

PRESIDENT'S MESSAGE

My fellow directors and I welcome you to the 35th Annual General Meeting of the BWU Co-operative Credit Union Limited (BWUCCUL). The 2019 meeting takes place at a critical period in the life of our Credit Union. We turn 35 and are therefore transitioning from youth to adulthood. Also, our country is managing severe economic challenges, while trying to modernize to become more competitive and resilient to domestic and international shocks, as well as to natural disasters. Barbados is building an economy in which we manage our public finances and create sustainable economic conditions that support the maintenance of our current fixed exchange rate of BDS\$2 to US\$1. These efforts are resulting in tough decisions, but we at the BWUCCU recognize the national call, and our Credit Union has committed to the cause. The macroeconomic challenges have had spillover effects on our Credit Union in a real but not insurmountable, way. The difficulties require responses like those of our Founders-Sister Linda Brooks, the late Sir. Frank Walcott, Brothers Vere Rock, the late Evelyn Greaves, the Honourable Robert "Bobby" Morris and others who built this Credit Union in response to adversity and to help people like you and me improve our economic and financial fortunes, and to be genuinely productive citizens. Because of their efforts, we have created economic and financial opportunities for Barbadians; we have improved living standards and provided an avenue for workers to access credit on reasonable terms. Over the last 35 years, we have impacted over 24,000 lives in a meaningful and tangible way and we have supported the communities in which we operate. We understand adversity and challenges, and more importantly, we know how to respond and how to turn our difficulties into opportunities. The current national and institutional situation calls for similar efforts and approaches. Our Credit Union registered gains over the past year. We grew our membership, expanded our asset base and increased our surplus. We instituted measures and facilities to help our members and our staff cope with the economic challenges and the Board thanks the management for ensuring that we empathized with the people whom we serve. We were nimbler and more responsive to market conditions, however, we suffered setbacks. The national debt restructuring and the adoption of the new accounting standard IFRS9 impacted us. These two developments resulted in the Credit Union having to write down over seven (7) million dollars from our retained earnings and current year income. Our regulator, the Financial Services Commission (FSC), sensitive to these challenges, has given us and the movement five (5) years to restore the capital base. The bearish/soft property market also occasioned another write down, because the market value of our new headquarters does not reflect fully the investment cost to provide comfortable surroundings for our staff and our members. The difference in the current market value of the property and the cost of the refurbishment, is just over one (1) million dollars. Your Board, volunteers and the Credit Union's management are inspired by the energy, determination and tenacity that motivated our Founders in the early 1980s to create the BWUCCU. We will work with the same diligence and energy of our forefathers to restore our capital. We have started to craft a plan which will require the approval of the regulators and the support of every member. As we transition to another phase of our life, we are prepared to manage and overcome the difficulties. We pledge to continue to build on the successes, while implementing the changes and reforms necessary to sustain us through our adulthood and help us to renew. Those changes will focus on digitalization, green products and services and building a spirit of entrepreneurship among more of our members. We are reenergized, refocused and restructuring to serve you our members better, to create the best work environment for our staff and to add value to the communities in which we operate. Thank you for your support over the past year. It was an honour to have served you.



Sis. Novaline Brewster
President