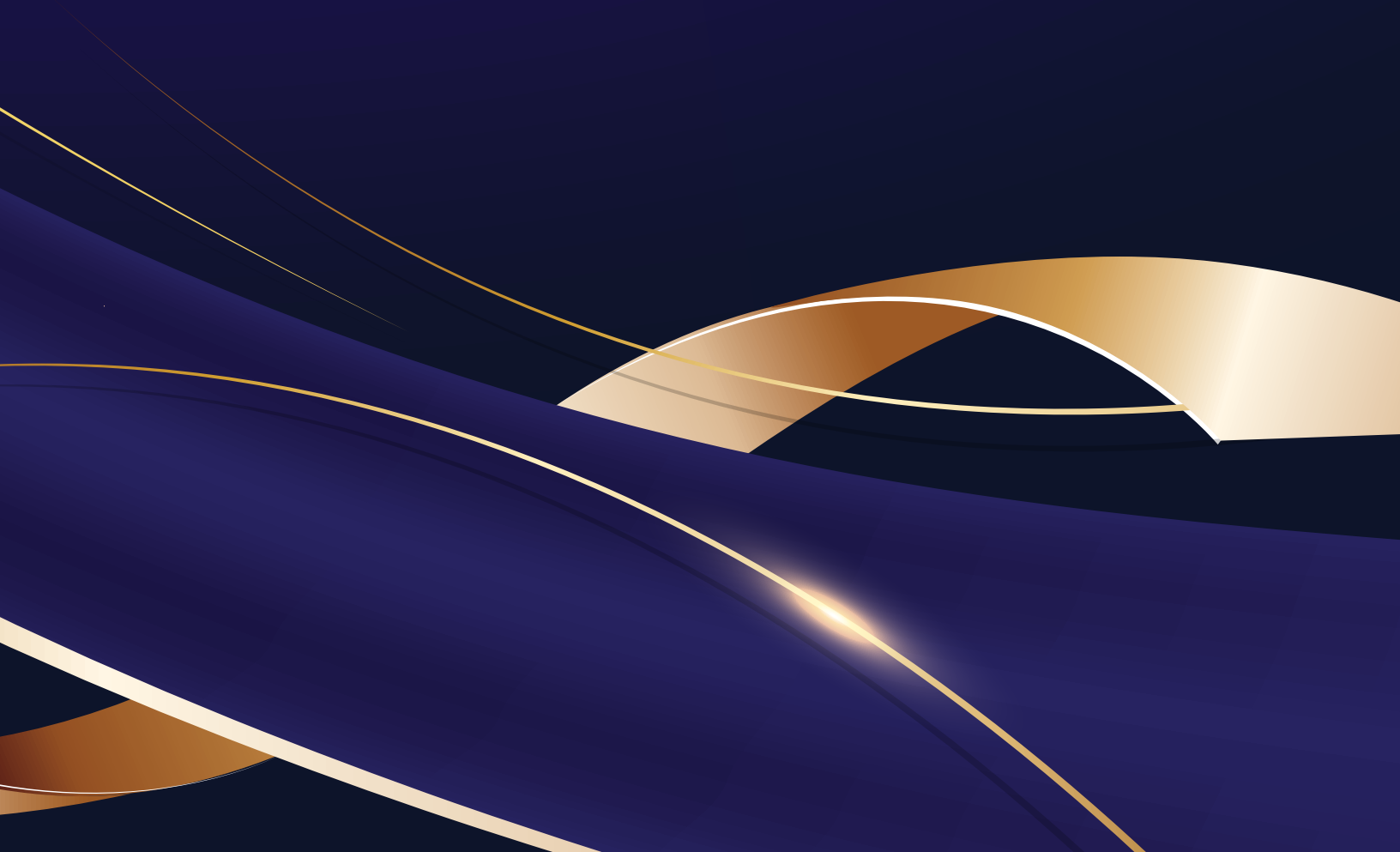




JPS & PARTNERS
CO-OPERATIVE CREDIT UNION LTD. 
Empowering Generations
INSPIRING THE FUTURE

2025 Annual Report





Our **Mission**

Through a competent and committed team and innovative technology, we provide a wide range of services of the highest quality to meet the financial needs and aspirations of our internal and external stakeholders across Jamaica and the Diaspora; Promote equal opportunity; Foster economic growth and stability while upholding our core values. We care for our members and our community.

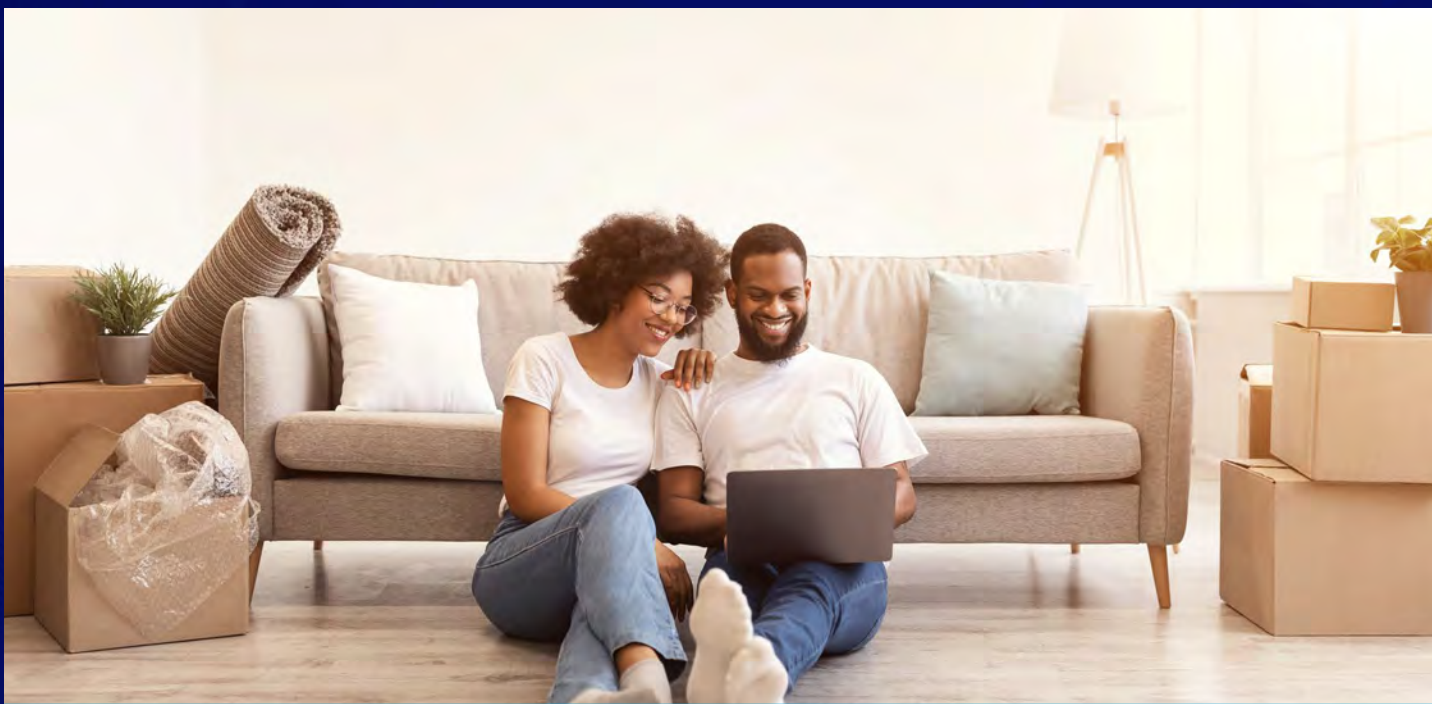
Our **Vision**

To be our members' premier financial partner for life.

Our **Core Values**

Integrity, Trust, Service, Accountability, Prosperity.





Securing your **financial future**

Enjoy competitive returns on savings, personalized service and a reservoir of products and services to suit your every financial need.

Products and Services

SAVINGS PRODUCTS

- UGain Savers Account
- Ordinary Shares
- Special Deposits
- Fixed Deposits
- Partner Plan Savings
- Life Long Savings Account
- Youth Savers Account

LOANS PRODUCTS

- Motor Vehicle
- Education/Back-To-School
- Mortgage
- Home Equity
- Christmas Combo
- Pay Day
- Quik
- Vacation

FREE LIFE INSURANCE PROTECTION

- Up to \$2,000,000 on loans
- Up to \$1,000,000 on savings

SERVICES

- Family Indemnity Plan (FIP)
- Health Plan
- Debit Card
- Standing Order Facility
- Payroll Deduction
- Financial Counselling
- Direct Deposit Facility
- Online Banking/Mobile App
- Online Loan Applications

- Father's Day
- Cash-On-Credit
- Mother's Day
- Insurance Premium
- Salary Enhancer
- Valentine's Day

...and many more!

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Notice of Annual General Meeting

Notice is hereby given that the 71st Annual General Meeting of the JPS & Partners Co-operative Credit Union Limited will be in a hybrid format (Zoom Online Platform and Face to Face) at the physical location of the Summit Kingston Hotel, 16 Chelsea Avenue, on Wednesday, July 29, 2026 at 1:00 p.m.



- ✓ **Guaranteed Interest**
- ✓ **Insurance Protection**
- ✓ **Start with as low as \$1,500**

Agenda

1. Ascertain that a quorum is present
2. Call to Order & Notice of Annual General Meeting
3. Apologies for Absence
4. Approval of the Minutes of the last Annual General Meeting and discussion of matters arising.
5. REPORTS
 - a. Board of Directors
 - b. Treasurer and Auditor
 - c. Credit Committee
 - d. Supervisory Committee
 - e. League Delegates
6. DISTRIBUTION OF SURPLUS
7. RESOLUTIONS
 - a. Fixing of Maximum Liability
8. NOMINATION COMMITTEE REPORT
9. ELECTION
 - a. Board of Directors
 - b. Credit Committee
 - c. Supervisory Committee
10. ANY OTHER BUSINESS
11. ADJOURNMENT

Sheryll Brown
Board Secretary



Financial Progress Report

2016 - 2025

YEARS	MEMBERS	SHARES Balance	DEPOSITS Balance	LOANS Balance	EARNINGS			ASSETS	DIVIDENDS/ INTEREST
					Gross Income	Expenses	Net Income before Honoraria		
		\$M	\$M	\$M	\$M	\$M	\$M	\$M	%
2016	13,796	1,209	1,915	2,445	440,946	410,337	30.61	4,110,374	3
2017	14,196	1,247	1,964	2,656	458,758	416,797	41.96	4,223,628	2
2018	14,947	1,263	1,941	2,652	460,278	390,979*	71.62	4,238,844	1.5
2019	13,946	1,319	2,014*	2,872*	458,035	388,659*	57.24	4,902,531*	1.35
2020	11,938	1,418	2,096*	2,740*	455,562	369,047*	86.51*	5,155,275*	1.35
2021	12,069	1,481	2,234*	2,694*	520,755*	370,515	150.239*	5,511,782*	1.35
2022	12,335	1,526	2,271	2,836	479,675	416,672	63.00	5,602,687	1.35
2023	12,794	1,635	2,388	3,425	550,208	475,590	74.62	5,944,268	1.35
2024	13,364	1,849	2,549	4,171	638,974	546,074	252.46	6,675,541	1.35
2025	13,940	2,051	2,654	4,553	687,247	604,069	83.18	7,027,696	1.35

* Restated

Minutes of the 70th Annual General Meeting

of the JPS & Partners Cooperative Credit Union Limited
Held on Wednesday, July 23, 2025 At the AC Hotel,
38-42 Lady Musgrave Road, Kingston 5



CALL TO ORDER

The Chairman, Miss Kim Robinson, called the meeting to order at 1:20 p.m.

NATIONAL ANTHEM

The Chairman invited the members to stand for the playing of the National Anthem.

PRAYER

Director Donovan Cunningham offered prayer, followed by the repeating of the Prayer of St. Francis of Assisi.

QUORUM OF THE MEETING

Having ascertained the quorum from the Secretary, Chairman Robinson announced that 111 members were in attendance.

READING OF THE NOTICE AND CONVENING OF THE MEETING

The Secretary, Ms. Sheryll Brown, read the Notice to convene the 70th Annual General Meeting.

CHAIRMAN'S OPENING REMARKS AND ACKNOWLEDGEMENT OF MEMBERS

The Chairman welcomed the members and special guests. She invited the members who had joined the meeting remotely to access the Annual Report on the Credit Union's website and to ask questions via the Chat at the appropriate time.

ADOPTION OF AGENDA

The motion for the adoption of the Agenda was moved by Mr. Earl Munroe, seconded by Mrs. Daffodil Bruce-Miller, and carried by the meeting.



President, Kim Robinson addressing the meeting.

APOLOGIES

The Chairman tendered apologies for Miss Joydene Jarrett, former General Manager, Ms. Tricia Dorman, Chair of the Supervisory Committee, as well as past Directors Mr. Delroy Redway, Mr. Dwight Hart and Mr. Derrick Tulloch. Chairman Robinson subsequently read a congratulatory note from Mr. Derrick Tulloch to the Board and Management regarding the Credit Union's performance and thanking the members for their continued support to the Credit Union.

BIRTHDAY CELEBRATION

The Chairman wished Mrs. Daffodil Bruce-Miller, who celebrated her birthday in the month of July, God's continued blessings.

MOMENT OF SILENCE

The meeting recognized a moment's silence to the members who passed on since the last Annual General Meeting. The Chairman read the names of the deceased members.

INTRODUCTION OF BOARD OF DIRECTORS AND MANAGEMENT TEAM

The volunteers who served on the Board during 2024 were introduced to the meeting:

- Miss Kim Robinson – President
- Mr. David Fleming – Vice President
- Ms. Sheryll Brown – Secretary
- Ms. Timain Campbell – Assistant Secretary
- Ms. Natalie Sparkes – Treasurer
- Mr. Patrick Davidson – Assistant Treasurer
- Mr. Paulstan Francis – Director
- Mr. Winston Delahaye – Director
- Mr. Donovan Cunningham – Director

The following members of the Management Team were introduced to the meeting:

- Mr. Chad La Ronde – General Manager
- Mr. Chad Wauchope – Acting Credit Manager
- Mr. David Goodlitt – Operations Manager
- Mrs. Sonia Robinson – Acting Branch Supervisor, Ewarton
- Ms. Nassalie Brown – Legal, Risk and Compliance Manager
- Mrs. Marie Young-McNamee – Branch Supervisor, Kirkvine
- Mrs. Karleen Brown – Information, Communication & Technology Manager
- Mrs. Judith Umrah – Human Resources Manager
- Mrs. Camille Archibald – Business Development Manager

The Chairman also recognized the work that was done by Miss Caphanne March and Miss Tricia Dorman, Chairpersons for the Credit and the Supervisory Committees, respectively.

WELCOME

Vice President Fleming, being invited by Chairman Robinson to give the welcome, extended warm welcome to the members attending the 70th Annual General Meeting. Special welcome was also extended to Ms. Carla Whyte and Ms. Kadian Pusey from BDO auditing firm; Mrs. Tashieika Howell-Palmer and Mr. Marco Whyte from the Department of Co-operatives and Friendly Societies; Ms. Toni-Ann Hudson and Ms. Melaine Campbell from the Jamaica Co-operative Credit Union League; specially invited guests Mr. Earl Munroe and Mrs. Margaret Morris; Ms. Shanton Taylor and Ms. Shanoya Wilson from Cumax Wealth Management Limited.

ADOPTION OF THE MINUTES OF THE 69TH ANNUAL GENERAL MEETING

The Secretary referred the meeting to the Minutes of the 69th Annual General Meeting on pages 6 to 17 of the Annual Report.

Secretary Brown requested a motion that the Minutes of the Annual General Meeting for 2024 be taken as read. The motion was moved by Mrs. Margaret Morris, seconded by Mrs. Daffodil Bruce-Miller, and carried by the meeting. There was no correction to the Minutes of the 69th Annual General Meeting.

The Minutes of the 69th Annual General Meeting were approved on a motion moved by Mrs. Daffodil Bruce-Miller, seconded by Mrs. Shaneka Coley-Thomas, and carried by the meeting.

MATTERS ARISING FROM THE MINUTES OF THE 69TH ANNUAL GENERAL MEETING

There was no matter arising from the Minutes.

REPORT OF THE BOARD OF DIRECTORS

The Chairman referred the meeting to the Report of the Board of Directors on pages 18 to 26 of the Annual Report. She subsequently requested a motion that the Report be taken as read. The motion was moved by Mrs. Daffodil Bruce-Miller, seconded by Ms. Jennifer Campbell, and carried by the meeting.

The Chairman highlighted the following in her presentation:

- **Digital Transformation**

Upgraded online platform allowing the Credit Union a more intuitive way to manage members' money. She invited the members to look at the branded shirts displaying the GIA logo, and explained that GIA meant Global Information Access.

- **The Jamaican Economy**

Real GDP contracted in the second half of the year. However, despite the contraction the Credit Union experienced some silver linings which the Chairman stated that members should be grateful for. Inflation fell to 5%, which was the lowest in six years; unemployment dropped to a record low of 3.9% down from 4.2% in 2023; BOJ policy rate reduced to 6.25%, which allowed the Credit Union to offer lower interest rates on loans. The weighted average selling rate of the Jamaican dollar to the US dollar closed 2024 at J\$158 to US\$1 and the Net International Reserves stood at about US\$5.58 Billion.

- **Regulatory Developments**

The Credit Union continues to anticipate the long-awaited Bank of Jamaica's oversight for the Credit Union Movement. Amendments were made to the Credit Union's Bill and the Co-operative Societies Act to bring credit unions formally under the supervision of the Bank of Jamaica and the Ministry of Finance, ushering in a new era for the Credit Unions in Jamaica. She reported that the Credit Union co-operated in full alignment with all regulatory requirements of its oversight bodies such as the Department of Co-operatives and Friendly Societies, the Jamaica Co-operative Credit Union League and the Financial Services Commission.

- **The JCCUL's Unaudited Statistics**

The Chairman referred the members to look at the screen and to take away from it the double-digit growth in savings, loans and assets, in the Credit Union Movement in Jamaica. She stated that the League continues to offer a wide range of support services to the Movement and that she hoped that in

the future the members can see more support from the League in terms of shared services that could result in a reduction in the Credit Union's overall expenses, which would translate to the benefit of members.

- **The Credit Union's Performance in 2024**

The loan portfolio grew by 21.78% reaching \$4.17 Billion, representing the second consecutive year of growth exceeding 20%. Shares and deposits grew by 13.11% and 6.73%, respectively. Assets rose to \$6.68 Billion, representing an impressive 12.3% growth reflecting confidence of the members and prudent financial stewardship of management. Net Surplus jumped to \$252.46 Million by over 238% from 2023, as a result of interest income associated with growth in the loan portfolio and enhanced cost management and operational efficiency.

- **Membership Growth**

The Credit Union's membership grew to 13,364, a modest improvement of 4.46% over 2023, growth of 3.72%.

- **Institutional Capital**

The Credit Union's Institutional Capital rose to \$945.86 Million, approximately 14.17% of Total Assets, almost double the PEARL Standard of 8%.

- **Delinquency**

The Credit Union employed effective credit risk monitoring and continuous member engagement supporting loan repayment, resulting in delinquency rate maintained below the Credit Union's benchmark of 3%. The delinquency rate for 2024 was 1.38%, which is significantly below the industry benchmark of 5%.

- **Product Offerings**

The Credit Union continues to seek ways to enhance the product offerings to remain relevant and competitive. Members were asked to provide their feedback on how the Credit Union could introduce new products that would achieve greater alignment with their needs.



Natalie Sparkes, Director, delivering the Treasurer's Report.

• Risk Management

There is a Risk and Compliance Committee comprised of board members, volunteers and staff members, who provided strategic direction in risk management, policy and procedures and risk measure evaluation and monitoring. The Committee has responsibility for preparing the Credit Union for the Bank of Jamaica's supervision. The Credit Union's Management Team documented and implemented measures to effectively mitigate against risks.

• Internal Audit Function

This is outsourced to Dawgen Global Jamaica, who submitted consistent audits to the Board, Supervisory and Risk & Compliance Committees. The audits were reviewed, recommendations examined and suitably adopted.

• Anti-Money Laundering and Counter Financing Terrorism Laws

The Credit Union remains in full compliance with the requirements under these laws. Additionally, transaction monitoring software is used to enhance the effectiveness of how the Credit Union monitors members' transactions.

• Data Protection Act

A Data Protection Officer was employed to the Credit Union in 2024. Members were encouraged to visit the Credit Union's website and review the Privacy Notice which outlines how the Credit Union handles members' data.

• Team Members

The team members remained steadfast in their delivery of exceptional service to members. Team members engaged in several training and development courses, including examinations relating to the Proceeds of Crime Act. Staff members also participated in fun engagement evenings, Healthy Shakes Day and special tokens were issued recognizing Valentine's Day, Mother's Day and Father's Day.

• Microsoft 365

There was an organization-wide rollout of Microsoft 365 which promoted a more collaborative environment and included Microsoft Teams, reducing the Credit Union's overall external cost to other platforms such as Zoom. The Credit Union upgraded its online banking system across both Android and iOS platforms. Upgrades also took place with the Information Technology (IT) infrastructure to enhance network performance and the enhancement of cyber security.

• Governance and Oversight

The Credit Union benefitted from leadership with volunteers who provided oversight and strategic direction with specific subcommittees and general board meetings. Directors are held accountable through meeting fit and proper requirements in addition to meeting compliance standards such as Proceeds of Crime Act (POCA) and Risk Management Training. A total of 16 board meetings were held for 2024.

• Corporate Social Responsibility

In 2024, the Credit Union empowered members through education, health, community development and appreciation initiatives. Over \$3.5 Million was offered in scholarships and bursaries to students transitioning into high schools and universities.

Support was also provided to members through the Care-A-Bit Fund, including assistance following the passage of Hurricane Beryl.

- **Ocean Boulevard Branch**

The branch serves the members in the Downtown area. Since the soft launch of the Credit Union in February 2025, the branch navigated the usual start-up challenges, and delivered a strong performance meeting and, in some areas, exceeding targets set. The Credit Union is working towards a full-scale reopening of the branch before the end of 2025.

- **Periodic Review of Products**

The Credit Union will continue to periodically review its suite of products to ensure the products remain relevant and align to members' needs. Additionally, a review will be done with relation to how the Credit Union packages its product information, and what the Credit Union would need to access to make the process smoother for its members. There will be education initiatives to promote financial literacy. The long-anticipated Investors' Night had been scheduled for Wednesday, September 24, 2025.

- **Renaming of the Credit Union**

A membership survey has been sent out regarding the renaming of the Credit Union, as individuals have expressed disinterest to join JPS & Partners, because of its association with JPS. Members were encouraged to participate in the survey and share their voices, indicating their own feeling about it.

In closing, Chairman Robinson thanked the Lord for His unwavering faithfulness and continued blessings throughout another successful year. She also thanked the location representatives, corporate partners, external auditors for their professional guidance and integrity, as well as the oversight entities for their support and contribution. She announced that on March 16, 2026 the Credit Union would be celebrating its platinum anniversary, 70 years of service to its members and the wider community.

There being no questions, the Report of the Board of Directors was adopted on a motion moved by Mr. Earl

Munroe, seconded by Mr. Vaughn McDonald, and carried by the meeting.

Treasurer's and Auditors' Reports

Treasurer Sparkes, before commencing her report, requested a motion for the abridged version of the Auditors' Report to be read. The motion was moved by Mr. Vaughn McDonald, seconded by Mrs. Shaneka Coley-Thomas.

The Auditors' Opinion, which was on page 45 of the Annual Report, was read by Ms. Kadian Pusey as follows:

"The accompanying financial statements give a true and fair view of the financial position of the Credit Union as at 31st December 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Co-operative Societies Act."

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 Accountants' International Code of Ethics for Professional Accountants 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."

The Treasurer, Miss Natalie Sparkes, referred the members to her report at pages 30-33. She subsequently asked for a motion to take the Treasurer's Report as read. The motion was moved by Mrs. Diedre Codner-Campbell, seconded by Mr. Ceibert Mitchell, and carried by the meeting.

TREASURER'S REPORT

Before commencing her report, Treasurer Sparkes made one correction to the booklet at page 33. She pointed out that the figure in the table showing Institutional Capital/ Total Assets for 2024 at 4.17% should read 14.17%.

The Treasurer commenced her presentation by stating that Jamaica's GDP declined to 3.5% due to the impact in the agriculture, fisheries and mining sectors which saw the



Member, Mervis Lindsay beams with delight as she collects her token at the 70th Annual General Meeting.

impact of Hurricane Beryl. Inflation rate, she noted, settled at about 5% which was in the Bank of Jamaica (BOJ) target of 4%-6%. Unemployment rate was historically low at 3.5%. The Treasurer described 2024 as a “bitter-sweet year”.

Treasurer Sparkes highlighted the Credit Union's performance in 2024 as follows:

- Shares increased by 13%
- Deposits increased by 6.73%
- Loans grew by 21.78%
- Total Assets increased by 12.3%
- Institutional Capital increased by 4.3%
- Revenue for 2024 was \$798 Million (19.98% was received on fair gain value property which contributed to the increase in revenue)
- Rental income moved by 1.45%
- Fees moved by 0.91%
- Investment from revenue was 12.63%
- Loan interest was 63.77%
- Interest Income stood at \$610 Million
- Surplus stood at \$252 Million

The Credit Union's PEARL Standard

- Net Loans/Total Assets at 62.48%
- Savings Deposits at 65%
- Institutional Capital at 14.17%
- Delinquency at 1.5%
- Operating Expenses at 6.68%
- Gross Margin at 10.68%
- Non-Earning/Liquid Assets at 1.10%

In closing, Treasurer Sparkes thanked God, the management team, staff, members of the Board, the Credit and Supervisory Committees, the Credit Union members, the Jamaica Co-operative Credit Union League, the Department of Co-operatives and Friendly Societies, the Internal and External Auditors for their work and contribution to the Credit Union's excellent performance over the past year.

Treasurer Sparkes invited questions from the members regarding her report.

Dr. Cecile Dennis commended the Credit Union, noting that she has observed “so many positive changes,” particularly the App and online banking, which she stated were beneficial for members who are busy, such as herself.

Dr. Dennis indicated that she had two questions arising from the Report. She referenced the change in HR cost and noted that within that figure there was an ex gratia payment. She asked whether the Credit Union would be able to indicate, excluding the ex gratia payment, what the movement in operational HR cost was, in order to give members a clearer picture.

She further stated that the Report mentioned incentives, which she supported as an HR professional. Dr. Dennis then asked what plans were in place to ensure that the Credit Union achieves a similar movement or improvement in productivity as is reflected in the cost, noting that members would not want to see only an increase in costs without a corresponding improvement in productivity. She acknowledged that this second question might not fall entirely within the presenter's area, but nonetheless requested clarification.



Members registering at the 70th Annual General Meeting.

Dr. Dennis noted that for the growth in membership, the Credit Union fell a little below the target. She asked what strategies would be implemented to move the organization above the target or in the right direction for the upcoming year.

Treasurer Sparkes addressed the matter of ensuring productivity improvement alongside compensation changes. She explained that the Credit Union had engaged an HR specialist who designed a Performance Incentive Programme with a two fold structure: company performance and individual performance. The newly crafted Productivity Incentive Programme therefore incorporates both organizational and individual performance requirements.

The Treasurer outlined the membership strategy, explaining that the first step was examining the underlying issues. One key feedback point received was that the Credit Union's name was a concern.

She reported that the Kirkvine Branch had begun outreach efforts within surrounding areas, which resulted in increased membership, although more extensive outreach was still necessary.

Regarding TAJ members, she explained that the reopening of the Ocean Boulevard Branch was specifically intended to attract Digicel and TAJ employees, who are spread across the island.

She noted that the Credit Union must support these members with technology, allowing individuals, for example in Annotto Bay, to conduct business without traveling to branch locations. Growth, she stated, would therefore come through three avenues: IT based solutions, the Ocean Boulevard Location, and ground level outreach by team members.

The Treasurer also disclosed that the Credit Union is considering opening a branch in Montego Bay and relocating the Kirkvine Branch to increase visibility and attract additional members.

Dr. Dennis then formally requested to receive the results of the prior Member Satisfaction Survey.

There being no other question, the Treasurer's Report, the Auditors' Report, and the Financial Statements were adopted on a motion moved by Mr. Vaughn McDonald, seconded by Mrs. Daffodil Bruce-Miller, and carried by the meeting.



Dr. Cecile Dennis (member) raising a question.

APPROPRIATION OF 2024 SURPLUS

Treasurer Sparkes referred the meeting to page 35 of the Annual Report for the recommendation of the 2024 Surplus. The motion was moved by the Board of Directors and seconded by Mr. Eaton McNamee, and carried by the meeting.

Treasurer Sparkes told the members that the Surplus for 2024 was \$252 Million and gave the breakdown as follows: 20% was transferred as regulatory requirements to Statutory Reserve; Pension Adjustment of \$1.96 Million; Dividends, 10%; Patronage Refund, 2%; Life Long Savers, Golden Harvest; Institutional Capital, \$9.946 Million, Business Re-Organization, \$4 Million; Honorarium, \$5 Million; Scholarship/Outreach Reserve, \$4 Million; Infrastructure Upgrade Development, \$9 Million.

Mr. Eaton McNamee enquired as to whether the Credit Union paid interest on shares. Treasurer Sparkes said that interest is paid on shares at the Credit Union every three months.

There being no other question, Treasurer Sparkes moved the motion, seconded by Mr. Clive Segree, and carried by the meeting.

MAXIMUM LIABILITY

The Treasurer referred the members to page 36 of the Annual Report and read the information into the records. Treasurer Sparkes moved the motion, seconded by Ms. Sonia Smith, and carried by the meeting.

REPORT OF THE CREDIT COMMITTEE

The Chair of the Credit Committee, Miss Caphanne March, referred the meeting to the Report of the Credit Committee on pages 141 to 142 of the Annual Report. She invited a motion to take the Report as read. The motion was moved by Mr. Clive Segree, seconded by Miss Gerlyn Gray, and carried by the meeting.

She stated that the Credit Union had a positive year and highlighted that there was a total of 8,463 loans which amounted to \$2.6 Billion, representing an increase of 10.77%. Motor Vehicle Loans was \$811 Million, which accounted for 30.5% of the total amount of loans disbursed over the period. Mortgage Loans represented less than 1% of the loan portfolio. Miss March noted that the Credit Department put strategies in place, to increase the figure for Mortgage Loans for 2025.

There being no question, the Report of the Credit Committee was adopted on a motion moved by Ms. Sonia Smith, seconded by Mrs. Daffodil Bruce-Miller, and carried by the meeting.

REPORT OF THE SUPERVISORY COMMITTEE

Mr. David Fleming referred the meeting to the Report of the Supervisory Committee on pages 143 to 144 of the Annual Report. He invited a motion to take the Report as read. The motion was moved by Miss Shaneka Coley-Thomas, seconded by Ms. Marsha-Gay Wallace.

Mr. Fleming informed the meeting that Miss Tricia Dorman, Chair of the Supervisory Committee, asked him to present the Report. He said that he would be doing a brief synopsis of the Report.

For the year under review, Mr. Fleming stated that Dawgen Global Jamaica was contracted for internal audit services and that they conducted a special audit for the 2023 period. Dawgen Global Jamaica submitted their 2024 audit plan which identified key risk audit areas. The audit plan was approved by Management and the Supervisory Committee.



Director, Donovan Cunningham (left) conversing with Past Director, Earl Munroe (right).

During the year the Supervisory Committee, along with the Internal Auditor, looked at the audit processes to assess control effectiveness, identify risks and weaknesses and recommend improvement to strengthen the overall control of the Credit Union. For the year in review, the Supervisory Committee addressed some key audit areas such as Members Loan Approval Process, Credit Risk Assessment, Payroll Processing, Honoraria Payments, Payable Management Processes, Internal Control over Cash, Interest Rate Risk Management, Cyber Security Measures, Deceased Account Management, Investment Portfolio Management, Regulatory Compliance and the PEARLS Ratio Analysis. Based on the internal audit findings, the Committee confirmed overall compliance with policy with no major corrective actions needed. Where gaps/weaknesses were identified and recommendations made to management, a commitment and timeline was given to implementing measures to improve the process.

In concluding, Mr. Fleming stated that the Committee was confident in the overall strength and performance of the Credit Union, and the Committee would remain vigilant in monitoring operations, protecting members' interest

and ensuring long-term and continued capability. Sincere thanks were extended to the members, management and staff and the Board of Directors for the opportunity to serve.

Mr. Fleming invited a motion for the adoption of the Supervisory Committee Report. The motion was moved by Mr. Vaughn McDonald, seconded by Miss Caphanne March, and carried by the meeting.

LEAGUE DELEGATES REPORT

Mr. David Fleming referred the meeting to the Report of the League Delegates on pages 145 to 147 of the Annual Report. He subsequently invited a motion to take the Report as read. The motion was moved by Mr. Courtney Whyte, seconded by Mr. Richard Smith, and carried by the meeting.

He announced the League Delegate Members for the year as Kim Robinson, Natalie Sparkes, David Fleming and Tricia Robinson. Mr. Fleming stated that the League Delegates served as ambassadors of JPS & Partners Co-operative Credit Union by representing the Credit Union at key forums and conferences hosted by the Movement umbrella body.



Members reading the Annual Report.

The Delegates attended the 83rd Annual General Meeting of the Jamaica Co-operative Credit Union League in June 2024, where they had exciting sessions on NexGen Youth Summit and Workshops and Presentations on areas covering Leadership, Cyber Security, Branding and Strategic Change. Key Presentations were made by Krystal Tomlinson, Rory Ebanks and Tom Hewlett.

Mr. Fleming directed the membership to the awards and recognition on page 146 of the Annual Report and reminded the members that in 2024, the Credit Union won the Lorrel Bruce Award for Service Excellence and the Paul Thompson Award for Medium-Sized Credit Union of the year. Sincere thanks were extended to the Jamaica Co-operative Credit Union League for hosting another successful and enriching Convention and Annual General Meeting and to the Board of Directors of JPS & Partners Co-operative Credit Union, for entrusting the League Delegates with the responsibility to represent the Credit Union.

There being no question, he invited a motion for the adoption of the League Delegates Report. The motion was moved by Mr. Earl Munroe, seconded by Mrs. Margaret Morris, and carried by the meeting.

NOMINATING COMMITTEE REPORT

The Chairman then directed the attention of the members to the Report of the Nominating Committee, as contained on pages 148 to 149 of the Annual General Report.

Mr. Donovan Cunningham presented the Report of the Nominating Committee and advised that the Committee, acting in accordance with its mandate, met on three occasions and considered all retiring members from the Board of Directors, the Supervisory Committee, and the Credit Committee.

As it relates to the Board of Directors, four volunteers retired. Following the interview process, the following persons were nominated:

- Ms. Kim Robinson retired and was renominated for a period of two years;
- Ms. Natalie Sparkes retired and was renominated for a period of two years;
- Mr. David Fleming retired and was renominated for a period of two years; and
- Mr. Patrick Davidson retired and was also renominated for a period of two years.

With respect to the Credit Committee, Mr. Cunningham reported that two members retired, namely Mr. Anthony Cameron and Ms. Caphanne March. Both persons were interviewed and were renominated by the Nominating Committee.

Turning to the Supervisory Committee, Mr. Cunningham stated that all members serve for a period of one year and would therefore retire at this meeting.

Mr. Cunningham then indicated that he should have requested at the outset for the Report of the Nominating Committee to be taken as read and accordingly requested a motion to that effect.

A motion that the Report of the Nominating Committee be taken as read was moved by Ms. Shaneka Coley-Thomas and seconded by Ms. Bridgette Wade.



Members receive gifts courtesy of Corporate Club Advertising and Inflatables.

The Chairman then put the motion to the meeting and called for those in favour, any abstentions, and any objections. write There being no objection, the motion was carried.

Mr. Cunningham further advised that all members of the Supervisory Committee, having served for one year, would be elected at this meeting. The recommendations for the Supervisory Committee were as follows:

- Ms. Tisona Johnson;
- Ms. Tricia Dorman;
- Ms. Camile Cunningham-Griffiths;
- Mr. Renardo Lobban; and
- Mr. Yannick Johnson.

Mr. Cunningham then indicated that, before inviting the Registrar's representative, Mrs. Howell-Palmer, to conduct the elections, he would move a motion for the adoption of the Report of the Nominating Committee, if there were no questions arising therefrom.

A motion that the Report of the Nominating Committee be adopted was moved by Mrs. Daffodil Bruce-Miller and seconded by Mrs. Margaret Morris.

The Chairman again called for those in favour, any abstentions, and any objections. There being no objection, the motion was carried.

Mr. Cunningham then invited Mrs. Howell Palmer to proceed with the conduct of the elections.

ELECTIONS

Mrs. Tashieika Howell-Palmer of the Department of Co-operatives and Friendly Societies conducted the elections. She took the opportunity to bring greetings on behalf of the Department of Co-operatives and Friendly Societies, and explained that based on the Rules of JPS & Partners Co-operative Credit Union Limited, members are not allowed to take nominations from the floor.

Mrs. Howell-Palmer presented the recommendations from the Committee for the Board as follows: Kim Robinson, Natalie Sparkes, David Fleming and Patrick Davidson. The persons completing their term were Donovan Cunningham, Winston Delahaye, Sheryll Brown, Paulstan Francis and Timain Campbell.

Mrs. Howell-Palmer presented the recommendation from the Committee for the Credit Committee as follows: Anthony Cameron and Caphanne March.



Team Member Damarley Buchanan, presents a prize to Richard White, courtesy of Pear Tree XPress Printers.

A motion was invited by Mrs. Howell-Palmer to accept the nominees. The motion was moved by Ms. Annmarie Raymond, seconded by Mrs. Asheka Haase-Ellis, and carried by the meeting.

She announced that Anthony Cameron, Caphanne March, Courtney Harrison, Rashema Stanford and Courtney Whyte were completing their terms.

For the Supervisory Committee, Mrs. Howell-Palmer stated that all persons on the Committee are changed annually. She subsequently announced that Tisona Johnson, Tricia Dorman, Camile Cunningham-Griffiths, Renardo Lobban and Yannick Johnson were all elected.

A motion was invited to accept the members. The motion was moved by Mr. Earl Munroe, seconded by Ms. Bridgette Wade, and carried by the meeting.

Mrs. Howell-Palmer invited a motion for the Board of Directors to elect the Delegate and Alternate Delegates to the various organizations. The motion was moved by Mrs. Sheneka Coley-Thomas, seconded by Ms. Sonia Smith, and carried by the meeting.

ANY OTHER BUSINESS

Ms. Sonia Smith commended the entire management and administration of the Credit Union for its overall performance. She said that she was very impressed with the detailed reporting and the presentation which allowed the simple person to follow and understand how well the Credit Union is doing. She further said that she found much pleasure whenever she goes to the Kingston office to do business and commented on the gender balance in the election of volunteers.

Ms. Dorreth McBean commended the Treasurer for doing a fantastic job in explaining the notes and, by so doing, making persons feel like they really want to be a part of JPS & Partners Co-operative Credit Union.

Mr. Christopher Spencer commended the staff at the Head Office and made special mention of the Acting Credit Manager, Mr. Chad Wauchope. He stated that the type of service he received from JPS & Partners Credit Union, he has never received such service from any other financial institution.

JAMAICA CO-OPERATIVES INSURANCE AGENCY

Mr. Jeremy-Paul Bennett from JCIA spoke briefly about the products and services offered by his company. He implored the members to continue to do business with JCIA, and informed them of the new product offerings for 2025.

PRESENTATION

The Chairperson indicated that a gift was present for Mrs. Nerine Brown-Boothe, who was retiring from the Supervisory Committee. In her absence, Ms. Robinson asked for Mrs. Archibald to get the gift to Mrs. Brown-Boothe. The Chairperson then asked Mrs. Camille Archibald to conduct the final segment of the meeting.

SPOT PRIZES

The following members won prizes:

Ms. Janiel Clarke, Ms. Keisha Bedward, Mr. Michael Samuels, Mrs. Daffodil Bruce-Miller, Mr. Richard White and Ms. Anicea Massias. Additionally, eight (8) members who found pink slips under their chairs won prizes.

ADJOURNMENT

The Chairman thanked everyone for participating in the meeting and for the online and in-house commendations made to the Management and the Board. She wished everyone a safe journey home and announced that there was refreshment for everyone. The meeting adjourned at 3:52 p.m.



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JPS & PARTNERS
CO-OPERATIVE CREDIT UNION LTD. 
Empowering Generations
INSPIRING THE FUTURE

Report of the Board of Directors to the 71st Annual General Meeting



Kim Robinson, President

“The greatest legacy we can leave is not what we accumulate, but what we empower others to become.”

Author unknown

Dear Fellow Co-operators,

As we reflect on 2025, we do so with gratitude, pride, and a deep sense of responsibility. The year reminded us that even in times of uncertainty, the cooperative model remains a powerful force for stability, resilience, and shared progress. Against a backdrop of uneven economic performance in Jamaica, your Credit Union remained focused on what matters most: serving members with prudence, care, and purpose. That commitment carries special meaning as we celebrate seventy years of cooperative service since our founding in 1956, under this year's theme, **Empowering Generations, Inspiring the Future**. Our milestone is not only a celebration of longevity, but of lives improved, families strengthened, and opportunities created across generations.

The Jamaican economy in 2025 was mixed. Real economic activity recovered through much of the year but was severely affected in the final quarter, leaving calendar-year growth broadly flat overall. At the same time, inflation at December 2025 was contained at 4.5 percent, within the Bank of Jamaica's target range, unemployment remained historically low at 3.3 percent in October 2025, and the country maintained relative external stability, with a year-end exchange rate of J\$159.74 to US\$1 and Net

International Reserves of approximately US\$6.12 billion. These outcomes mattered to our members. Lower inflation helped to preserve purchasing power, low unemployment supported household resilience, and a more moderate interest-rate environment helped create better conditions for borrowing, saving, and financial planning.

For the credit union movement, 2025 reinforced the importance of sound governance, strong risk management, and continued innovation. As the regulatory landscape evolves toward enhanced oversight for credit unions in Jamaica, we remain committed to the highest standards of compliance, accountability, and institutional discipline. We view this enhanced oversight as an opportunity to strengthen the safety, soundness, and long-term sustainability of our Credit Union for the benefit of every member we serve.

Within that context, we continued to position JPS & Partners for the future. Our digital transformation remains guided by a people-centred philosophy: technology must make service more accessible, more convenient, and more responsive, while preserving the trust and personal connection that define our cooperative identity. Public-facing Credit Union materials continue to reflect that direction, from digital banking access and mobile services to the ongoing emphasis on member empowerment, strong risk management, and responsible growth.

This year is made even more meaningful by the recognition we have received from within the movement. At the Jamaica Cooperative Credit Union League's 85th Annual General Meeting and Awards Gala held on June 6, 2026, JPS & Partners Co-operative Credit Union was honoured with the prestigious **2025 D.T. Brown Award for Risk Management**. This national recognition reflects the diligence of our Board, management and staff in fostering a culture of accountability, effective governance and prudent risk oversight. It also reaffirms our commitment to safeguarding the interests of our members while maintaining a resilient institution capable of navigating an ever-changing financial environment. As we celebrate 70 years, we do so not by looking backward alone, but by recommitting ourselves to the future: a future in which we continue empowering

generations and inspiring confidence, opportunity, and progress for all our members.

Department of Cooperatives and Friendly Societies (DCFS)

Throughout 2025, JPS & Partners Co-operative Credit Union maintained a strong and constructive relationship with the Department of Cooperatives and Friendly Societies. We remained fully compliant with all regulatory requirements, ensuring that the Credit Union operated with transparency, accountability and integrity at all times.

Jamaica Cooperative Credit Union League Ltd. (JCCUL)

Our Credit Union continued to satisfy the reporting, operational and financial standards established by the Jamaica Cooperative Credit Union League. All statutory returns, monthly reports and required contributions were submitted within the prescribed timelines, and we maintained full compliance with the requirements of the Stabilization Unit.

Financial Services Commission (FSC)

JPS & Partners met all reporting and compliance obligations required by the Financial Services Commission throughout the year. The timely submission of all regulatory filings underscores our commitment to maintaining the highest standards of regulatory compliance, operational transparency and sound financial stewardship as we continue to serve the best interests of our members.

THE CREDIT UNION MOVEMENT

The Unaudited Financial performance of the League is indicated below.

The League continues to provide a comprehensive range of support services to all twenty-three (23) Credit Unions, including advocacy, training, and public relations.

Credit Union Movement - Preliminary Statistical Information (December 31, 2025)

	2025	2024	Annual Growth 2025	Annual Growth 2024
Savings ('000)	168,917,759	154,242,912	9.5%	10.2%
Net Loans ('000)	143,976,366	133,877,703	7.5%	13.1%
Assets ('000)	212,755,958	196,328,124	8.4%	10.9%
Membership	1,094,361	1,064,618	2.8%	3.3%

JPS & PARTNERS' CREDIT UNION PERFORMANCE

FINANCIAL PERFORMANCE

	2025 \$M	2024 \$M	Growth (%)
Shares	2,050.66	1,849.22	10.89%
Deposits	2,654.21	2,549.03	4.13%
Loans	4,552.60	4,171.20	9.14%
Total Assets	7,027.70	6,675.54	5.28%
Net Surplus	83.18	252.46	(67.05%)
Institutional Capital	977.84	945.86	3.38%
Membership	13,940	13,364	4.31%

The Credit Union delivered a solid performance in 2025, recording growth across the major balance sheet indicators, including shares, deposits, loans, total assets, institutional capital and membership. While the pace of growth moderated when compared with the exceptional expansion recorded in 2024, the 2025 results reflect continued stability, prudent management and sustained member confidence.

Importantly, the Credit Union crossed the \$7 billion asset milestone in 2025, while member shares surpassed \$2 billion. These achievements are particularly meaningful as the Credit Union celebrates 70 years of service, demonstrating that the institution continues to grow while maintaining sound financial discipline.

Assets

Total assets increased by 5.28%, moving from \$6,675.54M in 2024 to \$7,027.70M in 2025. This represents growth of approximately \$352.16M and marks an important milestone in the Credit Union's development.

The increase was supported largely by continued growth in the loan portfolio, which remains the Credit Union's primary earning asset. The audited financial statements confirm that loans receivable increased to \$4.55B, while total assets stood at \$7.03B at year-end.

Loans

The loan portfolio grew by 9.14%, increasing from \$4,171.20M in 2024 to \$4,552.60M in 2025. This represents additional loan growth of approximately \$381.40M.

Although this growth was below the exceptional 21.78% recorded in 2024, it still reflects healthy demand for the Credit Union's lending products and continued confidence among members. The moderated growth also suggests a more measured and prudent approach to portfolio expansion, especially in an environment where credit quality and risk management remain critical.

Shares and Deposits

Member shares increased by 10.89%, moving from \$1,849.22M to \$2,050.66M. This is a strong indicator of member confidence and represents an important achievement, as share capital exceeded the \$2 billion mark for the first time.

Deposits also increased by 4.13%, rising from \$2,549.03M to \$2,654.21M. Together, shares and deposits continued to provide a stable funding base for the Credit Union's lending and investment activities. The audited statement of financial position confirms voluntary shares of \$2.05B and saving deposits of \$2.65B as at December 31, 2025.

Net Surplus

Net surplus before honorarium decreased from \$252.46M in 2024 to \$83.18M in 2025, representing a decline of 67.05%. The 2024 surplus included a significant fair value gain on investment property of approximately \$159.56M, which did not recur in 2025. Without a similar one-off gain in 2025, the surplus naturally returned to a more normalized level. The audited financials also show that operating expenses increased from \$421.20M to \$466.43M, while impairment allowance on loans increased from \$33.13M to \$37.29M.

The Credit Union's core income performance remained positive. Interest income increased from \$610.07M in 2024 to \$650.86M in 2025, while net interest income increased from \$518.33M to \$550.51M. This shows that the core lending business continued to perform well.

Institutional Capital	
2025	\$977.84M
2024	\$945.86M

Institutional capital increased by 3.38%, moving from \$945.86M in 2024 to \$977.84M in 2025. This represents continued strengthening of the Credit Union's permanent capital base. Institutional capital represented approximately 13.91% of total assets at year-end 2025, remaining comfortably above the PEARLS benchmark of 8%. This reflects a strong capital position and provides an important buffer for risk, growth and long-term sustainability.

Membership

Membership grew by 4.31%, increasing from 13,364 members in 2024 to 13,940 members in 2025. While this was slightly below the PEARLS benchmark of 5%, it represents continued expansion of the Credit Union's membership base.

This growth is encouraging, particularly in a competitive financial services environment. Continued focus on youth engagement, digital access, partner penetration and member education will be important in strengthening membership growth going forward.

Delinquency Control	
2025	1.38%
2024	1.34%
Target for 2025	<3%

Delinquency stood at 1.38% in 2025, compared with the corrected 2024 figure of 1.34%. Although there was a marginal increase, delinquency remained well below the Credit Union's internal target of less than 3% and below the wider industry benchmark of 5%. This continued low delinquency level reflects sound credit assessment, effective monitoring and disciplined portfolio management. It is also consistent with the Credit Union's strong risk management culture, supported by its governance structure, including the Credit Committee, Risk and Compliance Committee and Delinquency Committee.

Overall, the Credit Union's 2025 performance reflects a year of steady growth, consolidation and continued financial resilience. Assets, loans, shares, deposits, institutional capital and membership all increased, while delinquency remained very low. The decline in surplus should be viewed in the context of an unusually strong 2024 surplus that benefited from a significant fair value gain. The 2025 results show that the Credit Union remained profitable, well capitalized and strategically positioned for continued growth.

As the Credit Union celebrates 70 years of service, these results reaffirm the strength of the institution and the continued confidence of members in JPS & Partners as their financial partner for life.

Product and Service Offerings

Throughout 2025, JPS & Partners Co-operative Credit Union continued to strengthen its portfolio of products and services, ensuring that members had access to innovative, convenient and affordable financial solutions designed to meet their changing needs. Whether members sought financing to achieve personal goals, structured savings options to build long-term wealth, comprehensive insurance protection, or enhanced digital banking services, the Credit Union remained committed to delivering value at every stage of their financial journey.

Our diverse lending portfolio continued to provide competitive secured and unsecured financing solutions tailored to a wide range of member needs, while our savings products encouraged disciplined financial planning through flexible options for both short- and long-term goals. Members also continued to benefit from insurance solutions designed to provide financial security and peace of mind for themselves and their families, reinforcing our commitment to supporting their overall financial well-being.

In collaboration with the Jamaica Co-operative Credit Union League (JCCUL), members continued to enjoy the convenience and security of the AccessPlus® Debit Mastercard, which has become an integral part of our suite of digital financial services. The card provides members with convenient access to their funds through Automated Teller Machines (ATMs), Point-of-Sale (POS) terminals and online merchants locally and internationally, allowing them to conduct everyday transactions with ease and confidence.

Complementing this offering is the Credit Union's mobile banking platform, which continues to enhance members' digital banking experience. Through the mobile application, members can conveniently view account balances and transaction history in real time, transfer funds between eligible accounts, move funds directly to their AccessPlus® Debit Mastercard for immediate use, and manage their debit card by temporarily blocking or disabling it should it become lost or stolen. These enhanced digital capabilities provide members with greater control, convenience and security while supporting our ongoing digital transformation strategy.

The Credit Union strengthened its digital communications strategy throughout the year,

expanding its presence across social media platforms to provide members with timely financial education, product information and organisational updates through channels they increasingly use every day.

Together, these products and services reflect our continued commitment to providing innovative financial solutions that empower our members, strengthen their financial resilience and reinforce our promise of being ***Your Financial Partner for Life.***

RISK MANAGEMENT

Regulatory Compliance

Effective risk management and regulatory compliance remain fundamental to the safety, stability and long-term sustainability of the Credit Union. As the regulatory landscape continues to evolve, JPS & Partners remains committed to maintaining strong governance, robust internal controls and a culture of compliance that safeguards the interests of our members.

Oversight of this important function is provided through the Board's Risk and Compliance Committee, which meets regularly to review emerging risks, monitor regulatory developments and assess the effectiveness of policies, procedures and internal controls. Throughout 2025, the Committee continued to guide the Credit Union's preparations for enhanced regulatory oversight while ensuring that our operations remained aligned with applicable legislative and regulatory requirements.

The Credit Union's commitment to sound governance and prudent risk management was nationally recognised in June 2026 when JPS & Partners was presented with the prestigious 2025 D.T. Brown Award for Risk Management by the Jamaica Co-operative Credit Union League. This award reflects the Board's commitment to embedding effective risk management throughout the organisation and fostering a culture of accountability, resilience and continuous improvement.

Enterprise Risk Management

Enterprise Risk Management (ERM) continues to serve as the foundation of the Credit Union's risk framework, ensuring that risk considerations are integrated into strategic planning, operational decision-making and day-to-day activities.

During 2025, the Credit Union further strengthened its ERM programme through quarterly departmental Risk Registers, structured risk assessments and regular reporting to the Board of Directors. High and very high risks were continuously monitored, with mitigation strategies developed and reviewed to ensure that risk exposures remained within the Credit Union's approved risk appetite.

Risk awareness also remained a key priority throughout the year. Through initiatives including the Risk Roadshow, the inaugural Risk Town Hall, Compliance Month activities and targeted ERM training, employees across the organisation were encouraged to view risk management as a shared responsibility. The introduction of practical ERM guidance materials further strengthened staff engagement and reinforced a proactive risk culture.

Independent assurance remained an integral part of the framework, with internal audits continuing to be conducted by an external service provider and recommendations implemented to enhance operational effectiveness and strengthen internal controls.

AML/CFT Compliance

The Credit Union remained fully compliant with all Anti-Money Laundering (AML), Counter-Financing of Terrorism (CFT) and Know Your Customer (KYC) requirements throughout 2025. Monthly compliance reviews, transaction monitoring systems and ongoing staff training supported the timely submission of all statutory reports while strengthening the Credit Union's ability to identify and manage emerging financial crime risks. The Credit Union also continued to enhance its preparedness for the evolving regulatory expectations associated with Bank of Jamaica supervision.

Data Protection

Protecting members' personal information remains a strategic priority for the Credit Union. During 2025, the organisation continued to strengthen its Data Protection Framework through the active leadership of the Data Protection Officer DataPro Consulting Limited, and the dedicated Privacy Committee. Enhanced procedures governing data collection, retention, breach response and information security were implemented, supported by ongoing staff sensitisation and training to ensure compliance with the Data Protection Act and reinforce

sound data governance practices.

Member Engagement and Risk Awareness

The Credit Union continued to extend its risk management efforts beyond the organisation by promoting greater awareness among members. Building on the success of the Legal and Risk Corner, members were engaged through interactive discussions on fraud prevention, data protection, cyber security and other emerging financial risks. Educational pamphlets and awareness sessions formed part of the Credit Union's broader commitment to empowering members with the knowledge needed to protect themselves in an increasingly digital financial environment.

Risk management at JPS & Partners continues to be more than a compliance function. It is an integral part of our organisational culture. Through strong governance, disciplined oversight, continuous education and a proactive approach to emerging risks, the Credit Union remains well positioned to safeguard members' interests while supporting sustainable growth for generations to come.

INVESTING IN OUR PEOPLE

The continued success of JPS & Partners Co-operative Credit Union is built upon the dedication, professionalism and unwavering commitment of our employees. Throughout 2025, our team remained focused on delivering exceptional service to members while embracing continuous improvement, innovation and operational excellence. Their commitment to the Credit Union's values continues to strengthen member relationships and supports our mission of being Your Financial Partner for Life.

Recognising that a high-performing organisation begins with a well-equipped workforce, the Credit Union continued to invest in staff development through seminars, workshops, conferences and other professional learning opportunities. Team members participated in a wide range of training programmes facilitated by the Jamaica Co-operative Credit Union League and other institutions, while two managers successfully completed the Caribbean Development Education Programme (CaribDE), further strengthening leadership capacity within the organisation. Cross-training initiatives and updated employee development plans also formed part of our ongoing succession planning strategy, ensuring business continuity and organisational resilience.

The Credit Union remained fully compliant with all regulatory training requirements during the year, with all staff successfully completing the six (6) mandatory examinations covering the Proceeds of Crime Act (POCA), Anti-Money Laundering (AML) and Terrorism Prevention Act through the CPD Online platform.

Employee engagement and wellness continued to be important priorities throughout 2025. Team-building activities, staff appreciation initiatives and wellness programmes helped foster a positive and collaborative working environment.

The year also marked an important moment of reflection as we paid tribute to Mrs. Marcia Lewis on her retirement after 43 years of dedicated and exemplary service to the Credit Union. Her unwavering commitment, professionalism and loyalty have left an enduring legacy for future generations of employees.

During the year, several key appointments were also made, including the positions of General Manager, Branch Supervisor, Human Resource Officer, Investment Officer and Senior Accountant, reflecting the Credit Union's continued investment in building a strong leadership team and positioning the organisation for future growth.

Throughout the year, the Credit Union also strengthened its Human Resource framework through the review and updating of key policies, including Ethics and Conflict of Interest, Fraud, Infectious Diseases and Disabilities. These enhancements reinforce our commitment to sound governance, employee well-being and continuous improvement, ensuring that our greatest asset (our people) remains at the heart of our success.

Team Complement as at December 2025:	
Category	Number
Permanent - Management	10
Permanent - Line Staff	27
Contract	12

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)

Throughout 2025, JPS & Partners Co-operative Credit Union advanced its digital transformation through enhancements and strategic investments in technology infrastructure, improving convenience, accessibility and operational efficiency for members while strengthening internal service delivery.

A significant achievement during the year was the continued enhancement of the Credit Union's GIA online banking platform, providing members with a more intuitive and user-friendly digital experience. Members are now able to access their accounts more conveniently, monitor balances and transactions in real time, transfer funds between eligible accounts and manage their finances with greater confidence. Complementing these improvements, the introduction of online loan application capabilities and digital member update services further streamlined traditionally manual processes, reducing turnaround times while improving service delivery.

The Credit Union also continued to expand the use of Microsoft 365 across the organisation, strengthening collaboration through Microsoft Teams, SharePoint and OneDrive. These technologies have enhanced communication, improved document management and supported more efficient decision-making, enabling staff to respond more quickly and effectively to members' needs.

Strategic investments were also made in the Credit Union's technology infrastructure during 2025. The implementation of a new Voice over Internet Protocol (VoIP) telephone system and upgraded PBX solution enhanced internal and external communication, while wireless Point-of-Sale (POS) terminals and additional remote pinning units expanded the Credit Union's ability to serve members both within branches and during outreach activities. Ongoing server upgrades and infrastructure improvements further strengthened system reliability, operational resilience and the security of member information.

These technological advancements reflect the Credit Union's continued commitment to digital transformation while preserving the personalised service that members have come to expect. By investing in secure, innovative and member-focused technology, JPS & Partners continues to

improve operational efficiency, expand service accessibility and position the organisation to meet the evolving expectations of current and future generations of members. These investments are supported by the strong governance framework that guides every aspect of the Credit Union's operations.

GOVERNANCE & OVERSIGHT

Strong corporate governance remains fundamental to the success and sustainability of JPS & Partners Co-operative Credit Union. Throughout 2025, the Board of Directors continued to provide strategic direction and effective oversight, guided by the principles of accountability, transparency and ethical leadership.

The Credit Union continues to benefit from the dedicated service of a dynamic team of nine (9) volunteer Board members, supported by Statutory Committees and seven (7) Board Committees responsible for key areas of governance and oversight.

The Board remains committed to the highest standards of integrity and accountability. Directors and volunteers annually affirm their commitment to the Credit Union's Code of Ethics, Conflict of Interest and Confidentiality policies and continue to satisfy the established Fit and

Proper requirements. To promote continuous improvement in governance, Directors also participate in annual Board evaluations and ongoing training in areas including Anti-Money Laundering (AML), the Proceeds of Crime Act (POCA), enterprise risk management and other emerging regulatory requirements.

Throughout 2025, the Board maintained a disciplined programme of monthly meetings, supplemented by special meetings where required, to provide strategic guidance and oversight of the Credit Union's operations. Working closely with Management, the Board continued to approve major capital investments, monitor financial performance, establish policies, review organisational risks and oversee the implementation of the Credit Union's strategic objectives.

The Board remains committed to strengthening governance practices, enhancing organisational resilience and ensuring that JPS & Partners continues to operate with the highest standards of professionalism, integrity and member-focused leadership.

2025 BOARD MEETING ATTENDANCE

In 2025, a total of thirteen (13) board meetings were held. The attendance of directors at these meetings for the period January 2025 to December 2025 are detailed below:

ATTENDANCE				
Directors	Position	Possible	Actual	Excused
Kim Robinson	President	13	13	-
David Fleming	Vice President	13	13	-
Natalie Sparkes	Treasurer (until July 2025)	13	13	-
Patrick Davidson	Treasurer (effective August 2025)	13	13	-
Sheryll Brown	Secretary	13	13	-
Timain Campbell	Director	13	13	-
Donovan Cunningham	Director	13	13	-
Paulstan Francis	Director	13	13	-
Winston Delahaye	Asst. Treasurer (effective August 2025)	13	12	1

Community Investment and Member Support

The cooperative philosophy of "People Helping People" continues to guide the social responsibility efforts of JPS & Partners Co-operative Credit Union. Throughout 2025,

the Credit Union remained committed to improving lives by investing in education, supporting vulnerable members, strengthening community partnerships and responding compassionately in times of need.

Education continues to be one of the Credit Union's most significant investments in the future. During the year, more than \$3.5 million was invested through our scholarship and bursary programme, supporting members and their dependents at both the secondary and tertiary levels. Two deserving members were awarded the prestigious Founders' Scholarships, while students participating in the Treasure Chest Plan received assistance as they transitioned to secondary education. Beyond scholarships, the Credit Union continued its longstanding support of its adopted schools through donations of educational resources and equipment, helping to create more conducive learning environments for students and teachers alike.

The Credit Union also remained committed to supporting members facing personal hardship. Through the Care-A-Bit Fund, financial assistance was provided to members experiencing serious illness, reaffirming our commitment to standing beside our members during life's most challenging moments.

Throughout the year, the Credit Union also continued to strengthen relationships within the communities we serve through support for youth development initiatives, community projects, Member Appreciation activities and health awareness programmes, including participation in the ICWI Pink Run in support of breast cancer awareness. We were also honoured to celebrate the 100th birthday of founding member, Mr. Lloyd Mordecai, whose remarkable life and contribution to the Credit Union served as a powerful reminder of the legacy upon which our institution was built.

Hurricane Melissa

The passage of Hurricane Melissa brought widespread devastation to many communities across Jamaica, resulting in significant property damage and, most tragically, the loss of lives. Our thoughts and prayers remain with every family affected by this disaster.

In keeping with our cooperative values, the Credit Union responded by providing more than \$1.5 million in assistance to affected members and staff, while also re-affirming the Disaster Prep & Recovery Loan available to support recovery and rebuilding efforts. These initiatives reflected our belief that a Credit Union's responsibility extends beyond financial services. It includes providing meaningful support when members need it most.

As we celebrate 70 years of service, we remain steadfast in our belief that true success is measured not only by financial performance, but by the positive and lasting impact we make in the lives of our members and the communities we proudly serve.

LOOKING AHEAD

JPS & Partners Co-operative Credit Union enters the future from a position of strength, guided by sound governance, financial resilience and an unwavering commitment to our members. While we remain proud of the achievements of 2025, we recognise that continued success will depend upon our ability to anticipate change, embrace innovation and respond to the evolving needs of the generations we serve.

Looking ahead, the Credit Union will continue to strengthen its digital transformation journey by modernising technology, enhancing cybersecurity and expanding secure, convenient channels through which members can access our services. At the same time, we will continue to improve operational efficiency through the digitisation of key processes, streamlined workflows and ongoing investment in infrastructure that supports sustainable growth.

Growing our membership remains a strategic priority. We will continue to deepen relationships within our existing partner organisations while expanding opportunities to engage new partners and attract younger generations through targeted outreach, enhanced digital engagement and innovative member-focused initiatives. We also remain committed to strengthening our lending portfolio through prudent credit management, responsible portfolio growth and the continued expansion of products and services that respond to the changing financial needs of our members.

Equally important is our investment in people. The Credit Union will continue to develop leadership capacity, strengthen succession planning, foster employee engagement and maintain a high-performance culture that supports exceptional service delivery. These efforts will be complemented by our ongoing commitment to sound governance, enterprise risk management and regulatory compliance, ensuring that the organisation remains resilient and well-positioned for future opportunities.

As we look to the future, our vision remains clear: to build upon the strong foundation established over the past seventy years while embracing the opportunities of tomorrow. Guided by our cooperative values and inspired by our theme, “Empowering Generations, Inspiring the Future,” we remain confident that JPS & Partners will continue to grow, innovate and positively impact the lives of our members and communities for many years to come.

Seventy years ago, our founders laid the foundation for an institution built on cooperation, trust and service. Today, we remain committed to honouring that legacy while preparing JPS & Partners for the generations yet to come.

ACKNOWLEDGEMENTS

On behalf of the Board of Directors, I extend sincere appreciation to our members for your continued confidence, loyalty and unwavering support. Your trust in JPS & Partners Co-operative Credit Union inspires everything we do and remains the foundation upon which our success is built.

We give thanks to Almighty God for His guidance, favour and abundant blessings throughout another successful year of service. His faithfulness continues to sustain and direct our organisation as we strive to fulfil our mission.

The Board also extends heartfelt appreciation to the many individuals and organisations whose dedication, partnership and support contributed to the Credit Union’s achievements during the year.

Our sincere thanks are extended to:

- Our Management Team and Staff, whose professionalism, dedication and commitment to service excellence continue to drive the Credit Union’s success.
- Our Valued Corporate Partners, whose collaboration continues to strengthen our ability to serve members and pursue new opportunities.
- Our Devoted Volunteers, Committee Members and Location Representatives, whose time, expertise and unwavering commitment to the cooperative movement continue to enrich our organisation.

We also gratefully acknowledge the invaluable guidance and support provided by our key partners within the credit union movement and regulatory community, including:

- The Jamaica Co-operative Credit Union League Limited (JCCUL)
- Quality Network Co-operative Limited (QNET)
- CUNA Caribbean Insurance Jamaica Limited (CUNA)
- Jamaica Co-operative Insurance Agency Limited (JCIA)
- The Department of Co-operatives and Friendly Societies (DCFS)

Our appreciation is also extended to our external auditors, BDO Chartered Accountants, our internal auditors, Dawgen Global, and our legal advisors, Samuda & Johnson and Richards & Richards, and our Data Protection Officer, DataPro Consulting Limited, for their continued professionalism, counsel and support.

To every member, employee, volunteer, partner and stakeholder, thank you for being part of our journey. Your contribution has helped shape another successful year and strengthens our confidence as we continue building an even brighter future together.

As we celebrate 70 years of service, we reaffirm our commitment to the cooperative principles upon which this institution was founded. With faith, purpose and determination, we will continue **Empowering Generations, Inspiring the Future**, while remaining **Your Financial Partner for Life!**



Kim Robinson (Ms.)
President

Our Directors



Kim Robinson
President



David Fleming
Vice President



Patrick Davidson
Treasurer



Winston Delahaye
Assistant Treasurer



Sheryll Brown
Secretary



Timain Campbell
Assistant Secretary



Donovan Cunningham
Director



Paulstan Francis
Director



Natalie Sparkes
Director

2025 Highlights

School Donations

General Manager, Chad La Ronde, and other JPS & Partners representatives present learning and school improvement resources to partner schools, demonstrating the Credit Union's ongoing investment in creating supportive educational environments.



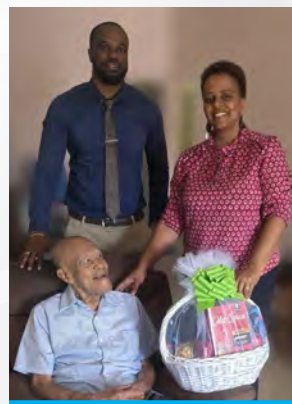
Scholarship

Scholarship recipients posed with Camille Archibald, Business Development Manager (left), Winston Dehlahaye, Assistant Treasurer of the Board of Directors (right), and other representatives of JPS & Partners Co-operative Credit Union Ltd. at the 2025 Scholarship Awards, where the Credit Union committed \$3.7 million to support educational advancement and academic excellence.



Member Appreciation Day

Members join General Manager, Chad La Ronde, in the ceremonial cake-cutting at the 2025 Member Appreciation Day celebration, commemorating the Credit Union's appreciation for its valued members.



Celebrating Lloyd Mordecai

General Manager, Chad La Ronde, and Business Development Manager, Camille Archibald, visit founding member Lloyd Mordecai to commemorate his 100th birthday and celebrate his legacy within JPS & Partners Co-operative Credit Union Ltd.

The Treasurer's Report

For the Year ended December 31, 2025



Patrick Davidson, Treasurer

It is with honour that I present the Treasurer's Report for the year ended December 31, 2025, to the 71st Annual General Meeting of the JPS and Partners Co-operative Credit Union Limited.

ECONOMIC OVERVIEW

The Jamaican economy remained resilient during 2025, despite global uncertainty and weather-related disruptions. Economic activity showed signs of recovery during the year, supported by continued strength in services, tourism-related activity, financial and insurance services, construction, and the gradual normalisation of key productive sectors. Preliminary economic estimates pointed to stronger growth in the September 2025 quarter, reflecting recovery from the low production base created by Hurricane Beryl in 2024.

The labour market continued to perform strongly. STATIN reported unemployment at 3.3% during 2025, among the lowest levels recorded in Jamaica's history, supported by sustained employment levels and increased labour force participation.

Inflation remained broadly contained within the Bank of Jamaica's target range of 4.0% to 6.0% for much of 2025. Annual headline inflation was 4.7% at January 2025 and 5.3% at April 2025, with the April outturn influenced mainly by food prices, while the non-recurrence of increases in regulated items helped to moderate overall inflation. The financial sector, of which credit unions form an important part, remained stable as the Bank of Jamaica maintained a prudent monetary policy stance to support price stability and orderly financial market conditions.

Interest rates remained relatively stable during the year. In May 2025, the Bank of Jamaica reduced its policy rate by 25 basis points from 6.00% to 5.75%, while continuing to preserve relative stability in the foreign exchange market. This supported a generally favourable operating environment for deposit-taking institutions and credit unions, although institutions continued to manage liquidity, credit, and interest rate risks prudently.

However, the passage of Hurricane Melissa on October 28, 2025 adversely affected the macroeconomic outlook and disrupted activity in several parishes, particularly in agriculture and related supply chains. The impact of the hurricane tempered the pace of recovery and introduced additional downside risks to growth, even as the wider financial system remained resilient.

Despite these economic shocks, the Credit Union delivered a relatively strong performance. Total assets grew by 5.28%, reaching \$7.03B in 2025, up from \$6.68B in 2024. This growth was driven primarily by a 9.14% increase in the

loans portfolio, supported by targeted loan promotions and an expanded range of products designed to meet members’ needs. Fixed assets also increased by 7.59%, reflecting continued investment in IT infrastructure to strengthen the safety and security of members’ transactions and to support the Credit Union’s evolving digital operating environment.

As Jamaica continued to navigate global uncertainty and domestic shocks, the economy demonstrated stability and resilience throughout 2025. Moderate growth, historically low unemployment, contained inflation, and a stable financial system helped to create a favourable environment for the Credit Union’s operations and strategic objectives. We remain committed to leveraging these opportunities, prudently managing risks, and delivering sustainable value to our members as we remain your “Financial Partner for Life”.

The Financial performance of the Credit Union over the past five (5) years is outlined in the table below.

FIVE (5) YEAR FINANCIAL PERFORMANCE					
Statement of Financial Position	2025 \$M	2024 \$M	2023 \$M	2022 \$M	2021 \$M
Shares	2,050.66	1,849.22	1,634.86	1,526.72	1,481.42
Deposits	2,654.21	2,549.03	2,388.24	2,271.09	2,234.28
Loans (Net)	4,552.60	4,171.20	3,425.11	2,835.54	2,694.24
Total Assets	7,027.70	6,675.54	5,944.27	5,602.69	5,511.78
Institutional Capital	977.84	945.86	907.46	882.41	861.44

REVENUE

Total Income decreased by 13.94% to \$687.25M compared to Income in 2024 of \$798.53M. This decline was mainly due to a reduction in Investment income by 40.54% to \$59.98M compared to 2024 of \$100.86M. Additionally, loan income increased by 16.04% as a result of the growth of our Loans Portfolio, though there was as a decline in the overall total income of 13.94%. Loan Interest Income has shown consistent growth since 2021. Thanks to our team’s continued innovation and strategic efforts, we have successfully maintained this upward trajectory for the past four years. Through various loan promotions, we have increased loan

Revenue Sources 2025



interest income by 53.98% from 2021 to 2025, aligning with the overall expansion of our Loans Portfolio.

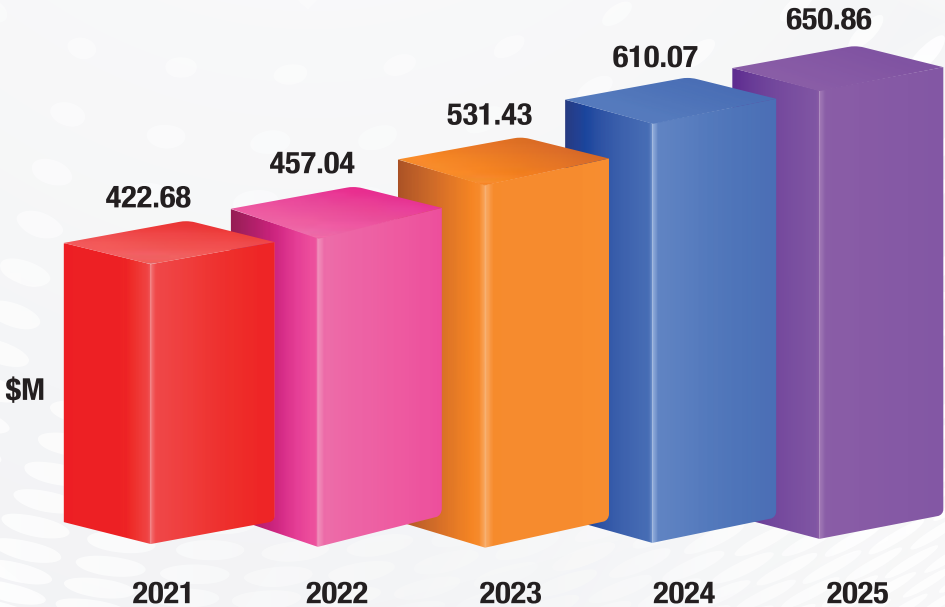
In 2025 alone, the portfolio grew by 12.44%, reflecting the continuous success of several key initiatives coming from 2024. These include the 5X Boost Savings Loan, Mothers' and Fathers' Day loan to celebrate our Mothers and Fathers, enhanced terms for motor vehicle loans, increased limits on unsecured loan facilities, and the implementation of strategic risk-based lending practices. The Credit Union's partnership with the National Housing Trust (NHT) through its External Financing Mortgage Programme (EFMP) and our Home Equity portfolio provided added value to the already attractive suite of loan offerings to our members.

EXPENSES

The inflation rate for December 2025 closed at 4.5% remaining well within the Bank of Jamaica (BOJ) target band of 4.0% - 6.0% since 2024. The changes in the minimum wage and terms of employment in June 2023 continued to impact the operating expenses resulting in operating expenses increasing over 2024 by 10.74%. Despite the increases in operating expenses the credit union continued its efforts to contain cost and maximize efficiency in all areas of operations. The ratio of expenses as a percentage of gross income inched above 2024 by approximately 4% moving from approximately 68% in 2024 to 72% in 2025.

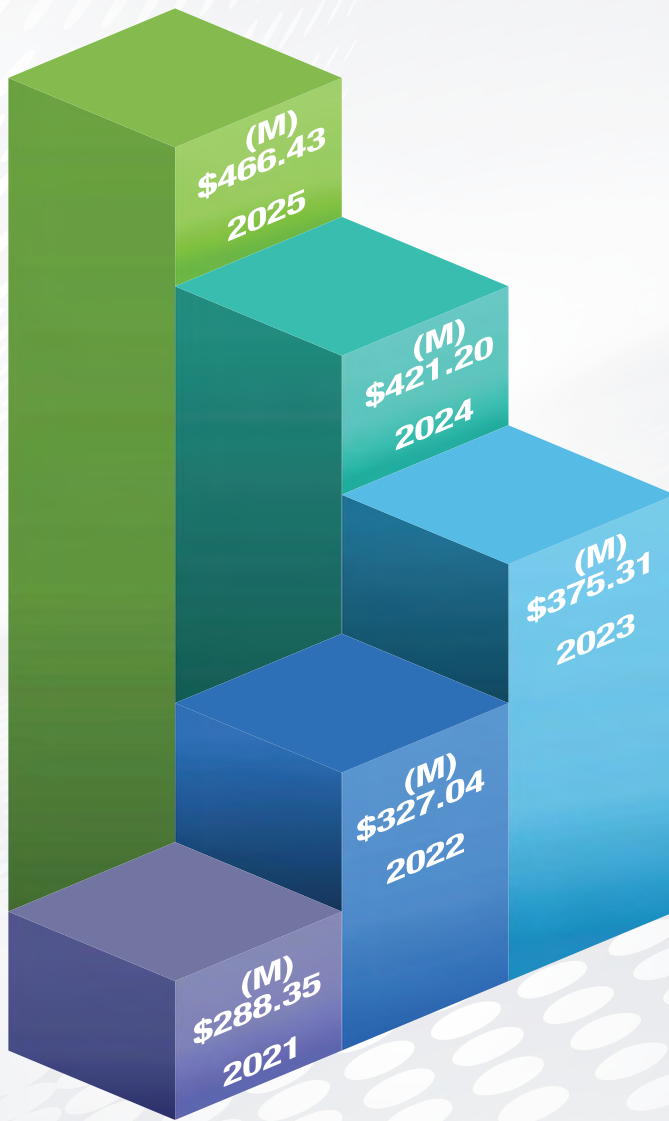
- Interest Expense increased by \$5.22 million (7.09%) in 2025, compared to \$4.26 million (6.14%) in 2024. Interest expense on savings deposits rose by \$2.92 million (5.74%), reflecting growth in deposit balances and product enhancements. Although the Bank of Jamaica reduced its policy rate from 6.00% to 5.75%, the credit union increased its savings deposit rate to 4.15% and introduced new fixed deposit tenures of 180 and 365 days. Interest expense was further driven by a 4.13% increase in members' savings deposits, albeit below the 6.73% growth recorded in 2024. Additionally, members' voluntary shares increased by 10.89%, contributing to the overall rise in interest-bearing liabilities and related interest costs.

INTEREST INCOME \$M



- Operating Expenses increased by \$45.23M or by 10.74% moving from \$421.20M in 2024 to \$466.43M in 2025. Operational expenses in the following areas mainly accounted for the increase:
- Administrative Expenses increased by \$23.18M or from \$148.41M in 2024 to \$171.58M in 2025 or by 15.62%. This increase is based on general inflationary increase in the credit union overall operational expenses. The main contributing factors to the increase were:
 - ATM Related Charges – increased by \$3.53M resulting from increased cost associated with the ATM.
 - Internal Auditors' remuneration – increased by \$1.18M resulting from change in our Internal Auditors which occurred at the end of 2024.
 - Repairs & Maintenance Charges – increased by \$4.27M resulting from increased cost relating to the LMR Property and Head Office.
 - Computer Charges – increased by \$9.70M resulting from increased network related upgrades to our IT services and to facilitate improvement to our newly-reopened branch (Ocean Boulevard.)
 - Depreciation – increased by \$5.36M resulting from upgrades for several of our office equipment and furniture.
 - Telecommunication expense – increased by \$2.22M mainly due to increase in the offsite back-up facilities.

OPERATING EXPENSES \$M



- Personnel Expenses increased by \$20.99M from \$225.05M in 2024 to \$246.04M in 2025. This represents a 9.33% increase and was due primarily to regular salary increase and staff benefits.
- Representation and Affiliation Expenses saw a decrease of approximately 1.74% moving from \$38.75M to \$38.08M.

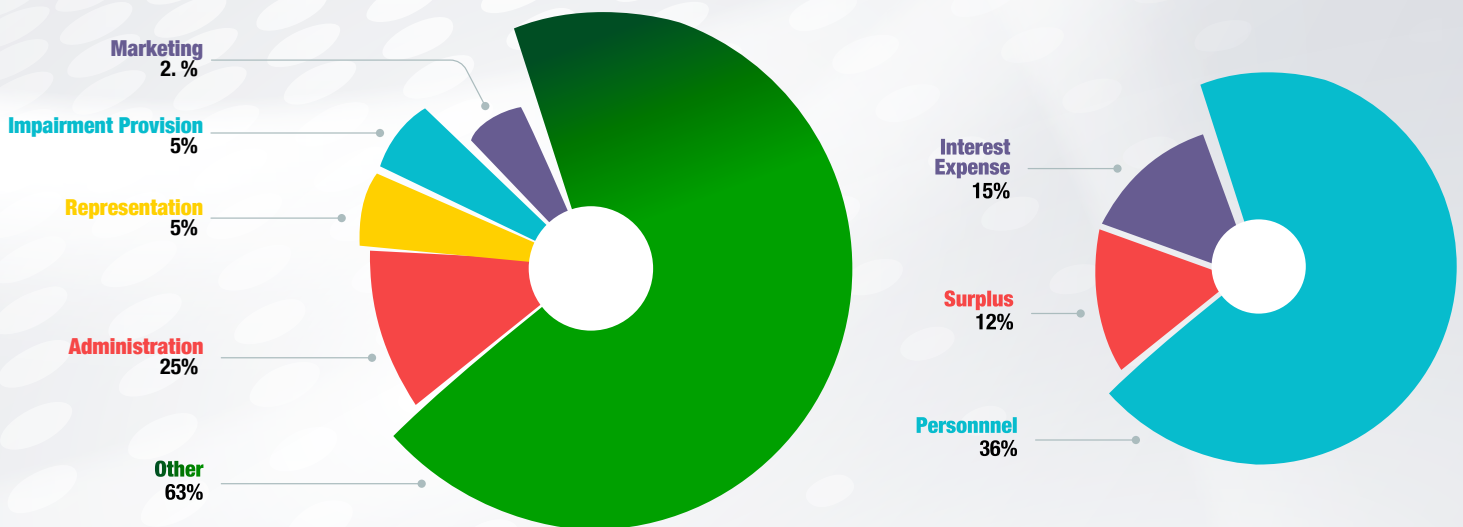
Management and the Board of Directors continue to apply strategic initiatives to adapt to the changing needs of our members and to continue the improvement of our internal controls. The Board and Management remain committed to containing operating costs to sustain the growth and development of our Credit Union while not compromising on the quality of service that our members expect.

ALLOCATION OF REVENUE

The chart below indicates how our revenue was utilized:

- 5% for Impairment Provisioning
- 2% for Marketing,
- 5% for Representational Costs,
- 15% for Interest Expense,
- 25% for Administration
- 36% for Personnel Costs, and
- 12% remaining as Surplus.

Revenue Allocation 2025



SURPLUS

Surplus before honorarium of \$83.18M was achieved. This performance is reflecting a decrease of 10.47% or \$9.72M below the net operating surplus for 2024 of \$92.90M.

The surplus in 2024 of \$252.46M reported resulted from an extra ordinary income of \$159.56M from fair value gains on investment property.

With the required 20% or \$16.85M transfer to Statutory Reserves, approximately \$66.33M will be available for distribution. The major performance indicators from our financial statements are highlighted below:

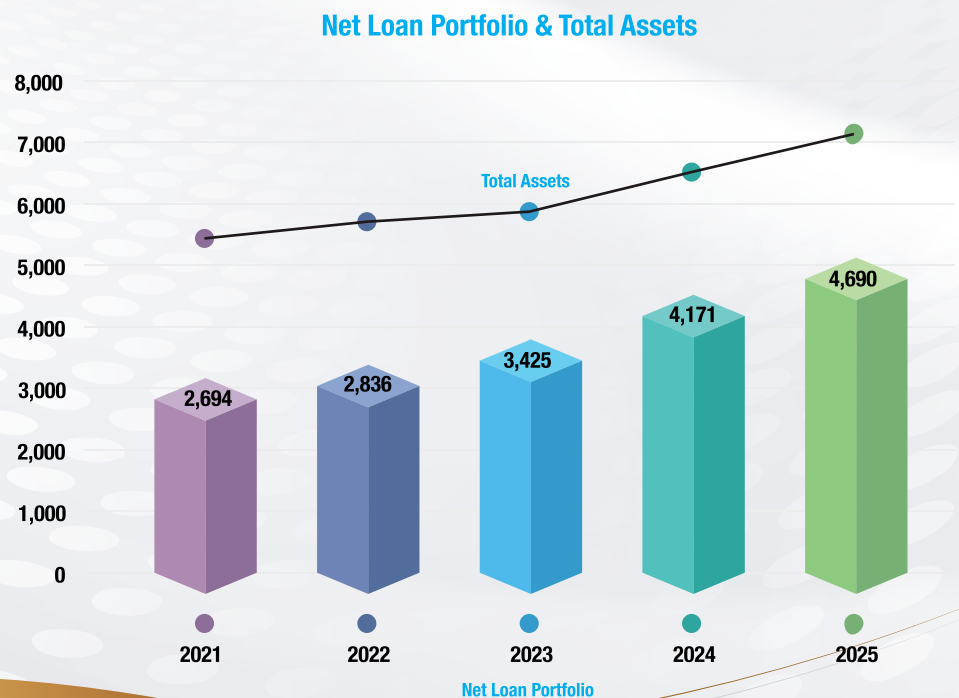
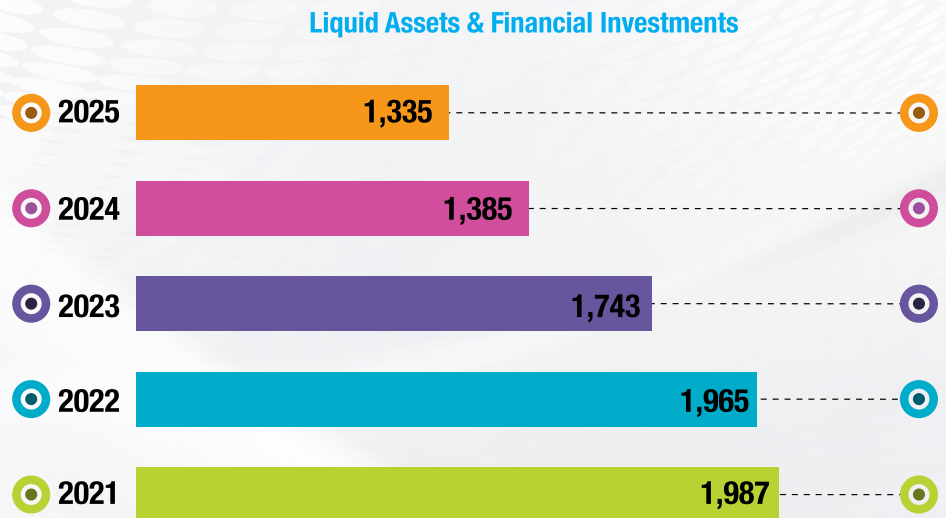
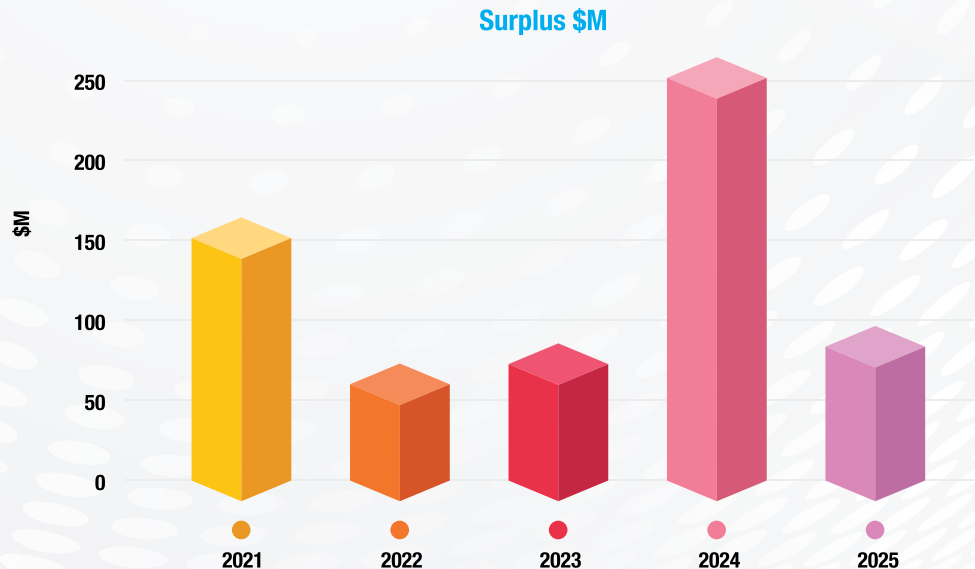
BALANCE SHEET

Total Assets increased by \$352.16M or 5.28%, moving from \$6.68B in 2024

to \$7.03B in 2025. The increase was due to the net inflows from members. The Credit Union achieved a total Investment Portfolio value of \$1.33B when compared to \$1.39B in 2024, a decline of 3.65%.

The loan portfolio balance recorded an increase for 2025. The portfolio balance stood at \$4.69B in comparison to \$4.17B in 2024. Loan disbursements outpaced loan repayments and transfers during the review period. The several loan promotions and new product offerings continue to provide incentive for our members and resulted in growth of the portfolio. Our motor vehicle loan portfolio continues to contribute significantly to the overall loan portfolio balance along with Salary Enhancer Loan/Debt Financing.

The graph below highlights the Loans and Total Assets for the five year period - 2021 to 2025.

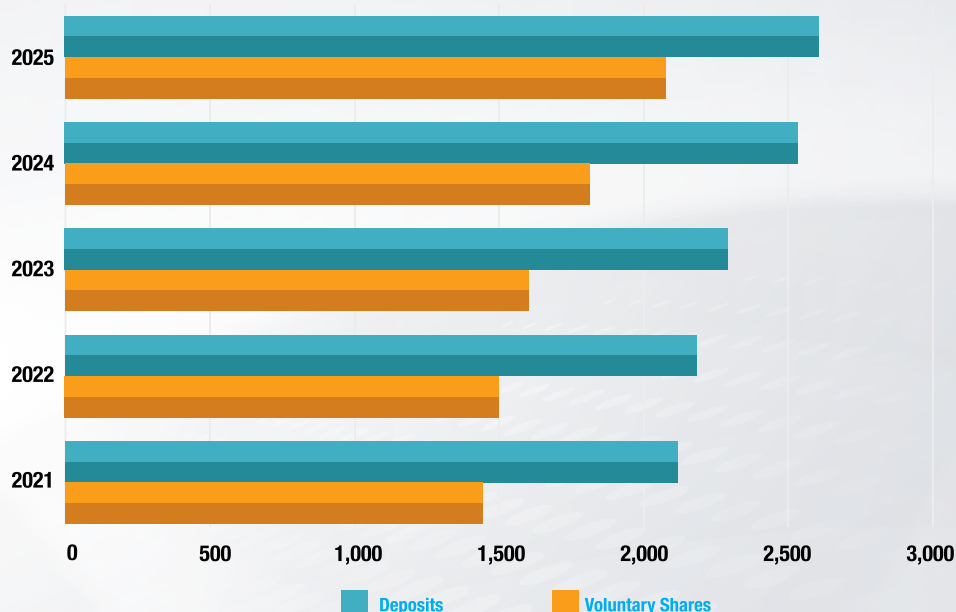


MEMBERS' SHARES AND DEPOSITS

At the end of the year, the savings portfolio of \$4.70B was \$306.61M higher than the \$4.40B reported for 2024. The growth in members' shares and deposits was attributed to:

- (i) Increased member engagement through targeted digital and traditional promotional campaigns.
- (ii) Growth in compulsory savings linked to loan products.
- (iii) Increased member focus on saving and financial planning as financial awareness continued to improve.
- (iv) Higher fixed deposit interest rates, which encouraged greater member participation.
- (v) Continued member confidence in the credit union's safety, security, and member-focused service.

MEMBERS' DEPOSITS (\$B)



PERMANENT SHARES

The Permanent Shares portfolio increased by 6.07% or \$5.19M from \$85.56M in 2024 to \$90.76M in 2025.

LOANS DELINQUENCY

The loan delinquency ratio for 2025 was 1.38% of the loan portfolio, compared to 1.34% in 2024, and remained well below the 5% benchmark.

Despite a marginal increase of 0.04%, delinquency levels continued to be effectively managed through proactive monitoring by the Credit Department and timely intervention measures. Ongoing member engagement, support, and collaboration with borrowers experiencing financial challenges also contributed to maintaining a strong delinquency position.

LOAN LOSS PROVISION

The provision for loan loss continues to be adequate to cover potential losses. The provision for Loan Losses, increased from \$33.13M in 2024 to \$37.29M in 2025.

The Credit Union was 100% compliant with the PEARLS standard of 5% as well as the provision required in accordance with the International Financial Reporting Standard (IFRS 9). As per the requirements of the IFRS 9 Standards, the Credit Union measured the Expected Credit Losses (ECL) for loans to be \$65.72M in 2025 compared to \$69.29M for 2024.

INSTITUTIONAL CAPITAL

Institutional Capital of \$977.84M, (inclusive of permanent shares) is 13.91% of Total Assets. The Institutional Capital is an indicator of the Credit Union's ability to withstand any adverse economic fallout. This ratio is 3.91% above the PEARLS requirement of 10%.

PEARLS RATIO ANALYSIS

The Jamaica Co-operative Credit Union League Limited (JCCUL) continues to monitor our performance against international credit union financial benchmarks using the PEARLS framework, while our operations are also assessed against prudential standards established by the Bank of Jamaica (BOJ). As a specified financial institution, we

PEARLS Ratios	Standard	2025	2024	2023	2022	2021
	%	%	%	%	%	%
Net Loans /Total Assets	60-80	64.78	62.48	57.62	50.61	48.88
Savings Deposits/Total Assets	70-80	66.95	65.89	67.68	67.79	67.41
Institutional Capital/Total Assets (C)	>=10	13.91	14.17	15.27	15.75	15.63
Total Delinquency/Gross Loans Portfolio	<=5	1.38	1.34	1.29	1.80	1.45
Operating Expense/Average Assets	<=8	6.81	6.68	6.50	5.89	5.55
Gross Margin/Average Assets	*C>=10	8.02	10.68	7.71	6.77	6.66
Non - Earning Liquid Assets/Total Assets	<1	0.87	1.10	0.50	1.52	1.29

remain subject to BOJ's oversight through the review of financial reports and periodic examinations. In preparation for the BOJ's future role as our direct regulator, we continue to strengthen our governance framework through ongoing policy and procedural reviews.

CONCLUSION

The Credit Union continues to record year-on-year growth in key performance areas. As we move forward, we remain committed to pursuing initiatives that benefit our members and stakeholders, while strengthening operational efficiency and cost management to support sustained profitability and long-term relevance.

ACKNOWLEDGEMENTS

First and foremost, we give thanks to God for His guidance and blessings throughout the year.

I extend sincere appreciation to my fellow Board members and the membership for the confidence placed in me to serve as Treasurer during the past year. It has been both an honour and a privilege to serve in this capacity.

To our members, thank you for your continued loyalty, support, and trust in your Credit Union. We remain committed to serving your best interests and to being worthy of the confidence you have placed in the Board of Directors and Management.

We also express our gratitude to our stakeholders, including JCCUL, the Department of Cooperatives and Friendly Societies (DCFS), the Bank of Jamaica (BOJ), and our volunteers, for their valuable support throughout the year. Special thanks are extended to our Internal Auditors, Dawgen Global, and our External Auditors, BDO Chartered Accountants, for their professionalism and dedicated service.

On behalf of the Board and Management, thank you all for your continued partnership and support as we work together toward an even stronger future for our Credit Union.



Patrick Davidson
Treasurer

INCOME & EXPENDITURE

	2025	2024	GROWTH/ REDUCTION	PERCENTAGE CHANGE
	\$	\$	\$	%
OUR INCOME WAS EARNED FROM				
INTEREST ON MEMBERS' LOANS	590,883,004	509,214,584	81,668,420	16%
INTEREST ON INVESTMENT	59,973,961	100,857,625	(40,883,664)	-41%
FAIR VALUE GAINS ON INVESTMENT PROPERTY	0	159,557,735	(159,557,735)	-100%
OTHER INCOME	36,389,832	28,901,625	7,488,207	26%
	687,246,797	798,531,569	(111,284,772)	
OUR COSTS TO OPERATE THE CREDIT UNION WERE:				
INTEREST ON MEMBERS' SAVINGS	78,887,325	73,667,347	5,219,978	7.09%
OTHER FINANCIAL COSTS	21,458,761	18,079,166	3,379,595	18.69%
REPRESENTATION & AFFILIATION	38,075,847	38,749,246	(673,399)	-1.74%
ADMINISTRATION	171,583,748	148,405,841	23,177,907	15.62%
PROVISION FOR IMPAIRMENT	37,294,932	33,131,285	4,163,647	12.57%
PERSONNEL	246,041,226	225,054,579	20,986,647	9.33%
MARKETING & PROMOTIONS	10,726,961	8,986,496	1,740,465	19.37%
	604,068,800	546,073,960	57,994,840	11%
LEAVING A BALANCE BEFORE HONORARIUM	83,177,998	252,457,609	(169,279,611)	-67.05%
FROM WHICH WE SET ASIDE				
20% STATUTORY RESERVE	16,845,003	21,871,836	(5,026,833)	-23%
TRANSFER TO REVALUATION RESERVE - REVALUE GAIN ON PROPERTY	0	152,623,441	(152,623,441)	-100%
TRANSFER TO RETIREMENT BENEFIT RESERVE	874,000	1,960,000	(1,086,000)	-55%
UNDISTRIBUTED HONORARIUM	0	5,000,000	(5,000,000)	-100%
NET SURPLUS REMAINING	65,458,995	71,002,332	(10,543,337)	-15%

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Conditions Apply.

APPROPRIATION OF 2025 SURPLUS

The Board of Directors is making the following recommendation to the Meeting with respect to the appropriation of the 2025 Surplus.

PROPOSED SURPLUS DISTRIBUTION

\$

Net Surplus	83,177,998
Transfer 20% to Statutory Reserve	(16,845,003)
Pension Adjustment	(874,000)
Net Surplus Available for Distribution	65,458,995

Proposed Distribution

Dividend on Permanent Shares (20%)	13,091,799
Patronage Refund (2% to Special Deposits)	3,272,950
Institutional Capital	16,364,749
Business Re-Organization	6,545,900
Honorarium	5,000,000
Scholarship/Outreach Reserve	3,272,950
Special Disaster Grant	4,818,849
IT (Hardware & Software Upgrade)	6,545,900
Infrastructure Upgrades & Development	6,545,900
Sum of Proposed Distribution	65,458,995



Patrick Davidson

Treasurer

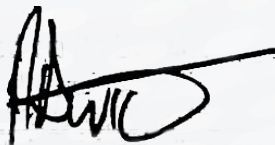
RESOLUTION

FIXING OF CURRENT MAXIMUM LIABILITY

WHEREAS Credit Unions are required to obtain the approval of the General Meeting for the maximum liability they may incur in voluntary shares, loans and deposits and whereas the current limit approved by the last General Meeting was for this Board to borrow up to an amount not exceeding a ratio of sixteen (16) times of the Society's capital and reserve fund;

WHEREAS the Board of Directors is satisfied that the present functions of the JPS and Partners Co-operative Credit Union can be discharged within the limit of sixteen (16) times previously established;

BE IT RESOLVED THAT The Board of Directors may incur a liability in voluntary shares, deposits and/or loans from any source on such terms of payment or security provided that the total liability shall not exceed a ratio of sixteen (16) times of the Society's capital and reserve fund.
For and on Behalf of the Board of Directors



Patrick Davidson
Treasurer



Mortgage Loans





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Kingston.



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CHANNEL



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Our Managers



Chad La Ronde
General Manager



Judith Umrah
Human Resource Manager



Chad Wauchope
Credit Manager



Camille Archibald
Business Development Manager



Karleen Brown
Information, Communication
& Technology Manager



Nassalie Brown
Legal, Risk & Compliance Manager



Maxine Thompson
Finance & Treasury Manager



David Goodlitt
Operations Manager



Sonia Robinson
Ewarton Branch Supervisor



Marie Young-McNamee
Kirkvine Branch Supervisor

Our Team Members

Head Office



Office of the General Manager & Human Resources Team



Chad La Ronde
General Manager



Michelle Barnett
HR & Admin Officer



Judith Umrah
Human Resource Manager

Credit Team



Chad Wauchope
Credit Manager



Kevin Embden
Acting Credit Officer



Peter Allen
Credit Officer



Sharon Walker
Credit Officer

Credit Team



Casheda Miller
Securities Officer



Kharla Davis
Acting Delinquency Officer

Accounts Team



Maxine Thompson
Finance & Treasury Manager



Raheem Chambers
Accounting Officer



Fay Simpson
Accounting Officer



Shomna Johnson
Accounting Officer



Subrena Morrison
Accountant



Raheema Fray
Investment Officer



Robert Carr
Senior Accountant

Marketing Team



Camille Archibald
Business Development
Manager



Sueann Hartley
Marketing Officer



Necola Wilson
Business Development
Officer

Risk & Compliance Team



Nassalie Brown
Legal, R&C Manager



Audrey Coward-Whyte
Compliance & Risk Analyst

Information, Communication & Technology Team



Karleen Brown
ICT Manager



Mark Campbell
IT Administrator



Chavez Williams
IT Administrator



Amory Campbell
IT Help Desk Assistant

Operations Team



David Goodlitt
Operations Manager



Staceyann Gillespie
Member Service Rep



Cilena Dacres
Archivist



Shanna Tyrell
Member Service Rep



Joel Kelly
Member Service Rep



Dayna Campbell
Temp. Archivist



Javon Armstrong
Facilities Officer

SUPPORT STAFF



Joan Williams
Office Attendant/Bearer



Neville Rowe
Gardener

Our **Team Members**

Ewarton Office



Sonia Robinson
Branch Supervisor



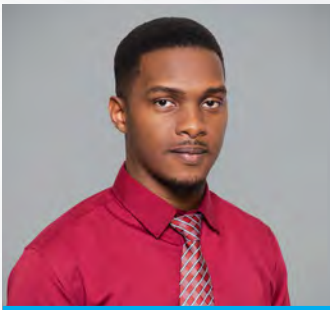
Talisa Henry
Acting Credit Officer



**Kedisha
Francis-Queensborough**
Member Service Rep



Michell Taffe
Accounting Officer



Romaine Tucker
Clerical Assistant



Janet Russell
Office Attendant/Bearer

Our Team Members

Ocean Boulevard



Damarley Buchanan
Acting Branch Supervisor



Anicea Massias
Member Service Rep



Emoya Love
Receptionist



Janet Hill
Office Attendant/Bearer

Our Team Members

Kirkvine



Marie Young-McNamee
Branch Supervisor



Beverley Allen
Member Service Rep



Anthony Brown
Clerical Assistant



Kenesha Sinclair
Credit Officer



Mauva McKenzie-Spence
Office Attendant/Bearer

Our Location Representatives



NAME	ORGANIZATION
Rosemarie Blake	Digicel, Montego Bay
Christine Roberts	Jamaica Private Power, Kingston
Nichola Christie-Dolly	JPS Baywest, Montego Bay
Donna Johnson	JPS Bogue, Montego Bay
Denise Warren	JPS Bogue, Montego Bay
Hyacinth Mullings	JPS Central Village, St. Catherine
Andrea Wallace	JPS Hunts Bay, Kingston
Andrea Thomas	JPS New Kingston, Kingston
Rosemarie Stewart	JPS New Kingston, Kingston
Sidoney Vassell	JPS New Kingston, Kingston
Jullite Reeves	JPS Paradise, Black River, St. Elizabeth
Donna Barrett	JPS Rockfort, Kingston
Phillipa Whyte	JPS Ruthven, St. Andrew
Hortense Hall	JPS Spanish Town Road, St. Catherine
Althea Thorpe	JPS Spanish Town, St. Catherine
Shoneika Dalling	JPS St. Ann's Bay, St. Ann
Haley Clarke-Scotland	JPS Washington Blvd, St. Andrew
Taunderia Williams	JPS Washington Blvd, St. Andrew
Audley Richards	JPS, Manchester
Ricardo Edwards	JPS, St. Mary
Daniel Lobar	JPS, Trelawny
Antoinette Lawson	TAJ Christiana, Manchester
Barbara Lambert-Thomas	TAJ Constant Spring, St. Andrew
Dorreth McBean	TAJ Cross Roads, St. Andrew
Andrea McLarty-Hall	TAJ Harbour Street, Kingston
Rosemarie Mayne-Duncan	TAJ Linstead, St. Catherine
Cameel Francis	TAJ Port Antonio
Donovan Thompson	TAJ Santa Cruz, St. Elizabeth
Fitzroy Wedderburn	TAJ Spanish Town, St. Catherine



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CELEBRATING 70 YEARS OF
EMPOWERING GENERATIONS

Financial Statements

as at 31st December 2025





Ministry of Industry Investment & Commerce

Jamaica's **Business** Ministry



DEPARTMENT OF CO-OPERATIVES & FRIENDLY SOCIETIES CHARITIES AUTHORITY, JAMAICA

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

R160-856/05/2026

May 21, 2026

The Secretary
JPS & Partners Co-operative Credit Union Limited
65 ¾ Half Way Tree Road
Kingston 10

Dear Sir/Madam:

I forward herewith the Financial Statements of your Society for the year ended December 31, 2025.

The Annual General Meeting (AGM) must be convened in accordance with **Regulations 19 & 21** of the Co-operative Societies Regulations, 1950 and **Regulations 25A-25F** of the Co-operative Societies (Amendment) Regulations, 2021. At least seven (7) days' notice shall be given before the meeting is held.

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

Kindly advise the Department of the date for the Annual General Meeting, so that arrangements can be made for representation.

Regards,

.....
Lavern Gibson-Eccleston (Mrs.)
(For) REGISTRAR OF CO-OPERATIVE SOCIETIES
AND FRIENDLY SOCIETIES

HEAD OFFICE
10A Chelsea Avenue
Kingston 5, Jamaica, W. I.
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INDEPENDENT AUDITORS' REPORT

To: The Registrar of Co-operatives and Friendly Societies
Re: JPS & Partners Co-operative Credit Union Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of JPS & Partners Co-operative Credit Union Limited set out on pages 57 to 151, which comprise the statement of financial position as at 31 December 2025, and the statements of surplus or deficit and other comprehensive income, changes in equity and cash flows for the year then ended, and notes comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Credit Union as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Co-operative Societies Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' 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 Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (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.

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

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the Co-operative Societies Act, 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 Credit Union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Credit Union or to cease operations, or has no realistic alternative but to do so.

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

Partners: S. M. McFarlane, J. Hibbert, D. Hobson, B. Vanriel, K. Heron

Associate Partner: D. Brown

Offices in Montego Bay, Mandeville and Ocho Rios

BDO 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.

INDEPENDENT AUDITORS' REPORT (CONT'D)

To: The Registrar of Co-operatives and Friendly Societies
Re: JPS & Partners Co-operative Credit Union Limited

Auditors' 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 auditors' 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 exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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.
- 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 Credit Union's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Credit Union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Credit Union to cease to continue as a going concern.
- 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.

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

INDEPENDENT AUDITORS' REPORT (CONT'D)

To: The Registrar of Co-operatives and Friendly Societies
Re: JPS & Partners Co-operative Credit Union Limited

Report on additional matters as required by the Co-operative Societies Act

We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.

In our opinion, proper accounting records have been kept, so far as appears from our examination of those records, and the financial statements, which are in agreement therewith, give the information required by the Co-operative Societies Act, in the manner required.



Chartered Accountants

19 May 2026

Statement of Financial Position

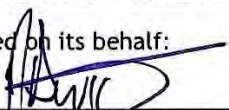
31 December 2025



	<u>Note</u>	<u>2025</u> \$	<u>2024</u> \$
ASSETS			
EARNING ASSETS:			
Liquid assets	5	688,411,702	720,742,989
Resale agreements	6	323,386,802	292,353,980
Loans receivable	7	4,552,597,700	4,171,201,751
Financial investments	8	323,100,383	372,399,789
Investment property	9	<u>495,000,000</u>	<u>495,000,000</u>
		<u>6,382,496,587</u>	<u>6,051,698,509</u>
NON-EARNING ASSETS:			
Cash and bank balances	10	61,151,643	72,877,759
Other assets	11	27,468,244	24,467,541
Property, plant and equipment	12	525,865,722	488,769,967
Intangible asset	13	1,281,887	2,674,041
Retirement benefit asset	14	<u>29,432,000</u>	<u>35,053,000</u>
		<u>645,199,496</u>	<u>623,842,308</u>
TOTAL ASSETS		<u>7,027,696,083</u>	<u>6,675,540,817</u>
LIABILITIES AND CAPITAL			
INTEREST BEARING LIABILITIES:			
Voluntary shares	15	2,050,663,234	1,849,223,152
Saving deposits	16	2,654,206,240	2,549,034,560
Loan scheme funds	17	<u>12,275,758</u>	<u>15,064,523</u>
		<u>4,717,145,232</u>	<u>4,413,322,235</u>
NON-INTEREST BEARING LIABILITIES:			
Payables	18	110,805,431	93,430,832
Deferred credit	19	<u>5,166,977</u>	<u>5,166,977</u>
		<u>115,972,408</u>	<u>98,597,809</u>
TOTAL LIABILITIES		<u>4,833,117,640</u>	<u>4,511,920,044</u>
CAPITAL:			
Institutional capital	20	977,841,788	945,855,506
Non-institutional capital	21	<u>1,216,736,655</u>	<u>1,217,765,267</u>
TOTAL CAPITAL		<u>2,194,578,443</u>	<u>2,163,620,773</u>
TOTAL LIABILITIES AND CAPITAL		<u>7,027,696,083</u>	<u>6,675,540,817</u>

Approved for issue by the Board of Directors on 18 May 2026 and signed on its behalf:


Kim Robinson - President


Patrick Davidson - Treasurer

Statement of Surplus or Deficit and other Comprehensive Income

Year Ended 31 December 2025



	<u>Note</u>	<u>2025</u> ₹	<u>2024</u> ₹
INTEREST INCOME:			
Loans receivable		590,883,004	509,214,584
Liquid assets		31,121,607	31,588,991
Resale agreements		9,170,538	48,951,131
Financial investments		<u>19,681,816</u>	<u>20,317,503</u>
		<u>650,856,965</u>	<u>610,072,209</u>
INTEREST EXPENSE AND OTHER FINANCIAL COSTS:			
Voluntary shares		25,014,319	22,717,766
Saving deposits		53,873,006	50,949,581
Other financial costs	24	<u>21,458,761</u>	<u>18,079,166</u>
		<u>100,346,086</u>	<u>91,746,513</u>
NET INTEREST INCOME		550,510,879	518,325,696
Impairment allowance on loans	7(d)	<u>(37,294,932)</u>	<u>(33,131,285)</u>
NET INTEREST INCOME AFTER IMPAIRMENT ALLOWANCE ON LOANS		513,215,947	485,194,411
Fair value gains on investment property	9	-	159,557,735
Non-interest income	25	<u>36,389,833</u>	<u>28,901,625</u>
		549,605,780	673,653,771
Operating expenses	26	<u>(466,427,782)</u>	<u>(421,196,162)</u>
SURPLUS BEFORE HONORARIUM		83,177,998	252,457,609
Honorarium		<u>(5,000,000)</u>	<u>(4,400,000)</u>
SURPLUS AFTER HONORARIUM		<u>78,177,998</u>	<u>248,057,609</u>
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to surplus or deficit:			
Revaluation gains on property	12	-	152,623,441
Re-measurement of retirement benefit asset	14(b)	<u>(6,495,000)</u>	<u>(8,202,000)</u>
		<u>(6,495,000)</u>	<u>144,421,441</u>
Items that will or may be reclassified to surplus:			
Realised valuation gain on fair value through other comprehensive income on debt instruments		<u>(1,896,366)</u>	<u>(10,807,425)</u>
Unrealised valuation gain on fair value through other comprehensive income on debt instruments		<u>(4,049,757)</u>	<u>10,435,254</u>
		<u>(5,946,123)</u>	<u>(372,171)</u>
		<u>(12,441,123)</u>	<u>144,049,270</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>65,736,875</u></u>	<u><u>392,106,879</u></u>

Statement of Changes in Equity

Year Ended 31 December 2025



	<u>Note</u>	<u>Institutional</u> <u>₹</u>	<u>Non-</u> <u>Institutional</u> <u>Capital</u> <u>₹</u>	<u>Total</u> <u>₹</u>
Balance at 31 December 2023	20 & 21	907,464,265	886,149,462	1,793,613,727
Total comprehensive income:				
Net surplus for the year		-	248,057,609	248,057,609
Other comprehensive income				
Transactions with owners:				
Dividend	23	-	(8,004,351)	(8,004,351)
Life long savers	23	-	(6,505,462)	(6,505,462)
Write back of dividends		-	1,334,482	1,334,482
Issue of permanent shares		5,519,405	-	5,519,405
Transfer to Institutional Capital	20	11,000,000	(11,000,000)	-
Transfer to statutory reserve	20	21,871,836	(21,871,836)	-
Decrease in other non-qualifying reserves	22	-	(14,443,907)	(14,443,907)
Balance at 31 December 2024	20 & 21	945,855,506	1,217,765,267	2,163,620,773
Total comprehensive income:				
Net surplus for the year		-	78,177,998	78,177,998
Other comprehensive income		-	(12,441,123)	(12,441,123)
Transactions with owners:				
Dividend		-	(8,600,000)	(8,600,000)
Life long savers		-	(6,835,764)	(6,835,764)
Write back of dividends		-	3,017,766	3,017,766
Issue of permanent shares		5,194,398	-	5,194,398
Transfer to Institutional Capital		9,946,881	(9,946,881)	-
Transfer to statutory reserve		16,845,003	(16,845,003)	-
Decrease in other non-qualifying reserves		-	(27,555,605)	(27,555,605)
Balance at 31 December 2025	20 & 21	<u>977,841,788</u>	<u>1,216,736,655</u>	<u>2,194,578,443</u>

Statement of Changes in Equity

Year Ended 31 December 2025

Institutional Capital



	<u>Note</u>	<u>Statutory Reserve</u> ₹	<u>Revenue Reserve</u> ₹	<u>Permanent Shares</u> ₹	<u>Business Combination Reserve</u> ₹	<u>Total</u> ₹
Balance at 31 December 2023	20	472,872,239	56,938,043	80,043,506	297,610,477	907,464,265
Transactions with owners:						
Issue of permanent shares		-	-	5,519,405	-	5,519,405
Appropriation during the year		-	11,000,000	-	-	11,000,000
Transfer from undistributed surplus		<u>21,871,836</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,871,836</u>
Balance at 31 December 2024	20	494,744,075	67,938,043	85,562,911	297,610,477	945,855,506
Transactions with owners:						
Issue of permanent shares		-	-	5,194,398	-	5,194,398
Appropriation during the year		-	9,946,881	-	-	9,946,881
Transfer from undistributed surplus		<u>16,845,003</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,845,003</u>
Balance at 31 December 2025	20	<u>511,589,078</u>	<u>77,884,924</u>	<u>90,757,309</u>	<u>297,610,477</u>	<u>977,841,788</u>

Statement of Changes in Equity

Year Ended 31 December 2025

Non-Institutional Capital



YEAR ENDED 31 DECEMBER 2025

NON- INSTITUTIONAL CAPITAL

	Note	Capital Revaluation Reserve ₹	Investment Reserve ₹	Other Non-Qualifying Reserves ₹	Retirement Benefit Reserve ₹	Undistributed Surplus ₹	Total ₹
Balance at 31 December 2023	30	641,168,513	12,432,201	153,973,160	41,295,000	37,280,588	886,149,462
Total comprehensive income:							
Net surplus for the year							
Other comprehensive Income:		-	-	-	-	248,057,609	248,057,609
Realized valuation gain on fair value of debt instruments		-	(10,807,425)	-	-	-	(10,807,425)
Unrealized valuation loss on fair value of debt instruments		-					
Re-measurement of retirement benefit asset	14	-	10,435,254	-	-	-	10,435,254
Revaluation gain on property	12	<u>152,623,441</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,202,000)</u>	<u>(8,202,000)</u>
		152,623,441	(372,171)	-	-	239,855,609	392,106,879
Transactions with owners:							
Dividends on permanent shares	23	-	-	-	-	(8,004,351)	(8,004,351)
Life long savers	23	-	-	-	-	(6,505,462)	(6,505,462)
Write Back of Dividend	23	-	-	-	-	1,334,482	1,334,482
Transfer to revenue reserves	23	-	-	-	-	(11,000,000)	(11,000,000)
Transfer to statutory reserves	20	-	-	-	-	(21,871,836)	(21,871,836)
Transfer from retirement benefit reserve		-	-	-	(6,242,000)	6,242,000	-
Transfer of revaluation gain on investment property	9	159,557,735	-	-	-	(159,557,735)	-
Decrease in reserves	22	-	-	(14,443,907)	-	-	(14,443,907)
Transfer to reserves	22	<u>-</u>	<u>-</u>	<u>23,561,000</u>	<u>-</u>	<u>(23,561,000)</u>	<u>-</u>
		<u>312,181,176</u>	<u>(372,171)</u>	<u>9,117,093</u>	<u>(6,242,000)</u>	<u>16,931,707</u>	<u>331,615,805</u>
Balance at 31 December 2024	21	<u>953,349,689</u>	<u>12,060,030</u>	<u>163,090,253</u>	<u>35,053,000</u>	<u>54,212,295</u>	<u>1,217,765,267</u>

Statement of Changes in Equity

Year Ended 31 December 2025

Non-Institutional Capital



	<u>Note</u>	<u>Capital Revaluation Reserve</u> ₹	<u>Investment Reserve</u> ₹	<u>Other Non-Qualifying Reserve</u> ₹	<u>Retirement Benefit Reserve</u> ₹	<u>Undistributed Surplus</u> ₹	<u>Total</u> ₹
Balance at 31 December 2024: (brought forward)		953,349,689	12,060,030	163,090,253	35,053,000	54,212,295	1,217,765,267
Total comprehensive income:							
Net surplus for the year		-	-	-	-	78,177,998	78,177,998
Other comprehensive Income:							
Realized valuation gain on fair value of debt instruments		-	(1,896,366)	-	-	-	(1,896,366)
Unrealized valuation gain on fair value of debt instruments		-	(4,049,757)	-	-	-	(4,049,757)
Re-measurement of retirement benefit asset	14	-	-	-	-	(6,495,000)	(6,495,000)
		-	(5,946,123)	-	-	71,682,998	65,736,875
Transactions with owners:							
Dividends on permanent shares	23	-	-	-	-	(8,600,000)	(8,600,000)
Life long savers	23	-	-	-	-	(6,835,764)	(6,835,764)
Write back of dividend	23	-	-	-	-	3,017,766	3,017,766
Transfer to statutory reserves	20	-	-	-	-	(16,845,003)	(16,845,003)
Transfer to revenue reserves	23	-	-	-	-	(9,946,881)	(9,946,881)
Transfer from retirement benefit reserve		-	-	-	(5,621,000)	5,621,000	-
Decrease in reserves	22	-	-	(27,555,605)	-	-	(27,555,605)
Transfer to reserves	22	-	-	17,000,000	-	(17,000,000)	-
		-	(5,946,123)	(10,555,605)	(5,621,000)	21,094,116	(1,028,612)
Balance at 31 December 2025	21	<u>953,349,689</u>	<u>6,113,907</u>	<u>152,534,648</u>	<u>29,432,000</u>	<u>75,306,411</u>	<u>1,216,736,655</u>

Statement of Cash Flows

Year Ended 31 December 2025



	<u>Note</u>	<u>2025</u> ₹	<u>2024</u> ₹
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net surplus		78,177,998	248,057,609
Adjustments for:			
Depreciation	12	17,501,694	11,942,122
Amortisation	13	1,392,154	1,592,497
Unrealised fair value gains on investment property	9	-	(159,557,735)
Unrealised fair value losses on FVTPL investments	25	2,190,233	942,351
Retirement benefit expense	14(f)	2,045,000	1,242,000
Impairment allowance on loans	7(d)	37,294,932	33,131,285
Interest income		(650,856,965)	(610,072,209)
Interest expense		<u>78,887,325</u>	<u>73,667,347</u>
		(433,367,629)	(399,054,733)
Changes in operating assets and liabilities			
Other assets		(3,000,703)	(7,274,074)
Retirement benefit asset	14(b)	(2,919,000)	(3,202,000)
Loan scheme funds		(2,788,765)	(432,069)
Saving deposits		102,399,801	153,403,038
Voluntary shares		201,440,082	214,361,043
Payables		17,374,599	(3,094,435)
Decrease in reserves	22	(27,555,605)	(14,443,907)
Loans receivable		<u>(419,410,654)</u>	<u>(779,310,258)</u>
		(567,827,874)	(839,047,395)
Interest received		655,212,729	606,879,235
Interest paid		<u>(76,115,445)</u>	<u>(72,778,134)</u>
Net cash provided by/(used in) operating activities		<u>11,269,410</u>	<u>(304,946,294)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Addition to financial investment		(37,962,486)	(16,708,174)
Proceeds from financial Investments		75,489,546	77,337,624
Resale agreements (net)		173,571,038	(134,644,878)
Additions to Liquid assets (net)		1,178,472	(252,394,670)
Additions to property, plant and equipment	12	(54,597,451)	(7,111,857)
Additions to investment property	19	<u>-</u>	<u>(3,342,265)</u>
Net cash provided by/(used in) investing activities		<u>157,679,119</u>	<u>(336,864,220)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Subscription to permanent shares	20	5,194,398	5,519,405
Dividend paid		<u>-</u>	<u>(6,669,869)</u>
Net cash provided by/(used in) financing activities		<u>5,194,398</u>	<u>(1,150,464)</u>
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		<u>174,142,927</u>	<u>(642,960,978)</u>
Cash and cash equivalents at the beginning of the year		<u>354,646,148</u>	<u>997,607,126</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	10	<u>528,789,075</u>	<u>354,646,148</u>



1. IDENTIFICATION AND PRINCIPAL ACTIVITY:

The Credit Union is incorporated under the laws of Jamaica and is registered under the Cooperative Societies Act. Membership is limited to employees, ex-employees, pensioners of the Jamaica Public Service Company Limited, the Jamaica Energy Partners, Digicel (Jamaica) Limited, UC Rusal and Collector General, the staff of the Credit Union, spouse, children, parents, brothers, sisters, aunts, uncles, nieces and nephews of members and spouses of children.

The Credit Union's registered office is located at 65 ¾ Half Way Road, Kingston 10, Jamaica and has branches in Ewarton (St. Catherine), Kirkvine (Manchester), Ocean Boulevard (Kingston) and Port Esquivel (St. Catherine).

The Credit Union's main activities are:

- the promotion of thrift;
- the provision of loans to members exclusively for provident and productive purposes; and to receive the savings of its members either as payment on shares or as deposits.

The Credit Union is exempt from Income Tax under Section 59 (1) of the Co-operative Societies Act and Section 12 of the Income Tax Act.

Membership in the Credit Union is obtained by the holding of members' shares, which should be at least one thousand (1,000) voluntary shares and one thousand (1,000) permanent shares. These shares are issued at par value of \$1 each. Voluntary shares are deposits available for withdrawal on demand, while permanent shares are paid in cash and invested in risk capital. Individual membership may not exceed 20% of the total members' deposits.

Amounts paid for permanent shares may not be withdrawn in whole or in part and may not be pledged to secure credit facilities with the Credit Union.

An individual ceasing to be a member of the Credit Union, shall be entitled to a redemption of any amount held as permanent shares. Permanent shares are redeemable only upon transfer to another member. To facilitate this, the Credit Union has established a Redemption Reserve Account.

2. MATERIAL ACCOUNTING POLICIES:

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. Where necessary prior year balances have been reclassified to conform to current year presentation.

(a) Basis of preparation

The financial statements are presented in Jamaica dollars which is the Credit Union's functional currency.

2. MATERIAL ACCOUNTING POLICIES (CONT'D):

(a) Basis of preparation (cont'd)

These financial statements have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board (IASB) and Interpretations (collectively IFRS Accounting Standards). The financial statements have been prepared under the historical cost convention except for certain properties and financial assets that are measured at fair value and retirement benefit asset which is recognized as plan assets less the present value of the defined benefits obligations.

The preparation of financial statements in conformity with IFRS Accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Credit Union's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

New standards, interpretations and amendments that became effective during the year

Certain interpretations and amendments to existing standards have been published that became effective during the current financial year. The Credit Union has assessed the relevance of all interpretation and amendments and has concluded that they are not relevant to its operations:

New standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted

At the date of authorization, there are a number of standards, amendments to standards and interpretations which have been issued by the IASB that are effective in future accounting periods that the Credit Union has decided not to adopt early. The most significant of these are:

Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments, (effective for accounting periods beginning on or after 1 January 2026). These amendments:

- Clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- Provide additional guidance on assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;

MATERIAL ACCOUNTING POLICIES (CONT'D):

(a) Basis of preparation (cont'd)

New standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted (cont'd)

Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments, (effective for accounting periods beginning on or after 1 January 2026). These amendments (cont'd):

- Introduce new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- Update disclosure requirements for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

The Credit Union is assessing the impact the adoption of this amendment will have on its financial statements.

Amendments to IAS 7, 'Statement of Cash Flows', (effective for accounting periods beginning on or after 1 January 2027). The amendments require all companies to use the operating profit subtotal as defined in IFRS 18 as the starting point for the indirect method of reporting cash flows from operating activities. Additionally, the presentation alternatives for cash flows related to interest and dividends paid and received will be removed. The adoption of this amendment is not expected to have a material impact on the Credit Union.

IFRS 18, 'Presentation and Disclosure in Financial Statements', (effective for accounting periods beginning on or after 1 January 2027). The standard sets out significant new requirements for how financial statements are presented, with particular focus on the statement of profit or loss, including requirements for mandatory sub-totals to be presented, aggregation and disaggregation of information, as well as disclosures related to management defined performance measures. The standard will replace IAS 1 Presentation of Financial Statements and aims to improve comparability and transparency of the company's performance reporting. The Co-operative is still assessing the impact the adoption of this new standard will have on its financial statements.

There are no other IFRS or IFRIC interpretations issued by the IASB, but not yet effective, that would be expected to have a material impact on the Credit Union.

2. MATERIAL ACCOUNTING POLICIES (CONT'D):

(b) Foreign currency translation

Transactions entered into by the Credit Union in a currency other than the currency of the primary economic environment in which they operate (their “functional currency”) are recorded at the rates ruling when the transactions occur.

Foreign currency monetary assets and liabilities are translated at the rates ruling at the reporting date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in surplus or deficit.

(c) Financial assets

A financial asset is any contract that gives rise to a financial asset of one entity and a financial liability or equity instruments of another entity.

In these financial statements financial assets comprise liquid assets resale agreements, financial investments and cash and bank balances.

Recognition and initial measurement

The Credit Union recognizes a financial asset when it becomes a party to the contractual terms of the instrument. The Credit Union initially recognizes loans on the date when they are originated. All other financial assets are initially recognised on the trade date.

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

Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost and investments in debt instruments measured at fair value through other comprehensive income, which results in a reduction in surplus or deficit when an asset is newly originated.

Classification and subsequent measurement

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

Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer’s perspective, such as loans, government and corporate bonds.

MATERIAL ACCOUNTING POLICIES (CONT'D):

(c) Financial assets (cont'd)

Classification and subsequent measurement (cont'd)

Debt instruments (cont'd)

Classification and subsequent measurement of debt instruments depend on:

- The Credit Union's business model for managing the asset; and
- The cash flow characteristics of the asset.

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

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at fair value through profit or loss (FVTPL), are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured as described below. Interest income from these financial assets is included in 'Interest income' using the effective interest method.

Fair value through other comprehensive income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVTPL are measured at fair value through other comprehensive income.

Fair value through profit or loss (FVTPL)

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

MATERIAL ACCOUNTING POLICIES (CONT'D):

(c) Financial assets (cont'd)

Classification and subsequent measurement (cont'd)

Debt instruments (cont'd)

Business model assessment

The business model reflects how the Credit Union manages the assets in order to generate cash flows. That is, whether the Credit Union's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVTPL.

Factors considered by the Credit Union in determining the business model for a class of assets include:

- i. Past experience on how the cash flows for these assets were collected;
- ii. How the asset's performance is evaluated and reported to key management personnel;
- iii. How risks are assessed and managed; and
- iv. How managers are compensated.

For example, securities held for trading are held principally for the purpose of selling in the near future or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the 'other' business model and measured at FVTPL.

Solely payments of principal and interest (SPPI):

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

MATERIAL ACCOUNTING POLICIES (CONT'D):

(c) Financial assets (cont'd)

Classification and subsequent measurement (cont'd)

Debt Instruments (cont'd)

Solely payments of principal and interest (SPPI) (cont'd):

The Credit Union reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the period.

Equity instruments

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

The Credit Union subsequently measures all equity investments at fair value through profit or loss, except where the Credit Union's management has elected, at initial recognition, to irrevocably designate an equity investment at fair value through other comprehensive income. The election is made on an investment-by-investment basis.

Gains and losses on equity investments at FVTPL are included in the 'Non-interest income' caption in the statement of surplus or deficit.

Derecognition

The Credit Union derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Credit Union neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

MATERIAL ACCOUNTING POLICIES (CONT'D):

(c) Financial assets (cont'd)

Measurement, gains or losses

The 'liquid assets, resale agreements and financial investments' captions in the statement of financial position includes:

- Debt investment securities measured at amortised cost which are initially measured at fair value plus incremental direct costs, and subsequently at their amortised cost using the effective interest method;
- Debt investment securities designated at FVOCI, which are at fair value with changes recognised in other comprehensive income;
- Equity investment securities mandatorily measured at FVTPL or designated as at FVTPL which are at fair value with changes recognised immediately in surplus or deficit;
- Equity investment securities designated as FVOCI.

The Credit Union elects to present in OCI changes in the fair value of certain investments in equity instruments that are not held for trading. The election is made on an instrument-by instrument basis on initial recognition and is irrecoverable.

Gains and losses on such equity instruments are never reclassified to surplus or deficit and no impairment is recognised in surplus or deficit. Dividends are recognised in surplus or deficit unless they clearly represent a recovery of part of the cost of the investment, in which case they are recognised in OCI. Cumulative gains and losses recognised in OCI are transferred to accumulated surplus on disposal of an investment.

Impairment of financial assets

The Credit Union recognises loss allowances for expected credit losses (ECL) on financial assets that are debt instruments and that are not measured at FVTPL.

The Credit Union measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- debt investment securities that are determined to have low credit risk at the reporting date; and
- other financial instruments on which credit risk has not increased significantly since their initial recognition.

2. MATERIAL ACCOUNTING POLICIES (CONT'D):

(c) Financial assets (cont'd)

Impairment of financial assets (cont'd)

The Credit Union considers a debt investment security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Credit Union does not apply the low credit risk exemption to any other financial instruments.

12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for which a 12-month ECL is recognised are referred to as 'Stage 1 financial instruments'.

Life-time ECL are the ECL that result from all possible default events over the expected life of the financial instrument. Financial instruments for which a lifetime ECL is recognised but which are not credit-impaired are referred to as 'Stage 2 financial instruments'.

Measurement of ECL

ECL are a probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Credit Union expects to receive);
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;
- undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Credit Union if the commitment is drawn and the cash flows that the Credit Union expects to received.

2. MATERIAL ACCOUNTING POLICIES (CONT'D):

(c) Financial assets (cont'd)

Impairment of financial assets (cont'd)

Restructured financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised and ECL are measured as follows:

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

Credit-impaired financial assets

At each reporting date, the Credit Union assesses whether financial assets carried at amortised costs are credit-impaired (referred to as 'Stage 3 financial assets'). A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan or advance by the Credit Union on terms that the Credit Union would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.



2. MATERIAL ACCOUNTING POLICIES (CONT'D):

(c) Financial assets (cont'd)

Impairment of financial assets (cont'd)

Credit-impaired financial assets (cont'd)

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a loan that is overdue for 90 days or more is considered credit-impaired even when the regulatory definition of default is different.

In making an assessment of whether an investment in sovereign debt is credit-impaired, the Credit Union considers the following factors:

- The market's assessment of creditworthiness as reflected in the bond yields.
- The rating agencies' assessments of creditworthiness.
- The country's ability to access the capital markets for new debt issuance.
- The probability of the debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness.
- The international support mechanisms in place to provide the necessary support as 'lender of last resort' to that country, as well as the intention, reflected in public statements of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and, irrespective of the political intent, whether there is the capacity to fulfil the required criteria.

Presentation of allowance for ECL in the statement of financial position

Allowances for ECL are presented in the statement of financial position as follows:

- Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets.
- Loan commitments and financial guarantee contracts: generally, as a provision.
- Debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets are their fair values. However, the loss is recognised in surplus or deficit as a reclassification from OCI.

2. MATERIAL ACCOUNTING POLICIES (CONT'D):

(c) Financial assets (cont'd)

Impairment of financial assets (cont'd)

Credit-impaired financial assets (cont'd)

Write-offs

Loans and debt securities are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally 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. This assessment is carried out at the individual asset level.

Loans and debt securities are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally 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. This assessment is carried out at the individual asset level.

Recoveries of amounts previously written off are included in “loan impairment losses” in the statement of surplus or deficit.

Financial assets that are written-off could still be subject to enforcement activities in order to comply with the Credit Union’s procedures for recovery of amounts due.

Regulatory provisions

Regulatory provisions are established for loans to members as a result of a review of the carrying value of loans in arrears and are derived based on the requirements stipulated by the Jamaica Co-operative Credit Union League Limited (JCCUL) provisioning policy of making a full provision for loans in arrears over twelve (12) months. General provisions ranging from 10% to 60% are established in respect of loans in arrears for two (2) to twelve (12) months.

Regulatory provisions that exceeds the IFRS 9 expected credit losses are dealt with in a non-distributable loan loss reserve as an appropriation of undistributable surplus (see note 7).



2. MATERIAL ACCOUNTING POLICIES (CONT'D):

(d) Financial liabilities

Financial liabilities are initially recognised on the trade date at fair value, being their issue proceeds, net of transaction costs directly attributable to the issue of the instrument and are subsequently measured at amortised cost.

The Credit Union's financial liabilities comprise primarily voluntary shares, saving deposits, loan scheme funds, payables and bank overdraft.

The Credit Union derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

(e) Resale agreements

Securities sold under agreements to repurchase (repurchase agreements), and securities purchased under agreements to resell (reverse repurchase agreements), are treated as collateralized financing transactions. The difference between the sale/purchase and repurchase/resale price is treated as interest and accrued over the lives of the agreements using the effective yield method. Resale agreements are classified and measured at amortised cost.

(f) Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at amortised cost and include cash and bank balances as well as liquid financial assets with original maturities of three (3) months or less, which are subject to insignificant risk of changes in their fair value and are held for the purpose of meeting short-term cash commitments, rather than for investment for other purposes. Cash and cash equivalents also includes bank overdraft.

(g) Property, plant and equipment

Property, plant and equipment are initially recorded at cost. Freehold land and buildings are subsequently shown at fair value based on biennial valuations by external independent valuers, less subsequent depreciation of buildings. Any accumulated depreciation is eliminated against the gross carrying amount of the assets and the net amount is restated to the revaluation amount. Plant and equipment are carried at cost less accumulated depreciation.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Credit Union and the cost of the item can be measured reliably.

2. MATERIAL ACCOUNTING POLICIES (CONT'D):

(g) Property, plant and equipment (cont'd)

Increases in carrying amounts arising on revaluation are credited to the capital reserve in equity. Decreases that offset previous increases of the same asset are charged against the capital reserve; all other decreases are charged to surplus or deficit.

Depreciation is calculated on the straight-line method at annual rates estimated to write off the costs of the assets over the period of their estimated useful lives. Land is not depreciated. Annual rates are as follows:

Computer	33.33%
Furniture & fixtures	10%
ATM	12.50%
Garden tools	33.33%
Building	2.5%
Software	33%
Equipment	20%

The assets residual values and useful lives are reviewed and adjusted if appropriate at each statement of financial position date. Where the carrying amount of an asset is greater than its estimated recoverable amount it is written down immediately to its recoverable amount.

Gains or losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining surplus. When revalued assets are sold, the amounts included in capital revaluation reserve are transferred to undistributed surplus.

Repairs and maintenance are charged to the surplus or deficit account during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Credit Union. Major renovations are depreciated over the remaining useful life of the related asset.

(h) Investment property

Investment property is held for long term rental yields and capital gains and is not occupied by the Credit Union. Investment property is initially recognised at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met, and excludes the costs of day-to-day servicing of investment property. Subsequent to initial recognition, investment property is measured at fair value.



2. MATERIAL ACCOUNTING POLICIES (CONT'D):

(h) Investment property (cont'd)

Fair value is determined every two years by an independent registered valuer, and in each intervening year by management. Fair value is based on current prices in an active market for similar properties in a similar location and condition. Any gain or loss arising from a change in fair value is recognised in surplus or deficit after which amounts are transferred and accumulated in capital/revaluation reserve.

(i) Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

(j) Employee benefits

The Credit Union contributes to two separate pension funds on behalf of its employees: a defined contribution plan and a defined benefit plan independently administered as follows:

Defined contribution plan

This is a money purchase plan whereby it pays contributions to a privately administered fund. Once the contributions have been paid, the Credit Union has no further obligations. The regular contributions constitute net periodic costs for the year in which they are due and are included in staff costs.

Defined benefit plan

This is a multi-employer defined benefit pension scheme. The pension is funded from payments from employee and by the Credit Union, taking into account the recommendation from independent qualified actuaries.

The asset or liability in respect of defined benefit plans is the difference between the present value of the defined benefit obligations and fair value of plan assets at the reporting date.

2. MATERIAL ACCOUNTING POLICIES (CONT'D):

(j) Employee benefits (cont'd)

Defined benefit plan (cont'd)

Where a pension asset arises, the amount recognised is limited to the present value of any economic benefits available in the form of funds from the plan or reductions in the future contributions to the plan. The valuation is performed annually by independent actuaries using the projected unit credit method. Under this method, the cost of providing pensions is charged to net surplus so as to spread the regular cost of service over the service lives of the employees. The pension obligation is measured as the present value of the estimated future cash outflows using discount rates based on market yields on government securities which have terms to maturity approximating the terms of the related liability. The pension plan assets are allocated based on the Credit Union's obligations as a proportion of the total obligations of the plan.

Actuarial gains and losses arising from experience adjustments, changes in actuarial assumptions and amendments to pension plans are charged or credited to the undistributed surplus in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in the surplus or deficit.

(k) Saving deposits

Savings deposits are recognised initially at the normal amount when funds are received. Deposits are subsequently stated at amortised cost.

(l) Shares

Permanent shares

Permanent shares may be transferred by a member to another member but are not available for withdrawal. Permanent shares are classified as equity.

Voluntary shares

Voluntary shares represent deposit holdings of the Credit Union's members, to satisfy membership requirements and to facilitate eligibility for loans and other benefits. These shares are classified as financial liabilities as they are available for withdrawal at short notice. Interest payable on these shares are determined at the discretion of the Credit Union and reported as interest expense in the statement of surplus or deficit in the period in which they are approved.



2. MATERIAL ACCOUNTING POLICIES (CONT'D):

(m) Institutional capital

Institutional capital includes the statutory reserve, as well as any other reserve established from time to time which, in the opinion of the directors, are necessary to support the operations of the Credit Union and, thereby, protect the interest of the members. These reserves are not available for distribution.

The Co-operative Societies Act provides that at least twenty percent (20%) of the annual net income before honorarium should be carried to a statutory reserve.

(n) League fees and stabilization dues

JCCUL has fixed the rate of League fees at 0.20% (2024: 0.20%) of total assets. Stabilization dues are fixed at a rate of total deposits 0.15% (2025: 0.15%) of total savings.

(o) Related party

A party is related to the Credit Union, if:

- (i) Directly, or indirectly through one or more intermediaries, the party:
 - (a) is controlled by, or is under common control with, the Credit Union;
 - (b) has an interest in the Credit Union that gives it significant influence over the entity; or
 - (c) has joint control over the Credit Union.
- (ii) The party is a member of the key management personnel of the entity;
- (iii) The party is a close member of the family of any individual referred to in (i) or (iv);
- (iv) The party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (ii) or (iii).

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged. The Credit Union has a related party relationship with its directors and key management personnel representing certain senior officers of the Credit Union.

2. MATERIAL ACCOUNTING POLICIES (CONT'D):

(p) Interest expense

Interest expense is recognised in surplus for all interest bearing liabilities using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash payments through the expected life of the financial liabilities (or, where appropriate, a shorter period) to the carrying amount of the financial liability.

Interest expense presented in the statement of surplus or deficit and other comprehensive income includes interest expense on financial liabilities measured at amortised cost.

(q) Interest income

Interest income is recognised in surplus using the effective interest rate method. The “effective interest rate” is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instruments to its gross carrying amount.

When calculating the effective interest rate for financial instruments, the Credit Union estimates future cash flows considering all contractual terms of the financial instrument, but not ECL.

The calculation of the effective interest rate includes transactions costs and fees and amounts paid or received that are an integral part of the effective interest rate. Transactions costs include incremental costs that are directly attributable to the acquisition of a financial asset.

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

The ‘gross carrying amount of a financial asset’ is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

The effective interest rate of a financial asset is calculated on initial recognition. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) and is revised as a result of periodic re-estimation of cashflow of floating rate instruments to reflect movement in market rates of interest.



2. MATERIAL ACCOUNTING POLICIES (CONT'D):

(q) Interest income (cont'd)

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortised cost of the asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the assets improves.

Interest income calculated using the effective interest rate method presented in the statement of surplus or deficit and other comprehensive income includes interest on financial assets measured at amortised cost.

(r) Revenue recognition

Revenue is generally recognised when the performance obligations are satisfied either at a point in time or over time as the services are provided based on the consideration specified in the contract with customers. Revenue comprises fees and commissions, dividends, rental and other income.

The nature and timing of the satisfaction of performance obligations in contracts with customers and the related recognition criterion are described below -

(i) Fees and commission

Fees and commission income from contracts with customers are measured based on the consideration specified in a contract with a customer. The credit union recognizes revenue when it transfers control over a service to a customer.

Fee and commission income that are integral to the effective interest rate on financial assets are included in the effective interest rate. Fees and commission arising from or participating in the negotiation of a transaction are recognized on a straight-line basis over the commitment period. These include loan origination fees.

Service/maintenance fees are charged on a monthly basis and based on a fixed rate determined by the Credit Union when the related services are performed.

2. MATERIAL ACCOUNTING POLICIES (CONT'D):

(r) Revenue recognition (cont'd)

(ii) Dividend income

Dividend income from equity financial investments is recognized at the point when the shareholder's right to receive payment has been established.

(iii) Rental income

Rental income from operating leases is recognised on a straight-line basis over the term, period of occupancy, of the relevant lease.

(iv) Other income

Other income is recognised on an accrual basis.

3. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES:

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the process of applying the Credit Union's accounting policies, management has made the following critical accounting estimates or judgements which it believes have a significant risk of causing a material misstatement in these financial statements.

(a) Critical Accounting Estimate and Judgement Applied

(i) Classification of financial assets

The assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial assets are solely payments of principal and interest (SPPI) on the principal payment amount outstanding requires management to make certain judgements on its business operations.

(ii) Impairment of financial assets

Establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition, determining the methodology for incorporating forward-looking information into the measurement of expected credit loss (ECL) and selection and approval of models used to measure ECL requires significant judgement.



3. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D):

(b) Key assumptions and other sources of estimation uncertainty

(i) Allowance for impairment losses on financial assets

The measurement of the expected credit loss allowance for financial assets measured at amortised cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). Management also estimate the likely amount of cashflows recoverable on the financial assets in determining loss given default. The use of assumptions make uncertainty inherent in such estimate. Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in note 4. The use of assumptions make uncertainty inherent in such estimate.

(ii) Retirement benefit asset

The amounts recognised in the statement of financial position and statement of surplus or deficit and other comprehensive income for pension benefits are determined actuarially using several assumptions. The primary assumptions used in determining the amounts recognised, include the discount rate used to determine the present value of estimated future cash flows required to settle the pension obligations.

The discount rate is determined based on the estimate of yield on long-term government securities that have maturity dates approximating the terms of the Credit Union's obligations. In the absence of such instruments in Jamaica, it has been necessary to estimate the rate by extrapolating from the longest-tenor security on the market. Any changes in these assumptions will impact the amounts recorded in the financial statements for these obligations.

(iii) Fair value of financial instruments

In the absence of quoted market prices, the fair value of the Credit Union's financial instruments are determined using a generally accepted alternative to quoted market prices. Considerable judgement is required in interpreting market data to arrive at estimates of fair values. Consequently, the estimates arrived at may be significantly different from the actual price of the instrument in an arm's length transaction.

3. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES:

(b) Key assumptions and other sources of estimation uncertainty (cont'd)

(iv) Depreciable assets

Estimates of the useful life and residual value of property, plant and equipment are required in order to apply an adequate rate of transferring the economic benefits embodied in these assets in the relevant periods. The Credit Union applies a variety of methods in an effort to arrive at these estimates from which actual results may vary. Actual variations in estimated useful lives and residual values are reflected in surplus or deficit through impairment or adjusted depreciation provisions.

(v) Valuation of investment property

Investment property is measured at fair value. Given the infrequency of trades in comparable properties in some cases, and therefore the absence of a number of observable recent market prices, fair value is less objective and requires significant estimation, which is impacted by the uncertainty of market factors, pricing assumptions and general business and economic conditions (see note 9).

4. FINANCIAL RISK MANAGEMENT:

The Credit Union's activities are principally related to the use of financial instruments, which involve analysis, evaluation and management of some degree of risk or combination of risks. The Credit Union manages risk through a framework of risk principles, organizational structures and risk management and monitoring processes that are closely aligned with the activities of the Credit Union. The Credit Union's risk management policies are designed to identify and analyze the risks faced by the Credit Union, to set appropriate risk limits and controls, and to monitor risks and adherence to limits by means of regularly generated reports. The Credit Union's aim is therefore to achieve an appropriate balance between risks and return and minimize potential adverse effects on the Credit Union's financial performance.

The Credit Union has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

4. FINANCIAL RISK MANAGEMENT (CONT'D):

In common with all other businesses, the Credit Union's activities expose it to a variety of risks that arise from its use of financial instruments. This note describes the Credit Union's objectives, policies and processes for managing those risks to minimize potential adverse effects on the financial performance of the Credit Union and the methods used to measure them.

(i) Principal financial instruments

The principal financial instruments used by the Credit Union from which financial instrument risk arises, are as follows:

- Financial investments
- Loans receivable
- Liquid assets
- Resale agreements
- Cash and bank balances
- Payables
- Voluntary shares
- Saving deposits
- Loan scheme funds

(ii) Financial instruments by category

Financial assets

	Amortised Cost \$	Fair value through surplus or deficit \$	Fair value through other comprehensive income \$	Total \$
31 December 2025:				
Cash and bank balances	61,151,643	-	-	61,151,643
Liquid assets	688,411,702	-	-	688,411,702
Loans receivable	4,552,597,700	-	-	4,552,597,700
Resale agreements	323,386,802	-	-	323,386,802
Financial investments	<u>152,548,180</u>	<u>101,042,985</u>	<u>69,509,218</u>	<u>323,100,383</u>
	<u>5,778,096,027</u>	<u>101,042,985</u>	<u>69,509,218</u>	<u>5,948,648,230</u>

4. FINANCIAL RISK MANAGEMENT (CONT'D):

(ii) Financial instruments by category (cont'd)

Financial assets (cont'd)

	Amortised Cost ₹	Fair value through surplus or deficit ₹	Fair value through other comprehensive income ₹	Total ₹
31 December 2024:				
Cash and bank balances	72,877,759	-	-	72,877,759
Liquid assets	720,742,989	-	-	720,742,989
Loans receivable	4,171,201,751	-	-	4,171,201,751
Resale agreements	292,353,980	-	-	292,353,980
Financial investments	<u>186,398,369</u>	<u>95,317,698</u>	<u>90,683,722</u>	<u>372,399,789</u>
	<u>5,443,574,848</u>	<u>95,317,698</u>	<u>90,683,722</u>	<u>5,629,576,268</u>

Financial liabilities

	Amortised cost	
	2025 ₹	2024 ₹
Payables	94,197,883	75,085,060
Saving deposits	2,654,206,240	2,549,034,560
Voluntary shares	2,050,663,234	1,849,223,152
Loan scheme funds	<u>12,275,758</u>	<u>15,064,523</u>
	<u>4,811,343,115</u>	<u>4,488,407,295</u>



4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Fair value of financial instruments

Fair value 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 and is best evidenced by a quoted market price, if one exists. Some of the Credit Union's financial instruments lack an available trading market. Therefore, these instruments have been valued using present value or other valuation techniques and the values may not necessarily be indicative of the amounts realisable in an immediate settlement of the instruments. In addition, market conditions at a specific point in time may not be reflective of future fair values.

The fair value of liquid assets, resale agreements, cash and bank balances, other assets, bank overdraft and payables maturing within one year is assumed to approximate their carrying value. This assumption is applied to liquid assets and the short-term elements of all other financial assets and liabilities.

The fair value of financial investments is based on quoted market bid prices, when available. Where quoted market bid prices are not available, other valuation techniques are used.

Saving deposits and loan scheme funds are carried at amortised cost, which is deemed to approximate their fair values, as these balances attract interest rates at terms comparable to market interest rates.

The fair value of voluntary shares and certain saving deposits, with no specific maturity are assumed to be the amount payable on demand at the reporting date.

The fair value of loans receivable could not be readily determined as the loans are generally unique to the Credit Union although they are at market comparable interest rates. Additionally, the carrying amount of the loans reflects the expected lifetime credit losses, value and quality collateral and interest rates on loans.

Financial instruments that are measured at fair value at the reporting date are grouped into levels 1, 2 and 3 of the fair value hierarchy based on the degree to which the fair value inputs are observable, as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical instruments.
- Level 2: Discounted cash flow techniques using a discount rate from observable market data, i.e., average of several brokers/dealers market indicative yields in active markets for identical assets or liabilities.
- Level 3: Valuation techniques using significant unobservable inputs.

4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Fair value of financial instruments (cont'd)

There were no transfers between levels during the year.

The following table shows the fair values of financial assets including their levels in the fair value hierarchy. The tables does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of their fair value.

	31 December 2025			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Financial investments measured at fair value (note 8):				
Unit trusts	-	33,750,617	-	33,750,617
Money market funds	-	41,655,224	-	41,655,224
Quoted equities	25,637,144	-	-	25,637,144
Government of Jamaica and Global Bonds	-	46,667,814	-	46,667,814
Unquoted shares	-	-	22,841,404	22,841,404
	<u>25,637,144</u>	<u>122,073,655</u>	<u>22,841,404</u>	<u>170,552,203</u>

	31 December 2024			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Financial investments measured at fair value (note 8):				
Unit trusts	-	28,467,560	-	28,467,560
Money market funds	-	39,022,761	-	39,022,761
Quoted equities	27,827,377	-	-	27,827,377
Government of Jamaica and Global Bonds	-	67,842,317	-	67,842,317
Unquoted shares	-	-	22,841,405	22,841,405
	<u>27,827,377</u>	<u>135,332,638</u>	<u>22,841,405</u>	<u>186,001,420</u>

4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Fair value of financial instruments (cont'd)

Valuation techniques

The valuation techniques used in determining fair value measurement of Level 1 financial instrument is the Jamaica Stock Exchange.

The valuation techniques used in measuring fair value in the level 2 and level 3 hierarchy, as well as the significant unobservable inputs used are as follows:

Level 2 fair value measurement

Financial assets

Method

Government of Jamaica securities

Obtain bid yield from yield curve provided by a recognized pricing source (which uses market-supplied indicative bids).

Using this yield, determined price using accepted formula.

Apply price to estimate fair value.

Government of Jamaica USS Global

Apply prices of bonds at reporting date as quoted by broker/dealer, where available.

Corporate bonds

Estimated using bid-prices published by major brokers/dealers.

Money Market funds

Net asset valuation method.

Investments in unit trusts

Obtain prices quoted by unit trust managers.

Apply price to estimate fair value.

4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Fair value of financial instruments (cont'd)

Level 3 fair value measurement

Unquoted equities –fair value through OCI

These shares represent investments that the Credit Union intends to hold long term for strategic purposes and are not actively traded. These shares were measured at fair value on initial recognition and subsequently where their value cannot be measured reliably, the assets are measured at the carrying amount determined at the last date on which the fair value could be determined reliably.

Valuation techniques and inputs

Significant unobservable inputs used in the net assets valuation (NAV) method for unquoted equities include assets that do not have a quoted market price. Unquoted equities represents holdings in entities in the financial sector providing services mainly to credit unions. As these are financial entities, the NAV is considered an appropriate basis to fair value these equities.

The fair value of shares held in Jamaica Cooperative Credit Union League Ltd. and other related entities are determined using the net asset valuation method. There is no available market for these instruments. The Credit Union has no intention to dispose of these investments.

(iv) Financial risk

The Board of Directors is ultimately responsible for the establishment and oversight of the Credit Union's risk management framework. The Board has established committees for managing and monitoring risks.

The five key committees for managing and monitoring risks are as follows:

(a) Supervisory Committee

The Supervisory Committee oversees the Internal Audit function of the Credit Union and ensures that internal procedures and controls are adhered to. The Supervisory Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of management controls and procedures, the results of which are reported to the Supervisory Committee and the Board of Directors.



4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iv) Financial risk (cont'd)

(b) Credit Committee

The Credit Committee oversees the approval of the credit facilities to members. It is also primarily responsible for monitoring the quality of the loan portfolio.

(c) Finance Committee

The Finance Committee is responsible for overseeing the management of the Credit Union's assets and liabilities and the overall financial structure. It is also primarily responsible for managing the funding and liquidity risks of the Credit Union.

(d) Risk and Compliance Committee

The Risk and Compliance Committee monitors the Credit Union's exposure to business risks, primarily credit risk by ensuring that collaterals used to secure members' loans are adequate prior to loan approval. It is also responsible for monitoring the Credit Union's compliance to the rules and regulations governing the Credit Union as well as management's policies and procedures.

(e) Delinquency Committee

The Delinquency Committee is responsible for overseeing the management of the Credit Union's delinquency ratios and the recoverability of overdue loan balances. The committee also oversees the disposal of repossessed collateral with the assistance of the Risk and Compliance Committee.

These committees comprise persons inclusive of management; Supervisory, Finance and Risk and Compliance Committees reports to the Board of Directors monthly. The other committees reports through the General Manager to the Board of Directors.

The Credit Union's overall risk management programme seeks to minimize potential adverse effects on the Credit Union's financial performance. There have been no significant changes to the Credit Union's exposure to financial risks or the manner in which it manages and measures its risks.



4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iv) Financial risk (cont'd)

(i) Credit risk (cont'd)

The Credit Union takes on exposure to credit risk, which is the risk that a counterparty will cause a financial loss by being unable to pay amounts in full when due. Credit exposures arise principally in lending activities. For loans, strategic decisions are primarily made by the Board of Directors, with some delegation of credit approval authority to the Credit Committee and certain members of executive management. The Credit Union's credit policy forms the basis for all its lending operations. The Policy aims at maintaining a high quality loan portfolio, as well as enhancing the Credit Union's mission and strategy. The policy sets the basic criteria for acceptable risk and identifies risk areas that require special attention.

Additionally, the Credit Union is exposed to credit risk in its treasury activities, arising from financial assets that the Credit Union uses for managing its liquidity and interest rate risks, as well as other market risks.

There is also credit risk in relation to financial items not included in the statement of financial position at year end such as loan commitments.

Credit review process

The Credit Union has established a credit quality review process involving regular analysis of the ability of borrowers and other counterparties to meet interest and loan repayment obligations.

The Credit Union assesses the probability of default of individual borrowers using internal ratings. The Credit Union assesses each borrower on four critical factors. These factors are the member's credit history, ability to pay linked to a debt service ratio of 60:40, character profile and the member's economic stability, based on employment and place of abode.

Borrowers of the Credit Union are segmented into two rating classes: performing and non-performing.

The credit quality review process allows the Credit Union to assess the potential loss as a result of the risk to which it is exposed and take corrective action. Exposure to credit risk is managed, in part, by obtaining collateral and personal guarantees.



4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iv) Financial risk (cont'd)

(i) Credit risk (cont'd)

Credit risk limits

The Credit Union manages concentrations of credit risk by placing limits on the amount of risk accepted in relation to a single borrower or group of related borrowers, and to product segments.

Borrowing limits are established by the use of the system described above. Limits on the level of credit risk by product categories and for investment categories, are reviewed and approved annually by the Board of Directors.

Collateral

The amount and type of collateral required by the Credit Union depends on an assessment of the credit risk of the borrower. With the exception of loans, debt securities are generally unsecured while reverse repurchase agreements are secured by portfolios of financial instruments. Guidelines are implemented regarding the acceptability of different types of collateral. The Credit Union's policy regarding obtaining collateral has not significantly changed during the reporting period and there has been no significant change in the overall quality of the collateral held by the Credit Union since the prior period. The principal collateral types for loans and advances are:

- Mortgages over residential and commercial properties;
- Charges over business assets such as premises;
- Bill of sale over motor vehicles; and
- Charges and hypothecations over deposit balances.

Management monitors the market value of collateral, request additional collateral in accordance with the underlying agreement, and monitors the market value of collateral obtained during its annual review of individual credit facilities as well as during its review of the adequacy of the provision for credit losses.

4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iv) Financial risk (cont'd)

(i) Credit risk (cont'd)

Collateral (cont'd)

Repossessed Collateral

The Credit Union obtained assets by taking possession of collateral held as security, as follows:

	<u>Carrying Amount</u>	
	<u>2025</u>	<u>2024</u>
	\$	\$
Real estate	17,000,000	21,000,000
Motor vehicles	<u>4,700,000</u>	<u>8,250,000</u>
	<u>21,700,000</u>	<u>29,250,000</u>

Repossessed properties are sold as soon as practicable with the proceeds used to reduce the outstanding indebtedness. In general, the Credit Union does not utilise the properties for business use.

Financial investments and resale agreements

External rating agency grades are used to assess credit quality. These published grades are continuously monitored and updated. Default probabilities and recovery rates are assigned as published by the rating agency.

The Credit Union limits its exposure to credit risk by investing mainly in liquid securities, with counterparties that have high credit quality. As a consequence, management's expectation of default is low.

Liquid assets and bank balances

All liquid assets and bank balances are held in financial institutions which management regards as strong and reputable and are therefore assessed as having low credit risk at reporting date. The strength of these financial institutions is constantly reviewed by the Finance Committee.

4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iv) Financial risk (cont'd)

(i) Credit risk (cont'd)

Impairment of financial assets

The Credit Union has three (3) types of financial assets that are subject to the expected credit loss model:

- Loans receivable,
- Debt investments carried at amortised cost, and fair value through other comprehensive income;
- Resale agreements.

While cash at bank and liquid assets are also subject to the requirements of IFRS 9, all balances are assessed to have low credit risk at each reporting date as they are held with reputable institutions. No impairment loss was recognized as the amount was immaterial.

Impairment of loans receivable

The Credit Union applies the 'three stage' model under IFRS 9 in measuring the expected credit losses on loans, and makes estimations about the likelihood of defaults occurring, associated loss ratios, changes in market conditions and expected future cash flows. This is measured using the Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD) for a portfolio of assets.

- Probability of Default - This represents the likelihood of a borrower defaulting on its financial obligation either over the next 12 months (12 months PD) or over the remaining lifetime (Lifetime PD) of the obligation.
- Exposure at Default - This represents the expected balance at default, taking into account the repayment of principal and interest from the statement of financial position date to the default event together with any expected drawdowns of committed facilities.
- Loss Given Default - This represents expected losses on the EAD given the event of default, taking into account the mitigating effect of collateral value at the time it is expected to be realised and also the time value of money.

4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iv) Financial risk (cont'd)

(i) Credit risk (cont'd)

Impairment of loans receivable (cont'd)

The 'three stage' model is used to categorize financial assets according to credit quality as follows:

- Stage 1 - If a financial asset is subject to low credit risk at the reporting date, an amount equal to 12 months expected losses would be recognised.
- Stage 2 - If the credit risk increases significantly from initial recognition, an amount equal to lifetime expected credit losses would be recognised. Interest revenue would be on the gross basis.
- Stage 3 - If the financial asset meets the credit impaired definition, an amount equal to lifetime expected credit losses would be recognised and interest revenue would be on the net basis, rather than on the gross amount.

Transfer between stages

Loans, at any point in time, are either in stage 1, 2, or 3. At origination all loans are in stage 1 and a lifetime PD established based on the current risk score at that time. At future reporting dates, loans are again rated and another lifetime PD established based on the remaining term of the loan. This remaining lifetime PD is then compared with the expected remaining lifetime PD to determine if there is any significant increase in credit risk based on the difference, if any, of the two. If there are major differences, the loan moves to stage 2. Notwithstanding the above, loans on a watch list are placed in stage 2. Stage 2 loans are moved to stage 3, if the loan rating results in the borrower being rated as non-performing or in default.

If there is no significant increase in credit but the borrower is in default for more than 30 days past due, then the loan is placed in stage 2. Also, for those in arrears for more than 90 days past due, the loan is placed in stage 3. This rebuttable presumption is an after the fact measure. Stage 3 loans are said to be impaired and are subject to write-offs, cures, or debt consolidation. Transition means the ability to move from one stage (state) to the next.



4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iv) Financial risk (cont'd)

(i) Credit risk (cont'd)

Impairment of loans receivable (cont'd)

Forward transition

By forward transition we mean moving from stage 1 to 2, stage 2 to 3, or stage 1 to 3 between reporting and measurement periods.

Backward transition

Backward transition means moving from stage 3 to 2, 2 to 1 but not directly from stage 3 to 1. All rehabilitated stage 3 loans, called “cured”, will remain in stage 3 for 3-months in good standing before moving to stage 2 and will have to remain in stage 2 for another 3 months before going to stage 1. Before a backward transition is made all arrears must be fully paid.

Cured loans

A “cured” loan is a loan that was in default and has recovered through the following routes or a combination thereof.

- All past due payments have been made and the borrower has made 6 monthly payments on time.
- The loan has been restructured with due regard to a new payment plan which reduces the monthly payments by extending the maturity date.

Watch list

A “watch list” is a mechanism used to track and report on loans that management is of the opinion that they are or might be compromised in the future. The list also includes loans for which a significant increase in credit risk (SICR) has occurred using both quantitative and qualitative measures.

4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iv) Financial risk (cont'd)

(i) Credit risk (cont'd)

Impairment of loans receivable (cont'd)

Significant increase in credit risk (SICR)

The Credit Union considers a financial asset to have experienced a significant increase in credit risk when one or more of the following qualitative criteria have been met:

- Deterioration in the Borrower's Risk Rating (BRR) below established threshold;
- Failure to comply with provisions of any statute under which the borrower conducts business;
- Actual or expected restructuring; or, • Early signs of cash flow/liquidity problems.

Loan commitments are assessed along with the category of loan the Credit Union is committed to provide.

The assessment of SICR is performed for individual loans, taking into consideration the sector grouping of the individual exposures, and incorporates forward-looking information. This assessment is performed on an annual basis.

Backstop

Irrespective of the above qualitative assessment, the Credit Union presumes that the credit risk on a financial asset has increased significantly since initial recognition, when contractual payments are more than 30 days past due.

Non-performing

The Credit Union defines a financial instrument as non-performing, when it meets one or more of the following criteria:

4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iv) Financial risk (cont'd)

(i) Credit risk (cont'd)

Impairment of loans receivable (cont'd)

Quantitative criteria

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

The borrower meets the unlikeliness to pay criteria as outlined below, which indicates the borrower is in significant financial difficulty:

- Delinquency in contractual payments of principal and interest;
- Cash flow difficulties experienced by the borrower;
- Breach of loan covenants or conditions, and;
- Initiation of bankruptcy proceedings.

The criteria above have been applied to all loans held by the Credit Union and are consistent with the definition of 'non-performing' used for internal credit risk management purposes.

Incorporation of forward-looking information

The Credit Union incorporates forward-looking information into both the assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and the measurement of ECL.

Quantitative criteria

Incorporation of forward-looking information

The Credit Union uses a forward-looking score card model to estimate the potential of future economic conditions. It formulates three economic scenarios: a base case, which is the median scenario assigned a 50% probability of occurring, and two less likely scenarios, one upside and one downside, each assigned a 20% and 30% probability of occurring, respectively. Each scenario considers the expected impact of inflation interest rates, unemployment rates and gross domestic product (GDP). The base case is aligned with information used by the Credit Union for purposes such as strategic planning and budgeting. External information considered includes economic data and forecasts published by governmental bodies and monetary authorities in Jamaica, International organisations and selected private-sector forecasters.

4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iv) Financial risk (cont'd)

(i) Credit risk (cont'd)

Impairment of loans receivable (cont'd)

Measuring the ECL- Inputs, Assumptions and Estimation Techniques

The ECL is determined by projecting the PD, LGD, and EAD which are multiplied together and discounted back to the reporting date. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The 12 month PD is calculated by observing the rate of historical default within the first year of a portfolio of loans and adjusting it for the expected impact of forward looking economic information.

The lifetime PD is calculated by observing the rate of historical default over the life of a portfolio of loans and adjusting it for the impact of forward looking economic information.

Portfolio segmentation

Expected credit loss provisions are modelled on a collective basis, by grouping exposures on the basis of shared risk characteristics, such that risk exposures within a group are homogeneous. In performing this grouping, there must be sufficient information for the group to be statistically credible.

Exposures are grouped according to loan type (unsecured, mortgage, home equity, motor vehicle, line of credit, restructured and other). The appropriateness of groupings is monitored and reviewed on a periodic basis by the Credit Committee.

Stage 3 loans are assessed on an individual basis for impairment.



4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iv) Financial risk factors (cont'd)

(i) Credit risk (cont'd)

Impairment of loans receivable (cont'd)

Loss allowance - Loans receivable

The loss allowance recognised is analysed as follows:

	2025			
	Stage 1	Stage 2	Stage 3	Total
	\$	\$	\$	\$
At 1 January 2025	29,765,506	700,909	38,823,448	69,289,863
Movements with income statement impact:				
Transfer from stage 1 to 2	(315,077)	315,077	-	-
Transfer from stage 1 to 3	(4,011,226)	-	4,011,226	-
Transfer from stage 2 to 1	699,668	(699,668)	-	-
Transfer from stage 3 to 1	661,093	-	(661,093)	-
ECL on new financial assets originated during the year	11,944,720	288,223	2,049,618	14,282,561
Changes in PDs/LGDs/EADs	1,915,054	410,663	32,533,897	34,859,614
Financial assets derecognised during the period	(12,692,601)	(190,906)	(39,830,984)	(52,714,491)
At 31 December 2025	<u>27,967,137</u>	<u>824,298</u>	<u>36,926,112</u>	<u>65,717,547</u>

4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iv) Financial risk factors (cont'd)

(i) Credit risk (cont'd)

Impairment of loans receivable (cont'd)

Loss allowance - Loans receivable (cont'd)

	2024			
	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>Total</u>
	<u>₹</u>	<u>₹</u>	<u>₹</u>	<u>₹</u>
At 1 January 2024	24,674,891	811,682	26,447,584	51,934,157
Movements with income statement impact:				
Transfer from stage 1 to 2	(428,293)	428,293	-	-
Transfer from stage 1 to 3	(25,162,164)	-	25,162,164	-
Transfer from stage 2 to 1	109,591	(109,591)	-	-
Transfer from stage 2 to 3	-	(5,690,574)	5,690,574	-
Transfer from stage 3 to 1	34,943	-	(34,943)	-
ECL on new financial assets originated during the year	18,019,141	241,512	3,321,358	21,582,011
Changes in PDs/LGDs/EADs	20,592,324	5,116,029	(8,147,553)	17,560,800
Financial assets derecognised during the period	(8,074,927)	(96,442)	(13,615,736)	(21,787,105)
At 31 December 2024	<u>29,765,506</u>	<u>700,909</u>	<u>38,823,448</u>	<u>69,289,863</u>

4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iv) Financial risk factors (cont'd)

(i) Credit risk (cont'd)

Impairment of loans receivable (cont'd)

Maximum exposure to credit risk - Loans receivable (cont'd)

The following tables contain an analysis of the credit risk exposure of financial instruments for which an ECL allowance is recognised. The gross carrying amount of financial assets below also represents the Credit Union's maximum exposure to credit risk on these assets.

	2025			
	Stage 1	Stage 2	Stage 3	Total
	₹	₹	₹	₹
Performing	4,568,066,142	58,614,096	14,240,419	4,640,920,657
Non-performing	-	-	43,866,100	43,866,100
Gross carrying amount	4,568,066,142	58,614,096	58,106,519	4,684,786,757
Impairment losses on loans	(27,967,137)	(824,298)	(36,926,112)	(65,717,547)
Carrying amount	<u>4,540,099,005</u>	<u>57,789,798</u>	<u>21,180,407</u>	<u>4,619,069,210</u>
	2024			
	Stage 1	Stage 2	Stage 3	Total
	₹	₹	₹	₹
Performing	4,181,388,768	63,871,322	10,309,244	4,255,569,334
Non-performing	-	-	49,739,971	49,739,971
Gross carrying amount	4,181,388,768	63,871,322	60,049,215	4,305,309,305
Impairment losses on loans	(29,765,506)	(700,909)	(38,823,448)	(69,289,863)
Carrying amount	<u>4,151,623,262</u>	<u>63,170,413</u>	<u>21,225,767</u>	<u>4,236,019,442</u>

4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iv) Financial risk factors (cont'd)

(i) Credit risk (cont'd)

Impairment of loans receivables (cont'd)

Maximum exposure to credit risk - Loans receivable (cont'd)

The following table summarise the Credit Union's credit exposure for loans based on the purpose of the loan:

	<u>2025</u> \$	<u>2024</u> \$
Transportation	2,143,014,138	1,884,645,966
Agriculture	2,434,896	2,450,194
Construction & Real Estate	210,097,349	581,789,825
Education	133,134,012	107,369,557
Debt Finance	1,129,533,682	655,285,170
Financial	414,464,539	19,978,369
Personal	475,278,150	1,030,899,261
Other	<u>176,829,991</u>	<u>22,890,963</u>
	<u>4,684,786,757</u>	<u>4,305,309,305</u>

Loans are written off, in whole or in part, when the Credit Union has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. Indicators that there are no reasonable expectation of recovery, include ceasing enforceable activity, and where the Credit Union's recovery method is foreclosing on collateral, and the value of the collateral is such that there is no reasonable expectation of recovery in full.

At 31 December 2025, the fair value of collateral held in respect of non-performing loans is \$28,405,693 (2024 - \$50,095,433).



4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iv) Financial risk factors (cont'd)

(i) Credit risk (cont'd)

Impairment of debt Investments

The Credit Union used external credit ratings as published by established rating agencies in its assessment of the probability of default on debt investments. The PDs and LGDs for government bonds have been developed by the rating agencies based on statistics on the default loss and rating transition experience of government bond issuers.

The loss allowance on debt investments carried at amortised cost is measured using lifetime PDs. The credit ratings and associated PDs are reviewed and updated on an annual basis.

Based on available credit ratings for debt securities, they were classified in stage 1. As a consequence, management's expectation of default is low. Management did not recognise loss allowance on these assets because the amount was immaterial.

Impairment of resale agreements

The Credit Union used published external credit rating in assessing the probability of default on resale agreements. The credit ratings and associated PDs are reviewed and updated on an annual basis.

Based on available credit ratings, resale agreements were classified in stage 2 as they were below investment grade as defined by reputable rating agencies.

Other than exposure on Government of Jamaica securities, there is no significant concentration of credit risk related to resale agreements. As a consequence, management's expectation of default is low. No loss allowance was recognized by management because the amount was immaterial.

(ii) 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 consequence may be the failure to meet obligations to repay depositors and fulfil commitments to lend.

4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iv) Financial risk factors (cont'd)

(ii) Liquidity risk (cont'd)

The Credit Union's approach to managing liquidity is to ensure as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damages to the Credit Union's reputation.

The Credit Union's liquidity management process, as carried out within the Credit Union, includes:

- (i) Monitoring future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows and the availability of high grade collateral which could be used to secure funding if required;
- (ii) Maintaining a portfolio of highly marketable and diverse assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;
- (iii) Optimising cash returns on investments;

Monitoring and reporting take the form of an analysis of the cash balances and expected investment maturity profiles for the next day, week and month, respectively, as these are key periods for liquidity management. The starting point for those projections is an analysis of the contractual maturity of the financial liabilities and the expected collection date of the financial assets.

The maturities of assets and liabilities and the ability to repay, at an acceptable cost, interest-bearing liabilities as they mature, are important factors in assessing the liquidity of the Credit Union and its exposure to changes in interest rates and exchange rates.

The Credit Union is subject to a liquidity limit imposed by JCCUL and compliance is regularly monitored. This limit requires that the Credit Union maintain liquid assets amounting to at least 10% of withdrawable saving deposits. The liquid asset ratio at 31 December 2025 was approximately 25.94% (2024: 28.27%) which is in compliance with the standard.



4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iv) Financial risk factors (cont'd)

(ii) Liquidity risk (cont'd)

Voluntary shares and some types of saving deposits have no contractual maturity. The amounts have therefore been included in the earliest period payable. Management estimate that the expected cash flows on these instruments will occur much later as determined by retention history. These may vary significantly from actual cash flows which are generally expected to maintain a stable or increasing balance.

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

The tables below present the undiscounted cash flows payable (both interest and principal cash flows) of the Credit Union's financial liabilities based on contractual repayment obligations. The Credit Union expects that many customers will not request repayment on the earliest date the Credit Union could be required to pay. The expected maturity dates of financial liabilities are based on estimates made by management and determined by retention history.

Notes to the Financial Statements

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4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iv) Financial risk (cont'd)

(ii) Liquidity risk (cont'd)

	Between Within 1 Month ₹	Between 1 and 3 Months ₹	Between 3 and 12 Months ₹	Total 1 and 5 Years ₹	Total Contractual Cashflows ₹	Carrying Value ₹
At 31 December 2025						
Payables	94,197,883	-	-	-	94,197,883	94,197,883
Saving deposits	2,096,404,315	307,945,958	226,871,845	22,984,122	2,654,206,240	2,654,206,240
Loan scheme funds	-	12,275,758	-	-	12,275,758	12,275,758
Voluntary shares	<u>2,050,663,234</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,050,663,234</u>	<u>2,050,663,234</u>
Total financial liabilities	<u>4,241,265,432</u>	<u>320,221,716</u>	<u>226,871,845</u>	<u>22,984,122</u>	<u>4,811,343,115</u>	<u>4,811,343,115</u>
At 31 December 2024						
Payables	75,085,060	-	-	-	75,085,060	75,085,060
Saving deposits	2,093,893,950	366,459,377	38,686,155	49,995,078	2,549,034,560	2,549,034,560
Loan scheme funds	-	15,064,523	-	-	15,064,523	15,064,523
Voluntary shares	<u>1,849,223,152</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,849,223,152</u>	<u>1,849,223,152</u>
Total financial liabilities	<u>4,018,202,162</u>	<u>381,523,900</u>	<u>38,686,155</u>	<u>49,995,078</u>	<u>4,488,407,295</u>	<u>4,488,407,295</u>

4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iv) Financial risk (cont'd)

(ii) Liquidity risk (cont'd)

Assets available to meet all the liabilities and to cover outstanding loan commitments include cash and bank balances, liquid assets, short-term investments and resale agreements.

The voluntary shares are contractually on call except in cases where these balances are held as security for loans.

Items not carried on the statement of financial position

At 31 December 2025, the Credit Union committed to extend credit to members, in respect of loans approved but not yet disbursed of \$75,786,860 (2024: \$4,000,145).

(iii) Market risk

The Credit Union takes on exposure to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk mainly arises from changes in foreign currency exchange rates and interest rates. Market risk is monitored by the Finance Committee which carries out extensive research and monitors the price movement of financial assets on the local and international markets. Market risk exposures are measured using sensitivity analysis.

Currency risk

Currency or foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Credit Union manages this risk by ensuring that exposure in foreign assets is kept to an acceptable level by monitoring currency positions.

The Credit Union's exposure to foreign currency risk at the statement of financial position date was as follows:

4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iv) Financial risk (cont'd)

(iii) Market risk (cont'd)

Currency risk (cont'd)

	<u>2025</u> \$	<u>2024</u> \$
Resale agreements	61,619,167	48,234,158
Financial investments	<u>40,126,503</u>	<u>45,902,306</u>
Net financial asset	<u>101,745,670</u>	<u>94,136,464</u>

Foreign currency sensitivity

The following tables indicate the United States Dollar currency to which the Credit Union had significant exposure on its monetary assets and its forecast cash flows. The changes in currency rates below represent management's assessment of the possible change in foreign exchange rates.

	<u>Change in</u> <u>Currency Rate</u> <u>2025</u> %	<u>Effect on</u> <u>Surplus</u> <u>2025</u> \$	<u>% Change in</u> <u>Currency Rate</u> <u>2024</u> %	<u>Effect on</u> <u>Surplus</u> <u>2024</u> \$
Currency:				
USD	+1.5	1,526,185	+4	3,765,459
USD	<u>-1</u>	<u>(1,017,458)</u>	<u>-1</u>	<u>(941,365)</u>

The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2025.

Equity price risk

Equity price risk is the risk that the value of a equity securities will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The Credit Union is exposed to equity securities price risk arising from its holding of investments measured at fair value through surplus or deficit of \$25,637,145 (2024 - \$27,827,377) note 8.

4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iv) Financial risk (cont'd)

(iii) Market risk (cont'd)

Equity price risk (cont'd)

Unquoted equities are considered insignificant for equity price risk. These shares are not actively traded on a public market, and their fair value is determined based on underlying net assets rather than market price fluctuations. As such, changes in market prices do not have a direct impact on the valuation of these investments.

The following table indicates the possible impact on the Credit Union's surplus as a result of possible increase/decrease in the equity prices. There were no impact on other comprehensive income.

	<u>Effects on Surplus</u>	
	<u>2025</u>	<u>2024</u>
	<u>£</u>	<u>£</u>
Changes in equity prices:		
+1.5% (2024:+6%)	384,557	1,669,643
1% (2024:-2%)	<u>(256,371)</u>	<u>(556,548)</u>

Interest rate risk

Interest rate risk is the risk that changes in market interest rates will affect the future cash flows or fair values of financial instruments. This risk may arise where there is a mismatch between interest-earning assets and interest-bearing liabilities that reprice within different periods.

The Credit Union's exposure to interest rate risk is limited, as its financial instruments are primarily held at fixed rates. Loans to members are issued at fixed interest rates, while liquid assets are generally short-term in nature and therefore reflect prevailing market rates. At the reporting date, the Credit Union did not hold any variable-rate financial instruments, nor did it hold fixed-rate financial assets or liabilities measured at fair value through profit or loss or fair value through other comprehensive income.

Accordingly, management has assessed the effect of reasonably possible changes in interest rates on surplus or deficit and equity and determined that any resulting impact would be immaterial. As such, no quantitative sensitivity analysis has been presented, as changes in interest rates are not expected to have a significant effect on the Credit Union's financial position or financial performance.

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4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iv) Financial risk (cont'd)

(iii) Market risk (cont'd)

Interest rate risk (cont'd)

The following tables summarize the Credit Union's exposure to interest rate risk. They include the Credit Union's financial instruments at carrying amounts, categorized by the earlier of contractual re-pricing or maturity dates.

	2025					
	Up to 3 Months \$	Between 3 and 12 Months \$	Between 1 and 5 Years \$	Over 5 Years \$	Non - Interest Bearing \$	Total \$
Financial assets:						
Cash and bank						
balances	3,004,337	-	-	-	58,147,306	61,151,643
Liquid assets	207,349,401	466,813,837	-	-	14,248,464	688,411,702
Loans receivable	9,582,856	115,147,070	1,627,910,915	2,799,956,859	-	4,552,597,700
Resale agreements	315,813,631	-	-	-	7,573,171	323,386,802
Financial investments	<u>40,000,000</u>	<u>10,000,000</u>	<u>130,711,917</u>	<u>14,865,733</u>	<u>127,522,733</u>	<u>323,100,383</u>
	<u>575,750,225</u>	<u>591,960,907</u>	<u>1,758,622,832</u>	<u>2,814,822,592</u>	<u>207,491,674</u>	<u>5,948,648,230</u>
Financial liabilities:						
Payables	-	-	-	-	94,197,883	94,197,883
Saving deposits	853,807,086	534,817,803	22,984,122	-	1,242,597,229	2,654,206,240
Voluntary shares	2,050,663,234	-	-	-	-	2,050,663,234
Loan scheme funds	<u>-</u>	<u>12,275,758</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,275,758</u>
	<u>2,904,470,320</u>	<u>547,093,561</u>	<u>22,984,122</u>	<u>-</u>	<u>1,336,795,112</u>	<u>4,811,343,115</u>
Total interest rate sensitivity gap	<u>(2,328,720,095)</u>	<u>44,867,346</u>	<u>1,735,638,710</u>	<u>2,814,822,592</u>	<u>(1,129,303,438)</u>	<u>1,137,305,115</u>
Cumulative interest rate gap	<u>(2,328,720,095)</u>	<u>(2,283,852,749)</u>	<u>(548,214,039)</u>	<u>2,266,608,553</u>	<u>1,137,305,115</u>	

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4. FINANCIAL RISK MANAGEMENT (CONT'D):

(iv) Financial risk (cont'd)

(iii) Market risk (cont'd)

Interest rate risk (cont'd)

	2024					Total \$
	Up to 3 Months \$	Between 3 and 12 Months \$	Between 1 and 5 Years \$	Over 5 Years \$	Non- Interest Bearing \$	
Financial assets:						
Cash and bank balances	1,395,313	-	-	-	71,482,446	72,877,759
Liquid assets	390,909,859	314,315,925	-	-	15,517,205	720,742,989
Loans receivable	11,854,477	90,487,273	1,558,783,035	2,504,026,021	6,050,945	4,171,201,751
Resale agreements	251,837,634	28,055,818	-	-	12,460,528	292,353,980
Financial investments	-	50,000,000	115,510,453	-	206,889,336	372,399,789
	<u>655,997,283</u>	<u>482,859,016</u>	<u>1,674,293,488</u>	<u>2,504,026,021</u>	<u>312,400,460</u>	<u>5,629,576,268</u>
Financial liabilities:						
Payables	-	-	-	-	75,085,060	75,085,060
Saving deposits	1,959,587,307	44,884,427	50,068,424	-	494,494,402	2,549,034,560
Voluntary shares	1,849,223,152	-	-	-	-	1,849,223,152
Loan scheme funds	-	15,064,523	-	-	-	15,064,523
	<u>3,808,810,459</u>	<u>59,948,950</u>	<u>50,068,424</u>	<u>-</u>	<u>569,579,462</u>	<u>4,488,407,295</u>
Total interest rate sensitivity gap	(3,152,813,176)	422,910,066	1,624,225,064	2,504,026,021	(257,179,002)	1,141,168,973
Cumulative interest rate gap	(3,152,813,176)	(2,729,903,110)	(1,105,678,046)	1,398,347,975	1,141,168,973	

4. FINANCIAL RISK MANAGEMENT (CONT'D):

(v) Operational risk

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

The Credit Union's objective is to manage operational risks so as to balance the avoidance of financial losses and damage to the Credit Union's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each department. This responsibility is supported by the development of overall standards for the management of operational risk in the following areas:

- Requirement for appropriate segregation of duties, including the independent authorisation of transactions;
- Requirements for the reconciliation and monitoring of transactions;
- Compliance with regulatory and other legal requirements;
- Documentation of control and procedures;
- Requirement for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- Requirements for the reporting of operational losses and proposed remedial action;
- Development of a contingency plan; and
- Risk mitigation, including insurance where this is effective.

Compliance with the Credit Union's standards is supported by a programme of periodic reviews undertaken by Internal Audit. The results of internal audit reviews are discussed with the department heads, with summaries submitted to senior management.

4. FINANCIAL RISK MANAGEMENT (CONT'D):

(vi) Capital management

The Credit Union's objectives when managing institutional capital, which is a broader concept than the 'equity' on the face of the statement of financial position are:

- (i) To comply with the capital requirements set by JCCUL and the Bank of Jamaica for the financial sector in which the Credit Union operates;
- (ii) To safeguard the Credit Union's ability to continue as a going concern so that it can continue to provide returns and benefits for members;
- (iii) To maintain a 10% ratio of institutional capital to total assets;
- (iv) To maintain a strong capital base to support the development of its business through the allocation of 20% (minimum) of net surplus to institutional capital; and
- (v) To increase the permanent share capital as the main focus of building institutional capital.

Capital adequacy and the use of regulatory capital are monitored by the Credit Union's management, based on the guidelines in its Capital Asset Management Policy.

The proposed Bank of Jamaica regulations require JCCUL to ensure that member co-operatives:

- (i) Hold a minimum level of the regulatory capital of 6% of total assets; and
- (ii) Maintain a ratio of total regulatory capital to risk-weighted at or above 10%.

The table below summaries the composition of regulatory capital and the ratios of the Credit Union as at 31 December 2025 and 2024. The total regulatory capital is comprised of institutional capital. During the year, the Credit Union complied with all externally imposed capital requirements to which they are subject.

	<u>Actual</u> <u>2025</u> \$	<u>Required</u> <u>2025</u> \$	<u>Actual</u> <u>2024</u> \$	<u>Required</u> <u>2024</u> \$
Total regulatory capital	<u>977,841,788</u>	<u>680,231,311</u>	<u>945,855,506</u>	<u>564,117,403</u>
Risk - weighted assets:				
Total risk-weighted assets	<u>6,052,430,848</u>		<u>5,641,174,032</u>	
Risk weighted capital adequacy ratio	<u>16.16%</u>	<u>10.00%</u>	<u>17%</u>	<u>10%</u>
Total capital ratio	<u>11.24%</u>	<u>8%</u>	<u>14%</u>	<u>8%</u>

4. FINANCIAL RISK MANAGEMENT (CONT'D):

(vi) Capital management (cont'd)

In determining the Credit Union's capital base (Institutional Capital), the Institutional Capital of the acquired Credit Unions, (see below), which merged with JPS & Partners Co-operative Credit Union Limited was included. As at the dates of transfer of engagements/amalgamations, the relevant Credit Unions had Institutional Capital as stated below which comprised the following balances:

	<u>Merger Date</u>	<u>Statutory Reserves</u> \$	<u>Retained Earnings Reserves</u> \$
Kirkvine Co-operative Credit Union Limited	1 Aug 2013	60,752,660	34,745,029
Ewarton Co-operative Credit Union Limited	1 Sept 2013	109,323,595	-
Collector General Co-operative Credit Union Limited	1 Oct 2016	<u>43,481,088</u>	<u>10,000,000</u>
		<u>213,557,343</u>	<u>44,745,029</u>

5. LIQUID ASSETS:

	<u>2025</u> \$	<u>2024</u> \$
(a) The following are cash and cash equivalents for the purposes of the cash flows:		
JCCUL Cuets Settlements	37,367,812	34,072,068
First Heritage Co-operative Credit Union	70,440,826	66,930,562
National Commercial Bank	4,423,451	4,356,920
JCCUL Demand Deposits (ii)	<u>32,018,541</u>	<u>70,043,895</u>
Balance c/f (page 65)	<u>144,250,630</u>	<u>175,403,445</u>

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5. LIQUID ASSETS (CONT'D):

	<u>2025</u> \$	<u>2024</u> \$
Balance b/f (Page 64):	<u>144,250,630</u>	<u>175,403,445</u>
(b) Deposits:		
JMMB Bank - Certificate of Deposits	135,830,656	233,028,444
JCCUL Liquidity Reserve (i)	372,966,833	302,311,100
JN Bank Direct Gain Deposit	10,000,000	10,000,000
First Heritage Co-operative Credit Union	<u>25,363,583</u>	<u>-</u>
	<u>544,161,072</u>	<u>545,339,544</u>
	<u>688,411,702</u>	<u>720,742,989</u>
(i) JCCUL requires credit unions to hold a monthly minimum average of 8% liquidity reserves with the league as follows:		
- 6% in a liquidity reserve. The credit union receives a 3% return on the amounts held in the liquidity reserve.		
- 2% in a demand deposit account from which regular withdrawals may be made.		

6. RESALE AGREEMENTS:

	<u>2025</u> \$	<u>2024</u> \$
Principal	315,813,630	279,893,452
Interest receivable	<u>7,573,172</u>	<u>12,460,528</u>
	<u>323,386,802</u>	<u>292,353,980</u>

The Credit Union entered into resale agreements collateralized by Government of Jamaica Securities. At 31 December 2025, securities totaling \$345,945,090 (2024: \$308,747,015) representing Government of Jamaica Debt Securities and corporate bonds were held as collateral for resale agreements.

These agreements may result in a credit exposure in the event that the counter party to the transaction is unable to fulfill its collateral obligations.

For the purposes of the statement of cash flows an amount of \$323,386,802 (2024: \$106,364,944) is included in cash and cash equivalents (note 10).

6. RESALE AGREEMENTS (CONT'D):

These resale agreements have a maturity date of 14 - 91 days (2024: 31-365 days).

The Credit Union did not recognize impairment losses on the resale agreements because the amount was immaterial.

Included in these investments is an amount for NIL (2024: \$2,921,248) with respect to a CareA-Bit reserve fund (note 22(e)).

7. LOANS RECEIVABLE:

	<u>2025</u> \$	<u>2024</u> \$
(a) Balance at beginning of the year	4,305,309,305	3,535,467,539
Loans granted	<u>2,192,630,372</u>	<u>2,646,097,839</u>
	6,497,939,677	6,181,565,378
Repayments and transfers	<u>(1,813,152,920)</u>	<u>(1,876,256,073)</u>
	4,684,786,757	4,305,309,305
Less impairment allowance (7(d))	<u>(65,717,547)</u>	<u>(69,289,863)</u>
Balance at end of year	<u>4,619,069,210</u>	<u>4,236,019,442</u>
Less unamortised loan fees:		
At the beginning of the year	(70,868,636)	(64,561,549)
Additions during the year	(42,229,365)	(52,137,851)
Fees amortised during the year	<u>41,295,319</u>	<u>45,830,764</u>
Balance at end of the year	<u>(71,802,682)</u>	<u>(70,868,636)</u>
	4,547,266,528	4,165,150,806
Interest receivable	<u>5,331,172</u>	<u>6,050,945</u>
Balance at end of year	<u>4,552,597,700</u>	<u>4,171,201,751</u>
Maturity:		
Due within 1 year	124,729,926	102,341,750
Due after 1 year	<u>4,427,867,774</u>	<u>4,068,860,001</u>
	<u>4,552,597,700</u>	<u>4,171,201,751</u>



7. LOANS RECEIVABLE:

(a) Loan to members (cont'd)

The profile of the loans receivable is as follows:

	<u>2025</u> ₹	<u>2024</u> ₹
Loans not past due	4,620,272,465	4,247,663,753
Loans past due:		
1 month - 2 months	20,648,192	7,905,581
1- 3 months	6,665,701	7,179,742
4 - 6 months	17,173,529	16,283,693
7 - 12 months	20,026,870	23,896,541
Over 12 months	<u>-</u>	<u>2,379,995</u>
	<u>4,684,786,757</u>	<u>4,305,309,305</u>

(b) The aggregate amount of non-performing loans on which interest was not being accrued amounted to \$43,866,100 (2024: \$49,739,971). Uncollected interest not accrued in these financial statements on non-performing loans was estimated at \$5,516,108. (2024: \$3,664,868).

(c) The fair value of collateral held as security against impaired loans was \$28,405,693 (2024: \$50,095,433).

(d) The movement in the Impairment losses on loans under the requirements of IFRS is as follows:

	<u>2025</u> ₹	<u>2024</u> ₹
Balance at beginning of year	69,289,863	51,934,157
Increase in Impairment losses during the year	<u>37,294,932</u>	<u>33,131,285</u>
	106,584,795	85,065,442
Loans written off	<u>(40,867,248)</u>	<u>(15,775,579)</u>
Balance at end of year	<u>65,717,547</u>	<u>69,289,863</u>

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7. LOANS RECEIVABLE (CONT'D):

(e) The impairment allowance required as per JCCUL regulatory requirements is as follows:

At 31 December 2025:

<u>Months in arrears</u>	<u>Accounts in arrears</u>	<u>Loan amount outstanding</u> ₹	<u>Savings held against loans</u> ₹	<u>Portion not covered by Savings</u> ₹	<u>Level of allowances</u> %	<u>JCCUL allowance</u> ₹
2 - 3 months	21	6,665,701	1,592,592	5,073,109	10	666,570
4 - 6 months	27	17,173,529	1,829,592	15,343,937	30	5,152,059
7 - 12 months	72	20,026,870	2,116,741	17,910,129	60	12,016,122
Total	120	43,866,100	5,538,925	38,327,175		17,834,751

At 31 December 2024:

<u>Months in arrears</u>	<u>Accounts in arrears</u>	<u>Loan amount outstanding</u> ₹	<u>Savings held against loans</u> ₹	<u>Portion not covered by Savings</u> ₹	<u>Level of allowances</u> %	<u>JCCUL allowance</u> ₹
2 - 3 months	32	7,179,742	801,927	6,377,815	10	717,974
4 - 6 months	20	16,283,693	823,270	15,460,423	30	4,885,108
7 - 12 months	30	23,896,541	1,305,284	22,591,257	60	14,337,925
Over 12 months	17	2,379,995	305,477	2,074,518	100	2,379,995
Total	99	49,739,971	3,235,958	46,504,013		22,321,002

The impairment losses on loans under JCCUL regulatory requirement for 2025 (2024) was not in excess of the provision required under IFRS provisioning rules.

	<u>2025</u> ₹	<u>2024</u> ₹
Regulatory Impairment allowance on loans per above	17,834,751	22,321,002
Impairment allowance based on IFRS 9	<u>65,717,547</u>	<u>69,289,863</u>
Excess of regulatory Impairment losses over IFRS 9 impairment transferred to loan loss reserve	<u>-</u>	<u>-</u>

Notes to the Financial Statements

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8. FINANCIAL INVESTMENTS:

	<u>2025</u> ₤	<u>2024</u> ₤
Fair value through profit or loss:		
Unit Trust:		
Scotia Premium fixed income fund	1,907,893	1,729,369
Proven High Yield Fund	6,315,263	5,954,753
Barita Unit Trust Fx Bond Fund	24,170,606	19,506,012
Sagicor Sigma JMD Principal Protector Fund	<u>1,356,855</u>	<u>1,277,426</u>
	<u>33,750,617</u>	<u>28,467,560</u>
Money market funds:		
CUMAX Money Market Fund	1,554,912	1,504,924
JMMB Money Market Fund	19,960,679	19,172,147
Barita Money Market Fund	<u>20,139,633</u>	<u>18,345,690</u>
	<u>41,655,224</u>	<u>39,022,761</u>
Quoted shares:		
Cement Company Limited	1,716,694	1,426,106
National Commercial Bank Jamaica Limited	1,143,477	1,495,023
Barita Investments Limited	20,744,208	21,179,079
Sagicor Select Funds Limited	430,000	380,000
Jamaica Broilers Group Limited	<u>1,602,765</u>	<u>3,347,169</u>
	<u>25,637,144</u>	<u>27,827,377</u>
Total carried forward (page 70)	<u>101,042,985</u>	<u>95,317,698</u>

Notes to the Financial Statements

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8. FINANCIAL INVESTMENTS (CONT'D):

	<u>2025</u> \$	<u>2024</u> \$
Total brought forward (page 69)	101,042,985	95,317,698
Fair value through other comprehensive income:		
Debt instruments:		
Government of Jamaica Bonds	30,711,917	41,446,023
Global Bonds	14,865,733	25,510,453
Interest receivable	1,090,164	885,841
	<u>46,667,814</u>	<u>67,842,317</u>
Unquoted shares:		
JCCUL (i)	13,106,842	13,106,842
Jamaica Co-operative Insurance Agency Limited (ii)	2,000,000	2,000,000
Cumax Wealth Management Limited	4,529,709	4,529,709
Quality Network Co-operative Limited (QNET)	3,202,075	3,202,075
First Heritage Co-operative Credit Union Limited	2,778	2,779
	<u>22,841,404</u>	<u>22,841,405</u>
	<u>69,509,218</u>	<u>90,683,722</u>
Amortised cost:		
Deferred shares:		
COK Co-operative Credit Union Deferred Shares	10,000,000	10,000,000
Corporate bonds:		
CUMAX Wealth Management Limited Secured Bond	70,000,000	40,009,875
Barita Investments Limited FR Unsecured 5% Bond	40,000,000	40,000,000
Cornerstone Group Limited	30,000,000	30,000,000
NCB Financials 7.5% FR Bond	-	50,000,000
Mayberry Investments 9.75% MJE	-	10,000,000
Interest receivable	2,548,180	6,388,494
	<u>152,548,180</u>	<u>186,398,369</u>
	<u>323,100,383</u>	<u>372,399,789</u>



8. FINANCIAL INVESTMENTS (CONT'D):

- (i) The rules of JCCUL stipulates that a minimum of one million (1,000,000) shares, each with a par value of \$1.00 must be held with the League for the Credit Union to retain membership status. The equivalent of amounts held in the statutory reserve (Note 20 (i)) must either be used to purchase League shares or placed in League investments.
- (ii) Investment in Jamaica Co-operative Insurance Agency Limited (JCIA) represents 1.67% ownership.
- (iii) Credit unions are required to invest a minimum of 8% with JCCUL in the form of a demand deposit and liquidity reserve (See note 5); invest a minimum of 10% of members' savings deposits in short-term deposit instruments, and a maximum of 2% with any other financial institution.

9. INVESTMENT PROPERTY:

	<u>Land</u> \$	<u>Building</u> \$	<u>Total</u> \$
Balance at 1 January 2024	301,000,000	31,100,000	332,100,000
Addition	-	3,342,265	3,342,265
Fair value gain during the year	<u>137,700,000</u>	<u>21,857,735</u>	<u>159,557,735</u>
Balance at 31 December 2024 and 2025	<u>438,700,000</u>	<u>56,300,000</u>	<u>495,000,000</u>

- (i) Gross rental income from investment property is disclosed in note 25.
- (ii) Property operating expenses during the year amount to \$3,324,947 (2024: \$2,983,170).
- (iii) The property is located at 37 Lady Musgrave Road and was last appraised as at 19 June 2024, by qualified independent valuers, CD Alexander Company Reality Limited. The valuation surplus was credited to the surplus or deficit and transferred to the non-institutional capital revaluation reserve.

9. INVESTMENT PROPERTY (CONT'D):

- (iv) The fair value measurement for investment properties is classified as Level 3.

Valuation techniques and significant unobservable inputs:

The following table shows the valuation techniques used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

Valuation techniques	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
<i>Sales comparison approach:</i> The approach relies heavily upon the principle of substitution. Recent sales of similar properties are gathered and a meaningful unit of comparison is developed. A comparative analysis of the subject is done, involving consideration for differences in location, time, terms of sales and physical characteristics.	Sales of similar properties	The estimated fair value would increase/(decrease) if: Sales prices of similar properties were higher/(lower)

10. CASH AND CASH EQUIVALENTS:

	<u>2025</u> ₹	<u>2024</u> ₹
Cash and cash equivalents in cash flows comprise:		
Cash and bank balances (i)	61,151,643	72,877,759
Liquid assets (note 5)	144,250,630	175,403,445
Resale agreements (note 6)	<u>323,386,802</u>	<u>106,364,944</u>
	<u>528,789,075</u>	<u>354,646,148</u>
(i) Cash and bank balances -		
Cash on hand	11,467,068	4,008,894
Current accounts	<u>49,684,575</u>	<u>68,868,865</u>
	<u>61,151,643</u>	<u>72,877,759</u>

Notes to the Financial Statements

31 December 2025



11. OTHER ASSETS:

	<u>2025</u>	<u>2024</u>
	<u>₹</u>	<u>₹</u>
Prepayments	14,096,620	11,773,286
Withholding tax recoverable	3,047,319	3,047,319
Property, plant and equipment deposit	1,310,904	6,175,501
Other receivables	<u>9,013,401</u>	<u>3,471,435</u>
	<u>27,468,244</u>	<u>24,467,541</u>

Notes to the Financial Statements

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12. PROPERTY, PLANT AND EQUIPMENT: -

	<u>Land & Buildings</u> ₹	<u>Leasehold Improvements</u> ₹	<u>Office Equipment Furniture & Fixtures</u> ₹	<u>Computer Equipment</u> ₹	<u>ATM</u> ₹	<u>Fence & Garden Tools</u> ₹	<u>Total</u> ₹
At cost/ valuation:							
1 January 2024	325,795,865	21,651,628	71,160,226	57,200,027	4,843,667	109,470	480,760,883
Revaluation	134,204,135	-	-	-	-	-	134,204,135
Additions	-	23,639	2,975,932	4,112,286	-	-	7,111,857
31 December 2024	460,000,000	21,675,267	74,136,158	61,312,313	4,843,667	109,470	622,076,875
Additions	-	780,363	41,543,851	12,273,237	-	-	54,597,451
31 December 2025	460,000,000	22,455,630	115,680,009	73,585,550	4,843,667	109,470	676,674,326
Depreciation:							
1 January 2024	12,207,437	6,473,330	63,273,028	55,034,792	2,686,035	109,470	139,784,092
Eliminated on revaluation	(18,419,306)	-	-	-	-	-	(18,419,306)
Charge for the year	6,211,869	542,774	2,602,407	1,926,954	658,118	-	11,942,122
31 December 2024	-	7,016,104	65,875,435	56,961,746	3,344,153	109,470	133,306,908
Charge for the year	9,166,835	538,265	2,420,203	4,766,148	610,243	-	17,501,694
31 December 2025	9,166,835	7,554,369	68,295,638	61,727,894	3,954,396	109,470	150,808,602
Net book value:							
31 December 2025	450,833,165	14,901,261	47,384,371	11,857,656	889,271	-	525,865,724
31 December 2024	460,000,000	14,659,163	8,260,723	4,350,567	1,499,514	-	488,769,967



12. PROPERTY, PLANT AND EQUIPMENT (CONT'D):

- (i) As of 19 June 2024, the fair value of land and building was appraised by the C. D. Alexander Company Realty Limited, an independent qualified valuator. The valuation surplus was credited to other comprehensive income and is shown in non-institutional capital (capital/ revaluation reserves).

The fair value measurement of the property, plant, and equipment has been categorized as level 3 for fair value, based on inputs to the valuation technique relating to the sales comparison approach (see note 9). A reconciliation to the closing fair value balance is as follows:

	<u>2025</u> \$	<u>2024</u> \$
Opening balance	460,000,000	313,588,428
Revaluation	-	152,623,441
Depreciation	(9,166,835)	(6,211,869)
	<u>450,833,165</u>	<u>460,000,000</u>

The historical carrying value of land and building was \$21,342,722 (2024: \$22,457,231).

- (ii) Leasehold improvements relates to premises leased at a nominal (peppercorn) rent for 99 years. These improvements were made in prior periods and are being depreciated at a rate of 2.5%.

13. INTANGIBLE ASSET:

	<u>Computer Software</u> £
At cost:	
31 December 2024 and 2025	<u>86,136,271</u>
Accumulated amortisation:	
31 December 2023	81,869,733
Charge for the year	<u>1,592,497</u>
31 December 2024	83,462,230
Charge for the year	<u>1,392,154</u>
31 December 2025	<u>84,854,384</u>
Net book value:	
31 December 2025	<u>1,281,887</u>
31 December 2024	<u>2,674,041</u>

14. RETIREMENT BENEFIT ASSET:

The Credit Union participates in a multi-employer, defined benefit pension scheme, which is open to all permanent employees and administered by CUMAX Wealth Management Limited. The plan provides benefits to members based on average earnings for their final 3 years of service, with the Credit Union and employees each contributing 8% and 5% (up to 12%) of pensionable salaries. The plan is valued annually by independent actuaries using the projected unit credit method. Additionally, the plan is valued by independent actuaries triennially to determine the adequacy of funding; the latest such valuation, being as at 31 December 2025, revealed that the plan was adequately funded as at that date.

The Trustees of the pension plan is composed of five (5) representatives from the various employers, two (2) representatives from employees and one (1) from pensioners. The Trustees of the plan is responsible for the investment policy with regards to the assets of the plan. The plan is managed by the Cumax Wealth Management Limited under a management agreement.

The plan was closed to new members effective 31 December 2016. New employees participate in a defined contribution multi-employer pension plan operated by JCCUL.



14. RETIREMENT BENEFIT ASSET (CONT'D):

- (a) The defined benefit asset recognised in the statement of financial position was determined as follows:

	<u>2025</u> ₹	<u>2024</u> ₹
Fair value of plan assets	266,524,000	258,645,000
Present value of funded obligations	(191,662,000)	(192,248,000)
Effects of asset ceiling	(45,430,000)	(31,344,000)
	<u>29,432,000</u>	<u>35,053,000</u>

- (b) The movement in the amounts recognised in the statement of financial position:

	<u>2025</u> ₹	<u>2024</u> ₹
Balance at beginning of year	35,053,000	41,295,000
Contributions paid	2,919,000	3,202,000
Pension expense recognised in surplus	(2,045,000)	(1,242,000)
Re-measurement recognised in other comprehensive income	(6,495,000)	(8,202,000)
Balance at end of year	<u>29,432,000</u>	<u>35,053,000</u>

14. RETIREMENT BENEFIT ASSET (CONT'D):

- (c) The movement in the present value of the defined benefit obligation during the year was as follows:

	<u>2025</u> ₹	<u>2024</u> ₹
Balance at beginning of year	192,248,000	171,116,000
Current service cost	4,295,000	4,932,000
Interest cost	17,705,000	18,223,000
Members' contribution	2,843,000	3,171,000
Benefits paid	(11,757,000)	(10,902,000)
	<u>205,334,000</u>	<u>186,540,000</u>
Re-measurement:		
(Gains)/losses from change in financial assumptions	(12,709,000)	12,915,000
Experience losses/(gains)	(963,000)	(7,207,000)
	<u>(13,672,000)</u>	<u>5,708,000</u>
Balance at end of the year	<u>191,662,000</u>	<u>192,248,000</u>

- (d) The movement in the fair value of plan assets during the year was as follows:

	<u>2025</u> ₹	<u>2024</u> ₹
At beginning of year	258,645,000	242,591,000
Interest income on plan assets	24,287,000	26,436,000
Employer contributions	2,919,000	3,202,000
Employee contributions	2,843,000	3,171,000
Benefits paid	(11,757,000)	(10,902,000)
Administrative expenses re-measurement	(1,354,000)	(1,203,000)
Return on plan assets	(9,059,000)	(4,650,000)
	<u>266,524,000</u>	<u>258,645,000</u>



14. RETIREMENT BENEFIT ASSET (CONT'D):

(d) The movement in the fair value of plan assets during the year was as follows (cont'd):

The pension plan assets are allocated to the Credit Union based on its obligations as a proportion of the total obligations of the plan. Plan assets are comprised as follows:

	2025			%
	<u>Quoted</u> ₤	<u>Unquoted</u> ₤	<u>Total</u> ₤	
Equity securities	57,714,000	-	57,714,000	21.65
Real estate	-	57,935,000	57,935,000	21.74
Government of Jamaica securities		96,041,000	96,041,000	36.04
Resale agreements		25,536,000	25,536,000	9.58
Other	-	29,298,000	29,298,000	10.99
	<u>57,714,000</u>	<u>208,810,000</u>	<u>266,524,000</u>	<u>100</u>

	2024			%
	<u>Quoted</u> ₤	<u>Unquoted</u> ₤	<u>Total</u> ₤	
Equity securities	58,419,000	-	58,419,000	22.59
Real estate		59,888,000	59,888,000	23.15
Government of Jamaica securities		94,402,000	94,402,000	36.50
Resale agreements		17,646,000	17,646,000	6.82
Other	-	28,290,000	28,290,000	10.94
	<u>58,419,000</u>	<u>200,226,000</u>	<u>258,645,000</u>	<u>100</u>

(e) The movement in the asset ceiling is as follows:

	<u>2025</u> ₤	<u>2024</u> ₤
Effect of asset ceiling at beginning of period	31,344,000	30,180,000
Interest on effect of asset ceiling	2,978,000	3,320,000
Change in effect on asset ceiling	<u>11,108,000</u>	<u>(2,156,000)</u>
Effect of asset ceiling at end of period	<u>45,430,000</u>	<u>31,344,000</u>



14. RETIREMENT BENEFIT ASSET (CONT'D):

(f) The amounts recognised in the income statement are as follows:

	<u>2025</u> \$	<u>2024</u> \$
Current service cost	4,295,000	4,932,000
Interest cost	17,705,000	18,223,000
Interest income	(24,287,000)	(26,436,000)
Interest on effect of asset ceiling	2,978,000	3,320,000
Administrative expenses	<u>1,354,000</u>	<u>1,203,000</u>
Net pension expense included in staff costs (note 26)	<u>2,045,000</u>	<u>1,242,000</u>

The total charge was included in administration expenses in the statement of surplus or deficit.

Expected contributions to the plan for the year ending 31 December 2026 is \$2,660,000 (2025: \$2,750,000).

(g) Amounts recognised in other comprehensive income:

	<u>2025</u> \$	<u>2024</u> \$
Re-measured losses on obligation	(13,672,000)	5,708,000
Re-measured losses on plan assets	9,059,000	4,650,000
Changes in effect of assets ceiling	<u>11,108,000</u>	<u>(2,156,000)</u>
	<u>6,495,000</u>	<u>8,202,000</u>



14. RETIREMENT BENEFIT ASSET (CONT'D):

- (h) The five-year trend for the fair value of plan assets, the defined benefit obligation, the surplus in the plan, and experience adjustments for plan assets and liabilities are as follows:

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
	\$	\$	\$	\$	\$
Fair value of plan assets	266,524,000	258,645,000	242,591,000	220,311,000	218,422,000
Defined benefits obligation	(191,662,000)	(192,248,000)	(171,116,000)	(107,796,000)	(146,689,000)
Surplus	<u>74,862,000</u>	<u>66,397,000</u>	<u>71,475,000</u>	<u>112,515,000</u>	<u>71,733,000</u>
Experience adjustments:					
Fair value of plan assets	(9,059,000)	(4,650,000)	(11,708,000)	(17,188,000)	(8,021,000)
Defined benefits obligation	(<u>963,000</u>)	(<u>7,207,000</u>)	(<u>382,000</u>)	<u>4,487,000</u>	(<u>3,615,000</u>)

- (i) The principal actuarial assumptions used were as follows:

	<u>2025</u>	<u>2024</u>
	%	%
Discount rate	10.00	9.50
Salary increase	7.00	7.00
Price Inflation	5.00	5.00
Future pension increases	<u>5.00</u>	<u>5.00</u>

- (j) Sensitivity analysis on projected benefit obligation

The calculation of the projected benefit obligation is sensitive to the assumptions used. The table below summarizes how the projected benefit obligation measured at the end of the reporting period would have increased/(decreased) as a result of a change in the respective assumptions by one percentage point. In preparing the analyses for each assumption, all others were held constant. The economic assumptions are somewhat linked as they are all related to inflation. Hence, for example, a 1% reduction in the long-term discount rate would cause some reduction in the medical trend rate.

14. RETIREMENT BENEFIT ASSET (CONT'D):

(j) Sensitivity analysis on projected benefit obligation (cont'd)

The sensitivity of the defined benefit obligation to changes in the principal assumptions is:

	<u>2025</u>		<u>2024</u>	
	<u>+1%</u>	<u>-1%</u>	<u>+1%</u>	<u>-1%</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Discount rate	(21,728,000)	26,880,000	(22,585,000)	28,166,000
Future salary increases	5,997,000	(5,347,000)	6,263,000	(5,562,000)
Future pension increases	<u>19,018,000</u>	<u>(16,206,000)</u>	<u>19,628,000</u>	<u>(16,623,000)</u>

(k) Liability duration

	<u>2025</u>	<u>2024</u>
	<u>Years</u>	<u>Years</u>
Active members	15.6	14.7
Deferred pensioners	17.7	19.1
Retirees	10.2	10.7
All participants	<u>13.8</u>	<u>14.3</u>

(l) As mortality continues to improve, estimates of life expectancy are expected to increase. The effect on the defined benefit obligation of an increase of one (1) year in the life expectancy is approximately \$4,660,000 (2024: \$4,760,000).

Risks associated with pension plans

Through its defined benefit pension the Credit Union is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to Government of Jamaica bond yields; if plan assets under-perform this will create a deficit.

As the plan matures, the Credit Union intends to reduce the level of investment risk by investing more in assets that better match the liabilities. The Government bonds represent investments in Government of Jamaica securities.



14. RETIREMENT BENEFIT ASSET (CONT'D):

Asset volatility (cont'd)

The Credit Union believes that due to the long-term nature of the plan's liabilities, a level of continuing equity investment is an appropriate element of the Credit Union's long term strategy to manage the plans efficiently.

Changes in bond yields

A decrease in Government of Jamaica bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

Inflation risk

Higher inflation will lead to higher liabilities. The majority of the plan's assets are either unaffected by fixed interest bonds, meaning that an increase in inflation will reduce the surplus or create a deficit.

Life expectancy

The majority of the plan's obligations are to provide benefits for the life of the members, so increases in life expectancy will result in an increase in the plan's liabilities. This is particularly significant, where inflationary increases result in higher sensitivity to changes in life expectancy.

15. VOLUNTARY SHARES:

	<u>2025</u> \$	<u>2024</u> \$
Balance at beginning of year	1,849,223,152	1,634,862,109
Shares deposited	<u>1,177,723,236</u>	<u>1,105,584,790</u>
	3,026,946,388	2,740,446,899
Shares withdrawn	<u>(976,283,154)</u>	<u>(891,223,747)</u>
Balance at end of year	<u>2,050,663,234</u>	<u>1,849,223,152</u>

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16. SAVING DEPOSITS:

	<u>2025</u> ₹	<u>2024</u> ₹
(a) On call	51,484,215	48,374,553
Easy access deposits	<u>69,245,675</u>	<u>78,229,976</u>
	120,729,890	126,604,529
(b) Special deposits	1,028,903,522	980,694,843
(c) Life long savings	332,590,667	341,788,204
(d) Fixed deposits	1,020,726,306	964,458,935
(e) Mortgage deposits	2,318,434	2,407,324
(f) Partner plan savings	37,464,780	37,081,866
(g) Golden Harvest savings deposits	21,630,257	24,190,714
(h) Staff and Christmas savings	251,567	102,391
(i) Motor savings	68,459,145	58,863,516
(j) Members' mortgage	<u>15,256,265</u>	<u>9,738,710</u>
	2,648,330,833	2,545,931,032
Interest accrued	<u>5,875,407</u>	<u>3,103,528</u>
	<u>2,654,206,240</u>	<u>2,549,034,560</u>
Maturity:		
Due within 1 year	2,631,222,119	2,499,039,482
Due after 1 year	<u>22,984,121</u>	<u>49,995,078</u>
	<u>2,654,206,240</u>	<u>2,549,034,560</u>
(a) On call and easy access deposits: -		
	<u>2025</u> ₹	<u>2024</u> ₹
Balance at 1 January	126,604,529	98,351,331
Add deposits	<u>1,531,737,800</u>	<u>1,506,554,411</u>
	1,658,342,329	1,604,905,742
Less withdrawal & transfers	<u>(1,537,612,446)</u>	<u>(1,478,301,213)</u>
Balance at 31 December	<u>120,729,883</u>	<u>126,604,529</u>



16. SAVING DEPOSITS (CONT'D):

(a) On call and easy access deposits (cont'd)

These are regular or ordinary deposits used primarily for standing order payments or assisting members to gain access through the ATM Banking Facility. No interest is paid on these accounts.

(b) Special deposits

Special deposits are for varying periods up to 365 days on which interest is paid at rates between 0.85% and 1.85% (2024: 0.85% and 1.85%) per annum.

(c) Life long savings

Life long saving deposits are for a maximum of five (5) years, with a maximum of a \$1.0M per year on which interest is paid at rates between 2% and 3.15% (2024: 2% and 3.15%) per annum. The interest on this product is tax free under section 12 (1) (ag) of the Income Tax Act if the amount remains invested for the contractual period of 5 years. The product allows for a 75% withdrawal of the quarterly interest tax free during the 5 years. If the funds are withdrawn before the end of the 5 year period, all interest becomes taxable.

(d) Fixed deposits

These represents amounts placed for fixed period at fixed rates between 1.60% and 4.15% (2024: 1.75% and 4.00%) per annum.

(e) Mortgage deposits

These represent deposits by members who access mortgage and home equity loans. They are required to make monthly deposits to this account until the loan is repaid. Payments are made on behalf of the members for peril insurance and life insurance when due.

(f) Partner plan savings

These are savings by members towards their short term goals. It ranges from a minimum period of 16 weeks to a maximum of 48 weeks. Bonuses are paid according to the period of the savings.

(g) Golden Harvest saving deposits

The Golden Harvest Savings Deposits account allows the member to save towards a goal while insuring the amount of their goal. Fixed amount deposits are made monthly and earn interest at rate of 3% (2024: 3.00%) per annum.

(h) Staff and Christmas savings

16. SAVING DEPOSITS (CONT'D):

(i) Motor savings

These represent compulsory savings for members who have motor vehicle loans. Members are not permitted to access these funds until the loan is cleared and also works as a "cushion" to minimize the loss should the account fall in arrears.

(j) Members' mortgage

These represent an escrow account for members who have received a mortgage through the Credit Union.

17. LOAN SCHEME FUNDS:

	JPS Housing Loan ₹	JPS Computer Loan ₹	JPS Education Loan ₹	JEP Loan Scheme ₹	Total ₹
<u>2025</u>					
Balance at 1 January 2025	130,292	4,000,000	5,626,395	5,307,836	15,064,523
Addition	-	-	-	5,253,516	5,253,516
Loan repayments with interest	-	-	334,778	7,893,414	8,228,192
Loans disbursed to members	-	-	(302,000)	(15,968,473)	(16,270,473)
Balance at 31 December 2025	<u>130,292</u>	<u>4,000,000</u>	<u>5,659,173</u>	<u>2,486,293</u>	<u>12,275,758</u>
<u>2024</u>					
Balance at 1 January 2024	130,292	4,000,000	5,726,063	5,640,237	15,496,592
Addition	-	-	-	64,646	64,646
Loan repayments with interest	-	-	350,332	5,669,778	6,020,110
Loans disbursed to members	-	-	(450,000)	(6,066,825)	(6,516,825)
Balance at 31 December 2024	<u>130,292</u>	<u>4,000,000</u>	<u>5,626,395</u>	<u>5,307,836</u>	<u>15,064,523</u>



17. LOAN SCHEME FUNDS (CONT'D):

The Credit Union manages the funds through the assessment, evaluation of loan applications from qualified members and the disbursement of the loans. The Credit Union is also responsible for the collection of loan payments and the investment of un-loaned funds. All expenditure incurred in the provision of the financial services are charged to the fund and interest earned on un-loaned funds are credited. The Credit Union earns a management fee for the provision of the various financial services provided in the management of the funds.

(i) JPS Housing Loan

This facility was entered into with the Jamaica Public Service Company Limited, to provide loans to their employees who are members of the Credit Union to assist them in the acquisition of property, repairs and construction of homes. The maximum available to each employee is \$200,000 at an interest rate of 12% (2024: 12%).

(ii) JPS Computer Loan

This facility was entered into with the Jamaica Public Service Company Limited, to provide loans to their employees who are members of the Credit Union to purchase computers. The maximum available is \$100,000 at an interest rate of 12% (2024: 12%) repayable over 24 months.

(iii) JPS Education Loan

This facility was entered into with the Jamaica Public Service Company Limited, for their employees who are members of the Credit Union, to assist with back to school expenses for their children.

(iv) Jamaica Energy Partners Loan Scheme

The Jamaica Energy Partners provided an initial \$1,500,000 for this loan facility for its staff members. The maximum amount of loan available per member is \$150,000 repayable over 24 months. Selection of persons eligible for this loan is done by the management of the company and sent to the Credit Union for evaluation and processing.

Notes to the Financial Statements

31 December 2025



18. PAYABLES:

	<u>2025</u>	<u>2024</u>
	<u>₹</u>	<u>₹</u>
Dividend payable	6,835,764	556,335
Stale - dated cheques	1,285,249	1,002,211
Commission payable (FIP)	3,661,049	4,513,594
Accrued expenses	28,316,338	27,954,081
Decreased members' accounts	14,110,969	13,664,344
Honorarium payable	329,925	378,552
Audit and accounting fees	8,954,352	11,003,072
Cuets ATM Settlement	(3,757,811)	(1,931,792)
Unidentified deposits	12,693,769	8,331,163
Other payables	<u>21,768,279</u>	<u>9,613,500</u>
Total financial liabilities measured at amortised cost	94,197,883	75,085,060
Withholding tax	8,814,981	10,099,619
Statutory contributions payable	7,038,555	6,954,158
Other	<u>754,012</u>	<u>1,291,995</u>
	<u>110,805,431</u>	<u>93,430,832</u>

19. DEFERRED CREDIT:

This represents an injection by JCCUL to offset the cost of IFRS 9 implementation. The Credit Union has continued to allocate funds to facilitate annual upgrades.



20. INSTITUTIONAL CAPITAL:

	<u>2025</u> ₹	<u>2024</u> ₹
(i) Statutory reserve -		
Balance at beginning of year	<u>494,744,075</u>	<u>472,872,239</u>
Movement during the year:		
20% of net surplus before Honorarium	16,845,003	18,828,375
Additional amount transferred from surplus	<u>-</u>	<u>3,043,461</u>
	<u>16,845,003</u>	<u>21,871,836</u>
Balance at end of year	<u>511,589,078</u>	<u>494,744,075</u>
(ii) Revenue reserve	77,884,924	67,938,043
(iii) Permanent share	90,757,309	85,562,911
(iv) Business combination reserve	<u>297,610,477</u>	<u>297,610,477</u>
	<u>466,252,710</u>	<u>451,111,431</u>
	<u>977,841,788</u>	<u>945,855,506</u>

Institutional capital forms a part of the permanent capital of the Credit Union and is not available for distribution.

(i) Statutory reserve

The statutory reserve is maintained in accordance with the provisions of the Co-operative Societies Act which requires that a minimum of 20% of the net income before honoraria be carried to a reserve fund. A Registered Society may apply to the Registrar to allow the required percentage to be reduced but not below 10%.

(ii) Revenue reserve

This reserve represent the appropriations by members at the annual general meetings to be set aside for strengthening the capital base of the Credit Union.

20. INSTITUTIONAL CAPITAL (CONT'D):

(iii) Permanent shares

Permanent shares are paid in cash and are not redeemable, but may be transferred or sold to another member.

	<u>2025</u> \$	<u>2024</u> \$
Balance at beginning of the year	85,562,911	80,043,506
Additions during the year	<u>5,194,398</u>	<u>5,519,405</u>
Balance at end of year	<u>90,757,309</u>	<u>85,562,911</u>

Permanent shares are issued at a par value of \$1 per share and they form part of the permanent capital of the Credit Union (note 1).

(iv) Business combination reserve

The business combination reserve is a reserve arising on the merger of two or more cooperatives and is not available for distribution. It is being retained to maintain the capital base of the Credit Union.

21. NON-INSTITUTIONAL CAPITAL:

	<u>2025</u> \$	<u>2024</u> \$
Unrealized fair value gains on property, plant and equipment	475,359,370	475,359,370
Unrealized fair value gains on Investment property	<u>477,990,319</u>	<u>477,990,319</u>
Capital/revaluation reserve	953,349,689	953,349,689
Investment reserve	6,113,907	12,060,030
Other non-qualifying reserves (Notes 22)	152,534,648	163,090,253
Retirement benefit reserve (Note 14)	29,432,000	35,053,000
Undistributed surplus (Page 8&9)	<u>75,306,411</u>	<u>54,212,295</u>
	<u>1,216,736,655</u>	<u>1,217,765,267</u>



22. OTHER NON-QUALIFYING RESERVES:

	1 January 2025	Disbursements	Appropriations	31 December 2025
	\$	\$	\$	\$
(a) General reserve	10,820,669	-	-	10,820,669
(b) Scholarship fund	3,845,977	(2,000,000)	4,000,000	5,845,977
(c) Youth programme reserve	2,198,500	-	-	2,198,500
(d) Care-A Bit reserve	3,787,000	(189,670)	-	3,597,330
(e) Software reserve	58,779,541	(3,393,319)	-	55,386,222
(f) Redemption reserve	969,436	(490,995)	-	478,441
(g) Anniversary celebration	3,326,951	-	-	3,326,951
(h) Building reserve	31,613,009	(20,172,189)	9,000,000	20,440,820
(i) Organisational re-alignment	31,688,170	-	4,000,000	35,688,170
(j) Branch office upgrade	14,000,000	-	-	14,000,000
(k) Reserve Disaster Fund	2,061,000	(1,309,432)	-	751,568
	<u>163,090,253</u>	<u>(27,555,605)</u>	<u>17,000,000</u>	<u>152,534,648</u>

	1 January 2024	Disbursements	Appropriations	31 December 2024
	\$ \$	\$ \$		
(a) General reserve	10,820,670			10,820,670
(b) Scholarship fund	2,173,059	(1,827,082)	3,500,000	3,845,977
(c) Youth programme reserve	2,198,500	-	-	2,198,500
(d) Care-A Bit reserve	4,087,000	(300,000)	-	3,787,000
(e) Software reserve	64,524,782	(11,745,240)	6,000,000	58,779,542
(f) Redemption reserve	1,541,020	(571,585)	-	969,435
(g) Anniversary celebration	3,326,951	-	-	3,326,951
(h) Building reserve	24,613,009	-	7,000,000	31,613,009
(i) Organisational re-alignment	26,688,169	-	5,000,000	31,688,169
(j) Branch office upgrade	14,000,000	-	-	14,000,000
(k) Reserve Disaster Fund	-	-	2,061,000	2,061,000
	<u>153,973,160</u>	<u>(14,443,907)</u>	<u>23,561,000</u>	<u>163,090,253</u>

- (a) General reserve

This reserve is used for any general assistance that the Credit Union approves.

22. OTHER NON-QUALIFYING RESERVES (CONT'D):

(b) Scholarship fund

This fund was established to assist members children who qualified for assistance for education after successfully completing the Primary Exit Profile (PEP) examinations. The Albert Morris and the Carl Little Scholarships are also facilitated from this reserve to members or members' children who has been accepted to attend a recognised local university to pursue a course in business or computer studies etc. and covers tuition for the three years. The scholarship is also available to eligible persons selected to pursue an undergraduate degree in engineering at the University of Technology, Jamaica (UTECH).

(c) Youth programme reserve

This reserve is used to provide assistance for the advancement of the Credit Union's youth through the staging of various events.

(d) Care-A-Bit reserve

This is used to assist members who suffer major illnesses or are affected by natural disasters.

(e) Software reserve

This reserve is to be used for any major purchases or upgrade of software.

(f) Redemption reserve

This reserve is to be used for the purchase of sale of shares to or from members.

(g) Anniversary celebration

This amount was set aside from the surplus for the commemoration of the anniversary of the Credit Union.

(h) Building reserve

This reserve is intended to be used towards the construction of new office building at Lady Musgrave Road, in Kingston.

(i) Organisational re-alignment

This reserve will be used in organizational re-alignment, for staff cost.



22. OTHER NON-QUALIFYING RESERVES (CONT'D):

(j) Branch office upgrade

This reserve will be used to upgrade the aesthetic of the branches.

(k) Reserve Disaster Fund

This reserve was established to provide financial assistance to members specifically affected by natural disasters.

23. APPROPRIATION OF SURPLUS:

	<u>2025</u> ₱	<u>2024</u> ₱
Special Disaster Grant	-	2,061,000
Scholarship fund	4,000,000	3,500,000
Software reserve	-	6,000,000
Branch office upgrade/Infrastructure	9,000,000	7,000,000
Organizational re-alignment/Business Strategy Development	4,000,000	5,000,000
Dividend on permanent shares	8,600,000	8,004,351
Life long savers: Patronage refund	6,835,764	6,505,462
Institutional capital	<u>9,946,881</u>	<u>11,000,000</u>
	<u>42,382,645</u>	<u>49,070,813</u>

24. OTHER FINANCIAL COSTS:

	<u>2025</u> ₱	<u>2024</u> ₱
Life savings & loan protection insurance	18,494,906	15,191,870
Bond insurance	<u>2,963,855</u>	<u>2,887,296</u>
	<u>21,458,761</u>	<u>18,079,166</u>

Notes to the Financial Statements

31 December 2025



25. NON-INTEREST INCOME:

	<u>2025</u>	<u>2024</u>
	<u>₹</u>	<u>₹</u>
Fees:		
- Service fees	5,271,443	5,204,667
- Other fees & charges	2,420,710	2,085,003
Dividends income	2,161,738	1,734,231
Fair value loss on investments	(2,190,233)	(942,351)
Rental income (note 9)	12,708,861	11,613,093
Gain/losses on foreign exchange	2,422,150	941,684
FIP Income	3,663,707	3,395,245
Loan recoveries	7,032,826	2,279,382
Miscellaneous	<u>2,898,631</u>	<u>2,590,671</u>
	<u>36,389,833</u>	<u>28,901,625</u>

Notes to the Financial Statements

31 December 2025



26. OPERATING EXPENSES:

	<u>2025</u> ₹	<u>2024</u> ₹
Administrative:		
Depreciation & amortization	18,893,848	13,534,619
Auditors' remuneration	10,101,030	9,700,000
Electricity	7,298,631	6,315,927
Repairs & maintenance	13,721,306	9,452,380
Telecommunications	6,887,839	4,630,786
Printing, stationery & supplies	4,700,692	6,240,673
Insurance premiums	11,076,226	11,030,648
Easy access expense	7,225,634	3,699,311
Professional & consulting fees	5,285,251	10,796,111
Postage	441,332	610,520
Security	26,053,906	24,857,156
Subscriptions	140,739	316,086
Computer	42,858,070	33,157,300
Rental (i)	3,207,110	4,164,148
Other administrative	7,352,789	4,481,274
Internal audit	3,321,400	2,137,068
Members' appreciation	<u>3,017,945</u>	<u>3,281,834</u>
	<u>171,583,748</u>	<u>148,405,841</u>
Marketing & Promotion:		
Publicity & promotion	10,542,646	8,288,718
Public relations	<u>184,315</u>	<u>697,778</u>
	<u>10,726,961</u>	<u>8,986,496</u>
Representation & Affiliation:		
League & other dues	20,858,371	18,880,359
Seminars & meetings	10,719,029	14,939,564
Annual general meeting	<u>6,498,447</u>	<u>4,929,323</u>
	<u>38,075,847</u>	<u>38,749,246</u>
Balance carried forward to page 94	<u>220,386,556</u>	<u>196,141,583</u>

- (i) Rental expense: The company has elected not to recognize rights-of-use assets and lease liabilities for short-term leases. Lease payments relating to these leases are recognized as an expense on a straightline basis over the lease term.

Notes to the Financial Statements

31 December 2025



26. OPERATING EXPENSES (CONT'D):

	<u>2025</u> \$	<u>2024</u> \$
Balance brought forward from page 95	220,386,556	196,141,583
Personnel:		
Employee salaries & allowances - current year	184,785,800	166,883,005
Employee benefits	40,140,912	39,596,456
Education & training	3,357,924	2,246,498
Gratuity	2,086,195	1,270,236
Lunch subsidy	9,510,727	8,118,371
Staff travel & related expenses	3,736,668	2,755,154
Ex - Gratia Payment	378,000	2,942,859
Retirement benefit expenses (note 14 (f))	<u>2,045,000</u>	<u>1,242,000</u>
	246,041,226	225,054,579
	<u>466,427,782</u>	<u>421,196,162</u>
The number of persons employed at 31 December	<u>2025</u>	<u>2024</u>
Full time	39	40
Part time	19	23
	<u>58</u>	<u>63</u>

27. RELATED PARTY TRANSACTIONS:

The Credit Union entered into the following transactions with related parties:

	<u>2025</u> \$	<u>2024</u> \$
(a) Loan balances (including accrued interest) -		
Board and committee members	37,529,163	29,378,594
Relatives of connected parties	37,503,775	34,906,318
Members of staff	<u>88,528,536</u>	<u>64,640,400</u>



27. RELATED PARTY TRANSACTIONS:

The Credit Union entered into the following transactions with related parties (cont'd):

(b) Deposits (including interest) (cont'd) -

	<u>2025</u> \$	<u>2024</u> \$
Board and committee members	16,444,300	15,282,547
Relatives of connected parties	11,017,152	16,249,667
Members of staff	<u>23,240,658</u>	<u>16,360,986</u>

(c) Compensation of key management personnel -

The remuneration of key members of management during the year was as follows-

	<u>2025</u> \$	<u>2024</u> \$
Salaries and other short-term benefits	61,808,924	46,165,602
Post employment benefits	<u>3,372,122</u>	<u>10,553,095</u>
	<u>65,181,046</u>	<u>56,718,697</u>

Their remuneration is determined by the Board of Directors, having regard to their performance and prevailing macro-economic factors. The remuneration of key members of management is subject to review annually.

Post employment benefits represent employer's contribution to the pension scheme and gratuity.

28. INSURANCE:

(a) Fidelity Insurance Coverage -

During the year, the Credit Union had fidelity insurance coverage with British Caribbean Insurance Company Limited. The total premium for the year was \$2,909,553 (2024: \$2,811,161).

(b) Life Savings and Loan Protection Coverage -

During the year, the Credit Union had life savings and loan protection coverage with Cuna Caribbean Insurance Company Limited. The total premium for the year was \$18,494,906 (2024: \$15,191,870).

Notes to the Financial Statements

31 December 2025



28. INSURANCE (CONT'D):

(c) Golden Harvest Premium Insurance Coverage -

During the year, the Credit Union had insurance coverage with Cuna Caribbean Insurance Company Limited. The total premium for the year was \$54,301 (2024: \$76,134). These policies remained in force throughout the year with all premiums being paid promptly.

29. COMPARISON OF LEDGER BALANCES:

	<u>Loans to member \$</u>	<u>Savings Deposits \$</u>	<u>Voluntary Share \$</u>	<u>Permanent Share \$</u>
<u>2025</u>				
Balance as per general ledger	4,695,957,366	2,648,330,833	2,050,663,233	90,757,310
Balance as per members ledger	<u>4,695,968,416</u>	<u>2,648,330,833</u>	<u>2,050,663,233</u>	<u>90,757,310</u>
Difference	(<u>11,050</u>)	<u>-</u>	<u>-</u>	<u>-</u>
<u>2024</u>				
Balance as per general ledger	4,308,441,184	2,545,931,115	1,849,223,158	85,562,911
Balance as per members ledger	<u>4,308,437,634</u>	<u>2,545,931,038</u>	<u>1,849,223,152</u>	<u>85,562,911</u>
	<u>3,550</u>	<u>77</u>	<u>6</u>	<u>-</u>

Credit Committee Report



Caphanne March



Courtney Harrison



Anthony Cameron



Courtney Whyte



Rashema Stanford

Introduction

The Credit Committee maintained oversight of the Credit Union's loan portfolio and credit administration in keeping with the Credit Policy approved by the Board of Directors. Throughout 2025, the Committee reviewed loan applications prudently and expeditiously, balancing members' credit needs with sound risk management, regulatory requirements, and their overall financial wellbeing.

The year was marked by inflationary pressures and the effects of Hurricane Beryl, which constrained members' borrowing capacity. Although the number and value of loans disbursed declined, most loan categories recorded growth, except Salary Enhancer and Cash-on-Credit. The Committee is satisfied that the lending programme remained resilient and responsive to members' needs.

The Committee

The membership of the Committee elected at the 70th Annual General Meeting in July 2025 was as follows:

Name	Position
Caphanne March	Chairperson
Courtney Harrison	Secretary
Anthony Cameron	Member
Courtney Whyte	Member
Rashema Stanford	Member

The Committee held its inaugural meeting on July 23, 2025.

Monthly Meetings

Meetings were generally held once per month throughout the year. Attendance was as follows:

Member	Attendance (Maximum 12)
Caphanne March	12
Rashema Stanford	12
Courtney Harrison	12
Courtney Whyte	11
Anthony Cameron	10

Engagement

The Committee worked closely with the Credit Department to ensure that lending activities remained aligned with the Credit Union's strategic objectives and relevant legislative and regulatory requirements. Members participated in eight (8) joint committee meetings to review applications submitted by Credit Union officials, and the Chairperson contributed to the Strategic Planning Meeting held in December 2025.

The Committee approved loans within its authority and recommended mortgage applications exceeding its limit to the Board. In late 2024, the Board approved enhanced mortgage facility terms, and in 2025, a special partnership with the National Housing Trust (NHT) enabled members to access their NHT benefits through the Credit Union. As part of its ongoing risk management strategy, the Credit

Union also revised its motor vehicle loan terms, increasing interest rates to 8.50% to 12.99% while continuing to offer financing for up to 10 years.

People Resources

Several organizational changes occurred within the Credit Department during the year, including one retirement, one promotion, and one acting appointment. Additionally, Committee members participated in AML/CFT training to strengthen their knowledge of regulatory compliance requirements. Staff complement within the Credit department was also increased to support lending operations and service delivery.

Loans Disbursed

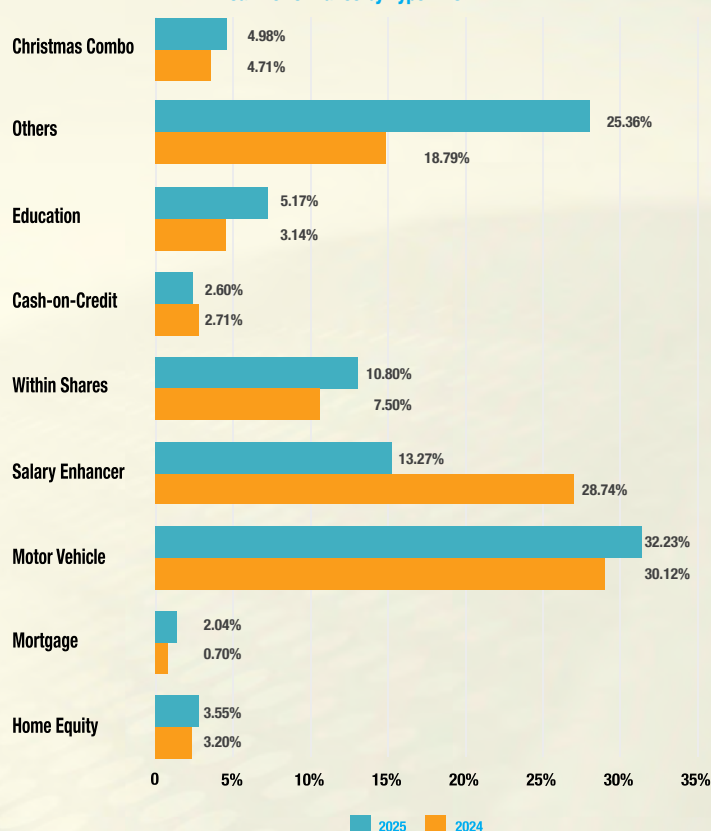
Loans disbursed during 2025 totalled 7,929, valued at \$2.209 billion. This represented a decrease of 534 loans (6%) and approximately \$447.5 million (20%) when compared with 2024 disbursements of 8,463 loans valued at \$2.656 billion.

The most common categories of loans disbursed were Christmas Combo, Cash-on-Credit and Salary Enhancer, while the highest values were recorded in Motor Vehicle, Salary Enhancer and Within Shares. Although total disbursements declined, most categories grew. The reduction was concentrated in Salary Enhancer and Cash-on-Credit, while the “Others” category recorded the strongest year-over-year growth.

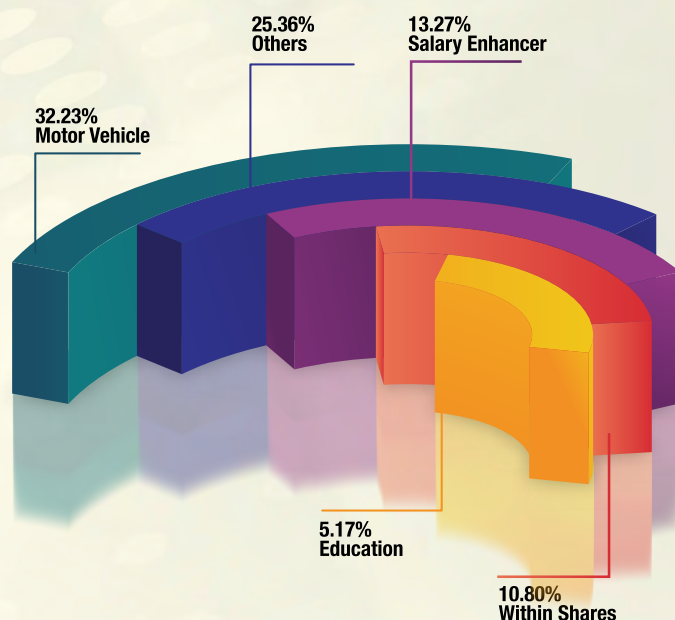
Total Loans Disbursed

Loan Category	Count	Total Value (J\$)	%
Motor Vehicle	174	709,905,313	32.14%
Home Equity	11	78,300,000	3.54%
Mortgage	6	35,139,000	1.59%
Salary Enhancer	301	293,065,847	13.27%
Within Shares	395	238,459,905	10.80%
Christmas Combo	573	110,061,000	4.98%
Cash-on-Credit	409	57,721,500	2.61%
Education	336	114,134,935	5.17%
Others	5,724	572,097,632	25.90%
Total	7,929	2,208,885,132	100.00%

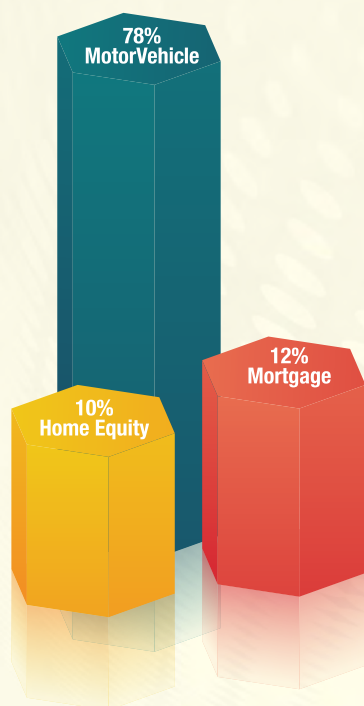
Loan Performance by Type - YOY



Top Five Loan Types



Committee Loan Approvals



Acknowledgements

The Credit Committee expresses sincere appreciation to our valued members for their confidence in the Committee and its stewardship of the lending portfolio. The Committee also extends gratitude to the Board of Directors, Management, and staff for their continued support and collaboration throughout the year.

Special thanks are extended to the dedicated committee volunteers who served diligently and contributed to the successful execution of its responsibilities during 2025.

Caphanne March
Chairperson

Loans Approved by the Credit Committee

The Committee approved loans valued at \$491.58 million during 2025, compared with \$570.87 million in 2024. This represented a decrease of \$79.28 million, or approximately 14%.

Loan Type	2025 Loan Value (J\$)	2024 Loan Value (J\$)
Home Equity	52,300,000	70,700,000
Mortgage	57,550,000	18,500,000
Motor Vehicle	381,730,419	481,665,914
Total	491,580,419	570,865,914

Supervisory Committee Report



Tricia Dorman



Yannick Johnson



Tisona Johnson



Camile
Cunningham-Griffiths



Renardo Lobban

CHAIRPERSON'S REMARKS

On behalf of the Supervisory Committee, I am pleased to present this report to the members of JPS & Partners Co-operative Credit Union Limited.

The Supervisory Committee is elected by the membership to independently assess the soundness of the Credit Union's operations and safeguard members' interests. Guided by the Co-operative Societies Act, JCCUL Supervisory Committee Guidelines, and the Credit Union's Rules, the Committee provides oversight of governance, regulatory compliance, internal controls, and operational effectiveness.

During 2025, the Committee fulfilled its mandate through regular reviews, audits, reporting, training, and direct engagement with members and staff.

COMMITTEE COMPOSITION & ATTENDANCE

At the 70th Annual General Meeting, five (5) volunteers were elected to serve the membership for a one-year term. The Committee members are as follows:

Name	Role
Ms. Tricia Dorman	Chairman
Mr. Yannick Johnson	Vice Chairman
Ms. Tisona Johnson	Secretary
Mrs. Camile Cunningham-Griffiths	Member
Mr. Renardo Lobban	Assistant Secretary

The Committee met eleven (11) times during the year. Attendance by active members was excellent, with all serving members attending all scheduled meetings. We also acknowledge the contribution of Mrs. Nerine Brown, who retired from the Committee during the year.

YEAR IN REVIEW

Internal Audit Oversight

The internal audit function remained outsourced to Dawgen Global Jamaica. Based on the quality of their work and the value provided, their engagement was extended for an additional year. Quarterly meetings were held among the Committee, Management, and Internal Auditors to review audit findings and monitor corrective actions.

Reporting and Assurance

The Committee submitted monthly reports to the Board of Directors, highlighting key risk, compliance, and control matters. During the year, the Committee reviewed:

- Seven (7) Head Office audit reports
- Four (4) audit reports for each branch
- The draft management letter arising from the 2024 external audit

Key review areas included:

- Fraud prevention and fraud risk management
- Payroll processing

- Loan loss provisioning
- Delinquent loan collections
- Credit risk management
- Cash management controls
- Dormant and deceased account administration
- PEARLS ratio analysis

Based on audit reviews conducted during the year, the Committee concluded that:

- Operations generally complied with established policies, procedures, and regulatory requirements.
- Internal controls were adequate and effective in providing reasonable assurance that key risks were appropriately managed.
- Where weaknesses were identified, recommendations were made and management committed to corrective actions within agreed timelines. Progress continues to be monitored.

Member and Staff Engagement

The Committee conducted a site visit to the Head Office and met with both members and staff to obtain feedback on products, services, and operational practices. Insights gathered were shared with Management and the Board to support continuous improvement initiatives.

Training

Committee members participated in training sessions covering:

- Proceeds of Crime Act (POCA) Awareness
- Roles and Responsibilities of Supervisory Committee Members
- Meeting Protocols for Credit Union Volunteers



CONCLUSION & ACKNOWLEDGEMENT

The Supervisory Committee is satisfied that the Credit Union continues to operate on a sound and stable footing. We remain encouraged by Management's commitment to addressing recommendations and strengthening operational effectiveness.

We extend our sincere appreciation to the membership, Board of Directors, Management, Staff, and Dawgen Global Jamaica for their cooperation and support during the year. We also thank our fellow Committee members for their dedication and voluntary service.

The Committee remains committed to protecting members' interests and contributing to the continued strength, sustainability, and success of JPS & Partners Co-operative Credit Union Limited.

Sincerely,

Tricia Dorman
Chairperson

Open a
Partner PLAN
ACCOUNT today and start saving
the good old-fashioned way.



League Delegates Report



Kim Robinson



Natalie Sparkes



David Fleming



Sheryll Brown

League Delegates and Alternate Delegates serve as ambassadors of JPS & Partners Co-operative Credit Union Ltd., representing the Credit Union at key meetings, conferences, and forums organized by the Jamaica Co-operative Credit Union League (JCCUL). These engagements provide valuable opportunities to remain informed on developments within the Credit Union Movement, participate in governance discussions, and share best practices that strengthen the co-operative sector.

During 2025, Ms. Kim Robinson (President) and Ms. Natalie Sparkes (Treasurer up to July 2025) served as League Delegates. They were supported by Mr. David Fleming (Vice-President) and Ms. Sheryll Brown (Secretary), who served as Alternate Delegates.

84th Annual General Meeting and Convention of the Jamaica Co-operative Credit Union League (JCCUL)

The League's 84th Annual General Meeting and Convention was held from **June 5 to 8, 2025**, at the **Hilton Rose Hall Resort and Spa, Montego Bay**, under the theme:

"Rooted in History, Fuelled by Passion, Rising with Intent: The Future of Credit Unions and Co-operatives."

The Convention coincided with the **International Year of**

Co-operatives, themed **"Co-operatives Build a Better World,"** and brought together credit union professionals, volunteers, and representatives from the wider co-operative sector across Jamaica. A special Cooperative Village showcased the history and achievements of the co-operative movement while highlighting the work of organizations operating throughout Jamaica and the Caribbean.

The four-day programme featured workshops, networking sessions, a trade show, the NeXGen Youth Summit, the Annual General Meeting, and the Awards Gala.

Key Sessions and Highlights NeXGen Youth Summit

The third staging of the **NeXGen Youth Congress** was held on June 5, 2025, under the theme **"Fired Up for Change."** Designed for young credit union professionals between the ages of 18 and 40, the summit encouraged participants to explore innovative approaches for attracting and serving younger members.

The keynote session was delivered by **Krystal Tomlinson**, while participants also received presentations from JCCUL President **Andrea Messam** and Group CEO **Robin Levy**.

Attendees engaged in collaborative discussions focused on strengthening the future relevance and sustainability of the Credit Union Movement.

Workshops and Presentations

Delegates participated in several thought-provoking presentations and discussions covering governance, sustainability, co-operative development, and conflict resolution. Featured presenters included:

- **Jermaine Johnson** – Motivational Speaker
- **Erin Hancock**, Saint Mary's University – Co-operatives Building a Better World Sustainably in the International Year of Co-operatives
- **Ayana Thomas**, LL.B – From Conflict to Collaboration: Strategies to Avoid the IDT
- A panel discussion on The Future of Co-operatives and Sustainability
- **CRIF Information Bureau Jamaica** and **Symptai Consulting Ltd.**
- **Quality Network Co-operative** and **Cumax Wealth Management** showcase sessions
- **Gloria Brown**, Attorney-at-Law, who delivered a special presentation on Estate Planning and Asset Protection.

Trade Show Participation

The trade show featured several key industry partners and service providers, including:

- CUNA Caribbean Insurance Jamaica Limited
 - Cumax Wealth Management
 - Jamaica Co-operative Insurance Agency (JCIA)
 - Credit Union Brand Engineering (CUBE)
 - CRIF Information Technology Solutions
 - Symptai Consulting Limited
 - Saint Mary's University International Centre for Co-operative Management
 - Cipriani College of Labour and Co-operative Studies
- The exhibition allowed delegates to explore innovative products, services, and solutions relevant to the continued growth of credit unions.

JCCUL Annual General Meeting – June 7, 2025

The formal Annual General Meeting was conducted on June 7, 2025, and included presentations from the Board of Directors, Treasurer, Supervisory Committee, and Nominating Committee, together with the audited financial statements.

Decisions Made

- Delegates approved the distribution of a surplus of **J\$117.73 million.**
- The League's **Maximum Liability** was maintained at **J\$5 billion.**

Election of Directors to the JCCUL Board

Category	Name	Credit Union	Years
Small Peer Group	Andrea Messam	Broadcast & Allied Services	3
Medium Peer Group	Alexander Bourne	Manchester	3
Large Peer Group	Bornette Donaldson	C&WJ	3
Large Peer Group	Hector Stephenson	Infiniti	1
Credit Union Managers' Representative	Martin Blackwood	Portland	3
At-Large	Lambert Johnson	Infiniti	2
At-Large	Annamarie Dussard	National & Community	3

Supervisory Committee Appointments

The following persons were elected to serve on the Supervisory Committee:

- Mary Dick – JTA Co-operative Credit Union
- Andrea Graveney – First Heritage Co-operative Credit Union
- Karen Robotham-Teape – Broadcast & Allied Services Co-operative Credit Union
- Barrington Hibbert – NAJ & Health Services Co-operative Credit Union
- Nicola Reid – Palisadoes Co-operative Credit Union

Resolutions and Rule Amendments

Delegates approved thirteen resolutions during the AGM, including anniversary, congratulatory, and condolence resolutions. Of particular note were several amendments to the League's Rules, including:

- Expansion of membership eligibility to include certain non-credit union financial co-operatives and related entities.
- Allowing Credit Unions to appoint up to four (4) Alternate Delegates.
- Replacing references to Credit Union Fund Management Company with **Cumax Wealth Management Limited**.
- Amendments relating to the administration and governance of the Stabilization Fund.

Awards and Recognition

The Credit Union Awards Banquet was held on June 7, 2025, under the theme **"Classic Bond 007 Affair."** The event celebrated exceptional performance and achievement across the Credit Union Movement.

Among the major award recipients were:

Award	Winner	Runner-Up
O.J. Thorbourne Award for Corporate Social Responsibility	Portland Co-operative	Jamaica Police Co-operative
G. Arthur Brown Award for Corporate Governance	Grace Co-operative	Jamaica Police Co-operative
Lorrel Bruce Award for Service Excellence	Postal & Partners Co-operative	Grace Co-operative
Stanley Moore Award for Financial Education and Empowerment	Jamaica Police Co-operative	JTA Co-operative
D.T. Brown Award for Risk Management	Grace Co-operative	Jamaica Police Co-operative
McArthur Palmer Award for Technological Innovation	Jamaica Police Co-operative	JTA Co-operative

Credit Union of the Year Awards

Award	Winner	Runner-Up
Renford Douglas (Large-sized Credit Union of the Year)	Jamaica Police Co-operative	JTA Co-operative
Paul Thompson (Medium-sized Credit Union of the Year)	Portland Co-operative	JDF Co-operative
Fr. John Peter Sullivan (Small-sized Credit Union of the Year)	Grace Co-operative	Postal & Partners Co-operative

Strategic Priorities Emerging from the Convention

Several important themes emerged from the Convention and AGM discussions that are expected to influence the future direction of the Credit Union Movement:

- Strengthening youth engagement through the NeXGen Change Makers programme.
- Promoting sustainability and long-term co-operative development.
- Enhancing governance and leadership effectiveness.
- Leveraging innovation and technology to improve member service and operational efficiency.
- Expanding collaboration across the wider co-operative sector in keeping with the International Year of Co-operatives theme.

Conclusion

On behalf of the Delegates and Alternate Delegates, sincere appreciation is extended to the Jamaica Co-operative Credit Union League for organizing another successful and informative Convention and Annual General Meeting.

We also express our gratitude to the Board of Directors of JPS & Partners Co-operative Credit Union Ltd. for the opportunity to represent our Credit Union at this important event. The Convention provided valuable insights into emerging trends, governance developments, and strategic initiatives that will assist in guiding the continued growth and success of our Credit Union.

Together, we remain committed to the co-operative principle of People Helping People.

On behalf of the Delegates and Alternate Delegates,



Kim Robinson (Ms.)
League Delegate



Treasure Chest ACCOUNT

...reap great benefits tomorrow

Nominating Committee Report



David Fleming



Clive Segree



Vaughn McDonald



Tricia Robinson

In keeping with Rule 65(1) of JPS & Partners Co-Operative Credit Union Limited, the Board of Directors appointed the following persons to serve on the Nominating Committee:

- David Fleming Chairman
- Clive Segree Member
- Vaughn McDonald Member
- Tricia Robinson Member

The Nominating Committee, acting in accordance with its mandate, met on five (5) occasions to consider all retiring members from the Board of Directors, Supervisory and Credit Committees. Having complied with the guidelines in its selection of candidates, the Committee hereby submits nominations to fill the positions which will become vacant at the upcoming Annual General Meeting.

Volunteers to the Board of Directors are elected to serve for two (2) years up to a maximum of three (3) consecutive terms. Five (5) volunteers currently serving on the Board of Directors were eligible for re-election and have indicated their availability and willingness to continue serving. The committee received a total of five (5) nominations for the Board of Directors. The Committee acting in accordance with its mandate considered all retiring members from the Board of Directors and having completed the process,

hereby submit nominations to fill the positions which will become vacant at the upcoming Annual General Meeting.

Members of the Board of Directors

Retiring	Nominated	Term in Office
Winston Delahaye	Winston Delahaye	2 years
Donovan Cunningham	Donovan Cunningham	2 years
Sheryll Brown	Sheryll Brown	2 years
Timain Campbell	Timain Campbell	2 years
Paulstan Francis	Paulstan Francis	2 years

The following Directors will continue to serve:

Name	Term Remaining in Office
Natalie Sparks	1 year
Patrick Davidson	1 year
David Fleming	1 year
Kim Robinson	1 year

Members of the Credit Committee

Volunteers on this Committee are elected to serve for two (2) years up to a maximum of three (3) consecutive terms (each term being two (2) years). Members are eligible for re-election if they have not reached their term limit. The Nominating Committee having received three (3) petitions hereby recommends the following volunteers to serve for two (2) years.

Retiring	Nominated	Term in Office
Courtney Whyte	Courtney Whyte	2 Years
Courtney Harrison	Courtney Harrison	2 Years
Rashema Stanford	Rashema Stanford	2 years

The remaining Committee members will continue to serve:

Name	Remaining Term in Office
Anthony Cameron	1 Year
Caphanne March	1 Year

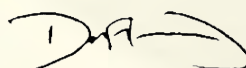
Members of the Supervisory Committee

Volunteers on this Committee are elected to serve for one (1) year up to a maximum of three (3) consecutive terms. All members of this Committee will retire at this meeting. The Nominating Committee having received five (5) petitions, hereby recommends the following persons to serve for one (1) year:

Retiring	Nominated	Term in Office
Camile A. Cuninghame-Griffiths	Camile A. Cuninghame-Griffiths	1 year
Renardo Lobban	Renardo Lobban	1 year
Tricia Dorman	Vashawn Burnett	1 year
Tisona Johnson	Nicole Baker	1 year
Yannick Johnson	Allentia Brown	1 year

The Committee wishes to thank all volunteers both returning and those retiring for their invaluable contribution over the years.

Yours Cooperatively,



David Fleming
Chairman, Nominating Committee





National Anthem

Eternal Father, bless our Land
Guard us with Thy mighty hand
Keep us free from evil powers
Be our light through countless hours
To our leaders, Great Defender,
Grant true wisdom from above
Justice, truth be ours forever
Jamaica, Land we love.

Chorus:

Jamaica, Jamaica, Jamaica,
Land we love.

Teach us true respect for all
Stir response to duty's call
Strengthen us, the weak to cherish
Give us vision, lest we perish
Knowledge send us, Heavenly Father
Grant true wisdom from above
Justice, truth be ours forever
Jamaica, land we love

Prayer of St. Francis of Assisi

Lord, make me an instrument of Thy peace;
Where there is hatred,
let me sow Love,
Where there is injury, Pardon,
Where there is doubt, Faith,
Where there is despair, Hope,
Where there is darkness, Light, and
Where there is sadness, Joy.

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

Financial Tip:

Automate Your Savings!

Automate. Save. Grow.



**SET UP AUTOMATIC
DEDUCTIONS**



**PAIR SAVINGS
WITH LOAN OPTIONS**



**PLAN SMALL,
WIN BIG**



**Build better
money habits today.**



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