LA INMACULADA CREDIT UNION LTD.
LICU
BELIZE, C.A.

LA INMACULADA CREDIT UNION

73rd

AGM

ANNUAL GENERAL MEETING

LA INMACULADA CREDIT UNION LTD.
LICU
BELIZE, C.A.

HOGAR
Helping Ourselves Gain Access to Residence

LOWEST SERVICE CHARGE

LICU

can help you obtain the

Home of Your Dreams Now!

6%

Fixed on Reducing Balance

Conditions Apply

- -Free Loan Coverage up to $40,000
- -Free Life Saving Coverage up to $8,000
- -Member's Life Saving Coverage
- -Discounted Building Insurance
- -Lower Cost for Property Appraisals
- -Non-member Consultations Available

Your Road to Financial Prosperity!



Contact us at

#5 Park Street
Tel: 322-2358 or 322-0483
Orange Walk Town

#2 Forest Drive
Tel: 822-3018
City of Belmopan

Visit us at: www.licu.org

AGENDA

1. MEETING CALLED TO ORDER BY PRESIDENT

2. NATIONAL ANTHEM

3. OPENING PRAYER

(See inside back cover) – One Minute Silence

4. WELCOME REMARKS

5. MINUTES

a. Confirmation of Minutes of the 70th Annual General Meeting (2018-2019)
(71st AGM 2019-2020 and 72nd AGM 2020-2021 were not held due to COVID-19 restrictions)

b. Business Arising from the Minutes of the Last Meeting

6. REPORTS

a. Board of Directors
b. Treasurer's
c. Credit Committee
d. Supervisory Committee

7. DISCUSSION AND ACCEPTANCE OF REPORTS

8. DECLARATION OF DIVIDENDS

9. ELECTION OF OFFICERS

a. Board of Directors
b. Credit Committee
c. Supervisory Committee

10. OTHER BUSINESS

a. Amendment to By-Laws

11. NEW BUSINESS

a. Confirmation of External Auditor

12. ADJOURNMENT OF BUSINESS MEETING

13. REFRESHMENTS AND PRIZES

MINUTES OF THE 70th ANNUAL GENERAL MEETING of the LA INMACULADA CREDIT LIMITED held at the Muffles College Auditorium, Orange Walk Town on Saturday June 22, 2019



OPENING AND PRELIMINARIES

CALL TO ORDER

The meeting was called to order by the President, Ms. Ena Martinez, at 10:20 a.m. The opening prayer was led by Fr. Gilbert Nautilus. The Welcome address was given by Ms. Ena Martinez.

MINUTES (69TH AGM)

CORRECTIONS

The minutes of the 69th Annual General Meeting were accepted as presented on a motion by Mr. Emmanuel Martinez and seconded by Ms. Nellie Briceño.

MATTERS ARISING

Mr. Emmanuel Martinez asked for an update on the Court case. The President informed that LICU's witnesses had testified on February 17, 2019, bringing the case to a close. The lawyers have submitted their final argument as well. The judge is yet to give her verdict.

Mr. Otilio Muñoz asked whether the migration of members to other institutions was due to the pending litigation. The GM responded that this is not so and this is an issue being experienced by all credit unions due to the low interest rates offered by the banks and their aggressive recruitment of customers.

Mr. Evaristo Blanco asked for an update on the attorney's fees regarding the Court case. The GM directed his attention to the financial report where the expense was recorded. It was also added that had the change of management not happened in 2015, the repercussions would have been much more than what has been spent on lawyer's fees.

Mr. Ricardo Castillo asked whether there is any security or insurance to help with any potential litigation. The GM responded that a bond exists between LICU and RF&G Insurance. She said that this case is unprecedented and that the process is ongoing.

Ms. Eufemia Gutierrez asked for an explanation on what the Rural Credit Fund is. The GM explained that this is a program sponsored by IDB to assist members from the rural areas to access credit.

Mr. Otilio Muñoz encouraged LICU to continue with the Star Savers Program at the primary schools and asked that it be done consistently.





BOARD OF DIRECTORS REPORT

DEPOSITORY BIN SERVICES

A depository bin with twenty-four hour service was introduced at the Orange Walk Branch. Deposits can now be made for shares, loan payments or savings.

BILL PAYMENT SERVICES

The payment for most bills can now be made over the counter at both branches. Top-up services are also available for both Digicel and SMART at the two branches.

PARKING LOT

The parking lot now counts with designated parking for members with disabilities. Wheelchair services are also available for members who may require it.

SHARETEC SYSTEM – CORE BANKING CONVERSION

A contract was signed on September 2018 with Bradford Scott Data Corporation (BSDC), designers and creators of Sharetec, a new core banking system for credit unions. LICU is expected to fully migrate into this new banking system on August 1, 2019.

THE GROUP TERM LIFE FUND - MEMBERSHIP SCHEME

The membership Scheme Sunrise to Sunset has assisted the beneficiaries of 515 members as at March 31, 2019. The assistance provided for the financial year in question was $220,000.00. During this same year, the fund grew by $169,836.62 after paying seventy five (75) benefits in comparison to sixty five (65) paid the previous year. The fund stood at $1,535,169.86 as at March 31, 2019 after expensing out $10,107.00 for a comprehensive actuarial review.

SAVINGS AND LOAN MEMBERSHIP SCHEME

Total benefits paid from the scheme amounted to $460,598.60 and assisted eighty one (81) families for the financial year in review.

The fund grew by $124,328.71 and has a balance of $1,493,607.59 after nine (9) years of existence.



ALLIANCES/PARTNERSHIP/NETWORKING

RF&G INSURANCE

The 15% discount given to members under this program resulted in total earnings discount of $19,924.47. This is a significant increase in comparison to $9,575.26 from the previous year.

CARIBBEAN CONFEDERATION OF CREDIT UNIONS (CCCU) CONVENTION 2018

The CCCU 61st Annual International Convention was held in Port of Spain, Trinidad, in June 2018 under the theme "Credit Unions: The Power to Change the Future". The main focus was mainly on the impacts and implementation of International Financial Reporting Standards (IFRS-9).

LICU STAR SAVERS PROGRAM

This program serves thirteen (13) schools with a total of 721 students that have saved a commendable cumulative amount of $64,738.59.

STUDENT LOAN PROGRAM WITH BELIZE NATURAL ENERGY CHARITABLE TRUST (BNECT)

As at march 31, 2019 LICU and BNECT assisted 270 students with a total value of $1,157,132.71.

EXTERNAL FUNDING

SUGAR CANE REPLANTING PROGRAM (SCRP)

As at March 31, 2019 the loan portfolio for this program stood at $422,893.76. This external debt with DFC should be cleared in the coming fiscal year.

SOCIAL ENTREPRENEURSHIP PROGRAM (SEP)

This loan facility was obtained from IDB/MIF. The portfolio stood at $190,135.01. This will also be cleared in the coming fiscal year.

EMPOWERMENT FUND

This fund, a total of $250,000.00 from the BNECT account, is used for income generating loans. Dialogue with BNECT has taken place in an effort to review the conditions for approval so as to make it more accessible.

EDUCATION AND TRAINING

To date, thirty four (34) primary school students have received scholarships. Each student received $4,000.00 to assist them throughout their four years of study at a high school of their choice.



STAFF DEVELOPMENT

STAFF AND VOLUNTEERS TRAINING & DEVELOPMENT

The LICU Board, Committees, Management and Staff participated in a series of training as follows:

- Front-line Customer Service Training for staff.
- Training on the Basic Principles of Insurance held on June, 2018.
- Training on Service Excellence for staff held in August 2018.
- Training on Team Building for staff held in September 2018.
- Micro Finance Alliance Forum held in October in Jamaica. The General Manager and a Board member attended.
- Anti-Money Laundering (AML) and Counter financing of Terrorism (CFT) training for the Board, Compliance Officer and General Manager was held in February 2019.

HUMAN RESOURCE COMPLEMENT

The staff was complemented with the addition of nine (9) employees, 5 of which were for the Orange Walk Branch, and the other four (4) were for the Belmopan Branch.

COMPLIANCE AND REGULATION

As part of compliance, LICU urged its members to update their personal records at least once a year. Members are asked to produce an identification, proof of address, and source of funds declaration when updating their accounts.

DELINQUENCY

In order to mitigate delinquency, the Collections Department has a formal and enforceable policy that entails courtesy calls, reminder letters and, of last resort, court action and foreclosures. LICU has also implemented monthly schedules where delinquent members are visited at their homes by Loan Monitoring Officers.

BELMOPAN BRANCH

The Belmopan Branch has been in operation since October 2013 and remains under the leadership of the current Officer in Charge, Ms. Danita Young. The branch's membership currently stands at 5,136 with over $9.7M under the loan portfolio.

DECLARATION OF DIVIDENDS

The net surplus stood at $2,933,363.00 after all statutory allocations had been fully complied with. The Board declared a 5% dividend and a 6% rebate. The declaration of dividends and rebate was resoundingly approved by a raise of hands of members.



TREASURER'S REPORT

The fiscal year in question yielded the following results:

- Savings increased by $1,276,000.07 or 2%
- Assets increased by $1,844,505.60 or 3%
- Loans decreased by $1,504,342.14 or -2.6%
- Net loans receivable decreased by $507,178.00

A total of 44,654,866.63 has been expensed for non-performing loans in the last four years due to poor credit analysis, negligent securitization, purposeful manipulation and deliberate manipulation of data in the past.

On the advice of the regulators, almost $1.5 million was removed in non-performing loans from the active loans, hence the reduction in the loan portfolio in the same amount.

An additional $4,274,859.00 has been provisioned in the last four years to build up the Net Institutional Capital. The total of these two allocations is almost $9million which LICU should have been allocating during previous years, but was not doing so.

A total of 1,374 new accounts between the main branch and the branch office were opened. This shows an increase compared to 1,103 for the previous fiscal year.

CREDIT COMMITTEE'S REPORT

For the past fiscal year, 6,305 loans were approved at a total value of $38,147,338.39. In comparison to the previous fiscal year this is a growth of $1,105,855.16 (3%). The top five loan purposes were as follows:

- Repairs $5,086,922.02
- Christmas $4,798,984.60
- Education $4,302,724.54
- Medical $4,062,106.34
- Business $3,850,163.81

The overall aggregate loan portfolio stood at $55,794,579.30 with the Belmopan branch bearing a value of $9,931,159.79 and the Orange Walk branch with a value of $45,863,419.51.

The aggregate loan experienced a decrease from $57,298,851.00 to $55,794,579.30, a difference of $1,504,342.00 which is a 2.6% decrease.

In compliance with Central Bank's requirements, $1,475,603.50 of loans in arrears has been written off. Delinquency is at 12.2% with a value of $6,804,712.94.



SUPERVISORY COMMITTEE'S REPORT

The Supervisory Committee examined the financial statements at LICU and the related reports for the fiscal year.

In January 2019, they hired Mr. Emir Vega to fill the post of Internal Auditor.

With the assistance of the internal auditor, the Supervisory Committee also performed the following tasks:

1. Established the internal audit function and developed an internal audit charter at LICU.
2. Assisted with the ongoing supervision and implementation of the new core banking system.
3. Reviewed bank reconciliations.
4. Reviewed loan files for adherence to policies and procedures.
5. Conducted cash counts throughout the year at both branches.
6. Engaged a new external auditor for this fiscal year – BDO Belize LLP.
7. Conducted an institution-wide risk assessment.
8. Reviewed minutes of meetings with Board of Directors.
9. Reviewed the financial statements.
10. Attended training sessions on AML/CFT and roles of Supervisory Committee.
11. Reviewed purchases made using the credit card.

DISCUSSION OF REPORTS

Mr. Emmanuel Martinez questioned the reason for not reengaging the services of Baker Tilly Hulse as auditors. Mr. Isael Cajun, Officer in the Supervisory Committee, responded that legislation dictates that auditors be changed every three years.

The reports were all accepted as presented on a motion by Mr. Emmanuel Martinez and seconded by Mr. Arturo Acosta.

ELECTION OF OFFICERS

Ms. Corine Fuller, Executive Director of the Belize Credit Union League, conducted elections for three vacancies in the Board, being the posts held by Ms. Ena Martinez, Ms. Teresita Miranda, who was absent at the meeting, and Mr. Manuel Polanco.

Ms. Fuller read the rules and regulations as per the bylaws.

The nominating committee, which was comprised of Mr. Belarmino Esquivel, Vice President of the Board, Ms. Lisa Carballo, Chairperson of the Supervisory Committee, and Mr. Javier Moreno, Chairperson of the Credit Committee, had nominated Ms. Martinez, Ms. Miranda and Mr. Polanco for the vacant posts. They accepted nominations. Ms. Fuller read a letter from Ms. Miranda in which she accepted nomination. However, Ms. Fuller explained that the bylaws required that nominations be accepted from the floor. She, therefore, asked that nominations



from the floor be opened for two minutes. Mr. Raul Cocom nominated Ms. Marina Gongora, who accepted the nomination. Ms. Marina Gongora nominated Mr. Otilio Muñoz, who also accepted the nomination. Mr. John Carrillo nominated Ms. Desideria Canul who declined the nomination. Ms. Eufemia Gutierrez moved that nominations be closed. This was seconded by Ms. Arcelia Leiva. The membership approved the motion.

Voting was done with the use of ballots. Staff members were asked to share one ballot paper to members only. Members were asked to vote for three persons only. Mr. Moreno, Master of Ceremonies, explained the rules for voting in Spanish. Ms. Fuller went on to read the roles and responsibilities of Board members. Each nominee was given an opportunity to introduce himself/herself to the membership. Ms. Jacqueline Taibo, from the Credit Union League, assisted in collecting the ballots. Counting and reconciling of the ballot papers were conducted by representatives of the different sister credit unions who were present.

The results of the voting were as follows:

- Ms.Ena Martinez 212 votes
- Ms. Teresita Miranda 216 votes
- Mr. Manuel Polanco 281 votes
- Mr. Otilio Muñoz 182 votes
- Ms. Marina Gongora 144 Votes

Ms. Ena Martinez, Ms. Teresita Miranda and Mr. Manuel Polanco were duly elected and requested to join the head table once again

NEW BUSINESS

CONFIRMATION OF EXTERNAL AUDITOR

Mr. Belarmino Esquivel, Vice President, proposed that the services of BDO Belize LLP be reengaged as auditor for the next fiscal year. The membership approved by raising their hands.

Resolution – Amendments to Bylaws

Mr. Ricardo spoke on the expulsion of members and said that, instead, members could be taken to court for any wrong doing or misbehaviour.

Ms. Arcelia Leiva inquired about the practice in which, in order to join the credit union, a person needed to be recommended by a current member. Ms. Urbina responded that this practice is no longer in effect.

Mr. Evaristo Blanco commented on the lack of information concerning the proposed changes to the bylaws. Ms. Urbina and Mr. Esquivel responded that the proposed changes were available for all members at both branch offices at least a month before the AGM. They also mentioned that this was widely advertised.

Mr. Blanco further commented that the proposed change of quorum from 1,000 members to 500 members could be detrimental to LICU.



Mr. Raul Cocom questioned the tenure of nine years of service for volunteers. Mr. Esquivel explained that this came into effect in 2012.

Mr. Blanco asked for clarification on the Board's power to borrow. Ms. Urbina directed Mr. Blanco's attention to page three of the financial report and told him this could serve as a guide. She further said that the power to borrow was applied for efficiency. It can also assist in covering operational expenses, she said. She went on to say that it would not be feasible to call a meeting every time for membership approval.

Mr. Ricardo Castillo questioned the maximum dividend that could be paid to members. Mr. Urbina responded that it is 8%.

Mr. Castillo asked that members be listened to and that their concerns be taken seriously. He also asked members to participate and speak up at the AGMs.

Mr. Moreno asked the membership for approval of the amendments to the bylaws by a show of hands. The motion did not receive the two thirds majority required for the motion to be approved. There was uncertainty on the issues of removal of members from the credit union and that of quorum.

In the interest of time, Mr. Esquivel made a motion that, except for those two issues of concern, the membership show approval for the rest of the proposed amendments by a raise of hands. The motion was approved by a two thirds majority of the membership.

ADJOURNMENT

The meeting was adjourned at 1:59 p.m. on a motion by Mr. Arturo Acosta. This was seconded by Mr. Gaspar Navarro. The membership approved the motion. At this time food and refreshments were served. Raffles were also drawn. The winners were as follows:

KIDS CORNER

Prize	Winner	Ticket No.
$10.00 cash	Kailyn Villanueva	0019/19
$10.00 cash	Sandra Noelie Mendez	0018/19
$10.00 cash	Zelvin Ramirez	0025/19
$10.00 cash	Ector Villanueva	0024/19
$10.00 cash	Abraham Balam	0023/19
$10.00 cash	Janina Stamp	0022/19
$10.00 cash	Emmanuel Jordan	0021/19
$10.00 cash	Jaepheth Lizama	0020/19
$10.00 cash	Dayana Padron	0016/19
$10.00 cash	Rosicela Guillen	0017/19



Punctuality Prizes

Prize	Winner	Ticket No.
Cash or shares	Lilia Coba	449392
Cash or shares	Ana Castillo	449510
Cash or shares	Maria Bidez	449517
Cash or shares	Leandro Arcurio	449470
Cash or shares	Ismael Pacheco	449542
Cash or shares	Reymundo Wright	449712
Cash or shares	Nelli Briceño	449653
Cash or shares	Celso Mendez	449724
Cash or shares	Amauri Hyde	449527
Cash or shares	Juanita Tuyub	449666

RAFFLES

Prize	Winner	Ticket No.
Oster Steam Iron	Ginelly Miranda	248816
Black & Decker Blender	Julisa Pacheco	449541
Lasko Fan	Antonio Oliva	449670
Homelite Trimmer	Ricardo Riveroll	449450
Radio Shack Sound Bar	Gaspar Navarro	449480
Oster Toaster Oven	Sheldon Pascasio	248741
Samsung 7 Tablet	Clara Pate	449465
Alcatel Cell Phone	Nirva Muriel Magaña	449473
Mabe Refrigerator	Raquel Chan	449523
Land Ranger Exercise Bike	Leti Grajalez	449578
Sofa Bed	Miguel Orosco	449497
43' LED/Smart TCL TV	Anita Pate	449467

Respectfully Submitted,

Manuel Polanco
Secretary



BOARD OF DIRECTORS

2021-2022



MR. BELARMINO ESQUIVEL
PRESIDENT



MR. DAVID CONSTANZA
VICE PRESIDENT



MR. GILDARDO CERVANTES
TREASURER



MR. MANUEL POLANCO
SECRETARY



MS. TERESITA MIRANDA
ASSISTANT SECRETARY

BOARD OF DIRECTORS REPORT 2021 - 2022

It is an absolute privilege and blessing to be able to complete another year of service and we look forward to being able to report in person at this our 73rd Annual General Meeting.

We have not had the opportunity to share our yearly updates for the fiscal years 2020 and 2021 as we have not had an Annual General Meeting since 2019 but we have made both our 71st and 72nd Annual General Meeting reports available via our website to keep you abreast and informed.

We are seeing a gradual move to the reopening of our businesses, our schools and our borders. This may present potential for growth and income for some. We are also cognizant that this could also represent a reduction of the local consumption with higher number of products being imported which could negatively affect income and surplus. In addition, we are aware that this coming year could be challenging yet again with the continuing challenges of COVID and now compounded with the ongoing war between Russian and Ukraine. This situation will have an impact globally and will continue once the war is ongoing. We are already experiencing a rise in prices as a whole and, as of late, the access to inputs and materials necessary for our daily operations.

The Board of Directors, the Supervisory Committee, the Credit Committee, Management and staff stand firm in our commitment to making the best decisions on investments, products, and controlling costs to be able to generate the highest returns to our members along with the best service.

We are now very pleased to share our accomplishments that have been achieved through countless hours of effort from our committed volunteers, management and staff to provide consistent services to our large membership on a daily basis. We also have our audited financials for the fiscal year 2021-2022 for your information.

SERVICES

Our Vision and Mission have been reviewed and enhanced to keep up with the changing times and objectives of LICU to adapt and evolve to remain relevant and sustainable.

After much discussion on our strengths, our weaknesses, our opportunities and our threats and analyzing where we are and where we want to go, our enhanced Vision and Mission Statements were adapted as follows:

VISION

To be the most-recognized socially responsible financial institution that empowers its members to achieve their highest potential.

MISSION

To continue to provide innovative affordable financial services adapted to the needs of our members/owners by pooling their resources in a prudent manner towards achieving social and economic well being.

We are also very pleased to share that along with our enhanced vision and mission, it was also timely to review our slogan to more accurately reflect the true essence of our commitment to you. We are extremely pleased to share that our new slogan is:

Grow With Us

We remain rooted in our philosophy of "People Helping People to Help Themselves" and the ultimate result for you and for us is to grow together financially and socially.

SERVICES AND BENEFITS

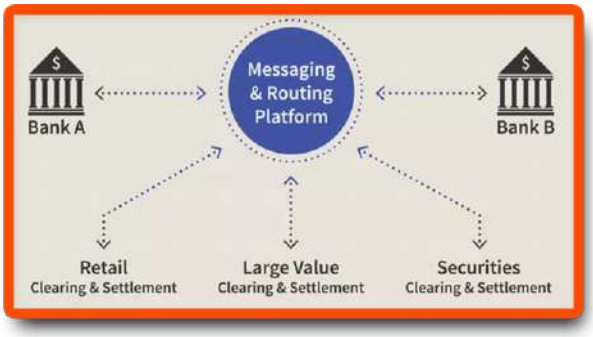
NEW SERVICE WITH ATLANTIC INSURANCE

We initiated another network partner last year with Atlantic Insurance as a policy holder to facilitate the implementation of Credit Life Coverage required for loans above our coverage. This process has been working well as it is performed in house, at affordable premiums and payments are made to the insurance company directly from the loan funds.

This service provides an added sense of comfort to our members and their loved ones as it covers the loan if there is loss of life on the account holder. Additionally, the family does not remain with the pending debt.

NEW SHARED SERVICES NETWORK (SSN) VIA THE NATIONAL PAYMENT SYSTEM

Last year we shared about Shared Services Network, a subsidiary company under the Belize Credit Union League, to join the National Payment System (NPS) with the Central Bank of Belize. As was shared as well, the NPS is an automated transfer system and central securities depository, which are used to facilitate non-cash transactions.



The BCUL and all participating credit unions continue to work with the Central Bank of Belize, to bring this venture to completion to be able to offer added services using the cashless system already in place under the National Payment System. We look forward to having it in place in the fiscal year 2022-2023.

DEPOSITORY BIN SERVICES 24/7



The Depository Bin service has been made available to the membership since 2019 and is one of the most convenient and efficient alternatives to ensure that your payments and deposits are made at a time of your convenience. We once again remind you that all protocols and requirements apply when using this form of payment including the requirement to have the account/s updated.

We are pleased to see that the use of this easy to use and convenient service is affordable with a minimal fee of $1.00 per transaction to subsidize the increasing costs of stationery and processing costs. The benefits enjoyed are avoiding the long lines hours and the option to make payments 24 hours a day even when the office is closed. We understand that time is money and this service definitely reduces time and allows you to be able to do more productive or necessary tasks.

BILL PAYMENT SERVICES

The over the counter bill payment services is another of our additional services that we continue to offer to allow you to maximize your visit to the office and make your saving and/or payments and make payments for other utility bills. This also generates a minor commission that contributes to our overall surplus.

We look forward to the implementation of the National Payment System via SSN to be able to offer the bill payment services via our online and mobile platforms for added convenience.

SHARETEC SYSTEM

Our core banking system, Sharetec, has been in use since August 2019. After two years and a half in use, the staff has become well versed with it and can access a vast array of information quickly and easily to better serve you. We continue to explore personalized options to create new processes or we use all possible options already embedded to fit our needs.

We are also extremely pleased that the system is already designed to be able to assimilate the requirements as per the recently approved Electronic Act. We will continue to explore these new options to be able to gather and verify information with minimal personal contact to make your business experience more efficient and satisfying.

THE GROUP TERM LIFE FUND – MEMBERSHIP SCHEME

The Membership Scheme – Sunrise to Sunset Fund is one of the signature benefits that credit unions provide with unparalleled and unmatched benefits that no other financial institution offers. This fund has been managed internally and has been assisting the beneficiaries of our members-owners since 2006. As at March 31, 2022, this fund has assisted 796 families.

The fund has had an immeasurably positive impact for many grieving families to meet unexpected expenses for the burial process of their loved one.

COVID has brought so many challenges since 2020 and the life expectancy of many were suddenly cut short due to this unforgiving disease.

The assistance provided for this past year totaled $315,333.33 as follows:

1	Pablo Torres	2,000.00	38	Hipolito Sho	4,000.00	75	Reimundo Romero	2,000.00
2	Alexandria Bah	4,000.00	39	Melburn Hector Hill	4,000.00	76	Felipe Martinez	2,000.00
3	Agueda Ayuso	2,000.00	40	Victor C. Martin	1,000.00	77	Luciana S Cal	4,000.00
4	Carlos Murg	4,000.00	41	Mercedes H. Perez	4,000.00	78	Nitzia Catizim	4,000.00
5	David Martinez	4,000.00	42	Nortelia r. Zetina	2,000.00	79	Celestina Sanchez	2,000.00
6	Marina Cordova	4,000.00	43	Manula Luz Waight	2,000.00	80	Alfonso Blanco	2,000.00
7	Casimiro Miranda	4,000.00	44	Javier F Wicab	4,000.00	81	Acacia Sosa	2,000.00
8	Maria A. Ico	2,000.00	45	Jorge L Bol	2,000.00	82	Celestina Flores	2,000.00
9	Cecilio Magana	2,000.00	46	Juana A Rodriguez	2,000.00	83	Gilberto Polanco	2,000.00
10	Martha Salgado	4,000.00	47	Santiago Ramirez	2,000.00	84	Dilcia Galindo	4,000.00
11	Arsemia Coba	1,000.00	48	Ramona Cuellar	2,000.00	85	Angel V. Gongora	4,000.00
12	Evangelila Xiu	4,000.00	49	Nathaniel Shaw	4,000.00	86	Victoria Herrera	2,000.00
13	Wilhelm Lodge	4,000.00	50	Alberto Medina	2,000.00	87	Daniel A. Cacho	2,000.00
14	Maria Amira	2,000.00	51	Mattew Williams	4,000.00	88	Victor Martin	1,000.00
15	Sebastiana Martina Escalante	2,000.00	52	Rufina Leiva	4,000.00	89	Jose V Can	4,000.00
16	Estevan Herman Castellanos	2,000.00	53	Brian Anthony Novelo	4,000.00	90	Marcelina Chi	2,000.00
17	Salvador Ozaeta	4,000.00	54	Juan Cawich	4,000.00	91	Leonard Reyes	4,000.00
18	Arsemia Coba	1,000.00	55	Exaltacion Mencias	2,000.00	92	Zoila Jasmin Cal	4,000.00
19	Telma Mencias	4,000.00	56	Jason Cain	4,000.00	93	Maria D Casanova	4,000.00
20	Alberto Jimenez	4,000.00	57	Eulocadia Magana	1,333.33	94	Candelaria Chun	4,000.00
21	Trecia Michell Martinez	4,000.00	58	Pamela Stamp	4,000.00	95	Elorine V. Tillett	2,000.00
22	Maria A Ico	2,000.00	59	Johnny Chee	2,000.00	96	Pedro Patt	2,000.00
23	Julia Diaz	2,000.00	60	Lorenzo Carrillo	2,000.00	97	Norma Crawford	4,000.00
24	Modesta Osgalla	2,000.00	61	Serafina Osgalla	2,000.00	98	Juan Pech	2,000.00
25	Micaila Mai	4,000.00	62	Leonie Vega	2,000.00	99	Judith Marie Martin	2,000.00
26	Jose Antonio Correa	4,000.00	63	Celedonio Leiva	4,000.00	100	Natividad Mai	2,000.00
27	Jesus Romero	2,000.00	64	Adelia Villanueva	4,000.00	101	Aguida Teck	2,000.00
28	Apolinaria Sima	2,000.00	65	Liborio Mendez	2,000.00	102	Monica P. Vasquez	2,000.00
29	Celso Celestino Wicab	2,000.00	66	Niema E. Magana	4,000.00	103	Angel Eluterio Garcia	2,000.00
30	Celso R. Quijano	4,000.00	67	Inocencio Guerra	2,000.00	104	Isaac A. Murillos	2,000.00
31	Liborio Santos	2,000.00	68	Maura Santana	2,000.00	105	Jose Raul Castillo	4,000.00
32	Encarnacion Pech	2,000.00	69	Feliciano Quetzal	4,000.00	106	Santiago P. Rosado	4,000.00
33	Victor Martin	2,000.00	70	Damaris E. Sabido	4,000.00	107	Nicolas Wright	2,000.00
34	Estevan Camara	2,000.00	71	Kieron A. Carlos	4,000.00	108	German Polanco	4,000.00
35	Marion F. Miranda	4,000.00	72	Anthonio Villamil	2,000.00	109	Eluterio Ku	2,000.00
36	Cornelio Sosa	2,000.00	73	Hilaria Vasquez	2,000.00	110	Jennifer M. Archila	4,000.00
37	Dorla Mahmud	4,000.00	74	Ricardo S. Garcia	2,000.00	111	Virginia Vaughan	4,000.00
								315,333.33



This fund once again felt the negative impact of COVID as it grew by only $41,122.67 which was a slight increase as compared to last year when it increased by a minimal $22,000.00. This minimal increase was once again due to an increase in number of deaths and the benefits paid of one hundred and eleven (111) benefits with a total of three hundred and fifteen thousand three hundred and thirty three dollars and thirty three cents ($315,333.33). There was an increase in number and value to last year which was one hundred and two (102) benefits paid in the amount of two hundred and seventy seven thousand dollars ($277,000.00). The fund balance stood at $1,859,089.17 (Note 13) as at March 31, 2022.

The Board of Directors is currently undergoing a thorough review of this fund and will be recommending changes to the requirements and coverage offered to the fund in order to ensure its sustainability. The changes are being designed to reward our members for their good savings and for their loyalty and patronage to LICU.

SAVINGS AND LOANS MEMBERSHIP SCHEME



Benefits paid as additional funds to beneficiaries on top of members' savings.



Additionally, Free Loans Coverage protects the assets acquired by your loans converting them to inheritance.

We are now going into year three of the COVID pandemic and sadly we saw about 30% of death claims stemming from this disease that has cut short the lives of so many. The protocols have been reduced as we strive to get a semblance of normalcy but the responsibility of our own personal health and safety falls on us as individuals. We have seen the loss in the past two years and we encourage everyone to continue to safeguard ourselves.

LICU continued with its support the beneficiaries of our members who passed away. We know that this program is of great benefit to our grieving families where 115 families benefitted compared to 120 families last year. The total benefits paid for this fiscal year amounted to $374,860.57 compared to $528,740.37 from last year, which was lower than last year but still significantly higher than in pre COVID years.

This fund grew by $157,372.00 which was a slight improvement when compared to last year's minimal growth of $40,090.00. The fund has a balance of $2,135,035.00 (Note 14) after twelve (12) years as captured in the audited financial statement.

This benefit is also being monitored for sustainability and may see amendments in the coming year or years as we assess the viability of the fund.

ALLIANCES/PARTNERSHIP/NETWORKING

RF&G INSURANCE

LICU has been able to sustain our partnership with RF&G in offering the in house option for insurance coverage to our esteemed members to facilitate the loan process to ensure that their assets outside of LICU are safeguarded. Our members who do choose to insure with RF&G continue to enjoy the automatic 15% discount on their housing insurances. Last year this discount resulted in total earnings of $20,315.36. This was comparative to the earning of last fiscal year of $17,667.62.

Additionally, as agents we also earned $9,179.11 in commission for the premiums as compared to $10,011.65 for last year. This revenue contributes to our annual surplus which is then made available as services, benefits and/or dividends and rebates.

We have had a few claims in the course of our partnership and they have been paid in a timely manner. We enjoy a professional and cordial relationship with the RF&G management and team and are confident that we will continue to offer secure, accessible and affordable coverage to our members for many more years. We encourage you to inquire on this service to remain protected.

LICU STAR SAVERS PROGRAM



Our Star Savers Program is eagerly anticipating the full reopening of schools to once again resume our visits to the schools to continue promoting thrift and savings to our future, our children. LICU firmly believes that if good saving habits are formed at a young age, they will provide a solid foundation to start on their road to financial stability.

Our hope is to expand this program to all schools in our areas. We appreciate the receptiveness and support from the schools and we look forward to strengthening our ties at the community level through this rewarding outreach effort.

STUDENT LOAN PROGRAM WITH BELIZE NATURAL ENERGY CHARITABLE TRUST (BNECT)

LICU and BNECT enjoyed a stable business relationship and through this program were able to assist 293 deserving students and, by extension, their families with a total loan value of $1,671,902.76. The responsibility of many of our recipients can be clearly appreciated in that 206 of these students along with their parents and guarantors have repaid their BNET loans with a total value of $1,152,834.52.

Delinquency is also a challenge even in these educational loans as we have 36 of these students not honoring their expected repayment terms. These loans were given as they showed potential to



continue growing academically. We urge them to contact the office to make arrangements to begin to rebuild a good credit history to be able to continue accessing and benefitting from our numerous services and benefits.

We also need to report that the agreement between BNECT and LICU for this program has been closed upon their request and with the subsequent consensus of both parties, after analyzing its function and exploring options on how the program could have been more efficient. The agreement will be completely closed once the current loans are repaid and the account is settled.

LICU was an excellent steward to these loans with a very high success rate of performance and our support in educational loans remains available for interested students who wish to pursue their education at all levels. We invite all interested students to contact us to explore our student loans as we remain committed to supporting education and youth empowerment.

EXTERNAL FUNDING

LICU remains debt free from any external agent as we continue to enjoy liquidity from our shareholders.

We are now actively seeking to partner with external agencies in accesssing grant funding, which sometimes requires a portion of loan funding, as we believe that we have greatly strenghtened our processes and policies. Additionally, we believe that we have grown our staff which is strong and well prepared and appreciate the value of our members and make every effort to offer services and benefits at the highest level at all times.

If we are successful in accessing funds, this may also provide an opportunity for increased staffing to ensure that we achieve the objectives.

EMPOWERMENT FUND (EF)

The Empowerment Fund which was also supported by BNECT fund was also closed along with the BNECT loans as mutually agreed upon. Similarly as to our education loans, LICU continues to offer loans for business ventures under various loan products. We have created the Micro Small and Medium Enterprises MSME loans that cater specifically for entrepreneurs at all levels with an attractive and affordable interest rate.



We know that there are many competent and enterprising Belizeans already venturing into business pursuits and we are ready and available to provide finance to grow their business. Our professional and skilled Credit Advisors are waiting for your call to provide their expertise and guidance on how to expand your businesses.

Eco-Micro 2021



The two projects financed by IDB (Inter-American Development Bank)

- "Improving Livestock Sector Productivity and Climate Resilience in Belize" (BL-T1094)
- "The adaptation of technologies and green methodologies that will build climate resilience and improve overall productivity for the agriculture and fisheries sectors". (BL-T1112)

have assisted LICU with technical guidance and tools that would aid our MSMEs to become resilient to Climate Change. Some of the tools presented to La Inmaculada Credit Union Ltd are:

- Livestock Sector Supply Side Analysis
- Livestock Adaptation Technology Guide
- Technology and Climate Smart Guide
- Operational Guide and Internal Processes for the Livestock Sector
- Energy Audits of LICU
- Climate Risk Tool (CTARP)
- GHG Accounting Methodology tool (Estimates Carbon Footprint)
- Institutional Greening Policy and Action Plan
- Financial Simulation Tool For COVID-19 Impact Assessment and Strategic Management

The tools have been trialed using different scenarios and we have observed that indeed they are beneficial and of assistance to our daily processes. La Inmaculada continues to seeking assistance from projects as these, with one main goal, to benefit our members and to better our services for better guidance and advice.

EDUCATION AND TRAINING

Scholarship recipient(s) 2021-2025

The philosophy of La Inmaculada Credit Union Limited is to positively influence and contribute in the lives of our general membership. We are aware that the youths are the hope of the future and they are the ones who will have the arduous task of moving our nation forward in the years to come. Education plays an important role in the development of us as individuals and of our nation as a growing one.

This year 2021, LICU was pleased to have received 26 applications. These applicants must become or be a LICU member and demonstrate financial need.

The selection committee was comprised of:

- David Constanza- Vice-President, Board of Directors
- Manuel Polanco- Secretary, Board of Directors
- Lisa Carballo- Chair, Supervisory Committee
- Javier E. Moreno- Officer, Credit Committee

The Education Committee reviewed the 26 applications and shortlisted applicants and after much deliberation, the four successful applicants were:



Kyana Shantel Yah
Muffies College High School



Clarisel Teresita Flores
Muffies College High School



Adriana Guadalupe Valdez
Muffies College High School



Jianellie Teresita Marin
O.W. Technical High School

These 4 recipients bring the assistance to a total of 46 awarded scholarships of $4,000.00 each to cover for their four (4) years of study at high school. The disbursements of $1,000.00 annually are made once the qualifying criteria is met.

We are excited at the prospect of receiving this year's applications and to select the most deserving students. Our hope is that as we continue to grow in membership, income and surplus, to gradually increase the assistance for additional students. The more we save, the more responsibly we repay, the more opportunity our youths will have to grow to their fullest potential with this much needed assistance.

STAFF DEVELOPMENT

The success of the Credit Union is not possible without our staff who are committed to serve you our most valuable members. The Credit Union continues to empower its staff and volunteers by providing them with the necessary training and guidance which acts like a domino effect by creating competent leaders who influence positively the performance of the staff and the Credit Union overall profitability which benefits everyone.

Below are some of the training sessions and Webinars which the staff actively participated in:

- Social Media Policy Training presented by GA Roe & Sons Limited on August 2021.
- Shared Service Network Limited presented by Belize Credit Union League on September 2021
- Principles of Indemnity presented by Ennobled for Success Institute on September 2021.
- Training on IFRS 9, 15, 16, 17 presented by ACCA in partnership with BDO Eastern Caribbean, the Institute of Chartered Accountants of Barbados (ICAB), The Institute of Chartered Accountants of Belize (ICABe), the Institute of Chartered Accountants of the Caribbean (ICAC), the Institute of Chartered Accountants of the Eastern Caribbean

(ICAEC - all branches), the Institute of Chartered Accountants of Guyana (ICAG) and Suriname Chartered Accountants Institute (SCAI) on September 2021.

- Demystifying Corporate structure and beneficial owners presented by Insurance Institute of Belize on October 2021.
- Inclusive and Resilient Agri-Food system in Rural and Peri-Urban Territories Hand in Hand Initiative- Technical Incubator presented by FAO on October 2021.
- Regional Forum in Green Financing presented by Redcamif on November 2021.
- Annual AML/CFT training on Anti-Money Laundering obligations (Identifying and reporting suspicious transactions) presented by the Financial Intelligent Unit of Belize on November 2021.
- Information Sessions with Labor Department through Belize Chamber of Commerce on November 2021
- Information Session with Social Security Board through Belize Chamber of Commerce on December 2021.
- Climate change and Adaptation based on ecosystems for Microfinance institutions from September to December 2021.
- Private sector climate finance training course as a part of "Strengthening Belize Private Sector access to climate finance." January 2022
- National Payment System theory presented by Central Bank of Belize on February 2022.

The LICU staff also participated in In-House Trainings on AML/CFT, Customer Service, Time Management, Loan products, LICU benefits, Insurance and Legal matters.



The Board of Directors participated in the revision and development of the Loan Policy, Employee Handbook, Operations Manual, Accounting Manual and AML/CFT Policy.
The LICU Board President and General Manager continue to attend monthly Belize Credit Union League (BCUL) Board Meeting for General Credit Union matters to find ways to improve the services provided to the members.

HUMAN RESOURCE COMPLIMENT:

The Board of Directors extends a heartfelt thank you to the staff for their commitment, professionalism, and solidarity to keep our Credit Union operating during the COVID-19 pandemic to provide essential services in both our Orange Walk Headquarters and Belmopan Branch. The work of each staff is truly commendable and genuinely appreciated as we thank you for your dedication and commitment to excellence in serving our members.

This fiscal year, the staff was complemented with five staff for the Orange Walk Headquarter and one staff for the Belmopan Branch as follows:

1. Natasha Lara — Joined LICU on September 2021
2. Sheny Quinonez — Joined LICU on September 2021
3. Jorge Sosa — Joined LICU on October 2021
4. Oswaldo Vasquez — Joined LICU on November 2021
5. Diane Oxley — Joined LICU on February 2022.

The necessary due diligence was carried to recruit staff who are capable, prepared, committed and have a high level of integrity in order to safeguard the investments of members while providing an efficient service to our members. All the new recruits underwent a thorough two weeks' induction program that included both theoretical and hands on training. This allowed the staff to integrate themselves efficiently into their position in order to continue providing excellent services to our members.

COMPLIANCE AND REGULATION

The Year in Review - LICU for YOU

The fiscal year 2021-2022 has been like no other. Despite the continued restrictions due to the COVID 19 pandemic, La Inmaculada Credit Union Ltd has made concerted efforts to meet its obligations as per the requirements mandated by the Central Bank of Belize. LICU executed its compliance program by implementing several activities in the fight against money laundering and terrorist financing. The team's effort has spared LICU from fines and avoid any risk of reputational damage from being non-compliant. In spite of the challenges, we are proud to have offered uninterrupted services to our valued members.

Our recent improvements in our policies and procedures reiterate our commitment to our membership by creating operational efficiencies in implementing exercises to Know Our Members. Our ongoing conversations with our members and the wider community allowed improvements in our internal controls. This, we may add, has been very intensive yet rewarding, as many of our members can now be informed of new initiatives via emails and updated mobile platforms e.g., WhatsApp and text.

This past year, LICU reached an important milestone. It managed to review accounts for over 90% of the current membership. This has allowed our credit union to continue building relationships and maintaining sound and prudent banking practices. With added information, LICU also improved its monitoring and reporting processes. Our membership can now access the newest edition of LICU's Membership Terms and Conditions and transact safely via non-personal platforms e.g., ATM, depository bin and home and mobile applications.

Maintaining a culture of compliance comes with a high quality of knowledgeable staff. Our training initiatives for this fiscal year included LICU's annual AML-CFT training with a special presenter from the Financial Intelligence Unit. This session allowed attendees to understand their obligations to report unusual and suspicious activities as outlined in our Money Laundering Prevention Act. To complement a strong training structure, LICU also carried out fifteen (15) internal training sessions including training for new hires and orientation for senior roles at both branches. In total, 114 employees participated in these training sessions related to AML-CFT matters.

As we look forward to a new fiscal year 2022-2023, LICU will strengthen its program to convey the adequate risk appetite that our members truly deserve. Our continued efforts in adequate policy creation and implementation, training and adequate resource and technology management are ever-present on our day-to-day operations. We are encouraged to maintain and grow our credit union by impressing on the need to collect the right information. We call on our membership to be fully active and engaged in LICU's goal to build on its successes.

DELINQUENCY

LICU was able to truly appreciate its level of delinquency during 2015 and saw a drastic increase in our overall percentage. With a more clearly identified challenge and area of concern, a tremendous amount of review, assessment and active monitoring, the delinquency rate has been reducing slowly but consistently.

Our success in recovering old loans was hindered by the onset of COVID-19 as many of our loyal and responsible members were no longer able to make their usual payments due to loss of employment or partial or total loss of income in their businesses. LICU made every effort to support our members in offering extended waivers, application of shares to loan, restructuring after seeing consistent payments, creating products at lower interest rates, etc.
The Credit Department was enhanced in staffing especially in the Loans Monitoring Officers to be able to consistently follow up and work along with our members. We were pleased to note that our time and effort allowed many of our members to remain updated during the pandemic and are now slowly establishing their savings to have as a cushion for any other unexpected challenge.

Many of our members were able to appreciate how much it assisted them to have their savings to assist them through the most challenging times during COVID-19. We encourage everyone to build back their savings as it builds your equity, assists in accessing larger loans, yields returns, and provides a sense of stability in the face of uncertainty.

Unfortunately, we still have many members who have enjoyed the assistance of a loan and who have not met their commitments but react poorly when our staff makes a contact to recover the funds. We have our Terms and Conditions that allow our staff to be able to remove themselves courteously and professionally from any situation where the member is behaving aggressively, rudely or threateningly.

Overall, we are pleased with the response of our members and we can see our delinquency gradually reducing and our aim is to reduce it to international standards to below 5%. We will also continue to pursue recovery through higher means via the Magistrate and Supreme Courts with members who are not complying even after numerous calls, letters, reminders and visits as our mandate is to safeguard the investment and funds of all our members.

BELMOPAN BRANCH



Our Belmopan Branch has experienced the expected pains of growth since its inception of 2013 but has remained resilient. We firmly believe that we have the right combination of processes, services and staff to expand our outreach and have a higher penetration in both the urban and rural areas in the beautiful City of Belmopan.

We are pleased to share that we saw an increase in our loan approvals for the fiscal year 2020-2021 and our loan portfolio stands at over $7.7 million with over 1,000 loans. We continue to clean up our accounts to have an accurate representation of our membership of about 5,000 members.

Delinquency remains a challenge at the branch as well and we have seen a decrease in number and value at the branch. We have been able to do so by having teamwork and dedication by our committed staff.

The combined efforts of the volunteers, management and staff have resulted in increased returns at the branch. We know that there is untapped potential for growth in Belmopan and we are extremely pleased to inform that we are finalizing the purchase of a property to house our Belmopan offices!!!

We want to offer a more spacious, secure and welcoming environment to our deserving members and to our staff. We will inform you of the grand inauguration as soon as we have finalized the logistics. We are excited as we move into another chapter of our growth at Belmopan and know that this shows our commitment to you to continue growing and serving you!

SUPREME COURT UPDATE

It was shared in our last annual general meeting report that Madam Justice Arana, Acting Chief Justice of Belize, delivered her decision in Claim Nos. 735 of 2015 and Claim 538 of 2015 between LICU and the former General Manager, Mrs. Yolanda L. Gomez where she was ordered payment to LICU in the amount of BZ$436,906.34 in damages and additional legal costs to be determined for loss suffered by LICU under her management.

In June, 2021 Mrs. Yolanda Gomez commenced two appeals against LICU and the Registrar of Credit Unions. Mrs. Gomez lodged the appeal against the decision of the Ag. Chief Justice, Madame Justice Michelle Arana delivered on 11th March, 2021 and entered on 20th May, 2021.

The Court of Appeal called the two appeals for Case Management Conference on 13th December, 2021. The Appellant, Yolanda Gomez, LICU and the Registrar of Credit Unions have all filed their respective legal arguments in the Court of Appeal as ordered by the Court. The two appeals will be listed for hearing during the June session of the Court of Appeal.

LICU expects that the Court of Appeal would affirm the decision of the Supreme Court.

CONCLUSION

LICU continues its reform of all its processes and we are proud of the numerous accomplishments and milestones that we have achieved together.

The Board of Directors, Supervisory Committee and Credit Committee have all fully embraced their functions and duties and are now ensuring that the management and staff are performing at their very best to meet international standards. We are now fully IFRS compliant and will continue to challenge ourselves to aim for excellence in all areas.

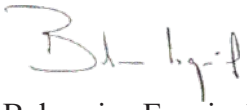
We remain committed to be fully compliant with our regulatory requirements and have created two additional funds for added comfort and safety of our members. The timely and guided decisions made in wise investments have contributed to the stable income flow for the past years. This year our income was comparative to last year before the allocation for bad debt expense after we conducted a COVID 19 Exit Strategy Assessment, as requested by the Central Bank of Belize. The allocation made was for $800,000.00 to ensure that we have additional allocations for loans that are currently

struggling to be updated. We will continue to work with these members as we see their effort and commitment but prefer to have it impact this current year in which the challenges were felt and resulted in the delays.

After the allocation above, our audited financial statements for 2021-2022 show a Retained Earnings of $3,006,786.00, which would have shown a slight increase over last year's figure; however, there is a decrease which is mostly due to this year's bad debt allocation. The Board approved that $198,047.94 be allocated to the Contingency Fund to allow us to be able to assist you our members for any future unexpected challenges. The Board is hereby recommending that we declare a 5% dividend in the first $10,000.00 in shares and 3% on any remaining balance. The Board additionally approved an attractive 12.5% rebate to reward our responsible and faithful borrowers who are in good standing.

As has been established, members in good standing can withdraw their dividends and rebate within the next 60 days with a one-day notice to allow us to assist you efficiently.

For and on behalf of the Board of Directors,



Belarmino Esquivel
Interim President

Board of Directors

Belarmino Esquivel	-	Interim President
David Constanza	-	Interim Vice-President
Manuel Polanco	-	Secretary
Teresita Miranda	-	Assistant Secretary
Gildardo Cervantes	-	Treasurer

Treasurer's Report
April 1st 2021 to March 31st 2022

LICU remains focused on serving our members throughout the year consistently with the utmost care in ensuring that all processes are adhered to which protect you, our members, our staff and our institution. We are extremely thankful to our responsible and committed members that save regularly, repay promptly and make every effort to abide by the requirements stipulated by law. Your compliance and adherence ensures that we are in good standing and can continue offering our services and benefits safely and with the support of our regulatory body.

We are pleased to see that slowly we are moving in slight increases as the country moves towards preCovid conditions. With much effort and dedication from the volunteers, management and staff, this year was another successful year. For a quick overview of the past fiscal year, we can show the following results:

- Savings decreased by $217,286.65 or -0.0036%
- Assets increased by $147,855.67 or 0.0019%
- Loans increased by $1,537,731.13 or 0.031%

The following table shows our trend for the past six (6) years:



The only area that we saw a slight decrease was in our deposits which includes both shares and deposits. This is mostly due to initial stage of closure of our partnership with BNECT with both the BNECT loans and the Empowerment Loans where most of the investment, which was shares, has been returned to BNECT. However the overall decrease was very minimal despite this considerable change in investment in shares.

Our assets grew minimally as the growth was also impacted by the closure in partnership with BNECT and shows that you, our members, continue to save as we have all seen how much it assisted so many to withstand the negative impact of COVID and allowed many to remain stable and up to date by accessing their shares. We save to be able to endure challenges and we need to continue doing so for added peace of mind.

We enjoyed an increase in our loan portfolio by introducing new loan products in both the consumer and business sectors as we understood your needs impacted by reduction in income, loss of employment, illness or educational challenges.

We look forward to an even more stable economic outlook which will hopefully result in overall positive increases in all sectors for this current fiscal year.

LICU – ALWAYS WORKING FOR YOU!!

Our ultimate objective is to safeguard your investments for maximum returns at all times. Two of our singular and most appreciated benefits are our dividends and rebates (when surplus allows) which are distributed yearly. All surplus is distributed once allocations have been made to our respective statutory required allocations. LICU is in compliance with our Statutory Reserve and has instituted two additional funds in preparation for an uncertainty in the future that may impact or impede our members in any way. These funds are an additional cushion to strengthen our capital base and represent increased stability for all members.

Kindly see the tables below that quantify how much has been reinvested in your accounts and our required and voluntary funds during the last seven years.

Year	Dividends/Rebates	Statutory Reserve	Special Reserve Fund	Disaster Recovery Fund	GRAND TOTAL
2015-2016	$ 831,556.00				
2016-2017	$ 1,843,630.00	$ 797,364.00			
2017-2018	$ 2,038,436.35	$ 623,280.00	$ 151,346.87		
2018-2019	$ 2,766,072.32				
2019-2020	$ 1,876,946.35	$ 175,040.61	$ 627,696.00		
2020-2021	$ 3,042,358.47	$ 231,319.65	$ 220,957.32	$ 292,337.03	
*2021-2022	$ 3,006,786.00				
TOTAL	**$ 15,405,785.49**	**$ 1,827,004.26**	**$ 1,000,000.19**	**$ 292,337.03**	**$18,525,126.97**

*This figure represents the surplus for the fiscal year 2020-2021, yet to be distributed.

Our members also have the opportunity to participate and benefit from our coverages for burial grants, Sunrise to Sunset, and from our coverage on shares and loans once the meet the qualifying criteria.

A detailed report on this year's support via these two benefits has been shared and the below is a compilation of the cumulative assistance provided for the last seven years to the beneficiaries of our members who have passed away. Our core values and guiding principles are to empower, educate and assist our members throughout their lifetime and provide support to the families thereafter. The cumulative benefits are as follows:

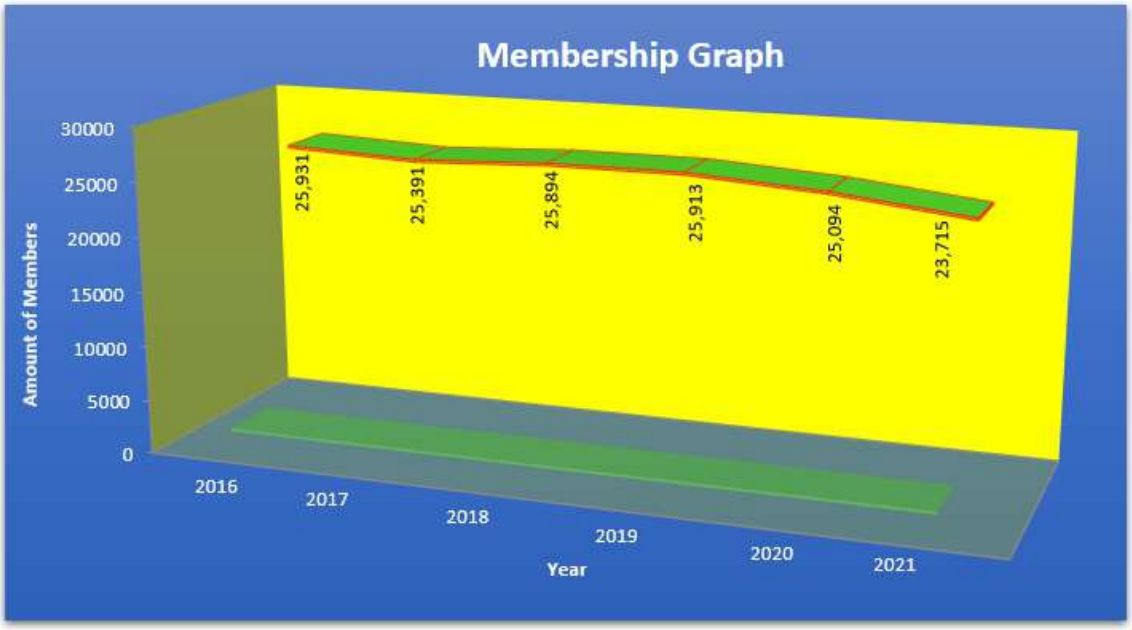
Year	Sunrise to Sunset #	Sunrise to Sunset $	Membership Coverage #	Membership Coverage $	GRAND TOTAL
2015-2016	62	$ 186,000.00	82	$ 422,131.89	
2016-2017	52	$ 156,000.00	82	$ 265,182.81	
2017-2018	65	$ 182,000.00	81	$ 315,037.20	
2018-2019	75	$ 220,000.00	81	$ 460,598.60	
2019-2020	68	$ 202,000.00	27	$ 146,469.81	
2020-2021	102	$ 277,000.00	120	$ 528,740.37	
2021-2022	111	$ 315,333.33	115	$ 374,860.57	
TOTAL	**535**	**$1,538,333.33**	**588**	**$ 2,513,021.25**	**$ 4,051,354.58**

OVERALL RETURNS	**$ 22,576,481.55**

When we analyze the two reports above we see that the overall returns to our membership in benefits and stability funds is over $22.5 million, which is impressive and commendable!!! It took countless hours of processing deposits, loans, payments, accounting entries, outreach efforts, networking and so much more to accomplish such an achievement but we have proved that with your loyalty and commitment and our due diligence and accountability, we can all gain at the highest level.

Let us continue working hand in hand to expand our membership, our investments, our loan portfolio, our partnerships and our outreach and we will be able to offer more benefits and services in addition to support to the larger communities, which we serve. We are excited to see how we will grow in technology and access to serve you even better and for many more years!!!!

Even through the pandemic, we continued to make every effort to have outreach activities, in compliance with all protocols, and we were pleased to see an increase in our opening of new accounts, which amounted to 751 accounts between our main and branch office. As at March 31, 2022 our membership stood at 23,715 as compared to 25,094 in 2020. You will note the curve shows a decrease for the last two years as a result of our thorough review of all accounts to classify active membership, which are those members with more than the required minimum shares. We continued to see the increased number of deceased members that also had an impact on the overall decrease in membership.



The above shows a true representation of all our accounts that have above the $10.00 required in shares. We encourage our members to continue saving at all times, as this is your equity upon which dividends are declared. Increased savings also contributes to your overall equity and it allows you more bargaining power to qualify for higher loans at more affordable rates. Additionally savings have proven to be effective safeguards in times of need to meet unexpected needs. This can translate into stability even amidst the most uncertain times.

Conclusion

The volunteer Directors, Officers, Management and Staff in collaboration with you, our thousands of members, have clearly shown within this past year and the past six years that when honest, hardworking, accountable and responsible persons unite for a common cause, the results can be nothing less than success. It goes beyond words to express our heartfelt gratitude to God and to each and every one of us who have made and will continue to make LICU a success story. We remain firm in our conviction that the decisions made are to benefit you and to improve your access, your convenience and your net worth. We look forward to another year of even more developments as we join the National Payment System and embrace technology to expand our reach to serve many more.

Respectfully,



Gildardo Cervantes
Treasurer

RESOLUTION TO AMEND BY-LAWS OF
LA INMACULADA CREDIT UNION LIMITED

WHEREAS the Board of Directors has deemed it necessary to review and update the by-laws of La Inmaculada Credit Union Limited to reflect changes in the composition of the Board for greater efficiency and effectiveness.

AND WHEREAS the Board of Directors have complied with provisions required to amend the by-laws, that is,

a) proposed amendments have been submitted and have been approved by the Registrar,

b) copies of the proposed amendments have been made available to members,

c) more than seven days required notice has been given,

BE IT RESOLVED THAT THE AMENDMENTS RECOMMENDED BY THE BOARD OF DIRECTORS BE ADOPTED BY THIS MEETING.

Dated this 21th day of May, 2022

REASON FOR AMENDMENTS

The Board saw it necessary to review and update our by-laws to reflect changes in the composition of the Board for greater efficiency and effectiveness.

AMENDMENT

The amendment is to amend the minimum number of directors from seven to five. This allows for flexibility for future board composition.

INTERPRETATION

ARTICLE VI1 – Board of Directors

In subsection 1 of Article VI1, the word and number "seven (7) " be replaced with the word and number "five (5)" to read as follows:

1. The business of the society shall be conducted by the Board of Directors which shall be elected at the annual general meeting of the society and shall consist of not less than five (5) members all of whom shall be members of the society, provided that the number comprising the board of directors shall at all times be an uneven number.

   Each member shall hold office until his successor is elected and shall be eligible for re-election.

Credit Committee

2021-2022



Ms. Marcia Tun
Chairperson



Ms. Suzannie Cajun
Secretary



Mr. Javier E. Moreno
Officer

CREDIT COMMITTEE REPORT
FISCAL 2021 – 2022

INTRODUCTION

La Inmaculada Credit Union's Fiscal Year started on April 1, 2021 and ended on March 31, 2022. During this past fiscal year, the Credit Committee was happy to have fulfilled its functions and responsibilities in conformity with Section 29 of the Credit Union Act. We ensured that LICU continued to make effective, economic and social use of the funds entrusted to its care in the form of loans to you, the members, for provident and productive purposes. We provided a proper oversight of the credit department in order to ensure you get the best financial services within your qualifications or means.

This past fiscal year has been one of recovery after the much uncertainty and unprecedented challenges presented by the Covid-19 Pandemic which started in the year 2020. In addition to have claimed millions of lives worldwide, it changed our ways in which we conducted our daily lives and activities. It negatively impacted most sectors of our economy and greatly affected the financial institutions as many of its customers or members had their incomes reduced or, in extreme cases, some completely lost their source of income. Lending was restricted to many of our members in order to mitigate the risk of delinquency.

As the road to recovery started this past fiscal year, we are now happy to report that many of our members are now back on track as they are now gainfully employed and it is clearly showing in the increasing values of our Loan Portfolio figures as well as a reduction in our delinquency.

LOAN PORTFOLIO

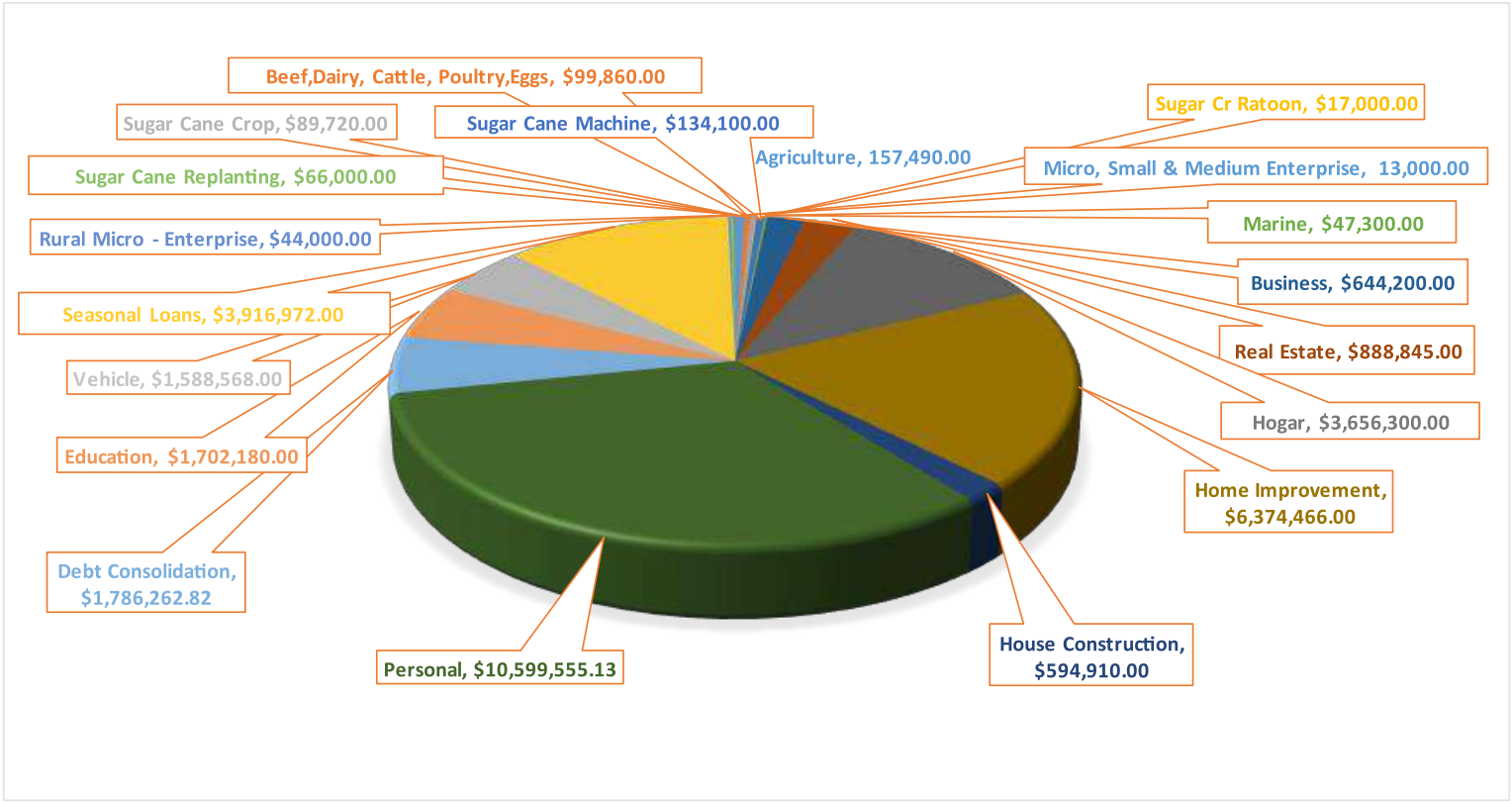
This past fiscal year, our main branch, the Orange Walk Branch disbursed a total of 2757 loans with a total value of $23,733,920.95. Our Belmopan Branch disbursed 1040 loans with a total value of $8,686,808.00. A total of 3797 loans were granted to our members for this past Fiscal 2021-2022 with a total value of $32,420,728.95.

Summary of Loans by branch

Branch	No. of Loans Disbursed	Amount Disbursed
Orange Walk	2757	$23,733,920.95
Belmopan	1040	$8,686,808.00
TOTAL	**3797**	**$32,420,728.95**

Compared to Fiscal 2020-2021, we can appreciate a growth in our Loan Portfolio as we observed a difference of $13,404,764.38 increased in value of loans disbursed which translates to 70% increase for the Fiscal 2021-2022.

The following chart illustrates the Loan Portfolio total values by sectors for the Fiscal Year 2021-2022



As noted in the above chart, our top five loan purposes were Personal Loans - $10,599,555.13, Home Improvement - $6,374,466.00 and Seasonal Loans - $3,916,972.00, “Hogar” Loans - $3,656,300.00 and Debt Consolidations - $1,786,262.82.

As at March 31, 2022, our Loan Portfolio cumulative value was at $50,253,687.13.

DELINQUENCY

We thank and applaud you, our responsible members, who have maintained an excellent payment record on your loans despite the many challenges encountered especially due to the Covid-19 Pandemic situation. We encourage members who are experiencing difficulty in meeting your loan obligations, due to any valid reason, to visit your respective branches to inform of your situation the soonest possible so as to receive advise on possible options. We continue to urge all of you our credit members to make every effort to pay your loans on time as this is necessary for the financial stability of our Credit Union.

As at March 31, 2022, our delinquency rate stood at 11.88% of our total Loan Portfolio. Compared to last fiscal, we can appreciate a reduction in this rate which stood at 14.06% on March 31, 2021. The number of loans in arrears totaled 922 loans for this past fiscal. Last fiscal’s ending we reported 1105 loans in arrears. The principal value of loans in arrears for this fiscal amounted to $5,969,494.81. Last fiscal’s value was at $6,850,018.60.

Over this past fiscal year, 57 loans were written off with a total value of $314,075.36.
Recovery efforts yielded a total value of $205,699.79 over this past fiscal year.

CONCLUSION

Although the Covid-19 Pandemic impacted negatively our economy, we are proud that LICU remained standing strong and focused in assisting its membership to rise from the many challenging situations presented.

Your Credit Committee, over the past fiscal year, maintained constant visits to the office, conducting loan reviews, vetting loans, overseeing the Credit Risk management and making recommendations on internal credit policies and products for the benefit of all of you, our members. We are very grateful for the opportunity to have served you in safeguarding your investments at LICU over this past year.

We thank all of you, our members, for your continuous support. We thank and commend our staff and management for their commitment and dedication.. We thank the Board of Directors and the Supervisory Officers for their support. Above all, we thank our Almighty God for all His blessings and guidance.

Respectfully yours,



Marcia S. Aragon Tun
Chairperson - Credit Committee

Suzannie Cajun - Secretary
Javier E. Moreno - Officer

SUPERVISORY COMMITTEE

2021-2022



MS. LISA CARBALLO
CHAIRPERSON



MS. DORITA HERRARTE
SECRETARY



MR. LEANDRO OSGALLA
OFFICER

SUPERVISORY COMMITTEE REPORT
1 April 2021– 31 March 2022

Presented to the membership of La Inmaculada Credit Union Limited (LICU) on this 73rd Annual General Meeting.

Pursuant to the Credit Union Act of the Laws of Belize, your Supervisory Committee examined the financial statements at LICU and the related reports for the fiscal year ended 31 March 2022. In our opinion, the reports present fairly, in all material respects, the financial position of LICU.

We take this opportunity to remind you that your Supervisory Committee is responsible for examining the controls and systems at La Inmaculada Credit Union Ltd. The Internal Auditor is also key to ensuring our role becomes functional and effective. Mr. Emir Vega serving as our full time Internal Auditor concentrates on identifying, testing, and providing recommendations to strengthening the internal control processes within the organization.

During this fiscal year, the Supervisory Committee has performed the following tasks:

1. Conducted cash counts and vault checks at both branches to ensure security and accountability of our assets.
2. Collaborated with the Central Bank of Belize to ensure compliance with requirements and recommendations made during their visits.
3. Engaged in ongoing discussion, planning and implementation of audit plans along with the Internal Auditor.
4. Provided quarterly recommendations on procedures for a more organized testing of major risk areas: members loans, cash and cash equivalent, expenses, and anti-money laundering.
5. Reviewed minutes of Board of Directors meetings to ensure proper guidance.
6. Amended the Audit Charter to expand the audit function in reviewing the established policies and procedures to identify internal controls and AML/CFT weaknesses and thereby propose corrective actions.
7. Conducted monthly financial statement reviews to be presented to the Board.
8. Engaged management and the accounting department in discussions for areas to improve.
9. Conducted a minimum of two working sessions per month, amidst the COVID19 pandemic restrictions, to discuss, plan and prepare reports as is required by our function.
10. Conducted and presented a financial statement analysis to assist the Board with decision making.

Having examined and conducted these tasks we conclude that efforts have been made to ensure compliance and accountability to you, our member owners. We assure you that the Credit Union continues to make great strides in becoming more efficient and productive. This Supervisory

Committee is once more willing to continue improving and ensuring transparency, accountability, and improved controls.

CLOSING REMARKS

The Supervisory Committee offers its appreciation to the Members of LICU for the opportunity to serve this past year. We must mention our gratitude to our General Manager for her endless support and to the staff for their continued collaboration in assisting us in fulfilling our roles and responsibilities as the Supervisory Committee. You are encouraged to continue saving and believing that LICU is your Financial Institution. For us to become more effective as the Supervisory Committee we ask you to reach out to us with concerns and suggestions. We want to continuously hear from you, so please feel free to contact us at any of the following email addresses:

lisacarballo@licubelize.org
doritaherrarte@licubelize.org
leandroosgalla@licubelize.org

Your input and contribution are valuable and necessary to us. We thank the Almighty as He continues to bless this financial institution in so many ways.

Respectfully,

Ms. Lisa Carballo, Chair | Ms. Dorita Herrarte, Secretary | Mr. Leandro Osgalla, Officer


LA INMACULADA
LICU
CREDIT UNION LTD.
BELIZE, C.A.


Credit Union
BUILDING
LA INMACULADA
CORN FLAKES
Softy
EXIT
SALIDA
NOTICE
Joaquin's
Crush Ice
Vector Control
TUBERCULOSIS
Happy Easter

LA INMACULADA CREDIT UNION LIMITED

Financial Statements

For the year ended 31 March 2022

La Inmaculada Credit Union Limited

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Belize City, Belize
P.O. Box 756

Independent auditor's report to the Board of Directors and Members of La Inmaculada Credit Union Limited

Opinion

We have audited the accompanying financial statements of La Inmaculada Credit Union Limited (Credit Union) which comprise of the statement of financial position as at 31 March 2022 and the statements of comprehensive income, changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of La Inmaculada Credit Union Limited as of 31 March 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the financial reporting provisions of the Credit Unions Act Chapter 314 of the Substantive Laws of Belize.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor´s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Credit Union in accordance with the International Ethics Standards Board for Accountant`s Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

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

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 25 which states that the spread of COVID-19 has impacted many local and international economies and disrupted businesses for an indefinite period. Measures taken to counteract the pandemic have resulted in an economic slowdown worldwide. The extent of the impact of the COVID-19 pandemic on the operating and financial position of the Credit Union will depend on certain developments, including the duration and spread of the pandemic and the impact on its operations, all of which are uncertain and cannot be predicted at this point.

Responsibility of management and those charged with governance for the financial statements

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

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

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

BDO Belize LLP, a Belize Limited Liability Partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs, we:

(i) exercise professional judgement and maintain professional skepticism throughout the audit.

(ii) identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(iii) obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

(iv) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(v) conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Credit Union to continue as a going concern. If we should conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Credit Union to cease to continue as a going concern.

(vi) evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(vii) obtain sufficient audit evidence regarding the financial information of the Credit Union to express an opinion on the financial statements. We remain solely responsible for our audit opinion.

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

BDO Belize LLP

BDO Belize LLP

9 May 2022

La Inmaculada Credit Union Limited

Statement of financial position
As at 31 March
(In Belize Dollars)

	Notes	2022	2021
Assets			
Cash and cash equivalents		17,635,654	17,995,536
Interest bearing deposits	4	611,194	587,349
Investments	5	8,257,400	8,807,400
Inventory		1,144	-
Members' loans receivable	6	50,253,687	48,715,956
Less: loan loss provisions	6	(4,068,834)	(3,583,509)
Other receivables and prepayments	7	767,895	710,646
Property and equipment	8	2,448,420	2,525,327
Total assets		75,906,560	75,758,705
Liabilities			
Members' deposits	9	7,029,260	7,330,590
Shares - non-mandatory	10	51,389,580	51,291,747
Accounts payable and accruals	11	600,879	477,999
Mortgage insurance escrow payable	12	179,068	74,224
Membership scheme - Sunrise to Sunset fund	13	1,859,089	1,817,966
Membership scheme - Life savings and loan protection	14	2,135,035	1,977,663
Total liabilities		63,192,911	62,970,189
Net assets		12,713,649	12,788,516
Members' equity			
Shares - mandatory		237,150	250,940
Revaluation reserves		77,376	77,376
Special reserves		1,292,337	779,043
Guaranty fund		8,100,000	7,868,790
Undivided earnings		3,006,786	3,812,367
Total members' equity		12,713,649	12,788,516

The financial statements were approved and authorized for issue by the Board of Directors on 9 May 2022.

Director

Director

The notes are an integral part of these financial statements.

La Inmaculada Credit Union Limited

Statement of comprehensive income
Year ended 31 March
(In Belize Dollars)

	Notes	2022	2021
Income			
Interest income:			
Interest income	15	6,177,000	6,596,178
Less: interest expense	15	(3,329)	(16,927)
Net interest income		6,173,671	6,579,251
Fee and commission income	16	967,630	642,568
Other operating income	17	256,105	338,393
Operating income		7,397,406	7,560,212
Provision for losses	18	(800,000)	(331,273)
Other operating expenses	19	(3,642,597)	(3,497,424)
Net income for the year		2,954,809	3,731,515

The notes are an integral part of these financial statements.

La Inmaculada Credit Union Limited

Statement of changes in equity

Year ended 31 March

(In Belize Dollars)

	Shares - mandatory	Revaluation reserves	Special reserves & contingency fund	Guaranty fund (other reserves)	Undivided earnings	Total members' equity
At 1 April 2020	259,930	77,376	779,043	7,868,790	1,890,965	10,876,104
Net decrease in shares	(8,990)	-	-	-	-	(8,990)
Dividend and rebate paid	-	-	-	-	(1,876,947)	(1,876,947)
Dividend reversals	-	-	-	-	66,834	66,834
Net income for the year	-	-	-	-	3,731,515	3,731,515
At 31 March 2021	**250,940**	**77,376**	**779,043**	**7,868,790**	**3,812,367**	**12,788,516**

	Shares - mandatory	Revaluation reserves	Special reserves & contingency fund	Guaranty fund (other reserves)	Undivided earnings	Total members' equity
At 1 April 2021	250,940	77,376	779,043	7,868,790	3,812,367	12,788,516
Net decrease in shares	(13,790)	-	-	-	-	(13,790)
Transfers	-	-	513,294	231,210	(744,504)	-
Dividend and rebate paid	-	-	-	-	(3,042,358)	(3,042,358)
Dividend reversals	-	-	-	-	26,472	26,472
Net income for the year	-	-	-	-	2,954,809	2,954,809
At 31 March 2022	**237,150**	**77,376**	**1,292,337**	**8,100,000**	**3,006,786**	**12,713,649**

Central Bank of Belize Regulations require that member share accounts are divided into mandatory and non-mandatory shares. Mandatory shares are reflected in equity; non mandatory shares are reflected as liabilities. The Credit Union requires each member to own two mandatory shares of $5 per share. Total mandatory shares issued as of 31 March 2022 were 23,715 (2021 – 25,094).

The notes are an integral part of these financial statements.

La Inmaculada Credit Union Limited

Statement of cash flows
Year ended 31 March
(In Belize Dollars)

	Notes	2022	2021
Cash flow from operating activities:			
Net income for the year		2,954,809	3,731,515
Adjustments for items not affecting operating cash:			
Depreciation expense	8	180,274	183,551
Provision for loan losses	6	800,000	331,273
Write off of loans receivable	6	(314,675)	(1,168,130)
Operating profit before working capital changes		3,620,408	3,078,209
Changes in working capital			
(Increase)/decrease in members' loans receivable	6	(1,537,731)	7,105,296
(Increase) in other receivables and prepayments	7	(57,249)	(92,679)
(Increase) in inventory		(1,144)	-
(Decrease) in members' deposits	9	(301,330)	(872,882)
Increase/(decrease) in non-mandatory shares	10	97,833	(1,870,361)
Increase/(decrease) in accounts payable and accruals	11	122,880	(365,547)
Increase/(decrease) in mortgage escrow payable	12	104,844	(98,839)
Increase in member scheme - Sunrise to Sunset liability	13	41,123	97,836
Increase in membership scheme - LS and LP	14	157,372	40,090
Net cash provided by operating activities		2,247,006	7,021,123
Cash flow from investing activities:			
(Increase)/decrease in interest bearing deposits	4	(23,845)	989,364
Decrease in investments	5	550,000	974,155
Purchases of property and equipment	8	(103,367)	(98,027)
Net cash provided by investing activities		422,788	1,865,492
Cash flow from financing activities:			
(Decrease) in shares - members (mandatory)		(13,790)	(8,990)
Dividends paid		(3,042,358)	(1,876,947)
Dividend reversals		26,472	66,834
Net cash (used in) financing activities		(3,029,676)	(1,819,103)
Net (decrease)/increase in cash and cash equivalents		(359,882)	7,067,512
Cash and cash equivalents at the beginning of the year		17,995,536	10,928,024
Cash and cash equivalents at the end of year		17,635,654	17,995,536

The notes are an integral part of these financial statements. 6

La Inmaculada Credit Union Limited

Notes to the financial statements
Year ended 31 March 2022
(In Belize Dollars)

1. General information

La Inmaculada Credit Union Limited (the "Credit Union") was incorporated on 5 June 1949 under and by virtue of the Credit Union Act, Chapter 314 of the Substantive Laws of Belize, Revised Edition 2011. The Credit Union currently has 23,715 (2021 – 25,094) members.

The Credit Union operates from its principal office situated at No. 5 Park Street, Orange Walk Town, Belize. Branch offices are located in Belmopan, Cayo District. As at 31 March 2022, the Credit Union employed 54 (2021 – 54) employees.

The Credit Union promotes savings, enterprise and the cooperative principle among its members to pool members' financial resources and to provide personal and corporate banking, loans, and investments.

2. Summary of significant accounting policies, judgements and estimates

The significant accounting policies used in the preparation of these financial statements, including the accounting requirements prescribed by the Central Bank of Belize (CBB), are summarized below.

Basis of preparation

These financial statements are prepared in compliance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The accounting policies have been consistently applied to all periods presented. Unless otherwise stated, monetary amounts are stated in Belize dollars. The financial statements have been prepared under the historical cost convention.

The Credit Union also complies with the Credit Union Act Chapter 314 of the Substantive Laws of Belize, Revised Edition 2011 as reflected in its policies below.

Use of estimates and assumptions

In preparing the financial statements, management is required to make subjective estimates and assumptions that affect the reported amount of assets, liabilities, net income, and related disclosures. Estimates made by management are based on historical experience and other assumptions that are believed to be reasonable.

Key sources of estimation uncertainty include: assessments of impairment to investments, determination of fair value of financial instruments, the allowance for credit losses, post-employment benefits, and accrued liabilities. Accordingly, actual results may differ from these and other estimates thereby impacting future financial statements. Refer to the relevant accounting policies in this note 2 for details on our use of estimates and assumptions.



2. Summary of significant accounting policies, judgements and estimates (continued)

Significant judgements

In preparation of these financial statements, management is required to make significant judgements that affect the carrying amounts of certain assets and liabilities, and the reported amounts of revenues and expenses recorded during the period. Significant judgements have been made in the following areas and discussed as noted in the financial statements:

Investment impairment	Note 2 Note 3 Note 5
Fair value of financial instruments	Note 2 Note 3
Allowance for loan losses	Note 2 Note 6
Severance payable	Note 2
Other provisions	Note 2

Financial instruments - recognition and measurement

Cash and cash equivalents

Cash and cash equivalents comprises of cash balances and call deposits held with various financial institutions. All cash and cash equivalents have a term of less than 90 days in compliance with IFRS.

Investments

Debt instruments at amortized cost
The Credit Union assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the asset and the Credit Union's business model for managing the asset.

For an asset to be classified and measured at amortized cost, its contractual terms should give rise to cash flows that are solely payments of principal and interest on the principal outstanding.

The Credit Union recognizes financial assets and liabilities when it becomes a party to the terms of the contract.

2. Summary of significant accounting policies, judgements and estimates (continued)

Financial instruments - recognition and measurement (continued)

Investments (continued)

Financial assets are classified on the basis of two criteria:

- The business model within which the financial assets are managed;
- The contractual cash flow characteristics (whether the cash flows represent SPPI).

Management determines the classification of its investments at initial recognition.

Financial assets are measured at amortized cost if they are held within a business model whose objective is to hold the financial assets in order to collect contractual cash flows and their contractual cash flows represent SPPI.

Financial assets will be measured at fair value through other comprehensive income if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and their contractual cash flows represent S PPI.

Other financial assets are measured at fair value through profit or loss.

The Credit Union has recorded all investments at amortized cost less provisions made for any permanent diminution in value. Amortized cost is calculated by taking into account any premium or discounts on acquisition over the period of maturity using the effective interest rate method.

At each reporting date, management evaluates investments to determine if there is objective evidence of impairment. Such evidence includes: when an adverse effect on future cash flows from the asset or group of assets can be reliably estimated and when there is a significant or prolonged decline in the fair value of the investment below its cost. The actual amount of future cash flows and their timing may differ from the estimates used by management and consequently may cause a different conclusion as to the recognition of impairment or measurement of impairment loss.

When assessing impairment on debt instruments, such as government treasury notes, management primarily considers third party information such as external ratings and comparable sales. Significant judgement is required in assessing impairment as management is required to consider all available evidence in determining where objective evidence of impairment exists and whether the principal and interest can be fully recovered.

When the investments are disposed of or impaired, the related gains and losses are included in the statement of comprehensive income as gains and losses from investment securities. All purchases and sales of trading and investment securities are recognized at settlement date, which is the date the Credit Union completes the transaction.



2. Summary of significant accounting policies, judgements and estimates (continued)

Financial instruments - recognition and measurement (continued)

Loans receivable

Loans are financial assets with fixed or determinable payments that are not quoted in an active market. Loans are initially recognized at fair value which is represented by the cash advanced to members. Loans are subsequently measured at principal outstanding, net of unearned interest, less provision made for impairment. All loans are recognized when cash is advanced to borrowers.

Impairment

The Credit Union assesses loss allowances for expected credit losses ("ECLs") on its financial instruments that are not measured at FVTPL. Loss allowances are recognized on loans to members.

No impairment loss is recognized on equity investments.

ECLs are required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. lifetime ECLs that result from those default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or

- full lifetime ECL, i.e. lifetime ECLs that result from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition.

For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL. More details on the determination of a significant increase in credit risk are provided below.

ECLs are an estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows clue to the Credit Union under the contract and the cash flows that the Credit Union expects to receive, discounted at the asset's EIR.

The Credit Union measures ECL on an individual basis. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR, regardless of whether it is measured on an individual basis or a collective basis.

2. Summary of significant accounting policies, judgements and estimates (continued)

Financial instruments - recognition and measurement (continued)

Impairment (continued)

Measurement of ECL

The key inputs used for measuring ECL are:

- Probability of default ("PD");
- Loss given default ("LGD"); and
- Exposure at default ("EAD").

These figures are generally derived from internally developed statistical models and other historical data and they are adjusted to reflect forward-looking information, where applicable.

PD is an estimate of the likelihood of default over a given time horizon. It is estimated as at a point in time. The calculation is largely based on historical default rates by category of loan product and credit rating. PDs are estimated considering the contractual maturities of exposures. The estimation is based on current conditions, adjusted where applicable to take into account estimates of future conditions that will impact PD.

LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from any collateral. The LGD models for secured assets consider forecasts of future collateral valuation taking into account cost of realization of collateral. LGD models for unsecured assets consider time of recovery and recovery rates. The calculation is on a discounted cash flow basis, where the cash flows are discounted by the original EIR of the loan. EAD is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, and expected drawdowns on committed facilities. The Credit Union's modelling approach for EAD reflects expected changes in the balance outstanding over the lifetime of the loan exposure that are permitted by the current contractual terms, such as amortization profiles, early repayment or overpayment, and changes in utilization of undrawn commitments. The Credit Union uses EAD models that reflect the characteristics of the portfolios.

The Credit Union measures ECL considering the risk of default over the maximum contractual period over which the entity is exposed to credit risk and not a longer period, even if contract extension or renewal is common business practice. However, for financial instruments such as revolving credit facilities that include both a loan and an undrawn commitment component, the Credit Union's contractual ability to demand repayment and cancel the undrawn commitment does not limit the Credit Union's exposure to credit losses to the contractual notice period.



2. Summary of significant accounting policies, judgements and estimates (continued)

Financial instruments - recognition and measurement (continued)

Impairment (continued)

For such financial instruments the Credit Union measures ECL over the period that it is exposed to credit risk and ECL would not be mitigated by credit risk management actions, even if that period extends beyond the maximum contractual period. These financial instruments do not have a fixed term or repayment structure and have a short contractual cancellation period.

The Credit Union also complies with the Credit Unions Act (CUA), Chapter 314, Revised Edition 2011, Requirement No. 2/2013 which requires that loans are individually assessed for losses. The loan loss reserve is increased by the impairment losses recognized and decreased by the amount of write-offs.

Write-offs

Loans are written off when the Credit Union has no reasonable expectations of recovering the financial asset. This is the case when the Credit Union determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Credit Union may apply enforcement activities to financial assets written off. Recoveries resulting from the Credit Union's enforcement activities will result in impairment gains.

Prepayments and deposits

Prepayments and deposits are initially recognized at fair value which is represented by the original payments advanced or assets exchanged. Subsequently, prepayments and deposits are measured at the statement date using the effective interest rate method.

Members' term deposits

Members' term deposits are initially recorded at fair value and subsequently measured at amortized cost using the effective interest rate method.

Shares

Mandatory shares are the minimum number of shares a person must have in order to be considered a member of the Credit Union. These are reflected in equity on the statement of financial position. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments.

Non-mandatory shares are additional shares held by members of the credit union. These may require a one-month notice period to be withdrawn at any time and may be used as collateral for loans by members. These are reflected as current liabilities on the statement of financial position.

2. Summary of significant accounting policies, judgements and estimates (continued)

Financial instruments - recognition and measurement (continued)

Accounts payable

Accounts payable is recognized on the accrual basis, when goods have been received or services have been rendered.

Determination of fair value

The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. We determine fair value by incorporating all factors that market participants would consider in setting a price, including commonly accepted valuation approaches. Where an investment does not have an active market and observable prices or inputs are not available, management judgement is required to determine fair values by assessing other relevant sources of information such as historical data and information from similar transactions.

Borrowings

All borrowings, including current and non-current debt, are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently remeasured using the effective interest rate method. Borrowings are classified as current liabilities unless the Credit Union has the right to defer payment for more than 12 months after the statement of financial position date.

Loan interest income

Interest income on loans receivable is recognized in the statement of comprehensive income on an accrual basis.

Investment interest income

Investment interest income is recognized on the accrual basis using the effective interest rate method.

Loan application/processing/review fee revenue

Loan application/processing and review fees on loans have been recognized as income when received. These fees are non-refundable. They are fully earned by the Credit Union at the outset on the loan application and at the time of review.



2. Summary of significant accounting policies, judgements and estimates (continued)

Financial instruments - recognition and measurement (continued)

Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset on the statement of financial position when there exists both a legally enforceable right to offset the recognized amounts and an intention to settle on a net basis or realize the assets and settle the liability simultaneously.

De-recognition of financial assets and liabilities

Financial assets are derecognized on the statement of financial position when the Credit Union's contractual rights to the cash flows from the assets have expired, when the Credit Union retains the right to receive the cash flows of the assets but assume an obligation to pay those cash flows to a third party, or when the Credit Union has transferred the contractual rights to receive the cash flows to a third party.

Financial liabilities are derecognized on the statement of financial position when the Credit Union's obligation specified in the contract expires, is discharged, or is cancelled. The difference between the carrying amount of the financial liability and the consideration paid is recognized in the statement of comprehensive income.

Rental income

Rental income from investment property is recognized on the statement of comprehensive income.

Translation of foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated in Belize dollars at midday rates prevailing at the date of the statement of financial position. Foreign exchange gains and losses resulting from the translation and settlement of these items are recognized in the statement of comprehensive income. Non-monetary assets and liabilities in foreign denominations are translated into Belize dollars at historical rates.

Employee benefit obligations

Termination benefit - severance

The Credit Union has recognized termination benefits in accordance with the labour laws of Belize which states that employees with at least five years or more of continuous employment are entitled to a minimum of one week's pay for each year of service prior to May 2011 and two week's pay for each year of service subsequently.

2. Summary of significant accounting policies, judgements and estimates (continued)

Employee benefit obligations (continued)

Termination benefit - pension

The Credit Union had a defined contribution plan for all permanent employees. The pension plan was financially separate from the Credit Union and was funded by contributions from both employees and the Credit Union at a matched fixed rate of 5% of monthly salary. The Credit Union's contributions to the defined contribution plan were expensed monthly. For fiscal 2020, pension costs amounted to $87,571 and all amounts were paid to employees. In fiscal 2022, the Credit Union is in process of registering a new defined contribution pension plan for all permanent employees.

Property and equipment

Property and equipment includes land, building, motor vehicles, furniture, fixtures, computer equipment, generator, and other equipment. Property and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Cost comprises of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use, and the initial estimate of any disposal costs.

Property and equipment are carried at cost and are depreciated using the straight-line method at the following rates:

Building	40 years
Furniture and fixtures	20 years
Office, computer, and other equipment	5, 10 and 20 years
Motor vehicle	10 years

Land is not amortized as the useful life cannot be estimated. Property is not amortized until it is available for use.

Property and equipment are assessed for indicators of impairment at each reporting date. If there is an indication that the asset may be impaired, an impairment test is performed by comparing the asset's carrying amount to its recoverable amount. The recoverable amount is the higher of the asset's value in use or fair value less costs of disposal.

Provisions

Provisions are liabilities of uncertain timing or amount and are recognized when the Credit Union has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured as the best estimate of the consideration required to settle the present obligation at the reporting date. Significant judgement is required to determine whether a present obligation exists and in estimating the probability, timing and amount of any cash outflows. Provisions are recorded related to litigation, future employee benefits, the allowance for off-balance sheet items and other items.

2. Summary of significant accounting policies, judgements and estimates (continued)

Provisions (continued)

Provisions are recorded on the basis of all available information at the end of the reporting period. In the event that results differ from management expectations, the Credit Union may incur expenses in excess of the provisions recognized.

Guaranty Fund

The Guaranty Fund is a reserve mandated by the Credit Union Act, Chapter 314 of the Substantive Laws of Belize, Revised Edition 2011. The Credit Union transfers at least 10% of its surplus prior to any dividend declaration to a statutory reserve, which is to be accumulated until it reaches 10% of total assets and should not be used for any other purpose except upon liquidation of the Credit Union.

Leasing

A lease is an agreement in which the lessor grants the lessee the right to use an asset for an agreed period of time in return to a payment or series of payments.

All leases are short-term leases. Lease payments are recognized as an expense on a straight-line basis over the lease term as office expense in the statement of comprehensive income.

Financial risk management

By its nature the Credit Union's activities are principally related to the use of financial instruments. The Credit Union accepts cash as deposits and purchase of shares from customers and seeks to earn above average interest margins by investing these funds in high quality assets. The Credit Union seeks to increase these margins by consolidating short-term funds and lending for longer periods at higher interest rates whilst maintaining sufficient liquidity to meet all claims that may fall due.

The Credit Union is also exposed to fraud risks, market risks, cash flow risks, and interest rate risks. The Credit Union's risk management program seeks to minimize potential adverse effects on the overall financial performance. Risk management is executed through policies approved by the Board of Directors and are executed by management who identify and evaluate risks and establish procedures to minimize risks.

Credit risk

The Credit Union takes on exposure to credit risk which is the risk that a counterpart will be unable to pay amounts in full when due. Management structures its credit risk by placing limits on the amount of credit extended in relation to one borrower or group. This is monitored on a revolving basis and subject to annual review. Limits are also regulated by Credit Union Act Chapter 314 of the Substantive Laws of Belize, Revised Edition 2011.

2. Summary of significant accounting policies, judgements and estimates (continued)

Financial risk management (continued)

Credit risk (continued)

The Credit Union's risk management policies are designed to achieve a balance between risk and return and minimize potential adverse effects of its' financial performance. The Credit Union therefore identifies and analyses these risks, designs internal controls to set appropriate limits, and to monitor these limits through reliable and up to date information systems and reports.

Exposure to credit risk is managed through regular analysis of the borrower's ability to repay, current exposure to individual customers and the likelihood of default and the recovery ratio on any defaulted obligation. Exposure is also managed in part by obtaining marketable collateral, personal guarantees and authority for salary deductions for instalment payments.

Market risk/interest rate risk

The Credit Union is exposed to market risk, which is the risk that the fair value or cash flows of a financial instrument will fluctuate due to changes in the market prices. Market risk for the Credit Union arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements. The Credit Union's Board of Directors sets limits on the amount of risk that may be accepted, which is monitored on a daily basis and reviewed by the Board monthly.

The Credit Union takes on interest rate risk in that it pays interest on deposits and that fluctuations in interest rates may affect its capacity to on-lend at competitive rates. The Credit Union manages this risk by maintaining an adequate interest rate spread between interest paid and interest received.

The Credit Union takes on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. The Board sets limits on the level of exposure by currency and in aggregate for both overnight and intra-day positions, which are monitored daily.

Liquidity risk

Liquidity risk is the risk that the Credit Union is unable to meet its payment obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn. The Credit Union manages this risk by closely monitoring customer payments, setting credit limits and by obtaining credit facilities from other sources to ensure cash availability. The Credit Union also maintains highly liquid assets that can easily be liquidated as protection against any unforeseen interruption to cash flow.



2. Summary of significant accounting policies, judgements and estimates (continued)

Financial risk management (continued)

Fraud risk

The Credit Union is exposed to fraud risks from customers as well as employees. The Credit Union seeks to minimize these risks by internal controls, authorizations for payments, checks and balances as well as requiring valid identification documents.

Reclassification of accounts

Certain prior year accounts have been reclassified for consistency with current period presentation.

Adoption of standards

The Credit Union adopts newly issued International Financial Reporting Standards in the year stipulated for adoption to the extent they are relevant to its operations. The Credit Union may adopt a standard early if early adoption is permitted. The effect of adoption, if material, is disclosed in the financial statements.

Subsequent events

The Credit Union evaluates subsequent events for recognition and disclosure through 9 May 2022, which is the date the financial statements were available to be issued.

3. Carrying value and fair value of selected financial instruments

Management has not observed any material differences between the carrying value of financial instruments and the fair value. Fair value are computed based on quoted prices for similar instruments and directly observable market inputs with the exception of unlisted securities. Fair value of unlisted securities has been determined using other inputs such as future cash flows or the audited net assets value since market information and comparable sales information is not available.

4. Interest bearing deposits

	2022	2021
Interest bearing deposit account held with Holy Redeemer Credit Union Limited with interest rate of 4% per annum payable quarterly.	611,060	587,217
Shares account at Holy Redeemer Credit Union Limited with dividend rate ranging from 3.5% to 5% per annum.	134	132
Total interest bearing deposits	611,194	587,349

La Inmaculada Credit Union Limited

Notes to the financial statements
Year ended 31 March 2022
(In Belize Dollars)

5. Investments

	2022	2021
Held to Maturity:		
One $4,000,000 GOB Treasury note (Issue No.30/2020) maturing 3 April 2025 with interest at 4.50% payable semi-annually.	4,000,000	4,000,000
Belize Electricity Limited Series 7 debentures with interest rate of 6% per annum payable quarterly, maturity date of 31 March 2028.	484,300	484,300
Belize Electricity Limited Series 5 debentures with interest rate of 7% per annum payable quarterly. The debentures were called by Belize Electricity Limited during fiscal year 2022.	-	550,000
Belize Electricity Limited Series 6 debentures with interest rate of 6.5% per annum payable quarterly, maturity date of 31 December 2030.	773,100	773,100
Belize Electricity Limited Series 8 debentures with interest rate of 6% per annum payable quarterly, maturity date of 30 June 2032.	3,000,000	3,000,000
	8,257,400	8,807,400

6. Members' loans receivable-net

	2022	2021
Total members' loans before allowance for loan losses	50,253,687	48,715,956
Allowance for loan losses	(4,068,834)	(3,583,509)
	46,184,853	45,132,447

Allowance for loan losses

	2022	2021
At beginning of the year	3,583,509	4,420,366
Additions (note 18)	800,000	331,273
Write offs	(314,675)	(1,168,130)
At end of the year	4,068,834	3,583,509



6. Members' loans receivable-net (continued)

Maturity of loans

Loans to members, not including accrued interest, mature as follows:

	2022	2021
Under 1 year	2,105,999	2,082,505
1 to 2 years	4,772,135	5,140,200
2 to 3 years	6,460,551	7,517,530
3 to 4 years	6,971,471	7,976,074
Over 4 years	29,943,531	25,999,647
	50,253,687	48,715,956

Loans past due but not impaired

A loan is considered past due when the borrower has not made a payment by the contractual due date. The table below shows the carrying value of loans at 31 March that are past due but not classified as impaired because they are either i) less than 90 days past due, or ii) fully secured and collection efforts are reasonably expected to result in repayment.

	30-59 days $	60-89 days $	90 days and greater $	Total $
March 31 2022				
Members' receivable	1,314,348	154,246	1,445,234	2,913,828
March 31 2021				
Members' receivable	1,132,993	136,268	2,421,006	3,690,267

7. Other receivables and prepayments

	2022	2021
Accrued interest receivable	352,348	375,690
HBL ATM/POS Project (see below)	50,000	50,000
National Payment System	167,000	167,000
Member's legal fees receivable	116,235	64,942
Prepayment - Sharetech	71,052	42,664
Other prepayments and receivables	11,260	10,350
	767,895	710,646

The Credit Union has entered into a Joint Investment Agreement with the Heritage Bank Limited and five other institutions, called the ATM/POS Project. Since the formation of the new company is still in process, the investment is classified as other receivables and prepayment at 31 March 2022.

La Inmaculada Credit Union Limited

Notes to the financial statements
Year ended 31 March 2022
(In Belize Dollars)

8. Property and equipment

	Land and building	Furniture and fixtures	Motor vehicle	Office, computer and other equipment	Total
Cost					
At 1 April 2021	1,452,651	439,534	250,746	1,538,830	3,681,761
Additions	-	25,998	-	77,369	103,367
Disposals	-	-	-	(2,956)	(2,956)
At 31 March 2022	1,452,651	465,532	250,746	1,613,243	3,782,172
Accumulated depreciation					
At 1 April 2021	342,921	142,504	55,627	615,382	1,156,434
Charge for the year	26,092	22,091	25,074	107,017	180,274
Disposals	-	-	-	(2,956)	(2,956)
At 31 March 2022	369,013	164,595	80,701	719,443	1,333,752
Net Book Value					
At 31 March 2022	1,083,638	300,937	170,045	893,800	2,448,420
At 31 March 2021	1,109,730	297,030	195,119	923,448	2,525,327

9. Members' deposits

	2022	2021
Regular deposits	6,864,448	6,929,855
Term deposits	164,812	400,735
	7,029,260	7,330,590

Members' deposits mature in less than one year.

10. Non-mandatory shares

	2022	2021
At beginning of the year	51,291,747	53,162,108
Net increase/(decrease) in shares	97,833	(1,870,361)
At end of the year	51,389,580	51,291,747

Central Bank of Belize Regulations require that members' share accounts are divided into mandatory and non-mandatory shares. Mandatory shares are reflected in equity; non-mandatory shares are reflected as current liabilities.

11. Accounts payable and accruals

	2022	2021
HBL payable (ATM Settlement)	53,244	18,511
Members' mortgage legal fees payable	63,023	50,700
Other accounts payable and accruals	447,425	366,342
Social Security payable	13,035	16,571
Other professional fees payable	24,152	25,875
	600,879	477,999



12. Mortgage insurance escrow payable

	2022	2021
Mortgage insurance escrow payable	179,068	74,224

Members are expected to insure their loan amount in excess of the Credit Union's automatic loan protection of $40,000 as protection against any unknown risk. Consequently, the Credit Union assists members by collecting their monthly insurance premiums to cover the amount payable on renewal of the policy. Members' insurance premiums are recorded as a liability until payment is made at renewal.

13. Membership scheme – Sunrise to Sunset Fund

At the annual General Meeting held on 27 May 2006, a motion was approved by the members to create an insurance scheme. Consequently, the "Group Term Fund" was initiated whereby members make a monthly contribution of two dollars. The contributions are invested as directed by the Board of Directors. Beneficiaries are awarded a one-time funeral benefit of up to a maximum of $4,000 and can be as initially indicated or subsequently selected by the member.

	2022	2021
At beginning of the year	1,817,966	1,720,130
Increase for the year	356,586	374,836
Claims paid	(315,463)	(277,000)
At end of the year	1,859,089	1,817,966

14. Membership Scheme – Life savings and loan protection

The Board of Directors made a decision to implement an in-house Membership Scheme for Savings and Loan protection with an opening balance of $57,129 allocated from undivided earnings approved by the Board as of January 2011. This fund offers protection to members for their combined shares and deposits up to a maximum of $8,000 with set percentages tiered by age and for loans up to a maximum of $40,000. The cost of the coverage is borne by the Credit Union at 0.55 cents per thousand on the total insurable balance.

	2022	2021
At beginning of the year	1,977,663	1,937,573
Net increase for the year	532,232	568,830
Claims paid	(374,860)	(528,740)
At end of the year	2,135,035	1,977,663

The Credit Union obtained an actuarial valuation of its Sunrise to Sunset Scheme and Life Savings & Loan Protection Scheme on 10 July 2018 which stated that the recorded policy liabilities represent a reasonable provision based on the application of actuarial techniques to the available data.

La Inmaculada Credit Union Limited

Notes to the financial statements
Year ended 31 March 2022
(In Belize Dollars)

15. Interest income/(expense)

	2022	2021
Interest income		
Personal and business loans	5,524,922	6,038,097
Fixed deposits and investments	652,078	558,081
	6,177,000	6,596,178
Interest expense		
Members' deposits	(3,329)	(16,927)
Net interest income	6,173,671	6,579,251

16. Fee and commission income

	2022	2021
Service charges	604,055	307,992
Credit related fees	243,675	254,009
Commissions	9,179	10,012
Other	110,721	70,555
	967,630	642,568

17. Other operating income

	2022	2021
Commission	-	98,814
Loan recoveries	133,538	90,681
Other	122,567	148,898
	256,105	338,393

18. Provision for losses

	2022	2021
Provision for loan losses (note 6)	800,000	331,273

19. Other operating expenses

	2022	2021
Advertisement and promotion	48,773	23,994
Audit fees	36,065	42,211
ATM	19,493	19,947
Bank charges	29,203	28,923
Cash difference	-	500
Credit union week	3,006	8,324
LS/LP Premium expense	532,232	568,607
Depreciation	180,274	183,551
Dividends expense	2,313	-
Balance carried forward	851,359	876,057



19. Other operating expenses (continued)

	2022	2021
Balance brought forward	851,359	876,057
Donations	11,777	3,942
Education	27,298	19,756
Equipment maintenance	208,450	179,972
General maintenance	74,129	80,471
General meeting	11,279	21,516
Insurance	81,270	72,988
Insurance bond	91,815	-
Insurance buildings	6,250	6,250
Legal fees	65,763	15,442
Other	43,411	11,993
Property tax	-	1,569
Rent expense	33,000	36,000
Registration fee	1,000	1,000
Security service	13,826	18,308
Social activities	28,137	8,828
Social security	72,155	58,575
Staff costs	1,811,819	1,867,044
Stationaries, supplies and postage	58,164	47,540
Strategic planning expense	2,000	842
Telephone	56,761	56,507
Travel and subsistence	15,665	31,337
Utilities	63,183	65,577
Vehicle maintenance	14,086	15,910
	3,642,597	3,497,424

20. Taxation

The Credit Union is licensed under the Credit Union Act, Chapter 314 of the Substantive laws of Belize, Revised Edition 2011 and is exempt from taxes on profits, gains, interest and dividends earned.

21. Key management compensation

	2022	2021
Key management compensation	365,899	308,536

Notes to the financial statements
Year ended 31 March 2022
(In Belize Dollars)

22. Related party transactions

At 31 March, the Board of Directors and management have the following transactions and outstanding balances with the Credit Union which are included in members' loans receivable, deposits and shares respectively in the statement of financial position:

	2022	2021
Loans receivable:		
Officers' loans	530,182	132,515
Employees' loans	877,430	472,135
	1,407,613	604,650

	2022	2021
Deposits:		
Officers' deposits	33,319	134,412
Employees' deposits	45,384	358,820
	78,703	493,232

	2022	2021
Shares:		
Officers' shares	110,253	97,886
Employees' shares	318,855	310,960
	429,108	408,846

	2022	2021
Transactions with related parties:		
Officers' allowance paid	110,653	131,275
Interest income earned from related parties	80,224	48,743
	190,877	180,018

23. Lease commitment

The Credit Union leases a building at $3,000 per month under an annual operating lease agreement which is renewable by written notice 2 months before the lease expires. The lease is for annual periods ending 30 April and has been extended for another year ending 30 April 2022.

The future minimum lease payments under the operating lease are as follows:

	2022	2021
Due in next fiscal year	36,000	36,000
Due between one and five years	3,000	3,000
	39,000	39,000



24. Contingent liabilities and regulatory matters

Legal matters

In the ordinary course of business, the Credit Union is subject to legal actions.

The following litigation matters that existed at 31 March 2020 were consolidated and a decision handed down by the Court on the 11th March 2021 and the Judgment Order perfected on 20 May 2021.

(i) Supreme Court Claim No. 538 of 2015: Yolanda Gomez vs La Inmaculada Credit Union Limited and the Registrar of Credit Unions (the Governor of the Central Bank).

(ii) Supreme Court Claim No. 723 of 2015: La Inmaculada Credit Union vs Yolanda Gomez.

Claim 538 was dismissed and judgment was in favour of La Inmaculada Credit Union in Claim No. 723 of 2015. Ms Gomez is to pay $436,906.34 for loss sustained as well as costs. Both claims have been appealed and are currently awaiting a hearing date.

Like other major financial institutions in Belize, La Inmaculada Credit Union is subject to regulatory oversight, regulations and directives issued by the Registrar of Credit Unions in Belize, who is the Governor of the Central Bank of Belize, and to regulatory inspections, information gathering requests and remedial actions stipulated by the Registrar. Consequently, interaction with the Registrar is ongoing.

25. COVID-19 effect

Since March 2020, the spread of COVID-19 has impacted many local and international economies and disrupted businesses for an indefinite period. Measures taken to counteract the pandemic have resulted in an economic slowdown worldwide. The extent of the impact of the COVID-19 pandemic on the operating and financial position of the Credit Union will depend on certain developments, including the duration and spread of the pandemic and the impact on its operations, all of which are uncertain and cannot be predicted at this point.

Current Directors and Officers and their remaining terms in office as at March 31, 2022:

Board of Directors:

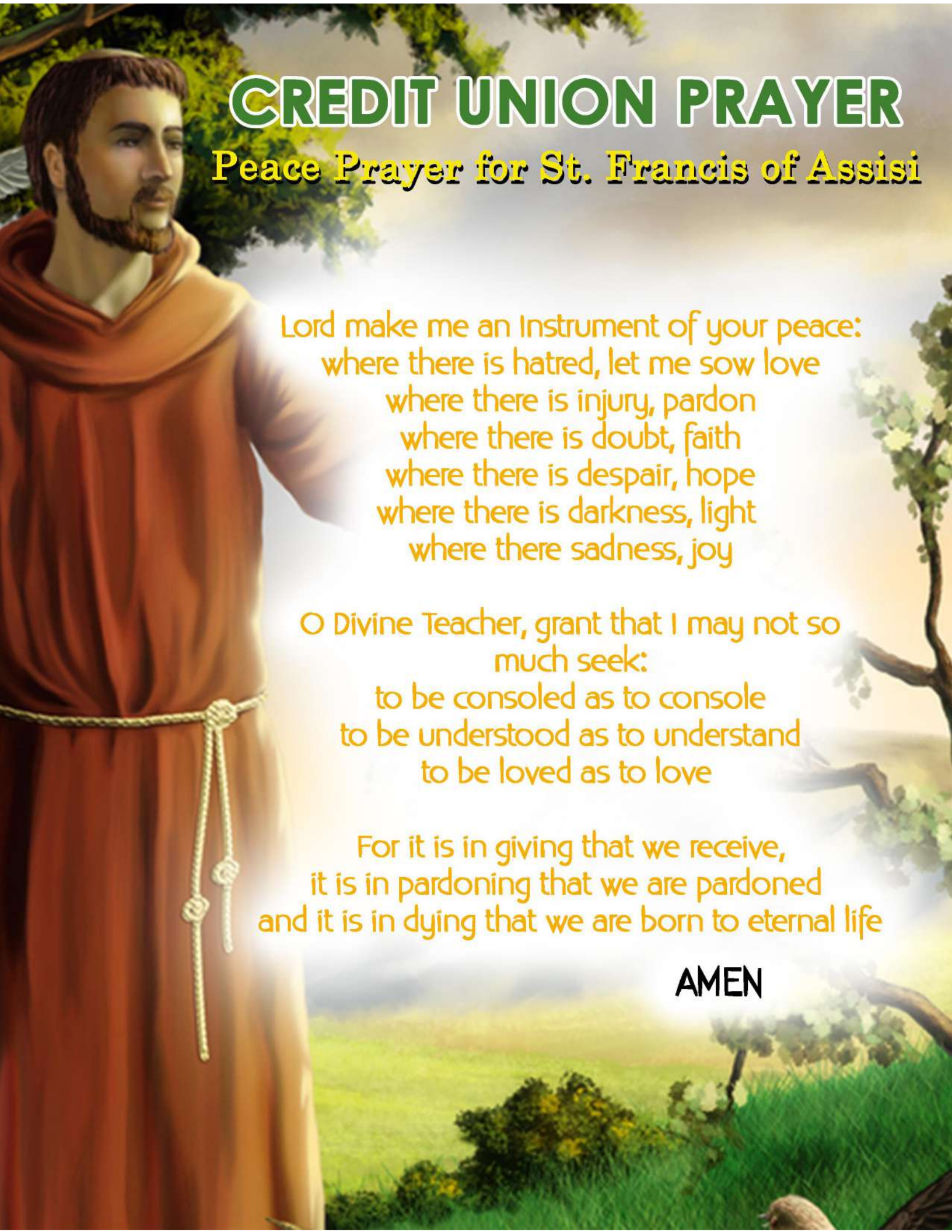
Interim President	Belarmino Esquivel	Vacancy
Interim Vice President	David Constanza	Vacancy
Secretary	Manuel Polanco	Vacancy
Assistant Secretary	Teresita Miranda	Vacancy
Treasurer	Gildardo Cervantes	Vacancy - Interim

Supervisory Committee:

Chair	Lisa Carballo	Vacancy
Secretary	Dorita Herrarte	Vacancy
Officer	Leandro Osgalla	Vacancy- (Interim)

Credit Committee:

Chair	Marcia Tun	Vacancy
Secretary	Javier Moreno	Vacancy
Officer	Suzannie Cajun	Vacancy (Interim)


CREDIT UNION PRAYER
Peace Prayer for St. Francis of Assisi
Lord make me an Instrument of your peace:
where there is hatred, let me sow love
where there is injury, pardon
where there is doubt, faith
where there is despair, hope
where there is darkness, light
where there sadness, joy
O Divine Teacher, grant that I may not so much seek:
to be consoled as to console
to be understood as to understand
to be loved as to love
For it is in giving that we receive,
it is in pardoning that we are pardoned
and it is in dying that we are born to eternal life
AMEN







- 24 HOURS ACCESS ATM / DEPOSITORY BIN
- BURIAL GRANT
- DIVIDENDS / REBATES
- LOANS COVERAGE
- SHARES COVERAGE
- POINT OF SALE





Your Road to Financial Prosperity



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City of Belmopan
822-3018

email: licu@btl.net

website: www.licu.org