699,452 | 67,854,181 | 224,766,100 | 372,219,733 |
| LIABILITIES | | | | |
| Savings deposits | 35,271,538 | 13,520,756 | 9,963,602 | 58,785,896 |
| External credits | - | - | 15,000,000 | 15,000,000 |
| | 35,271,538 | 13,520,756 | 24,963,602 | 73,785,896 |
| Total interest rate gap | 54,327,914 | 44,333,425 | 199,772,498 | 298,433,837 |
| Cumulative gap | 54,327,914 | 98,661,339 | 298,433,837 | - |

A summary of the Society's interest rate gap position is as follows:

| | 2008 | | | Carrying amount \$ '000 |
|-------------------------|-------------------------------|------------------------------|------------------------------|----------------------------|
| | Within 3 months \$ '000 | 3 to 12 months \$ '000 | Over 12 months \$ '000 | |
| ASSETS | | | | |
| Loans | 18,159,555 | 29,909,856 | 165,572,417 | 213,641,828 |
| Liquid assets | 65,774,460 | 16,443,615 | 27,406,024 | 109,624,099 |
| Financial investments | - | 7,764,505 | 18,117,178 | 25,881,683 |
| | 83,934,015 | 54,117,976 | 211,095,619 | 349,147,610 |
| LIABILITIES | | | | |
| Savings deposits | 39,130,568 | 15,000,051 | 11,086,995 | 65,217,614 |
| External credits | 87,817 | 339,868 | 15,000,000 | 15,427,685 |
| | 39,218,385 | 15,339,919 | 26,086,995 | 80,645,299 |
| Total interest rate gap | 44,715,630 | 38,778,057 | 185,008,624 | 268,502,311 |
| Cumulative gap | 44,715,630 | 83,493,687 | 268,502,311 | - |



STATEMENT VI.9

GRACE CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009

4. FINANCIAL INSTRUMENTS RISK MANAGEMENT CONTD:-

Sensitivity analysis:-

The following table indicates the sensitivity to a reasonable change of basis 100 points in interest rate with all other variables held constant, on the society's profit and loss and equity.

The Society's interest rate risk arises from financial investment, deposits with the League and borrowings/external credit. The sensitivity of the profit or loss is the effect of the assumed changes in interest rates on net income based on variable rate financial assets and variable rate external credit.

| | | Effect on Surplus | Effect on Equity |
|-------------------|------|-------------------|------------------|
| December 31, 2009 | 100 | 236,104 | 0 |
| | -100 | (236,104) | 0 |
| | | 0 | 0 |
| December 31, 2008 | 100 | 474,160 | 0 |
| | -100 | (474,160) | 0 |
| | | 0 | 0 |

(e) Capital management:-

The Society's objectives when managing capital are to safeguard the society's ability to continue as a going concern, so that it can continue to provide returns to its members and benefits for other stakeholders and to maintain a strong capital base to support the development of its business. The society defines its capital base as its members share capital, institutional capital, and eligible reserves. Its dividend payout is made taking into account the maintenance of an adequate capital base.

The Society is required by the League to maintain its institutional capital at a minimum of 8% its total assets. At the balance sheet date, this ratio was 13.8% (2008 13.5%) which is in compliance with the requirements.

There were no changes in the society's approach to capital management during the year

The Credit Union is in the process of documenting the capital management policy that guides the management of the capital requirements.



STATEMENT VI.10

GRACE CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009

5. LOANS TO MEMBERS:-

| | 2009 £ | 2008 £ |
|-------------------------------|--------------------|--------------------|
| Balance at start of year | 213,641,828 | 193,203,527 |
| Loans granted | 152,984,093 | 155,039,030 |
| Less repayments | (158,772,369) | (144,054,496) |
| Less allowances for loan loss | (64,986) | (69,625) |
| | 207,788,566 | 204,118,436 |
| Staff and related parties | 18,603,330 | 9,523,392 |
| | 226,391,896 | 213,641,828 |

The maximum exposure to credit risk for loans to members at balance sheet date by type of customers was:

| | 2009 £ | 2008 £ |
|------------------------------|--------------------|--------------------|
| Purpose: | | |
| Personal | 107,747,264 | 103,240,917 |
| Motor vehicles | 56,313,709 | 42,049,763 |
| Residential | 38,651,444 | 42,565,176 |
| Debt refinancing | 20,496,823 | 16,324,524 |
| Business | 1,438,211 | 5,832,434 |
| Construction and real estate | 1,744,445 | 3,629,014 |
| | 226,391,896 | 213,641,828 |

The credit quality of loans is summarized as follows:

| | 2009 £ | 2008 £ |
|---------------------------------|--------------------|--------------------|
| Neither past due nor impaired | 225,550,649 | 213,045,415 |
| Past due but not impaired | - | - |
| 2 to 3 months | 804,842 | 650,932 |
| 3 to 6 months | - | 15,106 |
| 6 to 12 months | - | - |
| Over 12 months | - | - |
| Individually impaired | 101,391 | - |
| Collectively impaired | - | - |
| Less provision for loan losses. | (64,986) | (69,625) |
| | 226,391,896 | 213,641,828 |



STATEMENT VI.11

GRACE CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009

5. LOANS TO MEMBERS CONTD:-

Delinquent loans:

The following is a summary of delinquent loans at December 31, 2009.

| Period overdue | Numbers in arrears | Loans in arrears | Rate (%) | Loan loss provision required |
|----------------|--------------------|------------------|----------|------------------------------|
| 2 to 3 months | 1 | 40,450 | 10 | 4,045 |
| 3 to 6 months | 0 | 0 | 30 | 0 |
| 6 to 12 months | 0 | 0 | 0 | 0 |
| Over 12 months | 1 | 60,941 | 100 | 60,941 |
| | 4 | 101,391 | | 64,986 |

The fair value of collateral held as security against individual loans are \$790,922 (2008 \$840,718)
There were no renegotiated loans for the years 2009 and 2008.

Allowances for loan losses

| | 2009 \$ | 2008 \$ |
|---|---------------|---------------|
| Balance brought forward | 69,625 | 3,897 |
| Loans written - off | - | - |
| Increase/(Decrease) in provision for current year | (4,639) | 65,728 |
| Recovery of bad debt | - | - |
| Balance brought forward | 64,986 | 69,625 |

Provision made in accordance with JCCUL provisioning requirements is as follows:

| | 2009 \$ | 2008 \$ |
|--------------------|---------------|---------------|
| Specific provision | 64,986 | 69,625 |
| General provision | - | - |
| | 64,986 | 69,625 |



STATEMENT VI.12

GRACE CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009

6. NON-INTEREST INCOME:

| | 2009 \$ | 2008 \$ |
|---------------|----------------|----------------|
| Commission | 456,993 | 417,173 |
| Atm fees | 0 | 5,038 |
| Miscellaneous | 202,518 | 39,380 |
| | 659,511 | 461,591 |

7. NET SURPLUS:

| | 2009 \$ | 2008 \$ |
|---------------------------------------|------------|------------|
| Net surplus is shown after charging:- | | |
| Auditors' remuneration | 400,000 | 375,000 |
| Depreciation (note 8) | 88,045 | 225,573 |
| Repairs and maintenance | 0 | 35,771 |
| Staff costs (note 9) | 15,118,072 | 12,517,407 |



STATEMENT VI.13

GRACE CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009

8. FIXED ASSETS:

| | Equipment & Computer | Furniture and Fixtures | Total |
|-------------------------|----------------------|------------------------|-----------|
| | \$ | \$ | \$ |
| At Cost - | | | |
| At 1 January 2009 | 2,562,631 | 303,029 | 2,865,660 |
| Addition | 180,150 | 0 | 180,150 |
| At 31 December 2009 | 2,742,781 | 303,029 | 3,045,810 |
| Depreciation - | | | |
| At 1 January 2009 | 2,443,203 | 303,029 | 2,746,232 |
| Charge for the year | 88,045 | - | 88,045 |
| At 31 December 2009 | 2,531,248 | 303,029 | 2,834,277 |
| Net Book Value - | | | |
| At 31 December 2009 | 211,533 | - | 211,533 |
| At 31 December 2008 | 119,428 | - | 119,428 |



STATEMENT VI.14

GRACE CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009

9. STAFF COSTS:

| | 2009 \$ | 2008 \$ |
|---|-------------------|-------------------|
| Salaries, wages and statutory contributions | 12,364,161 | 10,220,758 |
| Other staff costs | 2,753,911 | 2,465,619 |
| | 15,118,072 | 12,686,377 |

The average number of persons employed during the year. 6 6

10. LIQUID ASSETS:

| | 2009 \$ | 2008 \$ |
|--|--------------------|--------------------|
| Jamaica Co-operative Credit Union League Limited | | |
| Fixed deposits | 102,149,767 | 90,158,408 |
| CuCash | 12,407,669 | 18,006,520 |
| Cash at bank and in hand | 2,702,798 | 1,459,171 |
| | 117,260,234 | 109,624,099 |



STATEMENT VI.15

GRACE CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009

11. FINANCIAL INVESTMENTS:

| | 1 to 5 Years | Over 5 Years | Carrying Value | |
|------------------------------------|-------------------|------------------|-------------------|-------------------|
| | | | 2009 | 2008 |
| | ₹ | ₹ | ₹ | ₹ |
| Held- to- maturity | | | | |
| Government of Jamaica Securities - | | | | |
| Debentures | | | | |
| JCCUL - | | | | |
| CuPremium | 10,253,589 | - | 10,253,589 | 8,987,684 |
| CUETS settlement fund | - | 638,179 | 638,179 | 475,317 |
| JCCUL shares | 4,059,914 | 1,000,000 | 5,059,914 | 4,861,539 |
| Mortgage funds | 12,345,598 | - | 12,345,598 | 11,286,820 |
| Gnet | - | 270,323 | 270,323 | 270,323 |
| | <u>26,659,101</u> | <u>1,908,502</u> | <u>28,567,603</u> | <u>25,881,683</u> |

Weighted average effective interest rates are:

| | | |
|--|--------|--------|
| Jamaica Co-operative Credit Union League Limited | 11.66% | 14.65% |
|--|--------|--------|

The rules of the Jamaica Co-operative Credit Union League Limited (the league) stipulate that the credit union must invest in various investment instruments of the League as follows:-

- Ordinary shares - A minimum of 10,000 shares of a par value of \$1.00 should be held. The equivalent of amounts held in the statutory reserve must either be used to purchase league share or placed in league term deposits (Stated below).
- Term deposit - This account should include 1% line of credit monthly repayment, the required 20% statutory reserve and 25% of the members deposit balances.
- Mortgage fund - 5% of the net increase in the members' share accounts should be deposited there each month. This has been discontinued due to decision of the credit union league.



STATEMENT VI.16

GRACE CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009

12. ACCOUNTS RECEIVABLE:

| | 2009 | 2008 |
|-------------------------------|------------------|------------------|
| | ₹ | ₹ |
| Prepayment | 227,217 | 175,489 |
| Interest receivable - league | 5,938,671 | 4,214,852 |
| Interest receivable - members | 1,140,602 | 926,098 |
| Withholding Tax | 149,415 | 112,883 |
| | <u>7,455,905</u> | <u>5,429,322</u> |

13. MEMBERS' SAVINGS DEPOSITS:

| | 2009 | 2008 |
|---------------------------------|-------------------|-------------------|
| | ₹ | ₹ |
| Balance at beginning of year | 65,217,614 | 62,321,493 |
| Add: Deposits and transfers | 4,693,725 | 6,478,903 |
| | <u>69,911,339</u> | <u>68,800,396</u> |
| Less: Withdrawals and transfers | 11,125,443 | 3,582,782 |
| Balance at end of year | <u>58,785,896</u> | <u>65,217,614</u> |

14. EXTERNAL CREDIT:

| | 2009 | 2008 |
|--------------------------------------|-------------------|-------------------|
| | ₹ | ₹ |
| (i) JCCUL Loan | 0 | 427,685 |
| (ii) GraceKennedy Ltd Pension Scheme | 15,000,000 | 15,000,000 |
| | <u>15,000,000</u> | <u>15,427,685</u> |

(i) The loan was disbursed on the 2nd of November 2004 for a period of sixty months (60), at a rate of six percent (6%) and matured November 17th 2009.

(ii) The loan was disbursed on the 7th of January 2009 for a period of twelve months (12) at a rate of eleven percent (11%).



STATEMENT VI.17

GRACE CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009

15. ACCOUNTS PAYABLE:

| | 2009 | 2008 |
|-----------------------------------|-------------------|------------------|
| | ₹ | ₹ |
| Accruals | 3,941,285 | 2,910,111 |
| Payables | 782,381 | 762,495 |
| Unclaimed shares and dividends | 1,000,115 | 982,234 |
| Company guarantee | 3,744,607 | 3,261,266 |
| Beneficiaries of deceased members | 35,667 | 35,667 |
| Standing order | 799,962 | 903,116 |
| Other | 79,240 | 52,261 |
| | <u>10,383,257</u> | <u>8,907,150</u> |

16. NON - INSTITUTIONAL CAPITAL:

| | 2009 | 2008 |
|-------------------------|------------------|------------------|
| | ₹ | ₹ |
| Special reserve | 785,736 | 2,894,736 |
| Education reserve | 214,793 | 214,793 |
| Donation reserve | 40,025 | 40,025 |
| Share transfer account | 52,000 | - |
| Unclaimed share reserve | 169,914 | 169,914 |
| | <u>1,262,468</u> | <u>3,319,468</u> |

17. INSTITUTIONAL CAPITAL:

| | 2009 | 2008 |
|------------------------------|------------|------------|
| | ₹ | ₹ |
| Statutory and legal reserves | 46,096,563 | 41,576,069 |
| Capital revaluation reserves | 6,431,394 | 6,431,394 |

Under the Co-operative Societies Act at least 20% of net surplus must be transferred to a statutory reserve. Members entrance fees are also credited to the statutory reserve.



STATEMENT VI.18

GRACE CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009

18. SHARE CAPITAL:

Shares in the cooperative entitle each member to one vote in the conduct of the affairs of the co-operative at general meetings. During 2009 shares were classified into permanent and voluntary shares. Voluntary shares may be transferred to another member or anyone eligible for membership with the consent of the Board of Directors. Voluntary shares may be withdrawn in whole or in part by a member, however, the Board of Directors reserves the right at any time to require a member to give notice not exceeding six months, provided that no member may withdraw any shareholdings below the amount of his liability to the co-operative without the approval of the Board of Directors.

19. FAIR VALUES OF FINANCIAL INSTRUMENTS:

Fair value amounts represents estimates of the consideration that would currently be agreed upon between knowledgeable, willing parties who are under no compulsion to act and is best evidenced by a quoted market price, if one exists. Many of the credit union's financial instruments lack an available trading market. Therefore, these instruments have been valued using present value or other valuation techniques and may not necessarily be indicative of the amounts realisable in an immediate settlement of the instruments. In addition, the calculation of estimated fair value is based on market conditions at a special point in time and may not be reflective of future fair values.

The following tables set out the fair values of financial instruments of the credit union using the valuation methods and assumptions described below. The fair value disclosed do not reflect the value of assets and liabilities that are not considered financial instruments, such as Equipment and Furniture and Fixtures.

Fair values were estimated as follows:

The fair values of liquid assets, cash and bank balances, interest and other receivables and interest and other payables are assumed to approximate their carrying values, due to their short-term nature.

Their fair value of investments is assumed to be equal to the estimated market value of investments provided in the following tables. These values are based on quoted market prices, when available; when not available other valuation techniques are used.

Loans are carried at amortised cost, which is deemed to approximate the fair value.

The fair values of deposits which are payable on demand or notice are assumed to be equal to their carrying values due to their short term nature.



STATEMENT VL19

GRACE CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009

19. FAIR VALUES OF FINANCIAL INSTRUMENTS CONT'D:

| | 2009 | | 2008 | |
|---|----------------|-------------|----------------|-------------|
| | Carrying Value | Fair Value | Carrying Value | Fair Value |
| | \$ | \$ | \$ | \$ |
| ASSETS | | | | |
| Earning assets | | | | |
| Loans | 226,391,896 | 226,391,896 | 213,641,828 | 213,641,828 |
| Liquid assets | 117,290,234 | 117,260,234 | 109,624,099 | 109,624,099 |
| Financial investments | 28,567,603 | 28,567,603 | 25,881,683 | 25,881,683 |
| Non-earning assets | | | | |
| Cash in hand and at bank | 0 | 0 | 0 | 0 |
| Other assets | 7,455,905 | 7,455,905 | 5,429,322 | 5,429,322 |
| Liabilities | | | | |
| Interest bearing liabilities | | | | |
| Members savings' deposits | 58,785,896 | 58,785,896 | 65,217,614 | 65,217,614 |
| Loan | 15,000,000 | 15,000,000 | 15,427,685 | 15,427,685 |
| Voluntary Shares | 220,072,221 | 220,072,221 | 0 | 0 |
| Non-interest bearing liabilities | | | | |
| Accounts payable | 10,383,257 | 10,383,257 | 8,907,150 | 8,907,150 |



STATEMENT VL20

GRACE CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009

20. RELATED PARTY TRANSACTIONS AND BALANCES:

At December 2009, nine (9) members of the credit union Board of Directors and ten (10) Committee Members and Connected Parties had shares and savings of \$9,504,528 (2008 \$7,227,403) and loans including interest totalling \$18,713,177 (2008 \$9,199,162)

Loans including interest due from members of staff totalled \$474,127.00 (2008 \$324,230). During the year no Director or Committee Members received any loan which necessitated waiver of the loan policy. At December 2009, all loans owing by Directors, Committee Members and Staff were being repaid in accordance with their loan agreement.

21. COMPARISON OF LEDGER BALANCES:

| | VOLUNTARY SHARES | PERMANENT SHARES | DEPOSITS | LOANS |
|--------------------------------|------------------|------------------|------------|-------------|
| | \$ | \$ | \$ | \$ |
| Balance as per general ledger | 220,072,221 | 2,025,000 | 58,785,896 | 226,391,896 |
| Balance as per members' ledger | 220,072,221 | 2,025,000 | 58,785,896 | 226,391,896 |
| Difference | 0 | 0 | 0 | 0 |

22. LIFE SAVINGS AND LOAN PROTECTION INSURANCE:

During the year, the credit union had life savings and loan protection with Cuna Mutual Insurance Company Limited. The total premium for the year was \$997,054 (2008 - \$ 846,722.00).

23. BONDING INSURANCE:

Bonding insurance was in force for the year under review.

24. TRANSFERS AND APPROPRIATION:

| | 2009 | 2008 |
|----------------------------------|---------------------|---------------------|
| | \$ | \$ |
| Less: Statutory appropriation | (4,510,598) | (3,800,423) |
| Dividends on shares and deposits | (16,720,398) | (14,424,698) |
| Honoraria | (55,000) | (55,000) |
| | <u>(21,286,996)</u> | <u>(18,280,121)</u> |



STATEMENT VL21

GRACE CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009

25. OPERATING EXPENSES:

| | 2009 | 2008 |
|--|-------------------|-------------------|
| | \$ | \$ |
| PERSONNEL EXPENSES | | |
| Employee salaries and statutory contribution | 15,118,072 | 12,686,377 |
| Employee costs | 11,552,169 | 10,220,758 |
| Education and training | 3,217,213 | 2,266,996 |
| Staff travel and related expenses | 345,340 | 169,399 |
| | 3,350 | 29,224 |
| ADMINISTRATIVE EXPENSES | | |
| Facilities fee | 8,540,147 | 7,256,838 |
| Depreciation and amortization | 3,373,932 | 3,063,886 |
| Audit and accounting | 88,045 | 225,573 |
| Repairs and maintenance (office) | 400,000 | 375,000 |
| Telecommunications | 0 | 35,771 |
| Printing, Stationery and supplies | 1,705 | 44,343 |
| Insurance premiums | 487,328 | 350,630 |
| Professional and consulting fees | 1,596,350 | 1,415,869 |
| Other administrative expenses | 748,681 | 200,000 |
| Unrecoverable gct | 428,917 | 383,290 |
| | 1,415,189 | 1,162,476 |
| MARKETING & PROMOTION | | |
| Publicity and Promotion | 292,891 | 378,623 |
| Education grant | 110,442 | 197,623 |
| | 182,449 | 181,000 |
| REPRESENTATION & AFFILIATION | | |
| League and other dues (JCCUL) | 3,474,574 | 2,482,010 |
| Seminars and meetings | 1,709,574 | 1,662,536 |
| Annual general meetings | 183,083 | 69,257 |
| Miscellaneous | 1,560,108 | 629,216 |
| | 21,809 | 121,001 |
| TOTAL OPERATING EXPENSES | <u>27,425,684</u> | <u>22,803,848</u> |



APPROPRIATION OF SURPLUS

| Recommendation | 2009 |
|--|-------------------|
| | \$ |
| Surplus December 31, 2009 | 22,557,630 |
| Less: Statutory Reserve 20% of Surplus | 4,511,526 |
| Adjusted Surplus | 18,046,104 |
| Add: Undistributed Surplus 1st January 2009 | 1,783,340 |
| Available for Distribution | 19,829,444 |
| Interest on Voluntary Shares @ 10% | 19,020,066 |
| Honoraria | 55,000 |
| Undistributed Surplus Carried Forward | 754,378 |

FIXING OF MAXIMUM LIABILITY

BE IT RESOLVED THAT Article XVI Rule 72 be amended to read:

The Board of Directors may incur a liability in Voluntary Shares, deposits and/or loans from any source on such terms of payment and/or security as they think fit; provided that the total liability shall not exceed a ratio of twelve (12) times the Credit Union's Capital and provided that the members in the Annual General Meeting by resolution have fixed the maximum liability that the Board of Directors may incur.

For and on behalf of the Board of Directors:

Janette Taylor
TREASURER



Staff

Fellechia Francis
Accounting Clerk

Nesta Jackson
Credit Officer

Hope Mowatt
General Manager

Patrice Levy
Accounting Officer

Susanna Thomas
Accountant



REPORT OF THE RECRUITMENT & EDUCATION/MARKETING COMMITTEE FOR YEAR ENDED 31ST DECEMBER 2009

In the spirit of giving back to the special group of individuals who we serve, the Credit Union again offered its Annual Educational Assistance Program to the children of our members. Each year, parents are encouraged to apply for grants to assist with school fees, books and uniforms.

The grants are available for children who

- are entering high school for the first time after having sat the GSAT exams
- are in high schools and will be sitting the CSEC or GCE exams in the following year
- are entering a tertiary institution for the first time.

Successful candidates are chosen based on their high academic performance, extra-curricular activity and general behaviour. This is assessed based on their school reports.

The amount available for disbursement was \$181,000.00. There were fifteen applicants and the awardees were as follows:

NAME OF CHILD PARENT

Category: GSAT

| | |
|------------------|------------------|
| Dominique Outar | Tracy-Ann Wright |
| Nadani Dixon | Andrea Muir |
| Stephanie Ramsay | Denise Ramsay |
| Danae Virgo | Tracy-Ann Virgo |

NAME OF CHILD PARENT

Category: GCE O & A Level, CAPE
Samoi Mignott Jeneve Edwards

Category: Tertiary

| | |
|-----------------------|-------------------|
| Matthew Clayton | Franceta Clayton |
| Claud Michael Pringle | Charmaine Pringle |
| Khriston Ashman | Leighton Ashman |

The Committee comprised:

| |
|------------------|
| Christopher Bond |
| Karlene Burgess |
| Hope Mowatt |
| Davion Wilson |

Awards were presented at a function chaired by Director Christopher Bond who delivered a measured yet stirring charge to the awardees to strive for excellence while remaining balanced individuals. He also encouraged them to continually seek ways to give back in their various environments and embrace the spirit of volunteerism.

We treasure the privilege of serving you and thank also the Board of Directors, Other Volunteers and Staff for their continued support.

Hope Mowatt (Miss)
Chairperson



REPORT OF THE CREDIT COMMITTEE FOR YEAR ENDED 31ST DECEMBER 2009

Sophia Gordon-Dennis
Chairperson

Colin Atkinson

Sydney Johnson

Karen Walker



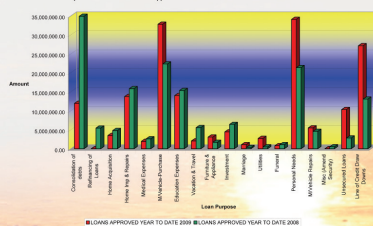
Missing from Photo:
Marcia Dinnall-Douglas

In spite of the challenging environment within which the Credit Union operated in 2009, its performance remained creditable. The loan portfolio increased by \$12.75 million or 6% over that as at December 2008.

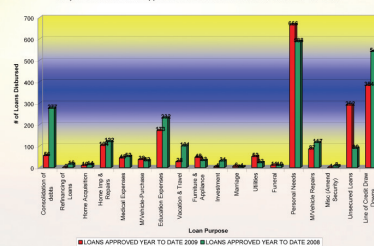
Total loans disbursed for the year under review amounted to \$171.2 million, \$1.63 million or 1% less than the previous year. The number of loans disbursed totaled 2099 and was 265 or 12% less than that disbursed in 2008.

The following charts reflect the performance:

Comparison of Value of Loans Approved between December 2008 & 2009 Year - To - Date



Comparison of # of Loans Approved between December 2008 & 2009 Year - To - Date



Loans for personal needs topped the loan demand at \$34 million compared to \$21 million last year, followed by loans for motor vehicle purchases at \$32 million compared to \$22 million in 2008. Debt consolidation loans followed at \$27 million in comparison to \$13 million in the previous year.

The uptake for the Quarterly Unsecured loans was quite significant at 292 loans totaling \$10.3 million which highlights the high demand for such loans by our members.

The notable increases were:

| Purpose | % \$ Increase | % # change |
|---------------------------|---------------|------------|
| Motor vehicle purchase | 47 | 19 |
| Furniture and appliances | 81 | 46 |
| Personal needs | 60 | 14 |
| Line of credit draw downs | 108 | -30 |
| Christmas loans | 173 | 163 |
| Easter Loans | 70 | 30 |
| Utilities | 454 | 126 |

There were significant declines in the following areas:

| Purpose | % \$ Increase | % # change |
|------------------------------|---------------|------------|
| Home Acquisition | -27 | -29 |
| Home improvement and Repairs | -14 | -15 |
| Vacation and Travel | -64 | -73 |
| Investment | -31 | -87 |

The hold placed on the Pension loans also negatively impacted the performance of the portfolio for home improvement and home deposit purposes.

With the continuing changes in the financial environment within which we operate, the Credit Union continues to seek creative ways/products to assist its members. With the introduction of the Jamaica Debt Exchange program, greater reliance will be placed on loan interest income to maintain our commendable overall performance.

Sophia Gordon -Dennis
Chairperson



REPORT OF THE SUPERVISORY COMMITTEE FOR YEAR ENDED 31ST DECEMBER 2009



During the year, our Committee met to examine the affairs of the Credit Union and performed follow-up reviews on the audit issues reported by the Credit Union League.

Members of the Supervisory Committee were:-

- Mr. Eric Mardner *Chairman*
- Mrs. Lorna Reynolds-Minott *Secretary*
- Miss Beverley Wright
- Messrs: Leighton Grant
- Aden Whittaker

The Jamaica Co-operative Credit Union League Ltd was contracted to review the areas outlined below:

- Policy and Procedures compliance with Anti Money Laundering (AML)
- Loans to Connected Parties
- Members' Fixed Deposit

We are satisfied that the Board of Directors, Officers and Staff members handled the affairs of the Credit Union properly, provided us and the League with the information we required and dealt promptly with the queries and recommendations made by the Committee and the Jamaica Co-operative Credit Union League.

We wish to sincerely thank the Manager and the members of staff of the Credit Union for their co-operation during the year in enabling us to carry out our task. I would also like to express my thanks to the members of this Committee for the work done and to thank the membership, on behalf of the Committee, for the privilege of serving during the year.

Eric Mardner
Chairman



Recipes

CALYPSO LOBSTER SALAD

PREP TIME: 15 minutes
COOKING TIME: 15 minutes
YIELDS: 4 persons

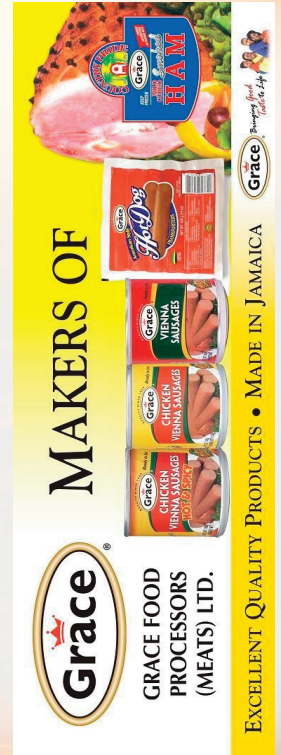
| IMPERIAL | DESCRIPTION |
|--------------|---|
| 1/2 Cup | Grace Barbecue Sauce |
| 1/2 Cup | Grace Mayonnaise |
| 1/2 Cup | Pineapple juice, reserved from slices |
| 1 1/2 Pounds | Poached lobster tail, removed from shell and 1/4 inch cubed |
| 4 Ounces | Grace Whole Kernel Corn |
| 8 Ounces | Grace Elbow Pasta, (cooked and drained) |
| 1 Medium | Tomato, chopped |
| 4 Ounces | Cucumber chopped |
| 4 Ounces | Grace Pineapple Slices, (drained, reserving juice) |
| 4 Ounces | Red bell peppers |
| 1 Head | Lettuce |
| 2 Ounces | Carrots, shredded |

METHOD:

1. FOR CALYPSO DRESSING: Whisk together GRACE BBQ SAUCE, GRACE MAYONNAISE, and juice reserved from the GRACE PINEAPPLE SLICES.
2. In a large bowl, place lobster, GRACE WHOLE KERNEL CORN, GRACE ELBOW MACARONI, chopped tomatoes, chopped cucumber, chopped GRACE PINEAPPLE SLICES, and julienne red peppers. Toss well.
3. Add Calypso dressing and toss well ensuring salad is properly coated.
4. Arrange lettuce leaves on a platter, spoon on salad.
5. Garnish with shredded carrots and serve.

NOTES

TO POACH: Cook food gently in a slowly bubbling (not boiling) liquid.



Recipes

"IRIE" CORNED BEEF SEASONED RICE

PREP TIME: 15 minutes
COOKING TIME: 30 minutes
YIELDS: 4 persons

| IMPERIAL | DESCRIPTION |
|--------------|------------------------------------|
| 1 Packet | Grace Cock Soup Mix |
| 4 Cups | Water* |
| 2 Cups | Grace Rice |
| 1/2 Cup | Onion, chopped |
| 1/2 Cup | Green or red sweet pepper, chopped |
| 1 | Medium tomato, chopped |
| 1/2 Teaspoon | Scotch bonnet pepper, chopped |
| 1 Can | Grace Mixed Vegetables, (drained) |
| 1 Can | Grace Whole Kernel Corn, (drained) |
| 1 Can | Grace Corned Beef, (flaked) |



METHOD:

1. Finely chop onion, green or red sweet pepper and tomato and set aside.
2. Combine water* and the Grace Cock Soup Mix and bring to a boil. Add rice, onion, sweet pepper, tomato and scotch bonnet pepper.
3. Cook until water is completely absorbed and rice grains are tender.
4. Stir in the Grace Mixed Vegetables, Grace Whole Kernel Corn and the Grace Corned Beef. Cover and allow to continue steaming until done.

NOTES: *Drain water from the canned vegetables and add tap water to make up the 4 cups.



DELEGATES' REPORT ON THE 68TH ANNUAL GENERAL MEETING OF THE JAMAICA CO-OPERATIVE CREDIT UNION LEAGUE LTD.

The 68th Annual General Meeting of the Jamaica Co-operative Credit Union League was held on Saturday May 16, 2009 at the Sunset Jamaica Grand Resort and Spa in Ocho Rios. This was under the theme "Our LeagueAlways Relevant, Always There." There were over 300 persons in attendance.

The Plenary session began at 2:00PM with presentations and full discussions on the three areas as follows:

- BOJ Opportunities in Economic Crisis - An international Perspective presented by Sandra Spence, VP Advertising & PR from City County Credit Union in Florida
- Gifts from the Economic Downturn – this was the local perspective of the Opportunities in Economic Crisis and was presented by Dr. Canute Thompson, Assistant VP from the office of Capacity Development, International University of the Caribbean.
- The session climaxed with a panel discussion entitled The Credit Union Movements' Response. The moderator was Heston Hutton, assistant General Manager at the League and the panellists were :

Hopeton Morrison
General Manager of St. Thomas CCU

Barbara Gascoigne
General Manager of Churches CCU

Courtney Jackson
Manager of Credit Union Fund Management Company and

Harold Davis
Executive Director of the Jamaica Business Development Corporation.

The session was well received and the feedback indicated that the topics were current as well as timely. Following this session, delegates and observers dispersed to prepare themselves for the Annual Awards.

CREDIT UNION OF THE YEAR 2008

The annual Credit Union banquet and awards ceremony got underway on Friday evening.

The guest speaker was well-known broadcaster, actress and orator Fae Ellington. Mr. Dunstan Morgan, Manager of the Credit Union Risk & Compliance Unit was the master of ceremony.

Awards for achievements in 2008 were presented to the following credit unions:

- Mega Credit Union award went to AAMM Credit Union and the runner – up JTA Co-operative Credit Union
- Large Credit Union Award went to Palisadoes Co-operative Credit Union and the runner-up NCB Employees Co-operative Credit Union
- Medium Sized Credit Union award went to Lascelles Co-operative Credit Union with the runner-up being Grace Co-operative Credit Union
- John Peter Sullivan Award for Small Credit Union Award went to Petroleum Industry Employees Co-operative Credit Union with the runner-up being Church of the First Born.



Other awards were presented as follows:

- ICD & associates Co-operative Credit Union – *Most Improved Net Capital/Assets Ratio*
- Church of the First Born Co-operative Credit Union – *Highest Asset Growth*
- Petroleum Industry Employees Co-operative Credit Union – *Return on Assets*
- Westmoreland Co-operative Credit Union – *Highest Loan Growth*
- First Regional Co-operative Credit Union – *Most Outstanding Parish Credit Union.*

ANNUAL GENERAL MEETING MAY 16

The annual general meeting began at 9:00AM and parliamentary rules were observed.

President Yvonne Ridguard summarised the Board Report in a 20 minute PowerPoint presentation. She highlighted the achievements of the credit Union Movement in 2008, pinpointing the areas of gain and noting the areas for improvement.

Following her presentation Treasurer Anthony Young took the delegates through the Treasurer's Report. Both sessions generated much discussion.

DISTRIBUTION OF SURPLUS

The League's surplus was distributed as follows:

| | |
|--|---------------|
| Capitalized Dividend (15%) on permanent shares | Millions (\$) |
| Cash Dividend of (10%) on Voluntary Shares | 9.33 |
| Honoraria | 12.29 |
| Emergency Fund | 1.47 |
| CODEFCO | 1.32 |
| Gifts and Charities | 0.661 |
| Milestone Events | 0.661 |
| Institutional Capital | 62.01 |
| Total | 88.40 |

FIXING OF MAXIMUM LIABILITY

The League's maximum liability was moved to J\$10 billion.

RULE CHANGES

One rule change was submitted to the meeting for consideration.

Rule 9 (1) Resolution to amend Share Capital and Liability

The AGM was seeking to increase to One Million Five Hundred and Twenty Eight Thousand, Eight Hundred and Seventy Five Dollars (\$1,520,875.00) the minimum share holding in the League.

The amended rule now reads:

"The share capital of the League shall be unlimited, divided into shares of the par value of One Dollar (\$1.00) each; PROVIDED that every member society shall subscribe to at least One Million Five Hundred and Twenty Thousand ,Eight Hundred and Seventy Five Dollars (\$1,520,875.00) such shares within such time as may be agreed with the Board and provided that the League in general meeting may, as the business of the League requires from time to time, increase the minimum shares that a member society shall hold."

CONGRATULATORY RESOLUTIONS

A congratulatory resolution was passed on behalf of St. Thomas Co-operative Credit Union for its leadership role in securing the European Union grant for institutional strengthening.

Former Director Reverend Paul Gardiner was also congratulated for assuming the position of President of the Worldwide Moravian Church, the Unity in February 2009.

NEW BOARD MEMBERS

The following persons were duly elected for a term of three years:

- Mr. Michael Roofe** - GSB Co-operative Credit Union
 - Mr. Ian McNaughton** - St Thomas Co-operative Credit Union
 - Mr. Onwurah Egom** - Hanover Co-operative Credit Union
 - Mr Clinton Pickering** - Montego Co-operative Credit Union
 - Mr. Jonathan Brown** - Churches Co-operative Credit Union
 - Mrs. Dorothy Raymond** - JTA Co-operative Credit Union
 - Mr. Derrick Tulloch** - JPS & Partners Co-operative Credit Union
- Persons elected for a two year term were as follows :
- Ms. Fay Davis** - Petroleum Industry Employees Co-operative Credit Union
 - Mr. Michael Erskine** - Westmoreland Co-operative Credit Union
- Persons elected for one year were as follows:
- Mr. Patrick Haywood** - First Regional Co-operative Credit Union
 - Mr. George Murray** - St. Elizabeth Co-operative Credit Union

Condolence resolution was passed for the late

- Zeta Ferrill who served on the Credit Committee of the GSB co-operative Credit Union from 1996 until April 9 2008 when she made her transition.
- Owen Segree who served as a director at First Regional Co-operative Credit Union until his transition on May 5, 2008. He had served the St. Mary Co-operative Credit Union on the Credit Committee and then as a director.

The Executive for 2009 -2010 is as follows:

- Ms. Yvonne Ridguard** - President
- Mr. Jonathan Brown** - 1st Vice President
- Mr. Derrick Tulloch** - 2nd Vice President
- Mr. Anthony Young** - Treasurer
- Mr. Ian Mc Naughton** - Asst. Treasurer
- Ms. Carol Anglin** - Secretary
- Mr. Clinton Pickering** - Asst. Secretary

- Mrs. Joyce West-Johnson**
- Mr. Ruel Nelson**
- Ms. Sonya Campbell**

- The following directors demitted office:
- Mr. Carl Domville** - Past President and Treasurer of the League
 - Mr. Kenneth Grant** - 2nd Vice President
 - Mr. John Spence** - Director
 - Mr. Keith Dwyer** - Director

SUPERVISORY COMMITTEE

The following persons were nominated to serve on this committee for one year:

- Ms. Jacqueline Peart**
- Ms. Lewin Baxter**

The Chairman specially acknowledged Director Hector Dietrich who was one of the longest serving Directors.



REPORT OF THE NOMINATING COMMITTEE TO THE 41ST ANNUAL GENERAL MEETING

In accordance with Article X11 Rule #63(i), the Board of Directors of Grace Co-operative Credit Union Limited appointed a Nominating Committee which comprised the following persons:

- Mr. Andrew Levy - Chairman
- Mrs. Naomi Holness - Secretary
- Miss Lurline Cummings

The status of volunteers was as follows:

BOARD OF DIRECTORS

| Retiring | Recommended | Term |
|--------------------|----------------|---------|
| Mr. Joseph Taffe | Joseph Taffe | 1 year |
| Mrs. Fay McIntosh | Karen Walker | 2 years |
| Mr. Gilroy Graham | Gilroy Graham | 2 years |
| Mr. Jerry Hamilton | Jerry Hamilton | 2 years |

Not Retiring

| Not Retiring | Unexpired Term |
|----------------------|----------------|
| Mr. Christopher Bond | 1 year |
| Mrs. Sandra Barnett | 1 year |
| Mrs. Paula Barclay | 1 year |
| Miss Janet Taylor | 1 year |
| Mr. Andrew Levy | 1 year |

CREDIT COMMITTEE

| Retiring | Recommended | Term |
|-----------------------------|---------------------------|---------|
| Mrs. Karen Walker | Mrs. Marsha Cope -Johnson | 2 years |
| Mrs. Sophia Gordon - Dennis | Mrs. Sophia Dennis | 2 years |

Not Retiring

| Not Retiring | Unexpired term |
|----------------------------|----------------|
| Mrs. Marcia Dinnal-Douglas | 1 year |
| Mrs. Sydney Johnson | 1 year |
| Mr. Colin Atkinson | 1 year |

SUPERVISORY COMMITTEE

| Retiring | Recommended | Term |
|----------------------------|-----------------------|--------|
| Mrs. Lorna Reynolds-Minott | Lorna Reynolds-Minott | 1 year |
| Mr. Leighton Grant | Leighton Grant | 1 year |
| Mr. Aden Whittaker | Mr. Aden Whittaker | 1 year |
| Mr. Eric Mardner | Eric Mardner | 1 year |
| Ms. Beverley Wright | Beverley Wright | 1 year |

DELEGATES TO THE LEAGUE AND OTHER SOCIETIES

| DELEGATES | ALTERNATES |
|-----------|-----------------|
| President | Secretary |
| Treasurer | General Manager |

Naomi Holness (Mrs.)
Secretary



THE NEW NOMINEE

Mrs. Marsha Cope-Johnson is currently the Finance Manager – Distribution within the Central Finance Unit of GK Foods Division. She has been employed to GraceKennedy Limited since 2003 and previously held the posts Internal Audit Manager – Foods Trading Division (now GK Foods Division) and Management Accountant – Grace Foods & Services Company.

She was previously employed to Ernst & Young Jamaica and Ernst & Young Barbados as Audit Senior Manager.

She is a fellow of the Association of Chartered Certified Accountants and a member of the Institute of Chartered Accountants of Jamaica. Mrs. Cope-Johnson also holds a MBA from the University of New Orleans and is a member of the Beta Gama Sigma, which is an honor society for business students and scholars. She has participated in various training sessions and workshops both locally and overseas.

She is also a graduate of St. Hugh's High School for Girls



CONTACT PERSONS LIST

COMPANY

ALLIED INSURANCE BROKERS LIMITED
APM TERMINAL (JA) LIMITED
CARIB STAR SHIPPING
CMA CGM (JAMAICA) LIMITED (INTERNSHIP)
DAIRY INDUSTRIES (JA) LIMITED
FIDELITY MOTORS
FIRST GLOBAL BANK
FIRST GLOBAL FINANCIAL SERVICES
GFP CANNING
GFP MEAT
GRACE EXPORT TRADING
GATEWAY SHIPPING INT'L
GRACE KENNEDY INVESTMENTS
GRACEKENNEDY REMITANCE SERVICES
HARBOUR COLD STORAGE
HI-LO FOOD STORES LTD
JA INT'L INSURANCE CO LTD
KINGSTON WHARVES LIMITED
NATIONAL PROCESSORS LTD
RAPID TRUE VALUE
VERSAIR INFLITE
WORLD BRANDS LTD
CORPORATE AFFAIRS
CORPORATE FINANCE & ACCOUNTS
CORPORATE H R DEPT
CUSTOMER SERVICE / CREDIT
FACILITIES MANAGEMENT
GK FOODS BUSINESS SYSTEMS DEPT
GK FOODS H R DEPT
GRACE & STAFF COMMUNITY DEV
GROUP SECRETARIAT
INTERNAL AUDIT
SALES/MERCHANDISE

NAME

MS. HORTENSIA HILL
MR. COLIN MCHAYLE
MS. DELORITA DEAN
MS. DOREEN ROWE
MS. CAROL MITCHELL
MS. ANGELIQUE REID
MS. CAVEL SMITH
MS. CAVEL SMITH
MS. JULIAN MARAGH
MRS. CHRISTINE DAVIDSON
MRS PATRICIA MEGHOO-OBERLI
MS. HOPE ATKINSON
MS. COLEEN HENRY
MRS. CHARMINE HYMAN-BROWN
MS. WINSOME SMITH
MS NICKEISHA VERMONT
MRS TRACIE-ANN VIRGO
MR LUDLOW MCBEAN
MR KANHAI MOWATT
MS. JULIET ROBINSON
MS JOY ROBINSON
MS JACQUELINE HALL
MS. DIONNE RHODEN
MRS. JACQUELINE TOYLOY
MRS. LORRAINE BLAIR-BAKER
MRS. COVENETTE BROWN
MRS SHAWN THOMPSON-POWELL
MRS. PETA-GAY DUNN-COORE
MRS WAYNETTE CAMPBELL
MS TAMEICA LEWIS
MRS. LAVERN LLEWELLYN
MRS CAMELLE RICKETTS- MOORE
MS ANDREAN MANNING



*Prayer of
St. Francis of Assisi.*

Lord, make 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.

Divine Master, grant that I may not
So much seek to be consoled as to console,
To be understood as to understand,
To be loved, as to love,
For it is in giving that we receive,
It is in pardoning that we are pardoned,
And it is in dying that we are born to Eternal Life.



~ NOTES ~



~ NOTES ~